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 2021, 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 (hereinafter referred to as "the standalone financial statements").

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 2021, 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 on the Standalone financial statements.

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.

Description of Key Audit Matters:

The key audit matter	How the matter was addressed in our audit
Revenue recognition	Our audit procedures included:
(Refer note 30 to the standalone financial statements) Revenue is measured net of any discounts and rebates. Recognition and measurement of discounts and rebates accruals at year end, involves judgement and estimates. This leads to a risk of revenue being misstated due to inaccurate estimation over discounts and volume rebates.	Assessing the compliance of revenue recognition accounting policies, including those relating to discounts and rebates, with reference to Ind AS 115 Revenue from contracts with customers (applicable accounting standard);

Revenue is recognised when the control of the products being sold has transferred to the customer. There is a risk of revenue being overstated on account of manipulation in the timing of transfer of control, due to the pressure on the Company to achieve performance targets, at the reporting period end. Accordingly, revenue recognition is considered to be a key audit matter.	Testing the design, implementation and operating effectiveness of the Company's key manual application controls and general IT controls and key IT application controls over the Company's systems, with the assistance of our IT specialists. These IT systems enable recording of revenue (including period end cut-off) and computing discounts and volume rebates in the general ledger accounting system; Performing substantive cut-off testing by selecting statistical samples of revenue transactions recorded at year-end and agreeing to the underlying documents, which included sales invoices and shipping documents; Performing a retrospective assessment of discounts and rebate accruals with prior period to evaluate the historical accuracy; Performing substantive testing by agreeing statistical samples of discounts and rebate accruals to underlying documents; Assessing manual journals posted to revenue to identify unusual items.
Intangible Assets -impairment assessment (Refer note 4 to the standalone financial statements). The carrying amount of brands (indefinite life intangible assets) represent 10 % of the Company's total assets. The annual impairment testing of these intangible assets by the Company involves significant estimates and judgment due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, impairment assessment of intangible assets is considered to be a key audit matter.	Our audit procedures included: Assessing the valuation methodology and challenging the assumptions used, in particular those relating to forecast revenue growth and earnings, weighted average cost of capital and royalty rates, with the assistance of our valuations specialists; Assessing the reliability of the financial projections prepared by the Company by comparing projections for previous financial years with actual results realized and analysis of significant variances, if any; Performing sensitivity analysis on the assumptions noted above; and Evaluating the adequacy of disclosures in respect of the intangible assets in the standalone financial statements.

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

Management's and Board of Directors' Responsibility for the Standalone Financial Statements
The Company's Management and 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/loss 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 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 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, the 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 the Board of Directors 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 and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors 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.

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.

2. (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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 2021 on its financial position in its standalone financial statements - Refer Note 42 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

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 2021.

(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
UDIN: 21046476AAAADB1901

Mumbai: 11 May 2021

Annexure A to the Independent Auditor's Report - 31 March 2021

(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 complied with the provisions of Section 185 of the Act in respect of loan given to its wholly owned subsidiary company. The Company has complied with the provisions of Section 186 of the Act in respect of loans given, investments made and guarantees provided to the parties covered under Section 186 of the Act. The Company has not provided any security to the parties covered under Section 185 and 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.

According to the information and explanations given to us, 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 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in 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 to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any 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.

(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(xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. 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
UDIN: 21046476AAAADB1901

Mumbai: 11 May 2021

Appendix I

Name of the Statute	Nature of dues	Amount in ₹ crores	Deposit paid under protest (₹ crores)	Period to which amount relates	Forum where dispute is pending
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	**28.28**	**12.15**	2002 to 2018	Supreme Court
		14.78	**4.71**	1999 to 2016	High court
		30.06	**10.82**	2000 to 2018	Tribunal
		2.54	**0.70**	2007-2010, 2012-13, 2016-17	Joint Commissioner
		0.44	**0.19**	1998-99, 2005-06, 2014-15, 2019-20	Deputy Commissioner
		12.57	**5.16**	1996-97 to 2020-21	Assistant Commissioner
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	**38.79**	**-**	2007-08 to 2013-14	Commissioner of Central Excise
		3.84	**-**	2004 to 2011	Commissioner
		59.48	**-**	2007 to 2017	Customs, Excise and Service Tax Appellate Tribunal of various states
Income tax Act, 1961	Income tax (including interest and penalty, if applicable)	**6.41**	**-**	2005-06, to 2007-08, 2008-09	High court
		6.37	**-**	2005-06 to 2011-12, 2013-14, 2015-16	Income tax Appellate Tribunal

Annexure B to the Independent Auditors' report on the standalone financial statements of Godrej Consumer Products Limited for the year ended 31 March 2021

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 2 (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 2021 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 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone 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 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 standalone 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.

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 Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone 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 standalone financial statements.

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

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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
UDIN: 21046476AAAADB1901

Mumbai: 11 May 2021

Standalone Balance Sheet as at March 31, 2021

₹ Crore

	Note No.	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	**543.59**	549.35
(b) Capital work-in-progress		**32.96**	35.33
(c) Right-of-use assets	3A	**41.85**	7.45
(d) Goodwill	4	**2.48**	2.48
(e) Other intangible assets	4	**802.21**	805.99
(f) Intangible assets under development		**4.46**	1.37
(g) Financial assets			
(i) Investments in subsidiaries and associates	5	**3,923.76**	2,957.78
(ii) Other Investments*	6	**-**	-
(iii) Loans	7	**18.27**	19.09
(iv) Others	8	**8.12**	15.74
(h) Deferred tax assets (Net)	9	**327.21**	404.08
(i) Other non-current assets	10	**47.10**	44.35
(j) Non-current Tax assets (Net)	11	**40.68**	36.22
Total Non-current assets		**5,792.69**	**4,879.23**
2. Current assets			
(a) Inventories	12	**702.83**	657.72
(b) Financial assets			
(i) Investments	13	**644.42**	635.40
(ii) Trade receivables	14	**247.46**	305.52
(iii) Cash and cash equivalents	15 A	**62.78**	63.76
(iv) Bank balances other than (iii) above	15 B	**20.93**	21.92
(v) Loans	16	**1.22**	0.05
(vi) Others	17	**74.27**	160.70
(c) Other current assets	18	**148.99**	216.29
Total Current assets		**1,902.90**	**2,061.36**
TOTAL ASSETS		**7,695.59**	**6,940.59**
II. EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share capital	19	**102.25**	102.23
(b) Other Equity	20	**6,256.93**	5,025.39
Total Equity		**6,359.18**	**5,127.62**
2. LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	21	**31.44**	4.94
(b) Provisions	22	**63.52**	61.86
(c) Other non-current liabilities	23	**14.85**	21.91
Total Non current liabilities		**109.81**	**88.71**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	**0.14**	317.33
(ii) Lease liabilities	25	**11.98**	3.48
(iii) Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	26	**24.86**	27.15
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	26	**924.74**	1,215.99
(iv) Other financial liabilities	27	**158.65**	62.67
(b) Other current liabilities	28	**42.56**	50.34
(c) Provisions	29	**62.71**	46.34
(d) Current tax liabilities (Net)	9	**0.96**	0.96
Total Current liabilities		**1,226.60**	**1,724.26**
TOTAL EQUITY AND LIABILITIES		**7,695.59**	**6,940.59**

* amounts less than ₹ 0.01 crore

The accompanying notes 1 to 53 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 Registration No. 101248W/W-100022

For and on behalf of the Board

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

Standalone Statement of Profit and Loss for the year ended March 31, 2021

₹ Crore

		Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Revenue				
I	Revenue from Operations	30	**6,254.33**	5,474.45
II	Other Income	31	**64.74**	91.26
III	**Total Income (I + II)**		**6,319.07**	**5,565.71**
IV	**Expenses**			
	Cost of Materials Consumed	32	**2,394.30**	2,042.68
	Purchases of Stock-in-Trade		**356.31**	280.19
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	33	**(41.20)**	(76.90)
	Employee Benefits Expense	34	**417.09**	319.22
	Finance Costs	35	**24.81**	57.97
	Depreciation and Amortization Expense	36	**83.38**	81.37
	Other Expenses	37	**1,475.08**	1,461.55
	Total Expenses		**4,709.77**	**4,166.08**
V	**Profit Before Exceptional Items and Tax (III-IV)**		**1,609.30**	**1399.63**
VI	**Exceptional Items**	38	**15.38**	-
VII	**Profit Before Tax (V-VI)**		**1,593.92**	**1399.63**
VIII	**Tax Expense**			
	(1) Current Tax (Refer Note 9)		**293.31**	248.20
	(2) Deferred Tax (Refer Note 9)		**76.27**	(28.46)
	Total Tax Expense		**369.58**	**219.74**
IX	**Profit for the Year (VII-VIII)**		**1,224.34**	**1,179.89**
X	**Other Comprehensive Income**			
A	**(i) Items that will not be reclassified to profit or loss**			
	Remeasurements of defined benefit plans		**1.71**	(2.04)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of defined benefit plans		**(0.60)**	1.07
	Other Comprehensive Income for the year		**1.11**	**(0.97)**
	Total Comprehensive Income for the year (IX+X)		**1,225.45**	**1,178.92**
IX	**Earnings per Equity Share (Face Value ₹ 1)**	39		
	(1) Basic (₹)		**11.97**	11.54
	(2) Diluted (₹)		**11.97**	11.54

The accompanying notes 1 to 53 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 Registration No. 101248W/W-100022

For and on behalf of the Board

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

Standalone Statement of Cash Flows for the year ended March 31, 2021

₹ Crore

		Year ended March 31, 2021	Year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	**1,593.92**	**1,399.63**
	Adjustment for:		
	Non-Cash Items		
	Depreciation and amortisation	**83.38**	81.37
	Unrealised Foreign Exchange (Gain) / Loss	**(5.57)**	0.98
	Bad Debts Written off	**-**	0.08
	Provision / (Write-back) for Doubtful Debts / Advances	**10.32**	(1.37)
	Provision for Non Moving Inventory	**19.84**	3.97
	Write off/ (Write back) of Old Balances	**(0.72)**	0.79
	Expenses on Employee Stock Grant Scheme (ESGS)	**6.09**	9.66
	Provision for diminution in the value of investments	**15.38**	-
	Finance Costs	**24.81**	57.97
	(Profit) / Loss on Fixed Assets Sold / Discarded (Net)	**9.09**	5.78
	(Profit) / Loss on Sale of Investments (Net)	**(14.02)**	(4.53)
	Fair value (Gain)/ Loss on financial assets measured at FVTPL	**(0.53)**	-
	Corporate Guarantee Commission	**(2.82)**	(5.12)
	Interest income	**(21.99)**	(58.09)
	Dividend income	**-**	(0.68)
		123.26	90.81
	Operating Cash Flows Before Working Capital Changes	**1,717.18**	1,490.44
	Adjustments for:		
	Increase in inventories	**(64.95)**	(46.57)
	Decrease in trade receivables	**43.46**	55.28
	Increase in loans	**(0.35)**	(2.01)
	Decrease in / (Increase) in other financial assets	**94.05**	(6.54)
	Decrease/ (Increase) in other non-financial assets	**66.04**	(69.07)
	Decrease in trade payable and other financial liabilities	**(192.08)**	(258.94)
	Increase in non - financial liabilities and provisions	**8.44**	19.29
		(45.39)	(308.56)
	Cash Generated from Operating Activities	**1,671.79**	1,181.88
	Adjustment for:		
	Income taxes paid (Net)	**(297.77)**	(261.90)
	Net Cash Flow from Operating Activities (A)	**1,374.02**	**919.98**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant & Equipment and Intangible assets (Net)	**(65.91)**	(85.25)
	Sale of Property, Plant & Equipment and Intangibles	**0.79**	0.18
	(Investments)/ Redemption in Mutual Funds (Net)	**(125.11)**	17.54
	Redemption/ (Investments) in Deposits with NBFCs (Net)	**72.26**	(400.10)
	Proceeds from sale of non Convertible Debentures with NBFCs (Net)	**34.95**	249.21
	Investments in Fixed Deposits having maturities greater than 3 months (Net)	**(0.13)**	(1.21)
	Investments in Subsidiaries	**(981.36)**	(10.32)
	Dividend Received	**-**	0.68
	Interest Received	**45.41**	37.91
	Net Cash Flow from/ (used in) Investing Activities (B)	**(1,019.10)**	**(191.36)**

Standalone Statement of Cash Flows for the year ended March 31, 2021

₹ Crore

		Year ended March 31, 2021	Year ended March 31, 2020
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Allotment of Equity Shares under ESGS	**0.02**	0.01
	Proceeds/ (Repayments) from Commercial Paper	**(247.33)**	247.33
	Proceeds from Short-term loans	**-**	95.00
	Repayment of Short-term loans	**(69.86)**	(25.00)
	Loan given to subsidiaries	**(29.42)**	-
	Loan repaid by subsidiaries	**29.42**	-
	Finance costs paid	**(24.72)**	(63.81)
	Dividend Paid	**-**	(817.82)
	Dividend Distribution Tax Paid	**-**	(168.11)
	Principal payment of Lease liabilities	**(11.18)**	(10.98)
	Finance cost paid towards Lease liabilities	**(2.79)**	(1.17)
	Net Cash Flow used in Financing Activities (C)	**(355.86)**	**(744.55)**
NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**(0.94)**	**(15.93)**
	CASH AND CASH EQUIVALENTS:		
	As at the beginning of the year (Refer Note 15 A)	**63.76**	79.69
	Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents *	**(0.04)**	-
	As at the end of the year (Refer Note 15 A)	**62.78**	**63.76**
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(0.94)**	**(15.93)**

* amounts less than ₹ 0.01 crore

Movement of borrowings:	Year ended March 31, 2021	Year ended March 31, 2020
Opening balance	**317.33**	-
Cashflows (net)	**(317.19)**	317.33
Closing balance	**0.14**	317.33

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 53 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 Registration No. 101248W/W-100022

For and on behalf of the Board

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

Standalone Statement of Changes in Equity for the year ended March 31, 2021

(a) Equity share capital

₹ Crore

	Note No.	
As at April 1, 2019		102.22
Changes in equity share capital during the year		0.01
As at March 31, 2020		**102.23**
Changes in equity share capital during the year	19	0.02
As at March 31, 2021		**102.25**

(b) Other equity (Refer Note 20)

₹ Crore

	Reserves & Surplus				Other Comprehensive Income	Total
	Securities Premium	General Reserve	Other reserves	Retained Earnings	Effective portion of Cash Flow Hedges	
Balance at April 1, 2020	**1,407.36**	**154.05**	**14.30**	**3,450.43**	**(0.75)**	**5,025.39**
Profit for the year	-	-	-	1,224.34	-	1,224.34
Remeasurements of defined benefit plans (net of tax)	-	-	-	1.11	-	1.11
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**1,225.45**	**-**	**1,225.45**
Premium Received on Allotment of Shares / Exercise of Share options	11.25	-	(11.25)	-	-	-
Deferred employee compensation expense	-	-	6.09	-	-	6.09
Balance at March 31, 2021	**1,418.61**	**154.05**	**9.14**	**4,675.88**	**(0.75)**	**6,256.93**

	Reserves & Surplus				Other Comprehensive Income	Total
	Securities Premium	General Reserve	Other reserves	Retained Earnings	Effective portion of Cash Flow Hedges	
Balance at April 1, 2019	**1,398.03**	**154.05**	**13.97**	**3,258.64**	**(0.75)**	**4,823.94**
Transition Impact of Lease as per IND AS 116 (net of tax) (Refer note 3A)	-	-	-	(1.20)	-	(1.20)
Restated balance at April 1, 2019	**1,398.03**	**154.05**	**13.97**	**3,257.44**	**(0.75)**	**4,822.74**
Profit for the year	-	-	-	1,179.89	-	1,179.89
Remeasurements of defined benefit plans (net of tax)	-	-	-	(0.97)	-	(0.97)
Total comprehensive income for the year	**-**	**-**	**-**	**1,178.92**	**-**	**1,178.92**
Dividends	-	-	-	(817.82)	-	(817.82)
Dividend Distribution Tax (DDT)	-	-	-	(168.11)	-	(168.11)
Premium Received on Allotment of Shares / Exercise of Share options	9.33	-	(9.33)	-	-	-
Deferred employee compensation expense	-	-	9.66	-	-	9.66
Balance at March 31, 2020	**1,407.36**	**154.05**	**14.30**	**3,450.43**	**(0.75)**	**5,025.39**

The accompanying notes 1 to 53 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 Registration No. 101248W/W-100022

For and on behalf of the Board

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

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 amended from time to time and other relevant provisions of the Act.

The standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

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 standalone financial statements of the Company for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on May 11, 2021.

b) Basis of Measurement

These standalone 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 -2.4.f),
- Defined benefit plans – plan assets/(liability) and share-based payments measured at fair value (Note 45 & 46)

2.2 Key judgements, estimates and assumptions

In preparing these standalone 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 2.4 (a))

ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.4 (b))

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

iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.4 (j))

v. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; (Note 2.4 (l)(ii)) and note 46

vi. Fair values of financial instruments (Note 2.3)

vii. Impairment of financial and Non- Financial assets (Note 2.4.(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 9)

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 2.4.(f).

2.4 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 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 the statement of profit and 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 the statement of 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 (Die sets) are depreciated over a period of 9 years, 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 the statement of 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 and whenever there is an indication that the intangible asset may be impaired. 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 and 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 and loss.

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

Software licences	6 years
Trademarks	10 years
Technical knowhow	10 years
Product registrations	5 years

Goodknight and Hit (Brands) are assessed as intangibles having indefinite useful life and are not amortised in the standalone 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 recognised as an expense in the period in which they are incurred.

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. An impairment loss recognized for goodwill is not reversed in a subsequent period.

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.

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, futures and currency options.

(i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit 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 Company 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 (FVTOCI)
- Financial assets at fair value through profit or loss (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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 49 (B).

Financial assets at fair value through profit or 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. This includes all derivative financial assets.

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 the statement of 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 statement of 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 the statement of 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 and 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 statement of profit and 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 the statement of profit and 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 the statement of profit and loss account in the same period or periods as the hedged expected future cash flows affect the statement of profit and 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 the statement of profit and loss.

h) Inventories

Inventories are valued at the 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 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.

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 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 their 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 standalone financial statements where an inflow of economic benefits is probable.

k) Revenue Recognition

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 recognised 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 the statement of profit and loss on the date on which the Company's right to receive payment is established

l) **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.

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 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.

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 the statement of profit and 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 the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and 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 upto the end of the reporting period using the projected unit credit method based on actuarial valuation.

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

m) Leases

At the inception it is assessed, whether a contract is a lease or contains a lease. A contract is a lease or contains a lease if it conveys the right to control the use of an identified asset, for a period of time, in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, company assesses whether the contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

- Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- If the supplier has a substantive substitution right, then the asset is not identified.
- Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use
- Company has the right to direct the use of the asset.
- In cases where the usage of the asset is predetermined the right to direct the use of the asset is determined when the company has the right to use the asset or the company designed the asset in a way that predetermines how and for what purpose it will be used.

At the commencement or modification of a contract, that contains a lease component, company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices. For leases of property, it is elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

As a Lessee:

GCPL recognizes a right-of-use asset and a lease liability at the lease commencement date.

Right-of-use asset (ROU):

The right-of-use asset is initially measured at cost. Cost comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

After the commencement date, a lessee shall measure the right-of-use asset applying cost model, which is Cost less any accumulated depreciation and any accumulated impairment losses and also adjusted for certain re-measurements of the lease liability.

Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to the company at the end of the lease term or the cost of the right-of-use asset reflects company will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

Lease liability:

Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that rate cannot be readily determined, then using company's incremental borrowing rate. Incremental borrowing rate is determined based on entity's borrowing rate adjusted for terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments), variable lease payments that depends on an index or a rate, initially measured using the index or rate at the commencement date, amount expected to be payable under a residual value guarantee, the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early

Lease liability is measured at amortised cost using the effective interest method. Lease liability is re-measured when there is a change in the lease term, a change in its assessment of whether it will exercise a purchase, extension or termination option or a revised in-substance fixed lease payment, a change in the amounts expected to be payable under a residual value guarantee and a change in future lease payments arising from change in an index or rate.

When the lease liability is re-measured corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero it will be recorded in statement of profit and loss.

Right-of-use asset is presented under "Property, plant and equipment" and lease liabilities under "Financial liabilities" in the balance sheet

Company has elected not to recognise right-of-use assets and lease liabilities for short term leases. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lessor

At the commencement or modification of a contract, that contains a lease component, company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices.

At the inception of the lease, it is determined whether it is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, then it is a financial lease, otherwise it is an operating lease.

If the lease arrangement contains lease and non-lease components, then the consideration in the contract is allocated using the principles of IND AS 115. The company tests for the impairment losses at the year end. Payment received under operating lease is recognised as income on straight line basis, over the lease term.

n) Income Tax

Income tax expense/ income comprises current tax expense /income and deferred tax/ expense income. It is recognised in the statement of profit and 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 temporary 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.

o) Foreign Currency Transactions

i) Functional and Presentation currency

The Company's standalone 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 the statement of profit and loss in the year in which they arise except for the qualifying cash flow hedge, which are recognised in OCI to the extent that the hedges are effective.

p) 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 Company 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 the statement of profit and loss on a straight line basis over the expected lives of the related assets.

q) Dividend

The Company 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 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.

r) 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.

s) 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.

t) Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by acquisition basis either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets.

Consideration transferred does not include amounts related to settlement of preexisting relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

u) Recent accounting pronouncements which are not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April, 2021.

Note 3 : Property, Plant and Equipment

₹ Crore

Particulars	Owned Assets									Assets given on lease	Total
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	
Year ended March 31, 2021											
Gross Carrying Amount											
Opening Gross Carrying Amount	0.51	14.42	185.55	31.54	407.97	14.27	11.90	16.89	30.68	90.26	803.99
Additions	-	-	2.15	3.12	56.00	0.28	1.28	2.21	3.94	-	68.98
(Disposals)	-	-	-	-	(1.08)	-	(1.66)	(0.01)	(2.09)	-	(4.84)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	**0.51**	**14.42**	**187.70**	**34.66**	**462.89**	**14.55**	**11.52**	**19.09**	**32.53**	**90.26**	**868.13**
Accumulated Depreciation											
Opening Accumulated Depreciation	-	3.63	19.39	17.06	166.20	5.89	5.83	7.84	21.45	7.35	254.64
Depreciation charge during the year	-	0.16	5.07	3.93	43.58	1.40	1.98	2.31	5.56	1.50	65.49
(Disposals)	-	-	-	-	(0.84)	-	(1.15)	-	(1.91)	-	(3.90)
Other adjustments	-	-	1.09	(0.02)	7.40	(0.11)	-	(0.05)	-	-	8.31
Closing Accumulated Depreciation	**-**	**3.79**	**25.55**	**20.97**	**216.34**	**7.18**	**6.66**	**10.10**	**25.10**	**8.85**	**324.54**
Net Carrying Amount	**0.51**	**10.63**	**162.15**	**13.69**	**246.55**	**7.37**	**4.86**	**8.99**	**7.43**	**81.41**	**543.59**
Year ended March 31, 2020											
Gross Carrying Amount											
Opening Gross Carrying Amount	0.51	14.42	166.33	30.81	348.65	13.99	11.20	15.74	30.63	90.26	722.54
Additions	-	-	19.22	0.73	60.92	0.29	2.30	1.17	3.12	-	87.75
(Disposals)	-	-	-	-	(1.60)	(0.01)	(1.60)	(0.02)	(3.07)	-	(6.30)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	**0.51**	**14.42**	**185.55**	**31.54**	**407.97**	**14.27**	**11.90**	**16.89**	**30.68**	**90.26**	**803.99**
Accumulated Depreciation											
Opening Accumulated Depreciation	-	3.47	14.41	12.94	126.36	4.52	4.69	5.70	18.41	5.84	196.34
Depreciation charge during the year	-	0.16	4.97	4.11	40.86	1.38	1.99	2.32	6.09	1.50	63.38
(Disposals)	-	-	-	-	(1.02)	(0.01)	(1.10)	-	(3.08)	-	(5.21)
Other adjustments	-	-	0.01	0.01	-	-	0.25	(0.18)	0.03	0.01	0.13
Closing Accumulated Depreciation	**-**	**3.63**	**19.39**	**17.06**	**166.20**	**5.89**	**5.83**	**7.84**	**21.45**	**7.35**	**254.64**
Net Carrying Amount	**0.51**	**10.79**	**166.16**	**14.48**	**241.77**	**8.38**	**6.07**	**9.05**	**9.23**	**82.91**	**549.35**

Note 3A : Leases

Leases in which the company is a Lessee

Office Building

The Company has leasing arrangements for its head office and other office buildings. Non-cancellable period for those lease arrangements vary. The Company pays lease charges as fixed amount as per the respective lease agreements. Right-of-use asset is measured, on a lease by lease basis, at carrying amount. Discounting to arrive the value of asset is done based on the incremental borrowing rate at the date of initial application.

Factories, Godowns and office buildings

The Company has leasing arrangements for its various factories, godowns and office buildings (other than mentioned above). Non-cancellable period for those leasing arrangements are less than 12 months and the Company elected to apply the recognition exemption for short term leases to these leases. The lease amount is charged as rent. The Total lease payments accounted for the year ended March 31, 2021 is ₹ 43.33 crore (previous year ₹ 43.25 crore).

Leases in which the company is a Lessor:

The Company has entered into an agreement to give one of its office building on operating lease effective May 2020. The Company has also taken office building on operating lease for similar premises in the same building.

A] As a lessee:

(a) Right of use assets - Buildings

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Gross carrying amount		
Opening Gross carrying amount	17.54	17.54
Additions	46.18	-
(Disposals)	(8.40)	-
Closing Gross carrying amount	55.32	17.54
Accumulated Depreciation		
Opening Accumulated Depreciation	10.09	-
Depreciation charge during the year	11.78	10.09
(Disposals)	(8.40)	-
Closing Accumulated Depreciation	13.47	10.09
Net Carrying Amount	41.85	7.45

(b) Lease liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Less than one year	14.34	4.01
One to three years	34.34	5.22
Three years to five years	0.91	0.01
More than five years	0.24	0.76
Total undiscounted lease liabilities as at 31 March	49.83	10.01

₹ Crore

Lease liabilities (discounted)	As at March 31, 2021	As at March 31, 2020
Non-current	31.44	4.94
Current	11.98	3.48
TOTAL	43.42	8.42

(c) **Amounts recognized in statement of profit and loss**

₹ Crore

Short-term leases	Year ended March 31, 2021	Year ended March 31, 2020
Expenses relating to short-term leases	43.33	43.25
TOTAL	**43.33**	**43.25**

(d) **Cash outflow for leases**

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Total cash outflow for leases	13.97	12.15
TOTAL	**13.97**	**12.15**

B] **As a lessor:**

(a) **Amounts recognized in statement of profit and loss**

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Operating lease income	10.77	9.13

(b) **Undiscounted lease payments to be received after 31st March 2021**

₹ Crore

Less than one year	10.86	1.13
One to three years	32.59	-
Three years to five years	0.91	-
Total undiscounted lease payments	**44.36**	**1.13**

C] **Changes in accounting policy**

Transition impact on 1st April 2019

Right-of-use assets – Property, plant and equipment	₹ Crore
Right-of-use assets	17.54
Deferred tax asset	0.67
Lease liabilities	19.41
Retained earnings	1.20
Incremental borrowing rate	8.5%

The Weighted average incremental borrowing rate of 8.5% p.a has been applied for measuring the lease liability at the date of initial application.

Reconciliation:	₹ Crore
Operating lease commitments as at 31st March 2019 as disclosed under IND AS 17	21.69
Discounted using the incremental borrowing rate at 1st April 2019	19.41
Lease liabilities recognised in the balance sheet at the date of initial application	19.41
Difference	0.0

Note 4 : Intangible Assets

₹ Crore

	Goodwill	Other Intangible assets				
		Trademarks and Brands *	Computer Software	Technical Knowhow	Product registrations	Total Other Intangible assets
Year ended March 31, 2021						
Gross Carrying Amount						
Opening Gross Carrying Amount	2.48	791.56	55.62	0.10	-	847.28
Additions	-	-	2.00	-	0.33	2.33
Disposals	-	-	-	-	-	-
Closing Gross Carrying Amount	**2.48**	**791.56**	**57.62**	**0.10**	**0.33**	**849.61**
Opening Accumulated Amortisation	-	0.29	40.90	0.10	-	41.29
Amortisation recognised for the year	-	0.01	6.05	-	0.05	6.11
Disposals	-	-	-	-	-	-
Closing Accumulated Amortisation	**-**	**0.30**	**46.95**	**0.10**	**0.05**	**47.40**
Closing Net Carrying Amount	**2.48**	**791.26**	**10.67**	**-**	**0.28**	**802.21**
Year ended March 31, 2020						
Gross Carrying Amount						
Opening Gross Carrying Amount	2.48	791.56	54.20	0.10	-	845.86
Additions	-	-	1.42	-	-	1.42
Disposals	-	-	-	-	-	-
Closing Gross Carrying Amount	**2.48**	**791.56**	**55.62**	**0.10**	**-**	**847.28**
Accumulated Amortisation						
Opening Accumulated Amortisation	-	0.28	30.65	0.10	-	31.03
Amortisation recognised for the year	-	0.03	7.87	-	-	7.90
Disposals	-	(0.02)	2.38	-	-	2.36
Closing Accumulated Amortisation	**-**	**0.29**	**40.90**	**0.10**	**-**	**41.29**
Closing Net Carrying Amount	**2.48**	**791.27**	**14.72**	**-**	**-**	**805.99**

Note :

* Includes brands amounting to ₹ 791.25 crore (31-Mar-20 ₹ 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.

The recoverable amount of the brands are 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 years 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.

Following key assumptions were considered while performing Impairment testing:

	As at January 31, 2021	**As at January 31, 2020**
Annual growth rate	**6-9%**	5-10%
Terminal Growth Rate	**5%**	5%
Royalty relief rate	**12%**	12%
Pre- tax discount rate	**11.00%**	11.20%

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 Company has decided to perform impairment test for goodwill and other intangible assets with indefinite useful life at January 31 and same is being followed for future years.

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 Brands to exceed their recoverable amount.

No impairment has been charged to the Statement of Profit and Loss account during the financial year 31 March 2021 (31 March 2020: Nil)

Note 5 : Investments In Subsidiaries And Associates

₹ Crore

	Face Value	Numbers		Amounts	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unquoted, fully paid up:					
Carried at cost					
(a) Investments in Equity Instruments					
(i) Subsidiary Companies					
Godrej Netherlands B.V.	EUR 100	200	200	140.93	140.93
Godrej South Africa (Pty) Ltd.	ZAR 1	1,80,50,000	1,80,50,000	12.67	12.67
Godrej Consumer Products Holding (Mauritius) Ltd.	USD 1	18,59,44,409	18,59,44,409	982.14	982.14
Godrej Household Products Lanka (Pvt) Ltd.	LKR 10	7,02,58,457	7,02,58,457	47.65	47.65
Godrej Consumer Products (Bangladesh) Ltd.	BDT 100	4,999	4,999	0.04	0.04
Godrej Mauritius Africa Holdings Ltd.	USD 1	13,62,40,553	13,62,40,553	865.50	865.50
Godrej East Africa Holdings Ltd.	USD 1	10,94,50,001	3,54,50,001	808.25	250.80
Godrej Tanzania Holdings Ltd.	USD 1	1,78,50,001	1,78,50,001	121.29	121.29
Godrej SON Holdings INC.	USD 1	13,56,00,000	7,76,00,000	928.63	504.72
(ii) Associate Company					
Bhabhani Blunt Hairdressing Pvt Ltd. (Refer Note 38)	₹ 10	4,967	4,967	20.04	20.04
Less : Provision for Diminution in the Value of Investments				(9.61)	
				3,917.53	**2,945.78**
(b) Investments in Compulsorily Convertible Debentures of Associate Company					
Bhabhani Blunt Hairdressing Pvt Ltd.	₹ 10	3,060	3,060	12.00	12.00
Less : Provision for Diminution in the Value of Investments				(5.77)	
			TOTAL	**3,923.76**	**2,957.78**
Aggregate Amount of Unquoted Investments				3,923.76	2,957.78
Aggregate Provision for Impairment in the Value of Investments				(15.38)	-

Refer note 43 for percentage holding of the Company in subsidiaries and associates

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:

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Godrej Netherlands B.V.	**4.52**	4.52
Godrej Consumer Products Holding (Mauritius) Ltd.	**11.95**	11.95
Godrej Mauritius Africa Holdings Ltd.	**29.02**	29.02
Godrej East Africa Holdings Ltd.	**19.62**	19.62
Godrej Tanzania Holdings Ltd.	**3.07**	3.07
TOTAL	**68.18**	**68.18**

Note 6 : Other Investments (Non-Current)

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Unquoted, fully paid up		
At Fair Value through Profit or Loss		
Investment in Equity Instruments*	-	-
Godrej One Premises Management Pvt Ltd.* (1400 equity shares of ₹10 each)	-	-
TOTAL	**-**	**-**
Aggregate Amount of Unquoted Investments	-	-
Aggregate Provision for Impairment in the Value of Investments	-	-

* amounts less than ₹ 0.01 crore

Note 7 : Non-Current Loans

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	**0.04**	0.05
Security Deposits	**18.23**	19.04
TOTAL	**18.27**	**19.09**

Note 8 : Other Non-Current Financial Assets

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Financial Guarantee Fee Receivables	**8.12**	15.74
TOTAL	**8.12**	**15.74**

Note 9 : Tax Reconciliations

Tax expense recognised in the Statement of Profit and Loss

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Current Tax		
Current tax on profits for the year	**293.31**	248.20
Deferred tax (Net) - Refer note below 9(e) and 9(f)	**(14.88)**	(72.31)
MAT credit utilised	**91.15**	43.85
Total income tax expense	**369.58**	**219.74**

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 :

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
On remeasurements of defined benefit plans		
Current tax	**-**	0.35
Deferred tax	**(0.60)**	0.72
Total	**(0.60)**	**1.07**

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:

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Profit before income taxes	**1,593.92**	1,399.63
Indian statutory income tax rate	**34.94%**	34.94%
Expected income tax expense	**556.98**	489.09
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Deduction under Sec 80IC and 80IE	**(200.51)**	(205.82)
Effect of other tax offsets	**4.36**	3.19
Tax effects of amounts which are not deductible for taxable income	**11.23**	4.92
Reversal of DTL due to rate change [refer note (f) below]	**0.42**	(78.14)
Adjustments for current tax of prior periods (Excess MAT utilised)	**(2.90)**	6.50
Total income tax expense	**369.58**	**219.74**

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):

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Property, Plant and Equipment	**(22.41)**	(24.24)
Intangible assets	**(189.38)**	(184.19)
Total deferred tax liabilities	**(211.79)**	**(208.43)**

Deferred Tax Assets:

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Defined benefit obligations	**20.72**	20.76
Provisions	**41.68**	24.20
Others	**1.73**	1.53
MAT credit	**474.87**	566.02
Total deferred tax assets	**539.00**	**612.51**
Net Deferred tax (Liabilities) / Assets	**327.21**	**404.08**

Movement in Deferred tax Liabilities / Asset

₹ Crore

	Property, plant and equipment	Intangible assets	Defined benefit obligations	Provisions	Other Deferred Tax Asset	Mat Credit (Refer note)	Deferred Tax Liabilities / Asset (Net)
As at 31st March 2019	(34.12)	(248.81)	23.81	21.69	1.79	609.87	374.23
(Charged)/Credited :							
- to profit or loss	9.88	64.62	(4.44)	2.51	(0.26)	(43.85)	28.46
- to other comprehensive income	-	-	0.72	-	-	-	0.72
- to reserves (Ind AS 116 transition impact)	-	-	0.67	-	-	-	0.67
At 1st April 2020	**(24.24)**	**(184.19)**	**20.76**	**24.20**	**1.53**	**566.02**	**404.08**
(Charged)/Credited :							
- to profit or loss	1.83	(5.19)	0.56	17.48	0.20	(91.15)	(76.27)
- to other comprehensive income	-	-	(0.60)	-	-	-	(0.60)
As at 31st March 2021	**(22.41)**	**(189.38)**	**20.72**	**41.68**	**1.73**	**474.87**	**327.21**

Liabilities for Current Tax (Net)

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Liabilities for Current Tax (Net)	**0.96**	0.96
[Net of advance tax of ₹ 128.87 crore (31-Mar-20 ₹ 128.87 crore)]		
TOTAL	**0.96**	**0.96**

(a) 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.

(b) 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.

(c) As on March 31, 2021 the tax liability with respect to the dividends proposed is Nil (31-Mar-20 : Nil)

(d) 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 ₹ 91.15 crores (2020 - ₹ 43.85 crores). The Company had re-assessed, in the previous year, 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 balance credit of ₹ 474.87 crores (2020 - ₹ 566.02 crores) in future years against the normal tax expected to be paid in those years.

(e) Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from fiscal year 2019-20, allows any domestic company to pay availing income tax at the rate of 25.17% subject to condition they will not avail any incentive or exemptions. The lower rate is an option and companies can continue to account based on the old rates. The Company has plants located in North-east region availing income tax exemption, and the effective rate based on the tax exemption plants is lower than 25.17%, so company decided to not opt for lower rate in FY 2020-21.

(f) Based on internal projections the Company plans to opt for the lower tax rate in FY 2024-25 and remeasured the deferred taxes at the lower tax rate expected to be availed in the future. Accordingly, the Company has reversed deferred tax assets/liabilities recognised in earlier years at the tax rates enacted during those years, to the extent they are likely to reverse after 31st March 2024. The impact of such reversal during the year was ₹ 0.42 crore (2020-₹ (78.14) crore)

Note 10 : Other Non-Current Assets

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Capital Advances (Refer Note below)		
Considered Good	**8.66**	5.83
Considered Doubtful	**1.00**	-
Less: Provision for Doubtful Advances	**(1.00)**	-
Balances with Government Authorities (deposits paid under protest)	**37.90**	37.70
Other non-current assets (includes prepaid expenses)		
Considered Good	**0.54**	0.82
TOTAL	**47.10**	**44.35**

Note:

Capital Advances include ₹ 0.05 crore (31-Mar-2020 ₹ 0.05 crore) paid to Related Parties.

Note 11 : Non-Current Tax Assets (Net)

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Advance Tax	**40.68**	36.22
[Net of Provision for taxation - ₹ 2278.21 crore (31-Mar-20 ₹ 1982.69 crore)]		
TOTAL	**40.68**	**36.22**

(Refer Note 9 for tax reconciliations)

Note 12 : Inventories

₹ Crore

	As at March 31, 2021	As at March 31, 2020
(Valued at lower of cost and net realizable value)		
Raw Materials (Including Packing Materials)	**263.47**	279.04
Goods-in Transit	**24.48**	5.93
	287.95	284.97
Work-in-Progress	**49.34**	55.55
Finished Goods	**292.49**	273.06
Stock-in-Trade	**61.80**	33.82
Stores and Spares	**11.25**	10.32
TOTAL	**702.83**	**657.72**

NOTE :

During the year ended March 31, 2021 an amount of ₹ 22.40 crore (31-Mar-20 ₹ 19.41 crore) was charged to the statement of Profit and Loss on account of write-down of inventories including damaged and slow moving inventory. The reversal on account of above during the year is Nil (31-Mar-20 Nil)

Note 13 : Investments (Current)

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Unquoted, fully paid up		
At Fair Value through Profit or Loss		
Investments in Mutual Funds	**129.47**	-
At amortised cost		
Investments in Deposits with Non-Banking Financial Companies	**459.65**	555.34
Quoted, fully paid up		
At Fair Value through Profit or Loss		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**55.30**	-
At amortised cost		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**-**	80.06
	644.42	**635.40**
Aggregate Amount of Unquoted Investments	**589.12**	555.34
Aggregate Amount of Quoted Investments	**55.30**	80.06
Aggregate Market Value of Quoted Investments	**55.30**	80.10

Note 14 : Trade Receivables

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Secured		
Considered Good - Secured	**0.65**	0.80
	0.65	0.80
Unsecured		
Considered Good - Unsecured	**246.81**	304.72
Trade Receivables - Credit impaired	**14.46**	5.49
Less: Provision for Doubtful Debts	**(14.46)**	(5.49)
TOTAL	**247.46**	**305.52**

Refer note 43 & 49B

Note :

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

Note 15 A : Cash and Cash Equivalents

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
- In Current Accounts	**18.46**	63.52
- Deposits with less than 3 months original maturity	**42.02**	-
	60.48	63.52
Cheques, Drafts on Hand	**2.21**	0.04
Cash on Hand	**0.09**	0.20
TOTAL	**62.78**	**63.76**

Note 15 B : Other Bank Balances

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Deposits with maturities more than 3 months but less than 12 months (Refer Note below)	**4.41**	4.27
In Unpaid Dividend Accounts	**16.52**	17.65
TOTAL	**20.93**	**21.92**

Notes:

(a) The fixed deposits include deposits under lien against bank guarantees ₹ 4.22 crore (31-Mar-20 ₹ 4.24 crore).

(b) The disclosures 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 since they do not pertain to the financial year ended 31 March 2021.

Note 16 : Current Loans

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	**0.06**	0.05
Security Deposits	**1.16**	-
TOTAL	**1.22**	**0.05**

Note 17 : Other Current Financial Assets

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Financial guarantee fee receivable	**8.33**	10.74
Refunds/Incentives receivables from Govt. Authorities (Excise duty/GST)		
Considered Good	**55.50**	133.13
Considered Doubtful	**20.07**	15.62
Less: Provision for Doubtful Advances	**(20.07)**	(15.62)
	55.50	133.13
Derivative assets - forward exchange contracts	**0.27**	4.79
Others (includes receivables of insurance claims, exports incentives)	**10.17**	12.04
TOTAL	**74.27**	**160.70**

Note 18 : Other Current Assets

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Balances with Government Authorities (GST)	**115.81**	144.28
Contract assets (Right to receive inventory)	**7.37**	6.71
Other Advances (includes prepaid expenses, vendor advances)		
Considered Good	**25.81**	65.30
Considered Doubtful	**0.65**	0.31
Less: Provision for Doubtful Advances	**(0.65)**	(0.31)
TOTAL	**148.99**	**216.29**

Note 19 : Equity Share Capital

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Authorised		
1,030,000,000 Equity Shares (31-Mar-20: 1030,000,000) of ₹ 1 each	**103.00**	103.00
10,000,000 Preference Shares (31-Mar-20: 10,000,000) of ₹ 1 each	**1.00**	1.00
Issued		
1,022,517,397 Equity Shares (31-Mar-20: 1,022,347,476) of ₹ 1 each	**102.25**	102.23
Subscribed and Fully Paid up		
1,022,486,273 Equity Shares (31-Mar-20: 1,022,316,352) of ₹ 1 each fully paid up	**102.25**	102.23
TOTAL	**102.25**	**102.23**

Notes:

a) During the year, the Company has issued 1,69,921 equity shares (31-Mar-20: 1,50,256) under the Employee Stock Grant Scheme.

b) 31,124 Rights Issue equity shares (31-Mar-20 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:

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
Shares outstanding at the beginning of the year	**1,02,23,16,352**	**102.23**	1,02,21,66,096	102.22
Add : Shares Issued on exercise of employee stock grant scheme	**1,69,921**	**0.02**	1,50,256	0.01
Shares outstanding at the end of the year	**1,02,24,86,273**	**102.25**	**1,02,23,16,352**	**102.23**

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, 2021 the amount of per share dividend recognised as distribution to equity shareholders was Nil (31-Mar-20 ₹ 8).

e) Details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Co Ltd	**7,50,11,445**	**7.34%**	7,50,11,445	7.34%
Godrej Industries Limited	**24,28,12,860**	**23.75%**	24,28,12,860	23.75%
Godrej Seeds & Genetics Limited	**28,05,00,000**	**27.43%**	28,05,00,000	27.44%

f) **Shares Reserved for issue under options**

The Company has 1,87,421 (31-Mar-20 year 290,133) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2021. (As detailed in Note 46)

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

During the year 2018-19, pursuant to the approval of Shareholders, 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.

During the year 2017-18, pursuant to the approval of Shareholders, Company has allotted 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 other than as reported above.

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

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

i) No equity shares have been forfeited.

j) **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 balance sheet date there are no net debt.

Note 20 : Other Equity

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Securities Premium	**1,418.61**	1,407.36
General Reserve	**154.05**	154.05
Other Reserves		
Capital Investment Subsidy Reserve	**0.15**	0.15
Capital Redemption Reserve	**1.46**	1.46
Employee Stock Options Outstanding	**7.53**	12.69
	9.14	14.30
Retained Earnings	**4,675.88**	3,450.43
Other Comprehensive Income (Effective portion of cash flow hedges)	**(0.75)**	(0.75)
TOTAL	**6,256.93**	**5,025.39**

Other Reserves Movement

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Capital Investment Subsidy Reserve		
Balance as per last financial statements	**0.15**	0.15
Closing Balance	**0.15**	**0.15**
Capital Redemption Reserve		
Balance as per last financial statements	**1.46**	1.46
Closing Balance	**1.46**	**1.46**
Employee Stock Options Outstanding		
Gross Employee Compensation for Options granted	**12.69**	12.36
(-) Exercise of Share options	**(11.25)**	(9.33)
(+) Deferred Employee Compensation Expense (Refer Note 34)	**6.09**	9.66
Closing Balance	**7.53**	**12.69**
TOTAL	**9.14**	**14.30**

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 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 accummulated 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 21 : Non-Current Financial Liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Lease liabilities (refer note 3A)	**31.44**	4.94
TOTAL	**31.44**	**4.94**

Note 22 : Provisions (Non-Current)

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Gratuity (Refer Note 45)	**57.42**	56.63
Compensated Absences	**6.10**	5.23
TOTAL	**63.52**	**61.86**

Note 23 : Other Non-Current Liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Unearned premium on guarantees given to subsidiaries	**7.96**	14.74
Others (includes deferred grants, sundry deposits)	**6.89**	7.17
TOTAL	**14.85**	**21.91**

Note 24 : Borrowings

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Unsecured, Working Capital Loan Repayable on Maturity		
From Banks (Refer Note (a) below)	**0.14**	70.00
Other Loans		
Commercial Papers (Refer Note (b) below)	**-**	247.33
TOTAL	**0.14**	**317.33**

Notes:

a) Short term working capital loan from Bank carries an interest rate of 7.5% (Mar-20: 6.6%) and are repayable in April 2021 (Mar-20: July 2020).

b) Commercial Paper are listed on the Stock exchange and carries an average interest rate of 5.4% and are repayable at maturity dates in June 20.

Note 25 : Current - Lease Liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Lease liabilities (refer note 3A)	**11.98**	3.48
TOTAL	**11.98**	**3.48**

Note 26 : Trade Payables

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Total oustanding dues of micro enterprises and small enterprises	**24.86**	27.15
Total oustanding dues of creditors other than micro enterprises and small enterprises (Refer Note 43)	**924.74**	1,215.99
TOTAL	**949.60**	**1,243.14**

* Trade Payables includes invoices discounted by Vendors with banks.

(Refer Note 49C)

Disclsoures pursuant to Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are as follows:

		As at March 31, 2021	As at March 31, 2020
I	The principal amount remaining unpaid to any supplier at the end of the accounting year included in trade payables	**24.86**	27.13
II	Interest due thereon	**-**	0.02
Trade payable dues to Micro and small enterprises		**24.86**	**27.15**
(a)	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
(b)	The amount of interest due and payable for the period (where the principal has been unpaid but interest under the MSMED Act, 2006 not paid)	**-**	0.02
(c)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**-**	-
(d)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	**-**	-

Note 27 : Other Current Financial Liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Interest Accrued but not Due on Borrowings	-	0.07
Security Deposit Received	4.06	2.60
Employee Benefits Payable	127.82	29.89
Unclaimed Dividends (Refer Note below)	16.52	17.65
Capital creditors and other payables	10.25	12.46
TOTAL	**158.65**	**62.67**

(Refer Note 49C)

Note:

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 28 : Other Current Liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Statutory Dues (TDS, Octroi etc)	8.33	8.60
Contract Liabilities (Advance received from Customers)	23.10	20.59
Unearned premium on guarantees given to subsidiaries	8.12	12.61
Others (includes PF, deferred revenue)	3.01	8.54
TOTAL	**42.56**	**50.34**

Note 29 : Provisions (Current)

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Gratuity (Refer Note 45)	8.28	8.76
Compensated Absences	3.25	3.15
Other provisions		
Provision for Sales Returns	32.36	21.85
Provision towards Litigations	18.82	12.58
TOTAL	**62.71**	**46.34**

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

₹ Crore

	Sales Returns	Provision towards Litigation
As at April 1, 2019	**14.33**	**12.77**
Provisions made during the year	7.52	-
Provisions reversed during the year	-	(0.19)
As at April 1, 2020	21.85	12.58
Provisions made during the year	10.51	6.24
As at March 31, 2021	**32.36**	**18.82**

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 30 : Revenue From Operations

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from contracts with customers		
Sale of Products	**6,133.44**	5,361.27
Other Operating Revenues		
a) Royalty & Technical Fees	**20.10**	18.58
b) Miscellaneous Income (includes Refunds/Incentives from Govt. Authorities)	**100.79**	94.60
TOTAL	**6,254.33**	**5,474.45**

Notes :

a) Revenue Information

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue by product categories		
Home care	**3,141.61**	2,826.92
Personal care	**2,310.22**	1,890.17
Hair care	**681.61**	644.18
TOTAL	**6,133.44**	**5,361.27**

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

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue as per contracted price	**6,415.03**	5,675.39
Sales returns	**(10.51)**	(7.52)
Rebates/Discounts	**(271.08)**	(306.60)
Revenue from contract with customers	**6,133.44**	**5,361.27**

c) Contract Balances

₹ Crore

	March 31, 2021	March 31, 2020
Trade receivables (Note 14)	**247.46**	305.52
Contract assets (Note 18)	**7.37**	6.71
Contract liabilities (Note 28)	**23.10**	20.59

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.

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

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue recognised that was included in the contract liability balance at the beginning of the period	**20.59**	13.13

Note 31 : Other Income

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income on:		
Fixed deposits with Non-Banking Financial Companies at amortised cost	**19.43**	56.70
Deposits with banks	**2.12**	0.88
On Others	**0.44**	0.51
Dividend Income		
From Subsidiaries / Associates	**-**	0.68
Net Gain on Sale of Investments (Mutual Funds/ Non-convertible debentures)	**14.02**	4.53
Fair Value Gain/(Loss) on financial assets measured at fair value through profit or loss	**0.53**	0.00
Other Non-Operating Income		
Guarantee Commission income	**17.32**	15.83
Miscellaneous Non-operating Income	**10.88**	12.13
TOTAL	**64.74**	**91.26**

Note 32 : Cost Of Materials Consumed

₹ Crore

		Year ended March 31, 2021	Year ended March 31, 2020
Raw material and packing material			
Opening Inventory		**284.97**	319.65
Add : Purchases (Net)		**2,397.28**	2,008.00
		2,682.25	2,327.65
Less: Closing Inventory		**(287.95)**	(284.97)
Cost of Materials Consumed	**TOTAL**	**2,394.30**	**2,042.68**

Note 33 : Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress

₹ Crore

		Year ended March 31, 2021	Year ended March 31, 2020
Opening Inventory			
Finished Goods		**273.06**	210.74
Stock-in-Trade		**33.82**	34.59
Work-in-Progress		**55.55**	40.20
		362.43	**285.53**
Less: Closing Inventory			
Finished Goods		**292.49**	273.06
Stock-in-Trade		**61.80**	33.82
Work-in-Progress		**49.34**	55.55
		403.63	**362.43**
(Increase)/Decrease in Inventories	**TOTAL**	**(41.20)**	**(76.90)**

Note 34 : Employee Benefits Expense

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and Wages	**382.11**	277.72
Contribution to Provident and Other Funds (Refer Note 45)	**22.45**	24.28
Share based payments to Employees (Employee Stock Grant Scheme) (Refer Note 46)	**6.09**	9.66
Staff Welfare Expenses	**6.44**	7.56
TOTAL	**417.09**	**319.22**

Note 35 : Finance Costs

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expense		
Unwinding of interest on liabilities	**2.29**	7.40
Interest on lease liabilities	**2.79**	1.17
Others (mainly includes interest on Short-term borrowings)	**9.86**	20.00
Other borrowing costs		
Bill discounting Charges	**9.87**	29.40
TOTAL	**24.81**	**57.97**

Note 36 : Depreciation and Amortisation Expenses

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment	**65.49**	63.38
Depreciation on Right of use assets - buildings	**11.78**	10.09
Amortisation on intangible assets	**6.11**	7.90
TOTAL	**83.38**	**81.37**

Note 37 : Other Expenses

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Consumption of Stores and Spare Parts	**15.24**	15.28
Power and Fuel	**80.47**	94.18
Rent (Net) (Refer Note 3A)	**43.33**	43.25
Repairs and Maintenance		
Plant and Equipment	**5.36**	6.06
Buildings	**4.87**	5.86
Others (Net)	**29.28**	33.93
	39.51	45.85
Insurance	**6.44**	4.81
Rates and Taxes	**13.96**	7.57
Processing and Other Manufacturing Charges	**179.62**	170.59
Travelling and Conveyance	**15.07**	32.00
Auditors' Remuneration		
As Statutory Auditor	**1.80**	1.70
For Other audit related services	**0.19**	0.29
Reimbursement of Expenses	**0.01**	0.02
	2.00	2.01
Legal and Professional Charges	**35.19**	30.37
Donations	**1.52**	1.59
Sales Promotion	**55.58**	64.57
Advertising and Publicity	**543.52**	556.59
Selling and Distribution Expenses	**76.58**	79.20
Freight	**261.48**	214.29
Net Loss on Sale/ write off of Fixed Assets	**9.09**	5.78
Net Loss on Foreign Currency Transactions and Translations	**1.57**	7.82
Bad Debts Written Off	**-**	0.08
Provision for Doubtful Debts / Advances	**10.32**	-
Miscellaneous Expenses (Net) (Refer Note below)	**84.59**	85.72
TOTAL	**1,475.08**	**1,461.55**

Note :

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

Note 38 : Exceptional Items

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Impairment provision	**15.38**	-
TOTAL	**15.38**	**-**

Note :

As per IND AS 36, the company made an impairment testing of investments with Bhabhani Blunt Hairdressing Pvt Ltd, due to change in the economic scenario led by Covid. An impairment of ₹ 15.38 crore (previous year - Nil) is recognised as an exceptional item, considering the indicators of impairment.

Following key assumptions were considered while performing Impairment testing: As at		31st January 2021
(a)	Average sales growth rate	22-30%
(b)	Terminal growth rate	5%
(c)	Pre-discount rate	17-21%

Note 39 : Earnings Per Share

	Year ended March 31, 2021	Year ended March 31, 2020
Net Profit After Tax (₹ Crore)	**1,224.34**	**1,179.89**
Number of Shares outstanding at the beginning of the year	**1,02,23,16,352**	1,02,21,66,096
Add : Shares Issued during the year	**1,69,921**	1,50,256
Number of Shares outstanding at the end of the year	**1,02,24,86,273**	1,02,23,16,352
Weighted Average Number of Equity Shares		
For calculating Basic EPS	**1,02,24,35,634**	1,02,22,65,738
Effect of dilution:		
Shared based payments	**1,17,084**	1,91,505
For calculating Diluted EPS	**1,02,25,52,718**	1,02,24,57,243
Earnings Per Share		
(Face Value ₹ 1)		
Basic (₹)	**11.97**	11.54
Diluted (₹)	**11.97**	11.54

Note 40 : Commitments

Estimated value of contracts remaining to be executed on capital account to the extent not provided for : ₹ 45.66 crore (31-Mar-20 ₹ 34.99 crore), net of advances there against of ₹ 8.66 crore (31-Mar-20 ₹ 5.83crore).

Note 41 : Dividend

During the year 2020-21, no interim dividend has been paid.

Note 42 : Contingent Liabilities

₹ Crore

			As at March 31, 2021	As at March 31, 2020
a)	CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS			
	i)	Excise duty and service tax matters	**51.06**	51.06
	ii)	Sales tax and VAT matters	**62.28**	64.60
	iii)	Income-tax matters	**12.78**	14.37
	iv)	Other matters	**3.00**	3.00
b)	GUARANTEES GIVEN ON BEHALF OF SUBSIDIARIES			
	i)	Guarantee amounting to USD 14 million (31-Mar-20 USD 58 million) given by the Company to DBS Bank Ltd (Singapore) & Sumitomo Mitsui Banking Corporation (Singapore) against loan provided to Godrej Consumer Products Holdings Mauritius Ltd.	**104.55**	441.13
	ii)	Guarantee amounting to USD 40 million (31-Mar-20 USD 80 million) given by the Company to Bank of Tokyo Mitsubishi UFJ Ltd (London) against loan provided to Godrej SON Holdings, Inc.	**289.45**	607.56
	iii)	Guarantee amounting to Nil (31-Mar-20 USD 18 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited, Mauritius, against loan provided to Godrej East Africa Holdings Ltd.	**-**	135.25
	iv)	Guarantee amounting to USD 51 million (31-Mar-20 USD 28 million) given by the Company to Standard Chartered Bank Mauritius towards SBLC line given to Godrej Tanzania Holdings Limited	**369.21**	208.08
	v)	Guarantee amounting to Nil (31-Mar-20 USD 44 million) given by the Company to CITI US towards loan provided to Godrej Mauritius Africa Holdings Ltd.	**-**	332.93
	vi)	Guarantee amounting to Nil (31-Mar-20 USD 2 million) given by the Company to DBS Bank Limited towards IRS taken by Godrej Mauritius Africa Holdings Ltd.	**-**	15.13
	vii)	Guarantee amounting to USD 1.20 million (31-Mar-20 USD 1.20 million) given by the Company to DBS Bank Limited towards IRS taken by Godrej Consumer Products Holdings Mauritius Ltd.	**8.77**	9.08
	viii)	Guarantee amounting to USD 64.35 million (31-Mar-20 USD 64.35 million) given by the Company to DBS Bank Ltd (Singapore) & Sumitomo Mitsui Banking Corporation (Singapore) against loan provided to Godrej SON Holding, INC	**-**	486.90
	ix)	Guarantee amounting to USD 148.72 million (31-Mar-20 USD 148.72 million) given by the Company to DBS Bank Ltd (Singapore) & Sumitomo Mitsui Banking Corporation (Singapore) against loan provided to Godrej Mauritius Africa Holdings Ltd.	**1,087.29**	1,125.29
	x)	Guarantee amounting to USD 3.5 million (31-Mar-20 3.5 million) given by the Company to DBS Bank Limited towards IRS taken by Godrej Mauritius Africa Holdings Ltd.	**25.59**	26.48
	xi)	Guarantee amounting to USD Nil (31-Mar-20 USD 1.0 million) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards IRS taken by Godrej Consumer Products Holdings Mauritius Ltd.	**-**	7.57

₹ Crore

		As at March 31, 2021	As at March 31, 2020
xii)	Guarantee amounting to USD 24 million (31-Mar-20 USD 24 million) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards Banking facility taken by Godrej Mauritius Africa Holdings Ltd.	**176.93**	183.11
xiii)	Guarantee amounting to USD 1 million (31-Mar-20 Nil) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards IRS taken by Godrej Mauritius Africa Holdings Ltd.	**5.48**	-
		2,067.27	**3,578.51**
c)	**OTHER GUARANTEES**		
i)	Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 4.22 crore]	**13.39**	14.19
ii)	Guarantee given by the Company to Yes Bank for credit facilities extended to M/s. Broadcast Audience Research Council	**0.80**	0.80
iii)	Guarantee given by the Company to Kotak Mahindra Bank for credit facilities extended to M/s. Broadcast Audience Research Council	**0.30**	0.30
		14.49	**15.29**
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**	0.06

e) OTHER MATTERS

The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. Additionally, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

Note 43 : Related Party Disclosures

A) Related Parties and their Relationship

a) Holding Company:

None

b) Subsidiaries:

Name of the Subsidiary	Country	% Holding as at March 31, 2021	% Holding as at March 31, 2020
Belaza Mozambique LDA	Mozambique	**100%**	100%
Canon Chemicals Limited	Kenya	**100%**	75%
Charm Industries Limited	Kenya	**100%**	100%
Consell (under voluntary Liquidation)	Argentina	**100%**	100%
Cosmetica National	Chile	**100%**	100%
Darling Trading Company Mauritius Limited	Mauritius	**95%**	95%
Deciral S.A.	Uruguay	**100%**	100%

Name of the Subsidiary	Country	% Holding as at March 31, 2021	% Holding as at March 31, 2020
DGH Phase Two Mauritius	Mauritius	**90%**	90%
DGH Tanzania Limited	Mauritius	**100%**	100%
DGH Uganda	Mauritius	**51%**	51%
Frika Weave (Pty) Ltd	South Africa	**100%**	100%
Godrej (UK) Ltd	UK	**100%**	100%
Godrej Africa Holdings Limited	Mauritius	**100%**	100%
Godrej Consumer Holdings (Netherlands) B.V.	Netherlands	**100%**	100%
Godrej Consumer Investments (Chile) Spa	Chile	**100%**	100%
Godrej Consumer Products (Netherlands) B.V.	Netherlands	**100%**	100%
Godrej Consumer Products Bangladesh Limited	Bangladesh	**100%**	100%
Godrej Consumer Products Dutch Cooperatief UA	Netherlands	**100%**	100%
Godrej Consumer Products Holding (Mauritius) Limited	Mauritius	**100%**	100%
Godrej Consumer Products International FZCO	Dubai,UAE	**95%**	95%
Godrej Consumer Products Malaysia Limited (Closed on Oct 7, 2019)	Malaysia	**0%**	100%
Godrej CP Malaysia SDN BHD	Malaysia	**100%**	100%
Godrej East Africa Holdings Limited	Mauritius	**100%**	100%
Godrej Global Mideast FZE	Sharjah,UAE	**100%**	100%
Godrej Hair Care Nigeria Limited (Closed on April 14, 2020)	Nigeria	**0%**	100%
Godrej Hair Weave Nigeria Ltd (Closed on April 23, 2020)	Nigeria	**0%**	100%
Godrej Holdings (Chile) Limitada	Chile	**100%**	100%
Godrej Household Insecticide Nigeria Ltd (Closed on Mar 18, 2020)	Nigeria	**0%**	100%
Godrej Household Products (Bangladesh) Pvt. Ltd.	Bangladesh	**100%**	100%
Godrej Household Products Lanka (Pvt). Ltd.	Sri Lanka	**100%**	100%
Godrej Indonesia IP Holdings Ltd	Mauritius	**100%**	100%
Godrej International Trading Company (Closed on January 21, 2021)	Sharjah,UAE	**0%**	51%
Godrej Mauritius Africa Holdings Limited	Mauritius	**100%**	100%
Godrej Mid East Holding Limited	Dubai,UAE	**100%**	100%
Godrej Netherland B.V.	Netherlands	**100%**	100%
Godrej Nigeria Limited	Nigeria	**100%**	100%
Godrej Peru SAC (under voluntary liquidation)	Peru	**100%**	100%
Godrej SON Holdings Inc.	USA	**100%**	100%
Godrej South Africa Proprietary Limited	South Africa	**100%**	100%
Godrej Tanzania Holdings Limited	Mauritius	**100%**	100%
Godrej West Africa Holdings Limited	Mauritius	**95%**	95%
Hair Credentials Zambia Limited	Zambia	**100%**	100%
Hair Trading (Offshore) S.A.L.	Lebanon	**51%**	51%
Indovest Capital	Labuan	**100%**	100%
Issue Group Brazil LTDA	Brazil	**100%**	100%
Kinky Group (Proprietary) Limited	South Africa	**100%**	100%
Laboratorio Cuenca S.A	Argentina	**100%**	100%

Name of the Subsidiary	Country	% Holding as at March 31, 2021	% Holding as at March 31, 2020
Lorna Nigeria Limited	Nigeria	**100%**	100%
Old Pro International, Inc.	USA	**100%**	100%
Panamar Producciones SA (under voluntary liquidation)	Argentina	**100%**	100%
PT Ekamas Sarijaya	Indonesia	**100%**	100%
PT Indomas Susemi Jaya	Indonesia	**100%**	100%
PT. Godrej distribution Indonesia	Indonesia	**100%**	100%
PT Sarico Indah	Indonesia	**100%**	100%
PT Megasari Makmur	Indonesia	**100%**	100%
Sigma Hair Industries Ltd.	Tanzania	**100%**	100%
Strength of Nature LLC	USA	**100%**	100%
Strength of Nature South Africa Proprietary Limited (Closed on Nov 11, 2020)	South Africa	**0%**	100%
Style Industries Ltd	Kenya	**90%**	90%
Style Industries Uganda Limited (Under voluntary Liquidation)	Uganda	**51%**	51%
Subinite (Pty) Ltd	South Africa	**95%**	95%
Weave Ghana	Ghana	**100%**	100%
Weave IP Holdings Mauritius Pvt. Ltd.	Mauritius	**95%**	95%
Weave Mozambique Limitada	Mozambique	**95%**	95%
Weave Senegal	Senegal	**100%**	100%
Weave Trading Mauritius Pvt. Ltd.	Mauritius	**51%**	51%

c) Associate Company:

Name of the Associate Company	Country	% Holding as at March 31, 2021	% Holding as at March 31, 2020
Bhabani Blunt Hairdressing Pvt Limited	India	**28%**	28%

d) Investing Entity in which the reporting entity is an Associate

i) Godrej Industries Limited

ii) Godrej Seeds & Genetics Limited

e) 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 Projects Development Private Limited

vii) Godrej One Premises Management Private Limited

viii) Creamline Dairy Products Limited

* Divested on 4th July 2019

f) Key Management Personnel and Relatives

i)	Mr. Adi Godrej	Chairman Emeritus
ii)	Ms. Nisaba Godrej	Executive Chairperson (Executive Chairperson & Managing director from July 1, 2020) / Daughter of Mr. Adi Godrej
iii)	Mr. Vivek Gambhir	Managing Director & CEO (till June 30, 2020)
		Whole time Director (From 1st July to September 30, 2020)
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. Aman Mehta	Independent Director
x)	Mr. Omkar Goswami	Independent Director
xi)	Ms. Ireena Vittal	Independent Director
xii)	Mr. Bharat Doshi	Independent Director (till September 25, 2019)
xiii)	Mr. Narendra Ambwani	Independent Director
xiv)	Ms. Ndidi Nwuneli	Independent Director
xv)	Ms. Pippa Armerding	Independent Director
xvi)	Mr. Sumeet Narang	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.Navroze Godrej	Son of Mr. Jamshyd Godrej
xxii)	Mr. Arvind Dubash	Husband of Ms. Tanya Dubash
xxiiI)	Mr. Azaar Arvind Dubash	Son of Ms. Tanya Dubash

g) Trust where the reporting entity excercises significant influence

i) Godrej Consumer Products Limited Employees' Stock Option Trust

h) 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 :**

₹ Crore

	Subsidiary Companies		Associate Company		Investing Entity in which the reporting entity is an associate		Companies Under Common Control		Key Management Personnel and Relatives		Post employment benefit trust		Total	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Sale of Goods	96.03	67.92	0.08	0.24	12.25	10.55	1.02	1.62	-	-	-	-	**109.38**	**80.32**
Purchase of Materials and Spares	4.77	2.23	-	-	65.54	54.85	3.82	0.13	-	-	-	-	**74.13**	**57.21**
Advance Paid	-	-	-	-	-	-	-	0.05	-	-	-	-	**-**	**0.05**
Royalty and Technical Fees Received	20.10	18.58	-	-	-	-	-	-	-	-	-	-	**20.10**	**18.58**
Royalty and Technical Fees Paid	0.15	0.18	0.41	0.55	-	-	-	-	-	-	-	-	**0.56**	**0.72**
Establishment & Other Expenses Paid (Including provision for doubtful debts if any)	2.05	0.12	0.12	0.33	21.49	27.55	6.03	8.54	-	-	-	-	**29.69**	**36.55**
Expenses Recovered	18.04	18.78	-	-	1.33	1.62	0.07	0.06	-	-	-	-	**19.44**	**20.46**
Investments Made	981.36	-	-	-	-	-	-	-	-	-	-	-	**981.36**	**-**
Guarantees Given / (Cancelled)	374.69	217.16	-	-	-	-	-	-	-	-	-	-	**374.69**	**217.16**
Guarantee Commission Income	17.32	15.83	-	-	-	-	-	-	-	-	-	-	**17.32**	**15.83**
Income from Business Support Services	10.16	11.69	-	-	-	-	-	-	-	-	-	-	**10.16**	**11.69**
Dividend Paid	-	-	-	-	-	418.65	-	60.01	-	23.37	-	-	**-**	**502.03**
Dividend Received	-	-	-	0.68	-	-	-	-	-	-	-	-	**-**	**0.68**
Commission on Profits and Sitting Fees	-	-	-	-	-	-	-	-	3.51	3.51	-	-	**3.51**	**3.51**
Lease Rentals Received	-	-	-	-	10.98	10.94	-	-	-	-	-	-	**10.98**	**10.94**
Lease Rentals Paid	-	-	-	-	17.89	15.68	-	-	-	-	-	-	**17.89**	**15.68**
Loans given	29.42	-	-	-	-	-	-	-	-	-	-	-	**29.42**	**-**
Loans repaid	29.42	-	-	-	-	-	-	-	-	-	-	-	**29.42**	**-**
Contribution during the year (Including Employees' Share)	-	-	-	-	-	-	-	-	-	-	15.76	18.17	**15.76**	**18.17**
Short Term Employment Benefits	-	-	-	-	-	-	-	-	18.05	21.52	-	-	**18.05**	**21.52**
Post Employment Benefits	-	-	-	-	-	-	-	-	1.64	0.46	-	-	**1.64**	**0.46**
Share Based Payment	-	-	-	-	-	-	-	-	5.17	2.92	-	-	**5.17**	**2.92**
TOTAL	**1,583.51**	**352.49**	**0.61**	**1.80**	**129.48**	**539.84**	**10.94**	**70.41**	**28.37**	**51.78**	**15.76**	**18.17**	**1,768.67**	**1,034.49**

Outstanding Balances

₹ Crore

	Receivables		Payables		Guarantees Outstanding - Given / (Taken)		Commitments	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Subsidiary Companies	**75.04**	105.90	**1.41**	0.99	**2,067.27**	3,578.51	**-**	-
Associate Company	**0.03**	0.05	**0.14**	-	**-**	-	**-**	-
Investing Entity in which the reporting entity is an associate	**1.37**	1.88	**5.74**	7.41	**(26.88)**	(26.88)	**-**	-
Common Control	**0.40**	0.33	**0.41**	0.40	**(1.21)**	(1.21)	**0.53**	0.61
Key Management Personnel and Relatives	**-**	-	**2.58**	2.85	**-**	-	**-**	-
TOTAL	**76.84**	**108.16**	**10.28**	**11.65**	**2,039.18**	**3,550.42**	**0.53**	**0.61**

Note: Refer note 5 for investments in subsidiaries and associates and note 42 for Guarantees given on behalf of subsidiaries

Note 44 : Forward 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:

	As at March 31, 2021		As at March 31, 2020	
	In Million	INR crores	In Million	INR crores
Forward Contracts to Purchase (USD) - nominal amounts	**US $ 1.95**	**14.27**	US $ 1.48	111.94
[3 contracts (31-Mar-20: 47 contracts]				
Forward Contracts to Sales (EURO) - nominal amounts	**Euro 1.00**	**8.58**	-	-
[1 contract (31-Mar-20: Nil]				

Note 45 : 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, 2021.

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Plan assets at period end, at fair value	**175.93**	159.79
Provident Fund Corpus	**174.09**	159.13
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	**8.44%**	8.29%
Weighted Average Yield to Maturity	**8.61%**	8.61%
Guaranteed Rate of Interest	**8.50%**	8.65%

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 13.13 crore (previous year ₹ 15.11 crore) has been included in Note 34 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 8.83 crore (previous year ₹ 8.52 crore) has been included in Note 34 under Contribution to Provident and Other Funds.

d) **The amounts recognised in the Company's financial statements as at year end are as under:**

₹ Crore

		As at March 31, 2021	As at March 31, 2020
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	**65.91**	60.93
	Current Service Cost	**4.62**	4.16
	Interest Cost	**4.24**	4.40
	Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions	**-**	-
	Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions	**0.53**	2.35
	Actuarial (Gain) / Loss on Obligation- Due to Experience	**(2.24)**	(0.33)
	Benefits Paid	**(6.73)**	(5.60)
	Present value of the obligation at the end of the year	**66.33**	**65.91**
ii)	**Change in Plan Assets**		
	Fair value of Plan Assets at the beginning of the year	**0.52**	0.60
	Interest Income	**0.03**	0.04
	Return on plan assets excluding interest income	**(0.01)**	(0.02)
	Contributions by the Employer	**6.80**	5.50
	Benefits Paid	**(6.73)**	(5.60)
	Fair value of Plan Assets at the end of the year	**0.61**	**0.52**
iii)	**Amounts Recognised in the Balance Sheet:**		
	Present value of Obligation at the end of the year	**66.33**	65.91
	Fair value of Plan Assets at the end of the year	**0.61**	0.52
	Net Liability recognised in the Balance Sheet	**65.72**	**65.39**
iv)	**Amounts Recognised in the Statement of Profit and Loss:**		
	Current Service Cost	**4.62**	4.16
	Interest Cost/Income on Obligation/ Plan assets (Net)	**4.21**	4.36
	Net Cost Included in Personnel Expenses	**8.83**	**8.52**
v)	**Recognised in other comprehensive income for the year**		
	Actuarial (Gain) / Loss on Obligation	**(1.72)**	2.02
	Return on plan assets excluding interest income	**0.01**	0.02
	Recognised in other comprehensive income	**(1.71)**	**2.04**
vi)	**Weighted average duration of Present Benefit Obligation**	**6 years**	**6 years**
vii)	**Estimated contribution to be made in next financial year**	**8.28**	**8.75**
viii)	**Major categories of Plan Assets as a % of total Plan Assets**		
	Insurer Managed Funds	**100%**	100%
ix)	**Actuarial Assumptions**		
	i) Discount Rate	**6.26% P.A.**	6.43% P.A.
	ii) Salary Escalation Rate	**9.00% P.A.**	9.00% P.A.
	iii) Mortality	**Indian Assured Lives Mortality (2006-08) Ultimate**	
	The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		

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

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Projected Benefits Payable in Future Years From the Date of Reporting		
Within the next 12 months	**13.31**	13.46
2nd Following Year	**6.71**	6.88
3rd Following Year	**7.96**	6.63
4th Following Year	**6.60**	7.80
5th Following Year	**7.68**	6.08
Sum of Years 6 To 10	**25.77**	27.08

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:

	March 31, 2021		March 31, 2020	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**(2.96)**	**3.29**	(2.95)	3.27
Future salary growth (1% movement)	**3.17**	**(2.91)**	3.16	(2.91)

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:

Scheme	Grant Date	No. of Options	Vesting Condition	Exercise Price (₹) per share	Weighted average Exercise Price (₹) per share	Exercise period
Employees Stock Grant Scheme 2011	From 2011 to 2020	9,94,337	Vested in the proportion of 1/3rd at the end of each year	1.00	1.00	within 1 month from the date of vesting

Movement in the number of share options during the year:

	As at March 31, 2021	As at March 31, 2020
Outstanding at the beginning of the year	**2,90,133**	**2,95,015**
Add: Granted during the year	**97,653**	1,62,917
Less: Exercised during the year	**1,69,921**	1,50,256
Less: Forfeited/ lapsed during the year	**30,444**	17,543
Outstanding at the end of the year	**1,87,421**	**2,90,133**

Weighted average remaining contractual life of options as at 31st March, 2021 was ₹ 0.94 years (31-Mar-20 ₹ 0.85 years).

Weighted average equity share price at the date of exercise of options during the year was ₹ 654.46 (previous year ₹ 658.45).

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:

	As at March 31, 2021	As at March 31, 2020
Risk-free interest rate (%)	**4.12%**	6.44%
Expected life of options (years)	**2.00**	2.00
Expected volatility (%)	**38.12%**	28.16%
Dividend yield	**1.20%**	2.28%
The price of the underlying share in market at the time of option grant (₹)	**666.58**	658.45

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

Note 47 : 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 ₹ 28.04 crore (previous year ₹ 25.34 crore):

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue Expenditure in cash on CSR activities	**34.08**	19.49
TOTAL	**34.08**	**19.49**

Note 48 : 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.

₹ Crore

As at March 31, 2021	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non Current								
Loans	-	-	18.27	18.27	-	-	-	-
Other non-current financial assets	-	-	8.12	8.12	-	-	-	-
Current								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	55.30	-	-	55.30	55.30	-	-	55.30
Mutual Funds	129.47	-	-	129.47	-	129.47	-	129.47
Deposits with Non-Banking Financial Companies	-	-	459.65	459.65	-	459.65	-	459.65
Trade receivables	-	-	247.46	247.46	-	-	-	-
Cash and cash equivalents	-	-	62.78	62.78	-	-	-	-
Other bank balances	-	-	20.93	20.93	-	-	-	-
Loans	-	-	1.22	1.22	-	-	-	-
Refunds/Incentives receivables from government authorities	-	-	55.50	55.50	-	-	-	-
Derivative assets - forward exchange contracts	0.27	-	-	0.27	-	0.27	-	0.27
Other current financial assets	-	-	18.50	18.50	-	-	-	-
TOTAL	**185.04**	**-**	**892.43**	**1,077.47**	**55.30**	**589.39**	**-**	**644.69**
Financial liabilities								
Non Current								
Lease liabilities	-	-	31.44	31.44	-	-	-	-
Current								
Borrowings - Commercial papers	-	-	0.14	0.14	-	0.14	-	0.14
Lease liabilities	-	-	11.98	11.98	-	-	-	-
Trade and other payables	-	-	949.60	949.60	-	-	-	-
Other Current Financial Liabilities	-	-	158.65	158.65	-	-	-	-
TOTAL	**-**	**-**	**1,151.81**	**1,151.81**	**-**	**0.14**	**-**	**0.14**

There are no transfers between levels 1 and 2 during the year

₹ Crore

As at March 31, 2020	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non Current								
Loans	-	-	19.09	19.09	-	-	-	-
Other Non-Current Financial Assets	-	-	15.74	15.74	-	-	-	-
Current				-				-
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	80.06	80.06	80.10	-	-	80.10

₹ Crore

As at March 31, 2020	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Deposits with Non-Banking Financial Companies	-	-	555.34	555.34	-	555.34	-	555.34
Trade receivables	-	-	305.52	305.52	-	-	-	-
Cash and cash equivalents	-	-	63.76	63.76	-	-	-	-
Other Bank balances	-	-	21.92	21.92	-	-	-	-
Loans	-	-	0.05	0.05	-	-	-	-
Refunds/Incentives receivables from Govt. Authorities	-	-	133.13	133.13	-	-	-	-
Derivative assets - forward exchange contracts	4.79	-	-	4.79	-	4.79	-	4.79
Other Current Financial Assets	-	-	22.78	22.78	-	-	-	-
TOTAL	**4.79**	**-**	**1,217.39**	**1,222.18**	**80.10**	**560.13**	**-**	**640.23**
Financial liabilities								
Non Current								
Lease liabilities	-	-	4.94	4.94	-	-	-	-
Current								
Borrowings (Commercial Paper)	-	-	317.33	317.33	-	317.33	-	317.33
Lease liabilities			3.48	3.48		-		-
Trade and other payables	-	-	1,243.14	1,243.14	-	-	-	-
Other current financial liabilities	-	-	62.67	62.67	-	-	-	-
TOTAL	**-**	**-**	**1,631.56**	**1,631.56**	**-**	**317.33**	**-**	**317.33**

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

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund Investments	NAV quoted by the Mutual Fund	NA	NA
Investments in Non Convertible Debenture/ Commercial papers with Non-Banking Financial Companies	Broker Quote	NA	NA
Deposits with Non-Banking Financial Companies	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Commercial Paper issued by the Company	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Derivative Financial Instruments	MTM from Banks	NA	NA

Note 49 : 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, 2021 is as below:

₹ Crore

	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
	GBP	USD	EURO	AED
Financial assets				
Cash and cash equivalents	-	8.77	-	-
Trade and other receivables	-	72.35	25.53	-
Less: Forward contracts for trade receivables	-	-	(8.58)	-
Other Non-Current Financial Assets	-	8.12	-	-
Other Current Financial Assets	-	8.33	-	-
	-	**97.57**	**16.95**	**-**
Financial liabilities				
Trade and other payables	(0.10)	110.44	0.87	-
Less: Forward contracts for trade payables	-	(14.27)	-	-
Other Non-current financial liabilities	-	-	-	-
Other Current Financial Liabilities	-	-	-	-
	(0.10)	**96.17**	**0.87**	-
Net exposure	**0.10**	**1.40**	**16.08**	**-**

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, 2020 is as below:

₹ Crore

	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
	GBP	USD	EURO	AED
Financial assets				
Cash and cash equivalents	-	9.76	-	-
Trade and other receivables	-	90.79	29.28	-
Less: Forward contracts for trade receivables	-	-	-	-
Other Non-Current Financial Assets	-	15.74	-	-
Other Current Financial Assets	-	10.74	-	-
	-	**127.02**	**29.28**	**-**
Financial liabilities				
Trade and other payables	0.64	246.58	(0.23)	-
Less: Forward contracts for trade payables	-	(111.94)	-	-
Other Non-current financial liabilities	-	-	-	-
Other Current Financial Liabilities	-	0.25	1.52	-
	0.64	**134.89**	**1.29**	**-**
Net exposure	**(0.64)**	**(7.87)**	**27.99**	**-**

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

	Year-end spot rate as at	
INR	**March 31, 2021**	**March 31, 2020**
GBP INR	**100.95**	93.08
USD INR	**73.50**	75.39
EUR INR	**86.10**	83.05
ZAR INR	**4.94**	4.23
AED INR	**19.91**	20.60
JPY INR	**0.66**	0.70

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.

₹ Crore

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2021		
5% movement		
GBP	-	-
USD	0.07	(0.07)
EUR	0.80	(0.80)
	0.87	**(0.87)**

₹ Crore

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2020		
5% movement		
GBP	(0.03)	0.03
USD	(0.39)	0.39
EUR	1.39	(1.39)
AED	-	-
	0.97	**(0.97)**

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 (including derivatives) 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. Derivatives are entered into with banks as counter parties, which have high credit ratings assigned by rating agencies.

At March 31, 2021, the ageing for the financial assets as mentioned in the note below & that were not impaired (not provided for) was as follows.

Trade receivables

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Neither past due nor impaired	**185.52**	113.95
Past due 1–90 days	**53.00**	141.92
Past due 91–120 days	**3.20**	12.66
Past due 120 days	**5.74**	36.99
	247.46	**305.52**

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 of large number of small balances.

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

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Opening balance	**5.49**	6.34
Impairment loss (released) /recognised during the year	**8.97**	(0.85)
Closing balance	**14.46**	5.49

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.

₹ Crore

	Contractual cash flows			
March 31, 2021	**Total**	**Less than 1 Year**	**1-3 years**	**More than 3 years**
Non-derivative financial liabilities				
Lease liabilities	49.83	14.34	34.34	1.15
Borrowings	0.14	0.14	-	-
Trade payables	949.60	949.60	-	-
Other Financial Liabilities	158.65	158.65	-	-
Total	**1,158.22**	**1,122.73**	**34.34**	**1.15**
Derivative financial liabilities				
Forward exchange contracts				
- Outflow	14.27	14.27	-	-
- Inflow	8.58	8.58	-	-

₹ Crore

March 31, 2020	Contractual cash flows			
	Total	**Less than 1 Year**	**1-3 years**	**More than 3 years**
Non-derivative financial liabilities				
Lease liabilities	10.01	4.01	5.22	0.77
Borrowings	317.33	317.33	-	-
Trade payables	1,243.14	1,243.14	-	-
Other Financial Liabilities	62.67	62.67	-	-
Total	**1,633.15**	**1,627.15**	**5.22**	**0.77**
Derivative financial liabilities				
Forward exchange contracts				
- Outflow	111.94	111.94	-	-
- Inflow	-	-	-	-

Note 50 : Disclosure U/S 186 (4) Of The Companies Act, 2013

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 42.

Note 51 : 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 52 : Covid 19 Impact

The year ended March 31,2021 was unprecedented due to the spread of Coronavirus pandemic across the globe, impacting all the geographies of our operations in the early months of the period. The company has been working on a safety first principle, ensuring that our employees and business partners are safe and are taking all necessary precautions to control the spread of Coronavirus. While we did see impact of lockdown in the early part of the period, we displayed strong agility in ramping up the production and resolving logistics challenges. The company is recording sequential recovery across most of our markets of operations. We also leveraged technology, strong relationships with our channel partners to meet the end consumer demand. As per our current assessment other than the impairment recorded on investment, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, other investments and other financial assets is expected, and we continue to monitor changes in future economic conditions.

Note 53 : 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 Registration No. 101248W/W-100022

For and on behalf of the Board

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

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") and its associate, which comprise the consolidated balance sheet as at 31 March 2021, 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 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 and its associate as at 31 March 2021, 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 and its associate, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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.

Description of Key Audit Matters:

The key audit matter	How the matter was addressed in our audit
Revenue recognition (Refer note 29 to the consolidated financial statements) Revenue is measured net of any discounts and rebates. Recognition and measurement of discounts and rebates accruals at year end, involves judgement and estimates. This leads to a risk of revenue being misstated due to inaccurate estimation over discounts and volume 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 on account of manipulation in the timing of transfer of control, due to the pressure on the Group to achieve performance targets, at the reporting period end. Accordingly, revenue recognition is considered to be a key audit matter.	Our audit procedures included: • Assessing the Group's compliance of revenue recognition accounting policies, including those relating to discounts and rebates, with reference to Ind AS 115 'Revenue from contracts with customers' (applicable accounting standard); • Testing the design, implementation and operating effectiveness of the Group's key manual application controls and general IT controls and key IT application controls over the Group's systems, with the assistance of our IT specialists. These IT systems enable recording of revenue (including period end cut-off) and compute discounts and volume rebates in the general ledger accounting system; • Performing substantive cut-off testing by selecting statistical samples of revenue transactions recorded at year-end and agreeing to the underlying documents, which included sales invoices and shipping documents; • Performing a retrospective assessment of discounts and rebate accruals with prior period to evaluate the historical accuracy; • Performing substantive testing by agreeing statistical samples of discounts and rebate accruals to underlying documents; • Assessing manual journals posted to revenue to identify unusual items.
Impairment evaluation of Goodwill (Refer note 52 to the consolidated financial statements) The carrying amount of Goodwill represents 36% of the Group's total assets. The identification of relevant Cash Generating Units (CGUs) for the annual impairment evaluation of Goodwill by the Group involves significant judgement. The impairment testing of Goodwill by the Group involves significant estimates and judgement due to the inherent uncertainty involved in forecasting, discounting future cash flows, and determining the recoverable amount. Accordingly, impairment assessment of goodwill is considered to be a key audit matter.	Our audit procedures included: • Evaluating appropriateness of Group's basis to identify relevant CGUs; • Assessing Group's valuation methodology and challenging the assumptions used relating to weighted-average cost of capital, revenue, earnings and long-term growth rates, by involving our valuation specialists. • Comparing the weighted-average cost of capital with sector averages for the relevant markets in which the CGUs operate; • Performing sensitivity analysis by assessing the effect of possible reductions in the above assumptions on the recoverable amount;

Description of Key Audit Matters:

The key audit matter	How the matter was addressed in our audit
	• Assessing the reliability of the financial projections prepared by the Group by comparing projections for previous financial years with actual results realized and analysis of significant variances, if any[; and • Evaluating the adequacy of the disclosures in respect of impairment evaluation of Goodwill in the consolidated financial statements.
Intangible Assets- impairment assessment (Refer note 52 to the consolidated financial statements) The carrying amount of trademarks / brands (indefinite life intangible assets) represent 17% of the Group's total assets. The annual impairment testing of these intangible assets by the Group involves significant estimates and judgment due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, impairment assessment of intangible assets is considered to be a key audit matter.	Our audit procedures included: • Assessing the valuation methodology and challenging the assumptions used, in particular those relating to forecast revenue growth and earnings, weighted average cost of capital and royalty rates, with the assistance of our valuation specialists; • Assessing the reliability of the financial projections prepared by the Group by comparing projections for previous financial years with actual results realized and analysis of significant variances, if any; • Performing sensitivity analysis on the assumptions noted above; and • Evaluating the adequacy of disclosures in respect of impairment evaluation of intangible assets in the consolidated financial statements.

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 consolidated 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 reports 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.

Management's and Board of Directors' Responsibilities 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/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group and its associate 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

Management and Board of Directors of the companies included in the Group and of its associate 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 Management and 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 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 the respective Board of Directors 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 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

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

- Conclude on the appropriateness of Management and Board of Directors 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 and its associate 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 and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. 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 believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We 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/financial information of 35 subsidiaries, whose financial statements/ financialinformation reflects total assets of ₹ 9,677.88 crores as at 31 March 2021, total revenues of ₹ 7,734.51 crores, net profit after tax of ₹ 643.56 crores and net cash outflows amounting to ₹ 69.26 crores for the year ended on that date, before giving effect to consolidation adjustments, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of 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 financial statements/ financial information of 3 subsidiaries, whose financial statements/financial information reflect total assets of ₹ 11.37 crores as at 31 March 2021, total revenue of ₹ 1.27 crores, total net (loss) after tax of ₹ (2.16) crores and net cash inflows of ₹ 0.37 crores for the year ended on that date, before giving effect to consolidation adjustments, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net (loss) after tax of ₹ (0.01) crore for the year ended 31 March 2021 as considered in the consolidated financial statements, in respect of one associate, whose financial statements/ financial information have not been audited by us or by other auditors. These unaudited financial statements/ financial information have been furnished to us by the Board of Directors 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 associate and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements/financial information 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/financial information 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 2021 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 2021 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". We have not commented on the internal financial controls with reference to financial statements of the subsidiaries since all the subsidiaries are incorporated outside India.

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 2021 on the consolidated financial position of the Group and its associate. Refer Note 41 to the consolidated financial statements.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021.

iii) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company.

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 2021.

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
UDIN:21046476AAAADC7833
Mumbai, 11 May 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements of Godrej Consumer Products Limited for the year ended 31 March 2021

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 (A) (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 Godrej Consumer Products Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of 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 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding Company 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 consolidated 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 consolidated 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 consolidated 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
UDIN:21046476AAAADC7833
Mumbai, 11 May 2021

Consolidated Balance Sheet as at March 31, 2021

₹ Crore

	Note No.	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment	3	**1,210.22**	1,205.02
(b) Capital work-in-progress		**52.97**	55.67
(c) Right-of-use assets	4	**91.13**	51.90
(d) Goodwill	5	**5,129.85**	5,339.32
(e) Other Intangible assets	5	**2,473.57**	2,635.16
(f) Intangible assets under development		**4.46**	1.37
(g) Investments in associate	6	**19.42**	34.80
(h) Financial Assets			
(i) Other Investments	6A	**2.51**	-
(ii) Loans	7	**21.78**	22.63
(iii) Others	8	**3.36**	36.63
(i) Deferred tax assets (net)	9D	**676.79**	646.79
(j) Other non-current assets	10	**55.03**	45.21
(k) Non-Current Tax Assets (net)	9C	**69.32**	74.17
Total Non Current Assets		**9,810.41**	**10,148.67**
2. Current assets			
(a) Inventories	11	**1,716.25**	1,703.12
(b) Financial Assets			
(i) Investments	12	**657.17**	637.18
(ii) Trade receivables	13	**1,004.50**	1,157.25
(iii) Cash and cash equivalents	14A	**524.13**	602.87
(iv) Bank balances other than (iii) above	14B	**148.08**	167.29
(v) Loans	15	**4.64**	3.27
(vi) Others	16	**70.64**	164.51
(c) Other current assets	17	**347.00**	372.85
Total Current Assets		**4,472.41**	**4,808.34**
TOTAL ASSETS		**14,282.82**	**14,957.01**
II. EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share capital	18	**102.25**	102.23
b) Other equity	19	**9,336.65**	7,796.13
Total Equity		**9,438.90**	**7,898.36**
2. LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	**480.11**	2,145.04
(ii) Lease liabilities	4	**67.49**	34.19
(iii) Other financial liabilities	21	**-**	131.98
(b) Provisions	22	**114.72**	116.98
(c) Deferred tax liabilities (net)	9E	**39.03**	76.73
(d) Other non-current liabilities	23	**6.88**	7.17
Total Non Current liabilities		**708.23**	**2,512.09**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	**279.41**	518.70
(ii) Lease liabilities	4	**28.16**	22.43
(iii) Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	25	**24.86**	27.15
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	25	**2,134.78**	2,453.34
(iv) Other financial liabilities	26	**1,462.23**	1,336.04
(b) Other current liabilities	27	**80.55**	84.71
(c) Provisions	28	**72.40**	55.96
(d) Current tax liabilities (Net)	9C	**53.30**	48.23
Total Current Liabilities		**4,135.69**	**4,546.56**
TOTAL EQUITY AND LIABILITIES		**14,282.82**	**14,957.01**

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 Registration No. 101248W/W-100022

For and on behalf of the Board of Directors

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

₹ Crore

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Revenue			
I. Revenue from Operations	29	**11,028.62**	9,910.80
II. Other income	30	**67.07**	112.30
III. Total Income (I + II)		**11,095.69**	**10,023.10**
IV. Expenses			
Cost of Materials Consumed	31	**4,606.76**	4,121.75
Purchases of Stock-in-Trade		**365.01**	313.08
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	**(42.35)**	(173.15)
Employee Benefits Expense	33	**1,123.34**	1,018.82
Finance costs	34	**126.63**	217.41
Depreciation and Amortization Expenses	35	**203.85**	197.28
Other Expenses	36	**2,587.61**	2,487.27
Total Expenses		**8,970.85**	**8,182.46**
V. Profit before Exceptional Items, Share of Net Profit/ (loss) of equity accounted investees and Tax (III-IV)		**2,124.84**	**1,840.64**
VI. Share of net profit/ (loss) of equity accounted investees (net of income tax)		**(0.01)**	0.81
VII. Profit before Exceptional Items and Tax (V+VI)		**2,124.83**	**1,841.45**
VIII. Exceptional Items (Net)	37	**(44.47)**	(81.05)
IX. Profit before Tax (VII+VIII)		**2,080.36**	**1,760.40**
X. Tax expense:			
(1) Current Tax	9A	**408.14**	378.66
(2) Deferred Tax	9A	**(48.60)**	(114.84)
Total Tax Expense		**359.54**	**263.82**
XI. Profit for the Year (IX-X)		**1,720.82**	**1,496.58**
XII. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		**5.69**	(4.93)
(ii) Income tax related to items that will not be reclassifed to profit or loss	9A	**(1.35)**	1.07
		4.34	**(3.86)**
B (i) Items that will be reclassified to profit or loss			
a) Exchange differences in translating financial statements of foreign operations		**(188.96)**	245.62
b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		**20.99**	(18.56)
		(167.97)	**227.06**
Other Comprehensive Income (net of income tax) (A+B)		**(163.63)**	**223.20**
XIII. Total Comprehensive Income for the Year (XI+XII)		**1,557.19**	**1,719.78**
Profit attributable to:			
Owners of the Company		**1,720.82**	**1,496.58**
Non-controlling interests		**-**	-
Other Comprehensive Income attributable to:			
Owners of the Company		**(163.63)**	**223.20**
Non-controlling interests		**-**	**-**
Total comprehensive income attributable to:			
Owners of the Company		**1,557.19**	**1,719.78**
Non-controlling interests		**-**	**-**
XIV. Earnings per equity share (₹)			
1. Basic	38	**16.83**	**14.64**
2. Diluted		**16.83**	**14.64**

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
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Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors

Vijay Mathur
Partner
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V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

Consolidated Statement of Cash Flows for the year ended March 31, 2021

₹ Crore

		Year ended March 31, 2021	Year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	**2,080.36**	**1,760.40**
	Adjustments for :		
	Non-Cash Items		
	Depreciation, amortization and impairment expenses	**203.85**	197.28
	Unrealised Foreign Exchange (Gain) / Loss	**9.75**	0.25
	Bad Debts Written off	**4.27**	6.25
	Provision / Write off / (back) for Doubtful Debts / Advances	**19.79**	(3.09)
	Provision for Non Moving Inventory	**17.00**	(8.56)
	(Write back) / Write off of Old Balances	**(0.72)**	0.79
	Expenses on Employee Stock Grant Scheme (ESGS)	**6.09**	9.66
	Provision for diminution in the value of investments/assets	**77.06**	78.00
	Finance cost	**126.63**	217.41
	Loss on sale of Property, Plant & Equipment and Intangible assets (net)	**7.63**	4.13
	(Profit) on Sale of Investments (net)	**(14.02)**	(4.53)
	Fair value (Gain) / Loss on financial assets measured at FVTPL (net)	**(0.53)**	-
	Interest Income	**(35.05)**	(76.25)
	Share of profit of equity accounted investees	**0.01**	(0.81)
	Gain on reversal of earnout liability/divestment of UK business	**(42.09)**	(9.51)
	Adjustment due to hyperinflation	**11.96**	13.49
		391.63	**424.51**
	Operating Cash Flows Before Working Capital Changes	**2,471.99**	**2,184.91**
	Adjustments for :		
	Increase in inventories	**(70.35)**	(168.94)
	Decrease in trade receivables	**81.44**	130.29
	Increase in loans	**(0.52)**	(3.40)
	(Increase) / Decrease in other financial assets	**114.53**	(34.19)
	(Decrease) / Increase in other non-current assets	**2.09**	(11.73)
	Decrease / (Increase) in other current assets	**22.53**	(73.35)
	Decrease in trade and other payables	**(325.83)**	(95.00)
	Increase / (Decrease) in other financial liabilities	**115.47**	(39.38)
	Increase in other liabilities and provisions	**15.43**	42.95
		(45.21)	**(252.75)**
	Cash Generated from Operating Activities	**2,426.78**	**1,932.16**
	Adjustment for :		
	Income Taxes paid (net)	**(397.15)**	(344.05)
	Net Cash Flow from Operating Activities (A)	**2,029.63**	**1,588.11**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant & equipment and intangible assets (net)	**(163.86)**	(152.02)
	(Investment)/Redemption of Mutual Fund (Net)	**(136.08)**	19.73
	Redemption / (Investments) in deposits with NBFCs (net)	**72.26**	(400.10)
	Proceeds from sale of non convertible debentures with NBFCs (net)	**34.95**	249.21
	Proceeds from/(Investments) in fixed deposits having maturities greater than 3 months (net)	**18.08**	(131.61)
	Dividend from equity accounted investees	**-**	0.68
	Payment of liabilities for Business Acquisitions	**(197.65)**	(185.66)
	Divestment of business unit, net of cash disposed of	**-**	9.51
	Investment in Non Current Investment	**(2.51)**	-
	Interest Received	**59.31**	57.00
	Net Cash Flow from (used in) in Investing Activities (B)	**(315.50)**	**(533.26)**

Consolidated Statement of Cash Flows for the year ended March 31, 2021

₹ Crore

		Year ended March 31, 2021	Year ended March 31, 2020
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Allotment of Equity Shares under Employee Stock Grant Scheme	**0.02**	0.01
	(Repayments)/ Proceeds from Commercial Paper	**(247.33)**	247.33
	Repayments of loans and borrowings excluding Commercial paper (net)	**(1,372.03)**	(375.31)
	Finance Cost paid	**(158.87)**	(151.87)
	Dividend Paid	**-**	(817.82)
	Dividend Distribution Tax Paid	**-**	(168.11)
	Principal Payment of lease liabilities	**(31.31)**	(25.49)
	Finance cost paid towards Lease liabilities	**(6.70)**	(4.07)
	Net Cash Flow (used in) Financing Activities (C)	**(1,816.22)**	**(1,295.33)**
	NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(102.09)**	**(240.48)**
	CASH AND CASH EQUIVALENTS:		
	As at the beginning of the year * (Refer Note 14A)	**602.87**	862.21
	Less: Cash credit	**(1.91)**	(5.75)
	Effect of exchange difference on translation of cash and cash equivalents on consolidation	**24.90**	(15.02)
	As at the end of the year * (Refer Note 14A)	**524.13**	602.87
	Less: Cash credit	**(0.36)**	(1.91)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(102.09)**	**(240.48)**

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

₹ Crore

Movement of loans and borrowings:	Year ended March 31, 2021	Year ended March 31, 2020
Opening Balance	**3,516.44**	**3,376.30**
Cash Flows (net)	**(1,619.36)**	(127.98)
Add/(Less): Exchange difference	**(129.12)**	268.12
Closing Balance	**1,767.96**	**3,516.44**

Note:

1 The above consolidated 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 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 Registration No. 101248W/W-100022

For and on behalf of the Board of Directors

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

(a) Equity Share Capital

	Note No.	₹ Crore
As at April 1, 2020		102.22
Changes in equity share capital during the year		0.01
As at March 31, 2020		**102.23**
As at April 1, 2020		102.23
Changes in equity share capital during the year	18	0.02
As at March 31, 2021		**102.25**

(b) Other Equity (Refer Note 19)

₹ Crore

Particulars	Reserves & Surplus				Other Comprehensive Income		Total	Total Equity
	Securities Premium	General Reserve	Other Reserves	Retained Earnings	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operations		
Balance as at April 1, 2019	1,398.04	154.05	13.96	5,569.13	(5.89)	35.41	7,164.70	7,164.70
Transition Impact of Lease as per IND AS 116 (net of tax) (Refer note 4)	-	-	-	(4.60)	-	-	(4.60)	(4.60)
Restated balance as at April 1,2019	**1,398.04**	**154.05**	**13.96**	**5,564.53**	**(5.89)**	**35.41**	**7,160.10**	**7,160.10**
Profit for the year	-	-	-	1,496.58	-	-	1,496.58	1,496.58
Remeasurements of defined benefit plans (net of tax)	-	-	-	(3.86)	-	-	(3.86)	(3.86)
Other comprehensive income for the year (Net) (refer Note 19)	-	-	-		(18.56)	219.93	201.37	201.37
Total comprehensive income for the year	-	-	-	**1,492.72**	**(18.56)**	**219.93**	**1,694.09**	**1,694.09**
Premium received on allotment of shares / Exercise of Share Options	9.32	-	(9.32)	-	-	-	-	-
Deferred employee compensation expense	-	-	9.66	-	-	-	9.66	9.66
Dividends	-	-	-	(817.82)	-	-	(817.82)	(817.82)
Dividend Distribution Tax (DDT)	-	-	-	(168.11)	-	-	(168.11)	(168.11)
Revaluation of put option liability	-	-	-	(81.79)	-	-	(81.79)	(81.79)
Balance as at March 31, 2020	**1,407.36**	**154.05**	**14.30**	**5,989.53**	**(24.45)**	**255.34**	**7,796.13**	**7,796.13**
Balance as at April 1, 2020	1,407.36	154.05	14.30	5,989.53	(24.45)	255.34	7,796.13	7,796.13
Profit for the year			-	1,720.82	-	-	1,720.82	1,720.82
Remeasurements of defined benefit plans (net of tax)	-	-	-	4.34	-	-	4.34	4.34
Other comprehensive income for the year (Net)	-	-	-	-	20.99	(188.96)	(167.97)	(167.97)
Total comprehensive income for the year	-	-	-	**1,725.16**	**20.99**	**(188.96)**	**1,557.19**	**1,557.19**
Premium received on allotment of shares / Exercise of Share Options	11.25	-	(11.25)	-	-	-	-	-
Deferred employee compensation expense	-	-	6.09	-	-	-	6.09	**6.09**
Revaluation of put option liability	-	-	-	(22.76)	-	-	(22.76)	(22.76)
Balance as at March 31, 2021	**1,418.61**	**154.05**	**9.14**	**7,691.93**	**(3.46)**	**66.38**	**9,336.65**	**9,336.65**

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 Registration No. 101248W/W-100022

For and on behalf of the Board of Directors

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

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 along with its subsidiaries and associate 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.

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.

The Consolidated financial statements were authorized for issue by the Company's Board of Directors on May 11, 2021.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group'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 Group has ascertained its operating cycle as twelve months for the purpose of classification of assets and liabilities into current and non-current.

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 2.4 (f)]
- Defined benefit plans – plan assets and share based payments measured at fair value [Note 2.4 (l)]
- Assets held for sale – measured at lower of carrying value or fair value less cost to sell [Note 2.4 (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 is 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 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. 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, 2021 are:

- Net assets increased by ₹ 21.29 crore *(Mar-31-2020: ₹ 24.91 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, 2021;
- Total Revenue from operation is increased by ₹ 5.29 crore *(Mar-31-2020: ₹ 0.75 crore)*;
- Profit after tax is reduced by ₹ 18.09 crore *(Mar-31-2020: ₹ 30.77 crore)* and
- A net monetary gain of ₹ 1.36 crore *(Mar-31-2020: loss of ₹ 1.21 crore)* (grouped under other income / 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. The Argentina hyperinflation index is computed basis the periodic inflation index.

Below are the indexes used for calculation of hyperinflation impact in Argentina Peso. These are for directional purpose as computation is done basis monthly index.

As at	Index*
31st Mar'21	5785.99
31st Mar'20	4056.11
31st Mar'19	2734.02

*Source - National Institute of Statistics and Censuses of the Argentine Republic.

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, disclosure of contingent 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 2.4 (a)]

ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; [Note 2.4 (b)]

iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; [Note 44]

iv. Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward and MAT credit can be used; [Note 2.4 (n)]

v. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; [Note 2.4(j)]

vi. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; [Note 2.4(l)]

vii. Rebates and sales incentives accruals [Note 2.4 (k)]

viii. Fair value of financial instruments [Note 2.3]

ix. Impairment of Goodwill [Note 2.4 (b)]

x. Impairment of financial and non-financial assets [Note 2.4 (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 2.4.(f).

2.4 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 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.

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 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.
- In some of the subsidiaries, useful lives are estimated to be lower or higher as compared to useful lives defined in Schedule II of the Companies Act 2013 for certain class of assets due to different geographical environment.

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 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 and on consolidation 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 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 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 and whenever there is an indication that the intangible asset may be impaired. 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 and loss when the asset is derecognized.

Amortization of other intangible assets

Amortization 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 licenses	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 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 recognised as an expense in the period in which they are incurred. .

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 (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 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 derecognized (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 recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes 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 and applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies a simplified approach. It recognise 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, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition
A financial liability is derecognized 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 and 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 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/cash credits repayable on demand, as they are considered an integral part of the Group'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 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

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.

l. 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.

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 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 Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

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 upto 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

At the inception it is assessed, whether a contract is a lease or contains a lease. A contract is a lease or contains a lease if it conveys the right to control the use of an identified asset, for a period of time, in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether the contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

- Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.

- If the supplier has a substantive substitution right, then the asset is not identified.

- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use

- The Group has the right to direct the use of the asset.

- In cases where the usage of the asset is predetermined the right to direct the use of the asset is determined when the Group has the right to use the asset or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At the commencement or modification of a contract, that contains a lease component, the Group allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices. For leases of property, it is elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

As a Lessee:

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date.

<u>*Right-of-use asset (ROU):*</u>

The right-of-use asset is initially measured at cost. Cost comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

After the commencement date, a lessee shall measure the right-of-use asset applying cost model, which is Cost less any accumulated depreciation and any accumulated impairment losses and also adjusted for certain re-measurements of the lease liability.

Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to the Group at the end of the lease term or the cost of the right-of-use asset reflects the Group will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

Lease liability:

Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that rate cannot be readily determined, then using the Group's incremental borrowing rate. Incremental borrowing rate is determined based on entity's borrowing rate adjusted for terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments), variable lease payments that depends on an index or a rate, initially measured using the index or rate at the commencement date, amount expected to be payable under a residual value guarantee, the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Lease liability is measured at amortised cost using the effective interest method. Lease liability is re-measured when there is a change in the lease term, a change in its assessment of whether it will exercise a purchase, extension or termination option or a revised in-substance fixed lease payment, a change in the amounts expected to be payable under a residual value guarantee and a change in future lease payments arising from change in an index or rate.

When the lease liability is re-measured corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero it will be recorded in statement of profit and loss.

Right-of-use asset is presented under "Non-current assets" and lease liabilities are presented under "Financial liabilities" in the balance sheet.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lessor

At the commencement or modification of a contract, that contains a lease component, the Group allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices.

At the inception of the lease, it is determined whether it is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, then it is a financial lease, otherwise it is an operating lease.

If the lease arrangement contains lease and non-lease components, then the consideration in the contract is allocated using the principles of IND AS 115. The Group tests for the impairment losses at the year end. Payment received under operating lease is recognised as income on straight line basis, over the lease term.

The accounting policies applicable to the Group as a lessor, in the comparative period, were not different from IND AS 116.

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 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 Group 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 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.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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.

o. Foreign Currency Transactions and Translation

i. Functional and Presentation currency

The Consolidated financial statements are prepared in Indian Rupees (INR "₹ ") which is also the Parent 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 other comprehensive income to the extent that the hedges are effective.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income, qualifying cash flow hedge to the extent that the hedges are effective.

In respect of non-monetary items, where a gain or loss is recognized 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

p. 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.

q. 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.

r. 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.

s. 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.

t. 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.

2.5 Standards issued but not yet effective

Ministry of Corporate affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Note 3: Property, Plant and Equipment

₹ Crore

PARTICULARS	Owned Assets									Assets given on lease		Total
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	Vehicles	
Year ended March 31, 2021												
Gross carrying amount												
Opening gross carrying amount	56.03	90.08	512.18	47.48	710.40	34.70	42.50	33.09	59.41	90.26	1.81	1,677.95
Additions	-	-	9.84	5.11	104.20	2.23	18.00	3.68	6.99	-	-	150.05
Disposals	(0.11)	-	(1.67)	-	(11.81)	(0.70)	(2.97)	(0.15)	(2.63)	-	(0.15)	(20.19)
Hyperinflationary adjustment #	-	-	1.15	-	0.43	0.20	0.11	0.33	(0.39)	-	-	1.83
Other Adjustments (consist of exchange difference on translation of foreign operations)	3.10	(4.83)	5.03	(0.29)	3.52	0.54	0.63	(0.83)	0.27	-	0.17	7.31
Closing Gross Carrying Amount	**59.02**	**85.25**	**526.53**	**52.30**	**806.74**	**36.97**	**58.27**	**36.12**	**63.65**	**90.26**	**1.83**	**1,816.94**
Accumulated Depreciation												
Opening Accumulated Depreciation	-	7.12	61.45	28.99	279.58	13.22	18.27	14.01	41.14	7.33	1.81	472.92
Depreciation charge during the year	-	0.88	19.70	7.14	78.89	3.34	9.68	4.09	10.02	-	-	133.74
Additional depreciation due to hyperinflation #	-	-	0.74	-	1.41	0.22	0.10	0.38	0.41	-	-	3.26
Disposals	-	-	(0.46)	-	(11.56)	(0.42)	(2.33)	(0.15)	(2.34)	-	(0.15)	(17.41)
Hyperinflationary adjustment #	-	-	(0.11)	-	0.11	0.04	0.04	0.08	(0.55)	-	-	(0.39)
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	(0.34)	2.31	(0.15)	12.34	0.39	0.06	(0.30)	0.12	-	0.17	14.60
Closing Accumulated Depreciation	**-**	**7.66**	**83.63**	**35.98**	**360.77**	**16.79**	**25.82**	**18.11**	**48.80**	**7.33**	**1.83**	**606.72**
Net Carrying Amount	**59.02**	**77.59**	**442.90**	**16.32**	**445.97**	**20.18**	**32.45**	**18.01**	**14.85**	**82.93**	**-**	**1,210.22**

₹ Crore

PARTICULARS	Owned Assets									Assets given on lease		Total
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	Vehicles	
Year ended March 31, 2020												
Gross carrying amount												
Opening gross carrying amount	60.08	86.83	491.29	45.08	634.14	35.49	45.79	29.77	55.03	90.26	1.99	1,575.75
Additions	0.10	-	28.77	2.17	105.40	2.32	8.89	3.34	9.43	-	-	160.42
Disposals	-	-	(0.01)	(0.10)	(3.27)	(0.29)	(7.97)	(0.16)	(3.46)	-	(0.08)	(15.34)
Hyperinflationary Adjustments #	(0.06)	-	0.76	-	2.91	0.80	0.22	1.13	1.47	-	-	7.23
Other Adjustments (consist of exchange difference on translation of foreign operations)	(4.09)	3.25	(8.63)	0.33	(28.78)	(3.62)	(4.43)	(0.99)	(3.06)	-	(0.10)	(50.11)
Closing Gross Carrying Amount	**56.03**	**90.08**	**512.18**	**47.48**	**710.40**	**34.70**	**42.50**	**33.09**	**59.41**	**90.26**	**1.81**	**1,677.95**
Accumulated Depreciation												
Opening Accumulated Depreciation	-	6.06	46.82	21.49	226.52	11.39	18.99	10.07	34.30	5.83	1.99	383.46
Depreciation charge during the year	-	0.89	18.23	7.17	73.37	4.12	8.73	3.97	10.87	1.50	-	128.85
Additional depreciation due to hyperinflation #	-	-	0.63	-	1.26	0.19	0.07	0.36	0.62	-	-	3.13
Impairment	-	-	-	-	1.75	-	-	-	-	-	-	1.75
Disposals	-	-	-	(0.09)	(1.98)	(0.11)	(6.43)	(0.16)	(3.37)	-	(0.08)	(12.22)
Hyperinflationary Adjustments#	-	-	(0.62)	-	1.83	0.33	0.07	0.38	0.98	-	-	2.97
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	0.17	(3.61)	0.42	(23.17)	(2.70)	(3.16)	(0.61)	(2.26)	-	(0.10)	(35.02)
Closing Accumulated Depreciation	**-**	**7.12**	**61.45**	**28.99**	**279.58**	**13.22**	**18.27**	**14.01**	**41.14**	**7.33**	**1.81**	**472.92**
Net Carrying Amount	**56.03**	**82.96**	**450.73**	**18.49**	**430.82**	**21.48**	**24.23**	**19.08**	**18.27**	**82.93**	**-**	**1,205.02**

Refer Note 54 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. Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" has been applied to translate the financial statements of such entities for consolidation.

Note 4 : Leases

As a lessee:

Right-of-Use assets

₹ Crore

	Building	Plant and Equipment	Vehicles	Others	Total
Recognised at April 1, 2020	**49.15**	**2.15**	**0.35**	**0.25**	**51.90**
Additions/ (deletions) during the year	69.15	0.87	1.05	(0.25)	**70.82**
Depreciation charge for the year	(29.89)	(0.91)	(0.31)	-	**(31.11)**
Exchange difference	(0.37)	(0.08)	(0.03)	-	**(0.48)**
Balance as at March 31, 2021	**88.04**	**2.03**	**1.06**	**-**	**91.13**
Recognised at April 1, 2019 (transition)	**63.68**	**-**	**-**	-	**63.68**
Additions during the year	12.51	2.06	0.45	0.32	**15.34**
Depreciation charge for the year	(27.13)	(0.04)	(0.07)	(0.03)	**(27.27)**
Exchange difference	0.09	0.13	(0.03)	(0.04)	**0.15**
Balance as at March 31, 2020	**49.15**	**2.15**	**0.35**	**0.25**	**51.90**

Maturity analysis - contractual undiscounted cash flows:

₹ Crore

Lease liabilities	**As at March 31, 2021**	**As at March 31, 2020**
Less than one year	**32.79**	25.90
One to three years	**63.53**	29.28
Three to five years	**10.29**	8.47
More than five years	**0.24**	0.76
Total undiscounted lease liabilities	**106.85**	**64.41**

₹ Crore

Lease liabilities (discounted value)	**As at March 31, 2021**	**As at March 31, 2020**
Non-current	**67.49**	34.19
Current	**28.16**	22.43
Total	**95.65**	**56.62**

Amounts recognized in statement of profit and loss:

₹ Crore

Lease liabilities	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Expenses relating to short-term leases	**63.29**	69.34
Expenses relating to low value leases	**1.08**	0.76
Total	**64.37**	**70.10**

As a lessor:

₹ Crore

Lease liabilities	Year ended March 31, 2021	Year ended March 31, 2020
Operating lease income	**10.77**	9.13
Total	**10.77**	**9.13**

Undiscounted lease payments to be received after	March 31, 2021	March 31, 2020
Less than one year	**10.86**	1.13
One to three years	**32.59**	-
Three years to five years	**0.91**	-
Total undiscounted lease payments	**44.36**	**1.13**

Change in accounting policy:

Transition impact as on April 1, 2019	₹ Crore
Right-of-use assets	**63.68**
Prepaid expenses	**(3.26)**
Deferred tax asset	**1.59**
Lease Liabilities	**(66.61)**
Retained earnings	**4.60**
Incremental borrowing rate	**8.1%**

Note 5 : Intangible Assets

₹ Crore

PARTICULARS	Goodwill (Refer note 52)	Other Intangible assets			Total Other Intangible assets
		Trademarks and Brands *	Computer Software	Technical Knowhow	
Year ended March 31, 2021					
Opening Gross carrying amount	5,369.32	2,667.04	125.90	0.10	2,793.04
Additions	-	1.70	5.70	-	7.40
Disposals	-	(0.13)	(0.40)	-	(0.53)
Hyperinflationary adjustment #	-	(2.40)	(0.10)	-	(2.50)
Other Adjustments (consist of exchange difference on translation of foreign operations)	(208.78)	(73.95)	(1.30)	-	(75.25)
Closing Gross Carrying Amount	**5,160.54**	**2,592.26**	**129.80**	**0.10**	**2,722.16**
Accumulated Amortisation/ Impairment					
Opening Accumulated Amortisation/ Impairment	30.00	77.58	80.20	0.10	157.88
Amortization recognised for the year	-	18.65	15.26	-	33.91
Additional amortisation due to hyperinflation #	-	0.90	0.93	-	1.83
Disposals	-	(0.01)	(0.36)	-	(0.37)
Impairment (Refer Note 52)	-	61.68	-	-	61.68
Hyperinflationary adjustment #	-	(2.28)	(0.65)	-	(2.93)
Other Adjustments (consist of exchange difference on translation of foreign operations)	0.69	(2.85)	(0.56)	-	(3.41)
Closing Accumulated Amortisation/ Impairment	**30.69**	**153.67**	**94.82**	**0.10**	**248.59**
Net Carrying Amount	**5,129.85**	**2,438.59**	**34.98**	**-**	**2,473.57**

₹ Crore

PARTICULARS	Goodwill (Refer note 52)	Other Intangible assets			Total Other Intangible assets
		Trademarks and Brands *	Computer Software	Technical Knowhow	
Year ended March 31, 2020					
Opening Gross carrying amount	4,918.03	2,514.43	118.86	0.10	2,633.39
Additions	-	2.38	7.14	-	9.52
Disposals	-	-	(1.37)	-	(1.37)
Hyperinflationary adjustment #	-	3.74	0.34	-	4.08
Other Adjustments (consist of exchange difference on translation of foreign operations)	451.29	146.49	0.93	-	147.42
Closing Gross Carrying Amount	**5,369.32**	**2,667.04**	**125.90**	**0.10**	**2,793.04**
Accumulated Amortisation/ Impairment					
Opening Accumulated Amortisation	-	12.53	60.82	0.10	73.45
Amortisation recognised for the year	-	17.66	17.11	-	34.77
Additional amortisation due to hyperinflation #	-	0.81	0.70	-	1.51
Disposals	-	-	(0.52)	-	(0.52)
Impairment (Refer Note 52)	30.00	40.48	-	-	40.48
Hyperinflationary adjustment #	-	3.31	(0.70)	-	2.61
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	2.79	2.79	-	5.58
Closing Accumulated Amortisation/ Impairment	**30.00**	**77.58**	**80.20**	**0.10**	**157.88**
Net Carying Amount	**5,339.32**	**2,589.46**	**45.70**	**-**	**2,635.16**

NOTE :

* Includes trademarks / brands amounting to ₹ 2,213.26 crore *(Mar-31-2020 : ₹ 2,337.34 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. Refer Note 52 for details of impairment for trademarks / brands with indefinite useful life.

Ind AS 29 "Financial Reporting in Hyperinflationary Economies" has been applied to the Group's entities with a functional currency of Argentina Peso . Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" has been applied to translate the financial statements of such entities for consolidation. Refer Note 2.1 (e) for impact of these standards.

Note 6: Investments in Associate

₹ Crore

		Face Value	Numbers		Amounts	
			As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unquoted, fully paid up:						
(a)	**Investments in Equity Instruments of Associate Company**					
	Bhabhani Blunt Hairdressing Pvt. Ltd.	₹ 10	**4,967**	4,967	**22.80**	22.80
	Less: Provision for diminution for value of investments (Refer Note 51)				**(9.61)**	-
(b)	**Investments in Compulsorily Convertible Debentures of Associate Company**					
	Bhabhani Blunt Hairdressing Pvt. Ltd.	₹ 10	**3,060**	3,060	**12.00**	12.00
	Less: Provision for diminution for value of investments (Refer Note 51)				**(5.77)**	-
TOTAL					**19.42**	34.80

Note:

The Group's interest in associate is accounted for using the equity method in the Consolidated financial statements.

Note 6A: Other Investments (Non-Current)

₹ Crore

	Amounts	
	As at March 31, 2021	As at March 31, 2020
Quoted, fully paid up:		
At Amortised Cost		
Investments in Government Bonds	**2.51**	-
TOTAL	**2.51**	**-**
Aggregate Amount of Quoted Investments	**2.51**	-
Aggregate Market Value of Quoted Investments	**2.51**	-
Aggregate Provision for Impairment in the Value of Investments	**-**	-

Note 7: Loans (Non-Current)

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good, Unless Otherwise Stated		
Security Deposits	**21.74**	22.00
Others	**0.04**	0.63
TOTAL	**21.78**	**22.63**

Note 8: Other Non-Current Financial Assets

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Fixed Deposits with maturity of more than 12 months	**-**	32.12
Others	**3.36**	4.51
TOTAL	**3.36**	**36.63**

Note 9: Income Taxes

A Income tax expense consists of the following:

i Tax expense recognised in the Statement of Profit and Loss

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Current Tax:		
Current tax on profits for the year	**408.14**	378.66
Deferred tax (net)	**(139.75)**	(158.69)
MAT credit utilised	**91.15**	43.85
Total income tax expense	**359.54**	**263.82**

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

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

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
On remeasurements of defined benefit plans		
Current tax	**-**	0.35
Deferred tax	**(1.35)**	0.72
TOTAL	**(1.35)**	**1.07**

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:

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Profit Before Tax	**2,080.36**	1,760.40
Statutory Income tax rate	**31.03%**	32.79%
Expected income tax expense	**645.61**	577.30
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Deduction under Sec 80IC & 80IE of Indian Income Tax Act, 1961	**(200.51)**	(205.82)
Effect of other tax offsets	**4.36**	3.19
Tax impact of income not subject to tax	**(11.32)**	(0.68)
Tax effects of amounts which are not deductible for taxable income	**15.43**	7.23
Tax benefit in respect of intangible assets (refer note (d) below)	**(117.86)**	(113.82)
Reversal of DTL due to rate change (refer note (g) below)	**0.42**	(78.14)
Reversal of DTA due to rate change (refer note (h) below)	**14.57**	31.77
Adjustments for current tax of prior periods (Excess MAT utilised)	**(2.89)**	6.50
Deferred Tax Asset not recognised on losses	**28.20**	24.31
Others	**(16.47)**	11.98
Total income tax expense	**359.54**	**263.82**

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

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Non-Current Tax Assets (net)	**69.32**	74.17
Current Tax Liabilities (net)	**53.30**	48.23

D Deferred Tax Assets (Net Of Liabilities):

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Deferred Tax Liability on account of :		
Property, Plant and Equipment	**(35.45)**	(35.54)
Intangible assets	**(213.88)**	(195.26)
Others	**-**	(0.81)
Deferred Tax Asset on account of :		
Defined benefit obligations	**50.79**	30.96
Intangible assets (Refer Note)	**290.79**	176.29
Provisions	**81.11**	72.03
MAT credit	**474.87**	566.02
Others (includes hyperinflation)	**28.56**	33.10
Total Deferred Tax Assets	**676.79**	**646.79**

E Deferred Tax Liabilities (Net Of Assets):

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Deferred Tax Liability on account of :		
Property, Plant and Equipment	**(25.54)**	(19.02)
Intangible assets	**(112.44)**	(124.88)
Others	**(0.10)**	(0.48)
Deferred Tax Asset on account of :		
Defined benefit obligations	**0.42**	0.19
Provisions	**4.49**	1.83
Tax losses	**74.82**	50.24
Others	**19.32**	15.39
Total Deferred Tax (Liabilities)	**(39.03)**	**(76.73)**
Net Deferred Tax (Liabilities) / Assets	**637.76**	**570.06**

F Movement in Deferred Tax (Liabilities) / Asset

₹ Crore

	Property, plant and equipment	Intangible assets	Other Deferred Tax Liability	Defined benefit obligations	Provisions	MAT Credit	Other Deferred Tax Asset	Deferred Tax Liability / Asset (net)
As at April 1, 2019	(53.86)	(244.52)	(4.05)	36.97	70.21	609.87	58.17	472.79
Charged/(credited) :								
- to profit or loss	(0.70)	120.55	2.76	(6.54)	3.65	(43.85)	38.97	114.84
- foreign currency translation	-	(19.88)	-	-	-	-	-	(19.88)
- to other comprehensive income	-	-	-	0.72	-		-	0.72
-to reserves	-	-	-	-	-	-	1.59	1.59
As at March 31, 2020	**(54.56)**	**(143.85)**	**(1.29)**	**31.15**	**73.86**	**566.02**	**98.73**	**570.06**
Charged/(credited) :								
- to profit or loss	(6.43)	89.25	1.19	21.41	11.74	(91.15)	22.59	48.60
- foreign currency translation	-	19.07	-	-	-	-	-	19.07
- to other comprehensive income	-	-	-	(1.35)	-		-	(1.35)
-to reserves	-	-	-	-	-	-	1.38	1.38
As at March 31, 2021	**(60.99)**	**(35.53)**	**(0.10)**	**51.21**	**85.60**	**474.87**	**122.70**	**637.76**

(a) The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(b) 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.

(c) The Group has not recognized deferred tax liability on undistributed profits of its subsidiaries and associates amounting to ₹ 967.62 crores (Mar-31-2020 : ₹ 851.34 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.

(d) 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 ₹ 117.86 crore (31-Mar-20: ₹ 113.82 crore) has been recognised in the Consolidated Financial Statements.

(e) 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 ₹ 91.15 crores (Year ended March 31, 2020: ₹ 43.85 crores). The Company had re-assessed, in the previous year, 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 balance credit of ₹ 474.87 crores (Year ended March 31, 2020 ₹ 566.02 crores) in future years against the normal tax expected to be paid in those years.

(f) Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from fiscal year 2019-20, allows any domestic company to pay availing income tax at the rate of 25.17% subject to condition they will not avail any incentive or exemptions. The lower rate is an option and companies can continue to account based on the old rates. The Company has plants located in North-east region availing income tax exemption, and the effective rate based on the tax exemption plants is lower than 25.17%, so company decided to not opt for lower rate in FY 2020-21.

(g) Based on internal projections the Company plans to opt for the lower tax rate in FY 2024-25 and remeasured the deferred taxes at the lower tax rate expected to be availed in the future. Accordingly, the Company has reversed deferred tax assets/liabilities recognised in earlier years at the tax rates enacted during those years, to the extent they are likely to reverse after 31st March 2024. The impact of such reversal was ₹ 0.42 crore for the year ended March 31, 2021 (Year ended March 31, 2020: ₹ 78.14 crore).

(h) Further the Group expects to utilise the deferred tax balances over subsequent periods which have been re-measured using the tax rate expected to be prevalent in the period in which the deferred tax balances are expected to reverse. Consequently, the Group has reversed reversed deferred tax assets of ₹ 14.57 crore for the year ended March 31, 2021 (Year ended March 31, 2020: ₹ 31.77 crore).

Note 10: Other Non-Current Assets

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Capital Advances	**17.15**	7.21
Balances with Government Authorities	**37.34**	37.18
Other non-current assets		
Considered Good-Unsecured	**0.54**	0.82
	0.54	0.82
TOTAL	**55.03**	**45.21**

Note 11: Inventories

₹ Crore

	As at March 31, 2021	As at March 31, 2020
(Valued at lower of cost and net realizable value)		
Raw Materials (Including Packing Materials)	**916.64**	966.47
Goods-in Transit	**24.48**	5.93
	941.12	**972.40**
Work-in-Progress	**77.31**	101.47
Finished goods	**587.86**	538.39
Stock-in-Trade	**86.42**	69.38
Stores and Spares	**23.54**	21.48
TOTAL	**1,716.25**	**1,703.12**

Refer Note 54 for Assets pledged as security

During the year ended March 31, 2021 an amount of ₹ 17 crore (31-Mar-20 reversal of ₹ 8.56 crore) was charged/ credited to the statement of Profit and Loss on account of write-down/ back of inventories including damaged and slow moving inventory.

Note 12: Investments (Current)

₹ Crore

	Amounts	
	As at March 31, 2021	As at March 31, 2020
Unquoted, fully paid up:		
At Fair Value through Profit or Loss		
Investments in Mutual Funds	**142.22**	1.78
At Amortised Cost		
Investments in Deposits with Non-Banking Financial Companies	**459.65**	555.34
Quoted, fully paid up:		
At Fair Value through Profit or Loss		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**55.30**	-
At Amortised Cost		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**-**	80.06
TOTAL	**657.17**	**637.18**
Aggregate amount of unquoted investments	**601.87**	557.12
Aggregate amount of quoted investments	**55.30**	80.06
Aggregate Market Value of quoted Investments	**55.30**	80.10

Note 13: Trade Receivables

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Considered Good- Secured	**0.65**	0.80
Considered Good - Unsecured	**1,003.85**	1,156.45
Trade Receivables which have significant increase in Credit Risk		
Trade Receivables - credit impaired	**56.79**	41.72
Less: Impairment allowance for Doubtful Debts	**(56.79)**	(41.72)
TOTAL	**1,004.50**	**1,157.25**

Refer credit risk in note 49 (B)

Refer Note 54 for Assets pledged as security

Note:

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

Note 14A: Cash and Cash Equivalents

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
- In Current Accounts	**425.07**	512.27
- Deposits with less than 3 months original maturity	**81.16**	85.56
	506.23	**597.83**
Cheques, Drafts on Hand	**2.21**	0.04
Cash on hand	**15.69**	5.00
TOTAL	**524.13**	**602.87**

Note 14B: Other Bank Balances

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Deposits with maturities more than 3 months but less than 12 months (Refer Notes below)	**131.56**	149.64
In Unpaid Dividend Accounts	**16.52**	17.65
TOTAL	**148.08**	**167.29**

NOTES:

The fixed deposits include deposits under lien against bank guarantees ₹ 4.22 crore *(Mar-31-2020 : ₹ 4.24 crore)*

Note 15: Loans (Current)

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Security Deposits	**4.58**	3.22
Other Loans and Advances	**0.06**	0.05
TOTAL	**4.64**	**3.27**

Note 16: Other Current Financial Assets

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Derivatives		
Interest rate swaps	**0.32**	1.50
Foreign-exchange forward contracts	**0.27**	7.25
Refunds/Incentives receivables from Govt. Authorities		
Considered Good	**55.50**	133.13
Considered Doubtful	**20.07**	15.62
Less: Impairment allowance for doubtful advances	**(20.07)**	(15.62)
	55.50	**133.13**
Others (includes insurance claim receivables & export incentive receivables)	**14.55**	22.63
TOTAL	**70.64**	**164.51**

Note 17: Other Current Assets

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Balances with Government Authorities	**143.80**	171.45
Contract Assets (right to receive inventory)	**9.96**	8.56
Other Advances		
Considered Good	**189.35**	191.91
Considered Doubtful	**1.56**	0.37
Less: Provision for Doubtful Advances	**(1.56)**	(0.37)
	189.35	**191.91**
Other assets	**3.89**	0.93
TOTAL	**347.00**	**372.85**

Note 18: Share Capital

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Authorised		
1,030,000,000 Equity Shares *(Mar-31-2020 : 1,030,000,000)* of ₹ 1 each	**103.00**	103.00
10,000,000 Preference Shares *(Mar-31-2020 : 10,000,000)* of ₹ 1 each	**1.00**	1.00
Issued		
1,022,517,397 Equity Shares *(Mar-31-2020 : 1,022,347,476)* of ₹ 1 each	**102.25**	102.23
Subscribed and Fully Paid up		
1,022,486,273 Equity Shares *(Mar-31-2020 : 1,022,316,352)* of ₹ 1 each fully paid up	**102.25**	102.23
TOTAL	**102.25**	**102.23**

NOTES:

a) During the year, the Company has issued 1,69,921 equity shares (31-Mar-2020: 1,50,256) under the Employee Stock Grant Scheme.

b) 31,124 Right Issue equity shares (31-Mar-2020 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:

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
Shares outstanding at the beginning of the year	1,022,316,352	102.23	1,022,166,096	102.22
Add : Shares Issued on exercise of employee stock grant scheme	169,921	0.02	150,256	0.01
Shares outstanding at the end of the year	1,022,486,273	102.25	1,022,316,352	102.23

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, 2021 the amount of per share dividend recognised as distribution to equity shareholders was Nil (31-Mar-2020 ₹ 8).

e) Details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Co Ltd	75,011,445	7.34	75,011,445	7.34
Godrej Industries Limited	242,812,860	23.75	242,812,860	23.75
Godrej Seeds & Genetics Limited	280,500,000	27.43	280,500,000	27.44

g) Shares Reserved for issue under options

The Company has 1,87,421 (previous year 290,133) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2021.*(As detailed in Note 45)*

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

During the year 2018-19, pursuant to the approval of Shareholders, 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.

During the year 2017-18, pursuant to the approval of Shareholders, Company has allotted 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

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Securities Premium	**1,418.61**	1,407.36
General Reserve	**154.05**	154.05
Other Reserves		
Capital Investment Subsidy Reserve	**0.15**	0.15
Capital Redemption Reserve	**1.46**	1.46
Employee Stock Options Outstanding	**7.53**	12.69
	9.14	**14.30**
Retained Earnings	**7,691.93**	5,989.53
Other Comprehensive Income (effective portion of cash flow hedges & exchange differences in translating financial statements of foreign operations)	**62.92**	230.89
TOTAL	**9,336.65**	**7,796.13**

OTHER RESERVES MOVEMENT

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Capital Investment Subsidy Reserve		
Balance as per last financial statements	**0.15**	0.15
Closing Balance	**0.15**	**0.15**
Capital Redemption Reserve		
Balance as per last financial statements	**1.46**	1.46
Closing Balance	**1.46**	**1.46**
Employee Stock Options Outstanding		
Gross Employee Compensation for Options granted	**12.69**	12.35
(-) Exercise of Share options	**(11.25)**	(9.32)
(+) Deferred Employee Compensation Expense *(Refer Note 33)*	**6.09**	9.66
Closing Balance	**7.53**	**12.69**
TOTAL	**9.14**	**14.30**

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 45 for details on ESGS Plans.

6) 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. The reserve for the previous year has been netted off for a balance sheet intercompany adjustment (₹ 25.69 crore) of earlier years pertaining to inventory.

7) 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: Non-Current Borrowings

₹ Crore

			Maturity Date	Terms of Repayment	Interest rate*	As at March 31, 2021	As at March 31, 2020
A.	**Secured**						
	Term Loans from banks in USD		Upto August 2024	Payable in Multiple Installments every year	3.5-6%	**0.21**	0.27
	Unsecured						
	Term loans						
	a)	From Banks in USD	Upto November 2023	Payable in Multiple Installments every year	0.86% - 1.89%	**1,488.67**	2,996.50
	b)	Term Loans from Banks	Upto April 2022	Payable in Multiple Installments every year	4.45% - 60%**	**0.03**	2.88
						1,488.91	**2,999.65**
						1,488.91	**2,999.65**
	Less: Current maturities of long term debt (from banks in USD) *(Refer Note 26)*					**(1,008.80)**	(854.61)
	TOTAL					**480.11**	**2,145.04**

*includes variable and fixed rate instruments. Refer Note 49 A (iii) for interest rate risk

**60% interest rate corresponds to interest rate applicable to group's subsidiary in Argentina operating in hyperinflationary economy

Note 21: Other Non-Current Financial Liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Liabilities for business combinations *(Refer Note 37)*	-	239.33
Less: Current portion *(Refer Note 26)*	-	(107.35)
TOTAL	**-**	**131.98**

Note 22 :Provisions

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Gratuity *(Refer Note 44)*	**108.56**	111.68
Compensated Absences	**6.16**	5.30
TOTAL	**114.72**	**116.98**

Note 23: Other Non-Current Liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Others (includes deferred grants, sundry deposits)	**6.88**	7.17
TOTAL	**6.88**	**7.17**

Note 24: Current Borrowings

₹ Crore

		Maturity Date	Terms of Repayment	Coupon/ Interest rate*	As at March 31, 2021	As at March 31, 2020
A.	**Secured**					
	Loans repayable on demand from banks *(Refer Note below)*	Cash Credit	Payable on demand	9% -10.5%	**0.36**	1.91
					0.36	**1.91**
B.	**Unsecured**					
	Loans repayable on demand from banks	Upto 12 months	Mulitple dates	1.9%-16.00%*	**72.01**	96.92
	USD Overdraft from banks	On demand	On demand	3.25%-6.50%	**-**	24.45
	Overdraft from banks	On demand	On demand	7.50% - 55.90%**	**207.04**	148.09
	Commercial Paper	Multiple dates in Q1 FY 2021	Payable on commercial paper maturity date	5.40%	**-**	247.33
					279.05	**516.79**
	TOTAL				**279.41**	**518.70**

NOTES:

The Group does not have any default as on the Balance Sheet date in the repayment of any loan or interest.

*includes variable and fixed rate instruments. Refer Note 49 A (iii) for interest rate risk

**55.9% interest rate corresponds to interest rate applicable to group's subsidiary in Argentina operating in hyperinflationary economy

Note 25: Trade Payables

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Total oustanding dues of micro enterprises and small enterprises	**24.86**	27.15
Total outstanding dues of creditors other than micro enterprises and small enterprises*	**2,134.78**	2,453.34
TOTAL	**2,159.64**	**2,480.49**

* Trade Payables Includes invoices discounted by Vendors with banks

Refer Note 49 (C) for liquidity risk

Disclsoures pursuant to Micro, Small and Medium Enterprises development act, 2006 (MSMED act) are as follows:

		As at March 31, 2021	As at March 31, 2020
I	The principal amount remaining unpaid to any supplier at the end of the accounting year included in trade payables	**24.86**	27.13
II	Interest due thereon	**-**	0.02
	Trade payable dues to Micro and small enterprises	**24.86**	**27.15**
(a)	The amount of interest paid by the buyer under MSMED act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
(b)	The amount of interest due and payable for the period (where the principal has been unpaid but interest under the MSMED Act, 2006 not paid)	**-**	0.02
(c)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**-**	-
(d)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	**-**	-

Note 26: Other Current Financial Liabilities

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long Term Debt *(Refer Note 20)*	**1,008.80**	854.61
Liabilities for business combinations- current portion *(Refer Note 21)*	**-**	107.35
Security deposit received	**5.34**	4.94
Unclaimed Dividends *(Refer Note (a) below)*	**16.52**	17.65
Put Option liability	**163.88**	150.81
Interest accrued	**0.39**	3.31
Derivatives		
Interest rate swaps	**31.11**	91.87
Foreign-exchange forward contracts	**15.62**	-
Employee Benefits Payable	**208.25**	86.21
Capital creditors and other payables	**12.32**	19.29
TOTAL	**1,462.23**	**1,336.04**

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

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Statutory Dues (VAT, Excise, Service Tax, Octroi, TDS etc.)	**28.25**	26.14
Advance from customers	**27.44**	25.31
Other Payables (including PF)	**24.86**	33.26
TOTAL	**80.55**	**84.71**

Note 28: Provisions

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Gratuity (net) *(Refer Note 44)*	**8.28**	8.75
Compensated Absences	**6.12**	3.91
Other Provision :		
Provision for Sales Returns	**37.34**	26.33
Provision towards Litigations	**20.66**	16.97
TOTAL	**72.40**	**55.96**

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

₹ Crore

	Sales Returns	Provision towards Litigation
As at April 1, 2020	**26.33**	16.97
Additional provisions recognised	**12.62**	11.63
Amount Utilised /Unused amounts reversed	**(0.75)**	(6.75)
Foreign currency translation difference	**(0.86)**	(1.19)
As at March 31, 2021	**37.34**	**20.66**

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 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

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Sale of Products	**10,936.01**	9,826.51
Other Operating Revenues (includes export incentive, GST refunds, scrap sales etc.)	**92.61**	84.29
TOTAL	**11,028.62**	**9,910.80**

b) Revenue Information

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue by product categories		
Home care	**4,728.85**	4,250.22
Hair care	**3,414.50**	3,147.34
Personal care	**2,792.66**	2,428.95
TOTAL	**10,936.01**	**9,826.51**

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

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue as per contracted price	**11,912.91**	10,813.75
Sales returns	**(58.05)**	(71.21)
Rebates/Discounts	**(918.85)**	(916.03)
Revenue from contract with customers	**10,936.01**	**9,826.51**

d) Contract Balances

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Trade receivables *(Refer Note 13)*	**1,004.50**	1,157.25
Contract assets *(Refer Note 17)*	**9.96**	8.56
Contract liabilities *(Refer Note 27)*	**27.44**	25.31

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.

e) Significant changes in contract liabilities during the period

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue recognised that was included in the contract liability balance at the beginning of the period	**25.31**	20.66

Note 30 : Other Income

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income on:		
Non-convertible debentures and fixed deposits with Non-Banking Financial Companies at amortised cost	**19.43**	56.70
On Advances and Fixed Deposits	**15.62**	19.55
Net Gain on Sale of Investments	**14.02**	4.53
Fair Value Gain \ (Loss) on financial assets measured at fair value through profit or loss (net)	**0.53**	-
Net Monetary Gain on account of Hyperinflation	**1.25**	-
Miscellaneous non operating income	**16.22**	29.65
TOTAL	**67.07**	**112.30**

Note 31: Cost of Materials Consumed

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Raw material and packing material		
Opening Inventory	**972.40**	1,004.18
Add : Purchases (net)	**4,575.48**	4,089.97
	5,547.88	5,094.15
Less: Closing Inventory	**(941.12)**	(972.40)
Cost of Materials Consumed	**4,606.76**	**4,121.75**

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

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Opening Inventory		
Finished Goods	**538.39**	415.05
Stock-in-Trade	**69.38**	51.53
Work-in-Progress	**101.47**	69.51
	709.24	**536.09**
Less: Closing Inventory		
Finished Goods	**587.86**	538.39
Stock-in-Trade	**86.42**	69.38
Work-in-Progress	**77.31**	101.47
	751.59	**709.24**
(Increase) / decrease in Inventories	**(42.35)**	**(173.15)**

Note 33: Employee Benefits Expense

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and Wages	**1,046.45**	932.51
Contribution to Provident and Other Funds *(Refer Note 44)*	**23.40**	25.46
Share based payments to Employees (Employee Stock Grant Scheme) *(Refer Note 45)*	**6.09**	9.66
Staff Welfare Expenses	**47.40**	51.19
TOTAL	**1,123.34**	**1,018.82**

Note 34: Finance Costs

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expense		
Unwinding of interest on liabilities	**3.67**	13.38
Interest on loans	**85.56**	142.62
Bill discounting charges	**30.70**	55.41
Interest on lease liability	**6.70**	4.07
Net Monetary loss on account of Hyperinflation	**-**	1.93
TOTAL	**126.63**	**217.41**

Note 35: Depreciation and Amortization Expenses

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment	**137.00**	131.98
Depreciation on right of use asset	**31.11**	27.27
Amortization of intangible assets	**35.74**	36.28
Impairment provision for property, plant and equipment	**-**	1.75
TOTAL	**203.85**	**197.28**

Note 36: Other Expenses

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Consumption of Stores and Spares	**34.95**	38.49
Power and Fuel	**106.23**	118.29
Rent (net)	**64.37**	70.10
Repairs and Maintenance		
Plant and Equipment	**13.27**	16.17
Buildings	**8.21**	9.98
Others (net)	**60.65**	59.86
	82.13	**86.01**
Insurance	**21.86**	20.74
Rates and Taxes	**43.96**	35.44
Processing and Other Manufacturing Charges	**280.17**	254.19
Travelling and Conveyance	**30.49**	66.38
Legal and Professional Charges	**85.18**	94.58
Donations	**2.17**	1.95
Sales Promotion	**253.92**	226.57
Advertising and Publicity	**733.23**	739.13
Selling and distribution expenses	**167.86**	162.58
Freight	**390.15**	330.81
Royalty	**0.77**	3.18
Commission	**16.94**	20.62
Bank charges	**11.02**	10.72
Net Loss on Foreign Currency Transactions and Translations	**54.84**	0.25
Bad Debts Written Off	**4.27**	6.25
Miscellaneous Expenses (net) *(Refer Note (a) below)*	**203.10**	200.99
TOTAL	**2,587.61**	**2,487.27**

NOTE :

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

Note 37: Exceptional Items (Loss)/Gain

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Restructuring Cost	**(9.50)**	(20.08)
Gain on divestment of UK Business	**-**	9.51
Impairment Loss on Goodwill and other intangible assets *(Refer note 52)*	**(61.68)**	(70.48)
Impairment Loss on Associate *(Refer note 51)*	**(15.38)**	-
Reversal in liability for business combination (Refer Note below)	**42.09**	-
TOTAL	**(44.47)**	**(81.05)**

NOTE:

During the year ended March 31, 2021 there was a change in the earn out liability for Strength of Nature LLC (USA). This consideration was fully paid during the year.

Note 38: Earnings Per Share

	Year ended March 31, 2021	Year ended March 31,2020
Net Profit After Tax (₹ Crore)	**1,720.82**	**1,496.58**
Number of Shares outstanding at the beginning of the year	**1,022,316,352**	1,022,166,096
Add : Shares Issued during the year	**169,921**	150,256
Number of Shares outstanding at the end of the year	**1,022,486,273**	1,022,316,352
Weighted Average Number of Equity Shares		
For calculating Basic EPS	**1,022,435,634**	1,022,265,738
Effect of dilution:		
Shared based payments	**117,084**	191,505
For calculating Diluted EPS	**1,022,552,718**	1,022,457,243
Earnings Per Share Before and After Extraordinary Items		
(Face Value ₹ 1)		
Basic (₹)	**16.83**	14.64
Diluted (₹)	**16.83**	14.64

Note 39 : Commitments

₹ Crore

	Year ended March 31, 2021	Year ended March 31,2020
Estimated value of contracts remaining to be executed on capital account to the extent not provided, net of advances there against of ₹ 8.66 crore *(March 31, 2020 : ₹ 5.83 crore)*	**49.14**	37.14
TOTAL	**49.14**	**37.14**

Note 40 : Dividend

During the year 2020-21, no interim dividend has been paid.

Note 41 : Contingent Liabilities

₹ Crore

		As at March 31, 2021	As at March 31, 2020
a)	**CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS**		
i)	Excise duty demands against which the Company / Group has preferred appeals	**51.06**	51.06
ii)	Sales tax demands against which the Company / Group has preferred appeals	**111.30**	108.16
iii)	Income-tax matters	**278.38**	264.99
iv)	Other matters	**3.00**	3.00
b)	**Guarantees given against Borrowings (in excess of Loans outstanding) / Bank facilities**		
i)	Guarantee amounting to USD 14.30 million (31-Mar-20 USD 58.30 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	**9.50**	40.10
ii)	Guarantee amounting to USD Nil (31-Mar-20 USD 17.88 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Mauritius towards loan raised by Godrej East Africa Holdings Limited	**-**	12.30
iii)	Guarantee amounting to USD 39.59 million (31-Mar-20 USD 80.30 million) given by the Company to The Bank of Tokyo-Mitsubishi UFJ Ltd, London Branch towards loan provided to Godrej SON Holdings, Inc.	**26.31**	55.23
iv)	Guarantee amounting to USD Nil (31-Mar-20 USD 27.5 million) given by the Company to Standard Chartered Bank, Mauritius towards bank facilities provided to Godrej Tanzania Holdings Limited	**-**	208.08
v)	Guarantee amounting to USD Nil (31-Mar-20 USD 44 million) given by the Company to CITI Bank NA, London Branch towards loan provided to Godrej Mauritius Africa Holdings Ltd.	**-**	30.27
vi)	Guarantee amounting to USD Nil (31-Mar-20 USD 2 million) given by the Company to DBS Bank Limited, Singapore towards interest rate swap / derivative facilities provided to Godrej Mauritius Africa Holdings Limited	**-**	15.13
vii)	Guarantee amounting to USD 1.20 million (31-Mar-20 USD 1.20 million) given by the Company to DBS Bank Limited, Singapore towards interest rate swap / derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Limited	**8.77**	9.08
viii)	Guarantee amounting to USD Nil (31-Mar-20 USD 64.35 million) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards loan provided to Godrej SON Holdings, Inc.	**-**	48.05
ix)	Guarantee amounting to USD 148.72 million (31-Mar-20 USD 148.72 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch towards loan provided to Godrej Mauritius Africa Holdings Limited	**98.84**	102.30
x)	Guarantee amounting to USD 3.5 million (31-Mar-20 USD 3.5 million) given by the Company to DBS Bank Limited, Singapore towards interest rate swap / derivative facilities provided to Godrej Mauritius Africa Holdings Limited	**25.59**	26.48
xi)	Guarantee amounting to USD Nil (31-Mar-20 USD 1 million) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore towards interest rate swap / derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Limited	**-**	7.57
xii)	Guarantee amounting to USD 24.20 million (31-Mar-20 USD 24.20 million) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards loan provided to Godrej Mauritius Africa Holdings Limited	**22.66**	23.46

₹ Crore

	As at March 31, 2021	As at March 31, 2020
xiii) Guarantee amounting to USD 0.75 million (31-Mar-20 USD Nil) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards interest rate swap / derivative facilities provided to Godrej Mauritius Africa Holdings Limited	**5.48**	-
xiv) Guarantee amounting to USD 50.50 million (31-Mar-20 USD Nil) given by the Company to Standard Chartered Bank, Mauritius towards bank facilities provided to Godrej Tanzania Holdings Limited	**369.21**	-
Others		
i) Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 4.22 crore]	**13.39**	14.19
ii) Guarantee given by the Company to Yes Bank for credit facilities extended to M/s. Broadcast Audience Research Council.	**0.80**	0.80
iii) Guarantee given by the Company to Kotak Mahindra Bank for credit facilities extended to M/s. Broadcast Audience Research Council	**0.30**	0.30
c) Claims against the Company not acknowledged as debt	**32.28**	32.28

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 statements.

e) Other Matters

For India, the proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. Additionally, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

Note 42 : Related Party Disclosures

A) Related Parties and their Relationship

a) Associate Company:

Name of the Associate Company	Country	% Holding as at March 31, 2021	% Holding as at March 31, 2020
Bhabhani Blunt Hairdressing Pvt Limited	India	**28%**	28%

b) Investing Entity in which the reporting entity is an Associate

i) Godrej Industries Limited

ii) Godrej Seeds & Genetics Limited

c) 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 Projects Development Private Limited

vii) Godrej One Premises Management Private Limited

viii) Creamline Dairy Products Limited

* Divested on 4th July 2019

d) Key Management Personnel and Relatives:

i)	Mr. Adi Godrej	Chairman Emeritus
ii)	Ms. Nisaba Godrej	Executive Chairperson (Executive Chairperson & Managing director from July 1, 2020) / Daughter of Mr. Adi Godrej
iii)	Mr. Vivek Gambhir	Managing Director & CEO (till June 30, 2020) Whole time Director (From 1st July to September 30, 2020)
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. Aman Mehta	Independent Director
x)	Mr. Omkar Goswami	Independent Director
xi)	Ms. Ireena Vittal	Independent Director
xii)	Mr. Bharat Doshi	Independent Director (till 25th September 2019)
xiii)	Mr. Narendra Ambwani	Independent Director
xiv)	Ms. Ndidi Nwuneli	Independent Director
xv)	Ms. Pippa Armerding	Independent Director
xvi)	Mr. Burjis Godrej	Son of Mr.Nadir Godrej
xvii)	Ms. Rati Godrej	Wife of Mr.Nadir Godrej
xviii)	Mr. Sohrab Godrej	Son of Mr.Nadir Godrej
xix)	Mr. Hormazd Godrej	Son of Mr.Nadir Godrej
xx)	Mr.Navroze Godrej	Son of Mr. Jamshyd Godrej
xxi)	Mr. Arvind Dubash	Husband of Ms. Tanya Dubash
xxii)	Mr. Azaar Arvind Dubash	Son of Ms. Tanya Dubash

e) Trust where the reporting entity excercises significant influence

i) Godrej Consumer Products Limited Employees' Stock Option Trust

f) 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 :

₹ Crore

	Associate Company		Investing Entity in which the reporting entity is an associate		Companies Under Common Control		Key Management Personnel and Relatives		Post employment benefit trust		Total	
	Current Year	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**
Sale of Goods	0.08	0.24	12.25	10.55	1.02	1.62	-	-	-	-	**13.35**	12.41
Purchase of Materials and Spares	-	-	72.58	64.76	3.82	0.13	-	-	-	-	**76.40**	64.89
Advance Paid	-	-	-	-	-	0.05	-	-	-	-	**-**	0.05
Royalty and Technical Fees Paid	0.41	0.55	-	-	-	-	-	-	-	-	**0.41**	0.55
Establishment & Other Expenses Paid (Including provision for doubtful debts if any)	0.12	0.33	21.49	27.55	6.03	8.54	-	-	-	-	**27.64**	36.42
Expenses Recovered	-	-	1.33	1.62	0.07	0.06	-	-	-	-	**1.40**	1.68
Dividend Received	-	0.68	-	-	-	-	-	-	-	-	**-**	0.68
Dividend Paid	-	-	-	418.65	-	60.01	-	23.37	-	-	**-**	502.03
Commission on Profits and Sitting Fees	-	-	-	-	-	-	3.51	3.51	-	-	**3.51**	3.51
Lease Rentals Received	-	-	10.98	10.94	-	-	-	-	-	-	**10.98**	10.94
Lease Rentals Paid	-	-	17.89	15.68	-	-	-	-	-	-	**17.89**	15.68
Contribution during the year (Including Employees' Share)	-	-	-	-	-	-	-	-	15.76	18.17	**15.76**	18.17
Short Term Employment Benefits	-	-	-	-	-	-	18.05	21.52	-	-	**18.05**	21.52
Post Employment Benefits	-	-	-	-	-	-	1.64	0.46	-	-	**1.64**	0.46
Share Based Payment	-	-	-	-	-	-	5.17	2.92	-	-	**5.17**	2.92
TOTAL	**0.61**	**1.80**	**136.52**	**549.75**	**10.94**	**70.41**	**28.37**	**51.78**	**15.76**	**18.17**	**192.20**	**691.90**

Outstanding Balances

₹ Crore

	Receivables		Payables		Guarantees Outstanding- Given/ (Taken)		Commitments	
	As at March 31, 2021	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**
Associate Company	0.03	0.05	0.14	-	-	-	-	-
Investing Entity in which the reporting entity is an associate	1.37	1.88	6.41	7.75	(26.88)	(26.88)	-	-
Companies under Common Control	0.40	0.33	0.41	0.40	(1.21)	(1.21)	0.53	0.61
Key Management Personnel and Relatives	-	-	2.58	2.85	-	-	-	-
TOTAL	**1.80**	**2.26**	**9.54**	**11.00**	**(28.09)**	**(28.09)**	**0.53**	**0.61**

Note : Refer note 6 for investments in associate

Note 43 : Forward 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, 2021:

	As at March 31, 2021	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2020**
	In million	**INR cr**	**In million**	**INR cr**
Forward Contracts to Purchase (USD)	**US $ 25.37**	**183.93**	US $32.65	247.00
[303 contracts *(previous year 102 contracts)]*				
Forward Contracts to Sell (USD)	**US $ 4.35**	**31.54**	US $ 2.50	18.91
[7 contracts *(previous year 4 contracts)]*				
Forward Contracts to Sell (Euro)	**€ 1.00**	**8.58**	-	-
[1 contract *(previous year Nil)]*				

Note 44 : 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:

i) 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.

ii) For Godrej Nigeria Limited, management set aside physical assets with an investment outfit to fund future benefit obligations arising under the gratuity plan.The physical assets earmarked for the fund's investment are being managed by the Pension Fund Administration outfit of First Guaranteed Pension Limited.

iii) Gratuity plans for entities other than mentioned in i) and ii) are unfunded.

iv) 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.

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

vi) These benefit plans expose the Group 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, 2021.

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Plan assets at period end, at fair value	**175.93**	159.79
Provident Fund Corpus	**174.09**	159.13
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	**8.44%**	8.29%
Weighted Average Yield to Maturity	**8.61%**	8.61%
Guaranteed Rate of Interest	**8.50%**	8.65%

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 13.13 crore *(Mar-31-2020 : ₹ 15.11 crore)* has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 8.83 crore *(Mar-31-2020 : ₹ 8.52 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:

₹ Crore

		As at March 31, 2021	As at March 31, 2020
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	**121.17**	113.29
	Plan amendments	**(10.15)**	-
	Current Service Cost	**12.16**	6.63
	Interest Cost	**8.17**	9.08
	Exchange difference	**4.16**	(3.85)
	Actuarial (Gain) / Loss on Obligation	**(5.70)**	4.91
	Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions	**(3.72)**	(0.02)
	Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions	**0.68**	4.29
	Actuarial (Gain) / Loss on Obligation- Due to Experience	**(2.66)**	0.64
	Benefits Paid	**(12.10)**	(8.89)
	Present value of the obligation at the end of the year	**117.71**	121.17
ii)	**Change in Plan Assets**		
	Fair value of Plan Assets at the beginning of the year	**0.74**	0.78
	Interest Income	**0.07**	0.08
	Return on plan assets excluding interest income	**(0.01)**	(0.02)
	Actuarial Gain / (Loss) on Plan Assets	**-**	-
	Contributions by the Employer	**12.17**	8.79
	Benefits Paid	**(12.10)**	(8.89)
	Exchange difference	**-**	-
	Fair value of Plan Assets at the end of the year	**0.87**	0.74
iii)	**Amounts Recognised in the Balance Sheet:**		
	Present value of Obligation at the end of the year	**117.71**	121.17
	Fair value of Plan Assets at the end of the year	**0.87**	0.74
	Net Liability recognised in the Balance Sheet	**116.84**	120.43
iv)	**Amounts Recognised in the Statement of Profit and Loss:**		
	Current Service Cost	**12.16**	6.63
	Plan Amendments	**(10.15)**	-
	Interest Cost / Income on Obligation / Plan assets (net)	**8.17**	9.08
	Net Cost Included in Personnel Expenses	**10.18**	15.71
v)	**Recognised in other comprehensive income for the year**		
	Actuarial (Gain) / Loss on Obligation	**(5.70)**	4.91
	Return on plan assets excluding interest income	**0.01**	0.02
	Recognised in other comprehensive income	**(5.69)**	4.93
vi)	**Weighted average duration of Present Benefit Obligation**	**8.46 years**	7.32 years
vii)	**Estimated contribution to be made in next financial year**	**13.85**	13.08
viii)	**Major categories of Plan Assets as a % of total Plan Assets**		
	Insurer Managed Funds	**100%**	100%
ix)	**Actuarial Assumptions**		
	i) Discount Rate	**6.26%-12.5%p.a**	6.43%-15%p.a
	ii) Salary Escalation Rate	**7% p.a.-12%p.a**	7% p.a.-12%p.a

iii)	Mortality for geographies:	India	Indian Assured Lives Mortality (2006-08) Ultimate
		Indonesia	As per Indonesian Mortality Table 2011 (TMI11)
		Nigeria	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

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

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Projected Benefits Payable in Future Years From the Date of Reporting		
Within the next 12 months	**18.71**	17.05
2nd Following Year	**10.74**	13.92
3rd Following Year	**26.41**	20.59
4th Following Year	**25.25**	21.81
5th Following Year	**27.33**	21.04
Sum of Years 6 to 10	**68.26**	79.85

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.

₹ Crore

	31-Mar-21		31-Mar-20	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	**(7.21)**	**8.31**	(7.24)	8.17
Future salary growth (1% movement)	**8.17**	**(7.52)**	8.27	(7.23)

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 45 : 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:

Scheme	Grant Date	No. of Options	Vesting Condition	Exercise Price (₹) per share	Weighted average Exercise Price (₹) per share	Exercise period
Employees Stock Grant Scheme 2011	From 2011 to 2020	994,337	Vested in the proportion of 1/3rd at the end of each year	1.00	1.00	within 1 month from the date of vesting

Movement in the number of share options during the year:

	As at March 31, 2021	As at March 31, 2020
Outstanding at the beginning of the year	**290,133**	**295,015**
Add: Granted during the year	**97,653**	162,917
Less: Exercised during the year	**169,921**	150,256
Less: Forfeited/ lapsed during the year	**30,444**	17,543
Outstanding at the end of the year	**187,421**	**290,133**

Weighted average remaining contractual life of options as at 31st March, 2021 was 0.94 years *(31-Mar-20: 0.85 years)*.

Weighted average equity share price at the date of exercise of options during the year was ₹ 654.46 *(31-Mar-20 ₹ 658.45)*.

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:

	As at March 31, 2021	As at March 31, 2020
Risk-free interest rate (%)	**4.12%**	6.44%
Expected life of options (years)	**2.00**	2.00
Expected volatility (%)	**38.12%**	28.16%
Dividend yield	**1.20%**	2.28%
The price of the underlying share in market at the time of option grant (₹)	**666.58**	658.45

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

Note 46 : Disclosure U/S 186 (4) Of The Companies Act, 2013

Details of Investments made are disclosed under Note 6 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 41.

Note 47 : Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the consolidated financial statements.

Note 48 : 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.

₹ Crore

As at March 31, 2021	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	2.51	2.51	-	2.51	-	2.51
Loans	-	-	21.78	21.78	-	-	-	-
Other Financial Assets	-	-	3.36	3.36	-	-	-	-
Current								
Investments								
Deposits with Non-Banking Financial Companies	-	-	459.65	459.65	-	459.65	-	459.65
Mutual Fund	142.22	-	-	142.22	-	142.22	-	142.22
Non-convertible Debentures with Non-Banking Financial Companies	55.30	-	-	55.30	55.30	-	-	55.30
Trade receivables	-	-	1,004.50	1,004.50	-	-	-	-
Cash and cash equivalents	-	-	524.13	524.13	-	-	-	-
Bank balances others			148.08	148.08	-	-	-	-
Loans	-	-	4.64	4.64	-	-	-	-
Derivative Asset	0.27	0.32	-	0.59	-	0.59	-	0.59
Others	-	-	70.05	70.05	-	-	-	-
	197.79	**0.32**	**2,238.70**	**2,436.81**	**55.30**	**604.97**	**-**	**660.27**
Financial liabilities								
Non-Current								
Borrowings	-	-	480.11	480.11	-	-	-	-
Lease Liability	-	-	67.49	67.49				
Current								
Borrowings	-	-	279.41	279.41	-	-	-	-
Trade and other payables	-	-	2,159.64	2,159.64	-	-	-	-
Put Option Liability *	-	-	-	163.88	-	-	163.88	163.88
Current Maturities of Long Term Debt	-	-	1,008.80	1,008.80	-	-	-	-
Derivative liability	15.62	31.11	-	46.73	-	46.73		46.73
Lease Liability			28.16	28.16				-
Others	-	-	258.44	258.44	-	-	-	-
	15.62	**31.11**	**4,282.05**	**4,492.66**	**-**	**46.73**	**163.88**	**210.61**

As at March 31, 2020	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Loans	-	-	22.63	22.63	-	-	-	-
Other Financial Assets	-	-	36.63	36.63	-	-	-	-
Current								
Current investments								
Deposits with Non-Banking Financial Companies	-	-	555.34	555.34	-	555.34	-	555.34
Mutual Fund	1.78	-	-	1.78	-	1.78	-	1.78
Non-convertible Debentures with Non-Banking Financial Companies	-	-	80.06	80.06	80.10	-	-	80.10
Trade receivables	-	-	1,157.25	1,157.25	-	-	-	-
Cash and cash equivalents	-	-	602.87	602.87	-	-	-	-
Bank balances others			167.29	167.29	-	-	-	-
Loans	-	-	3.27	3.27	-	-	-	-
Derivative Asset	7.25	1.50	-	8.75	-	8.75	-	8.75
Others	-	-	155.76	155.76	-	-	-	-
	9.03	**1.50**	**2,781.10**	**2,791.63**	**80.10**	**565.87**	**-**	**645.97**
Financial liabilities								
Non-Current								
Borrowings	-	-	2,145.04	2,145.04	-	-	-	-
Lease Liability	-	-	34.19	34.19				-
Liabilities for business combinations	131.98	-	-	131.98	-	-	131.98	131.98
Current				-				-
Borrowings	-	-	518.70	518.70	-	-	-	-
Trade and other payables	-	-	2,480.49	2,480.49	-	-	-	-
Put Option Liability *	-	-	-	150.81	-	-	150.81	150.81
Current Maturities of Long Term Debt	-	-	854.61	854.61	-	-	-	-
Liabilities for business combinations	107.35	-	-	107.35	-	-	107.35	107.35
Derivative liability		91.87	-	91.87	-	91.87		91.87
Lease Liability			22.43	22.43				-
Others	-	-	131.40	131.40	-	-	-	-
	239.33	**91.87**	**6,186.86**	**6,668.87**	**-**	**91.87**	**390.14**	**482.01**

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 1, Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund Investments	NAV quoted by the Mutual Fund	NA	NA
Investments in Non Convertible Debenture with Non-Banking Financial Companies	Broker Quote	NA	NA
Deposits with Non-Banking Financial Companies	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Commercial Paper issued by the Company	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Derivative Asset	MTM from banks	NA	NA
Derivative Liability	MTM from banks	NA	NA
Liabilities for business combination	Present Value of expected payment discounted using a risk adjusted discounting rate	Inputs are given below	Inter-relationship between significant unobservable inputs and fair value measurement given below
Put Option Liability	Performance of the business	Inputs are given below	Next page for inter-relationship between significant inputs and fair value measurement given below

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:

₹ Crore

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	**390.14**	**460.05**
Net change in fair value through reserves	**22.76**	81.79
Net change in fair value through PL *(Refer Note (a) below)*	**1.38**	5.98
Net change in liability due to payments	**(197.65)**	(185.66)
Reversal in liability for business combination	**(42.09)**	-
Exchange difference	**(10.66)**	27.98
Closing Balance	**163.88**	**390.14**

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 such as Profit.

Sensitivity analysis

For the fair values of put option liability , reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Put Option Liability

₹ Crore

	Year ended March 31, 2021	
	Equity impact	
Significant unobservable inputs	**10% Increase**	**10% Decrease**
Achievement of financial target (10% movement)	(16.39)	16.39

	Year ended March 31, 2020	
	Equity impact	
Significant unobservable inputs	**10% Increase**	**10% Decrease**
Achievement of financial target (10% movement)	(15.08)	15.08

Note 49 : 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 , trade receivables, borrowings and bank balances 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, 2021 and March 31, 2020 are as below:

₹ Crore

As at March 31, 2021	GBP	USD	EURO	ZAR	AED	Others
Financial assets						
Cash and cash equivalents	-	47.26	-	0.26	-	4.85
Short-term loans and advances	-	3.43	-	-	-	-
Trade and other receivables	0.66	158.69	25.53	0.78	-	-
Less: Forward contracts for trade receivables	-	(31.53)	(8.58)	-	-	-
Other Non-Current financial assets	-	10.25	-	-	-	-
Other Current financial assets	-	8.33	-	-	-	-
	0.66	**196.43**	**16.95**	**1.04**	**-**	**4.85**
Financial liabilities						
Long term borrowings	-	2.13	-	-	-	-
Short term borrowings	-	2.90	-	-	-	-
Trade and other payables	-	420.66	1.14	-	-	8.73
Less: Forward contracts for trade payables	-	(182.47)	-	-	-	-
Other Current financial liabilities	-	-	-	-	-	-
	-	**243.22**	**1.14**	**-**	**-**	**8.73**
Net Exposure	**0.66**	**(46.79)**	**15.81**	**1.04**	**-**	**(3.88)**

₹ Crore

As at March 31, 2020	GBP	USD	EURO	ZAR	AED	Others
Financial assets						
Cash and cash equivalents	-	51.30	-	0.34	-	1.01
Short-term loans and advances	-	1.99	-	-	-	-
Trade and other receivables	0.59	404.42	0.01	0.29	-	0.41
Less: Forward contracts for trade receivables	-	(18.83)	-	-	-	-
Other Non-Current financial assets	-	15.74	-	-	-	-
Other Current financial assets	-	14.81	-	-	-	-
	0.59	**469.43**	**0.01**	**0.63**	**-**	**1.42**
Financial liabilities						
Long term borrowings	-	2.17	-	-	-	-
Short term borrowings	-	3.76	-	-	-	-
Trade and other payables	-	779.76	1.00	-	-	7.79
Less: Forward contracts for trade payables	-	(245.71)	-	-	-	(0.80)
Other Current financial liabilities	-	5.18	0.47	-	-	-
	-	**545.16**	**1.47**	**-**	**-**	**6.99**
Net Exposure	**0.59**	**(75.73)**	**(1.46)**	**0.63**	**-**	**(5.57)**

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

	Year-end spot rate	
	March 31, 2021	**March 31, 2020**
GBP INR	**99.80**	93.85
USD INR	**72.52**	75.57
EUR INR	**85.80**	83.05
ZAR INR	**4.86**	4.23
AED INR	**19.74**	20.56

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of GBP/USD/EURO/ZAR/AED/CNH/KWD against the India rupee at March 31, 2021 and March 31, 2020 would have affected the measurement of financial instruments denominated in GBP/USD/EURO/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.

₹ Crore

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2021		
GBP	0.03	(0.03)
USD	(2.34)	2.34
EURO	0.79	(0.79)
ZAR	0.05	(0.05)
Others - CNH/KWD	(0.19)	0.19
	(1.66)	**1.66**

₹ Crore

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2020		
GBP	0.03	(0.03)
USD	(3.79)	3.79
EURO	(0.07)	0.07
ZAR	0.03	(0.03)
Others - CNH/KWD	(0.28)	0.28
	(4.08)	**4.08**

(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:

₹ Crore

	As at March 31, 2021	As at March 31, 2020
Borrowings		
Fixed rate instruments	**268.20**	429.02
Variable-rate instruments	**1,500.12**	3,089.33
	1,768.32	**3,518.35**

Fair value sensitivity analysis for fixed-rate instruments

The Group 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.

₹ Crore

	Profit or loss / Equity	
	50 bp increase	50 bp decrease
As at March 31, 2021		
Variable-rate instruments	(7.50)	7.50
Less : Interest-rate swap on Variable rate instrument	7.44	(7.44)
Cash flow sensitivity (net)	**(0.06)**	**0.06**
As at March 31, 2020		
Variable-rate instruments	(15.45)	15.45
Less : Interest-rate swap on Variable rate instrument	13.57	(13.57)
Cash flow sensitivity (net)	**(1.88)**	**1.88**

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 derivative transactions) 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. Derivatives are entered into with banks as counter parties, which have high credit ratings assigned by rating agencies.

At March 31, 2021, the ageing for the trade receivables as mentioned in the note below and that were not impaired (not provided for) was as follows:

Trade Receivables ₹ Crore

	As at March 31, 2021	**As at March 31, 2020**
Neither past due nor impaired	**725.12**	565.04
Past due 1–90 days	**238.17**	425.87
Past due 91–120 days	**24.41**	82.58
Past due more than 120 days	**16.80**	83.76
TOTAL	**1,004.50**	**1,157.25**

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:

₹ Crore

	As at March 31, 2021	**As at March 31, 2020**
Opening Balance	**41.72**	**48.99**
Impairment loss recognised	**23.47**	1.65
Amounts written off / written back	**(4.27)**	(8.19)
Exchange difference	**(4.13)**	(0.73)
Closing Balance	**56.79**	**41.72**

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.

₹ Crore

As at March 31, 2021		Contractual cash flows			
	Carrying amount	Total	Less than 1 year	1-3 years	More than 3 years
Non-derivative financial liabilities					
Term loan and overdrafts from banks	1,768.32	1,780.71	1,296.94	483.77	-
Trade payables	2,159.64	2,159.64	2,159.64	-	-
Lease Liability	95.65	106.85	32.79	63.53	10.53
Other financial liabilities	422.32	422.32	422.32	-	-
Derivative financial liabilities					
Interest rate swaps	31.11	120.08	107.16	12.92	-
Forward exchange contracts used for hedging					
- Outflow	-	182.47	182.47	-	-
- Inflow	-	40.11	40.11	-	-

₹ Crore

As at March 31, 2020		Contractual cash flows			
	Carrying amount	Total	Less than 1 year	1-3 years	More than 3 years
Non-derivative financial liabilities					
Term loan and overdrafts from banks	3,518.35	3,600.50	1,416.82	1,876.34	307.34
Trade payables	2,480.49	2,480.49	2,480.49	-	-
Lease Liability	56.62	64.41	25.90	29.28	9.23
Other financial liabilities	521.54	521.54	389.56	131.98	-
Derivative financial liabilities					
Interest rate swaps	91.87	120.08	107.16	12.92	-
Forward exchange contracts used for hedging					
- Outflow	-	246.51	246.51	-	-
- Inflow	-	18.83	18.83	-	-

Note 50 : 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 for hedging the risk embedded in some of its highly probable forecast investment & interest rate swaps for hedging the risk 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:

Sr No	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Currency risk hedge	Highly Probable Foreign currency (FCY) denominated investment into Overseas Subsidiary	FCY denominated highly probable forecast investment is converted into functional currency using a plain vanila foreign currency forward contract.	Fx forward contracts	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.	Cash flow hedge
2	Interest rate hedge	Floating rate loans	Floating rate financial liability is converted into a fixed rate financial liability using a floating to fixed interest rate swap.	Interest rate swap	Interest rate swap is a derivative instrument whereby the Group receives at a floating rate in return for a fixed rate liability.	Cash flow hedge

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

For the year ended March 31, 2021 ₹ Crore

Hedging Instrument	Notional principal amounts outstanding	Derivative Financial Instruments - Assets outstanding	Derivative Financial Instruments – Liabilities outstanding	Gain/(Loss) due to change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Interest rate swaps *(Refer Note 16 and 26)*	1,488.67	0.32	31.11	20.99	20.99	-	NA	NA	NA
Previous Year	*2,714.27*	*1.50*	*91.87*	*(18.56)*	*(18.56)*	-	*NA*	*NA*	*NA*

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:

₹ Crore

	As at March 31, 2021				As at March 31, 2020			
	Total	**Less than 1 year**	**1-5 years**	**Over 5 years**	**Total**	**Less than 1 year**	**1-5 years**	**Over 5 years**
Interest rate risk:								
Notional principal amount	**1,488.67**	**1,488.67**	**-**	**-**	2,714.27	2,344.06	370.21	-
Average rate	**2.16%**	**2.16%**	**-**	**-**	3.00%	2.93%	3.44%	-

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

₹ Crore

Particulars	Movement in Cash flow hedge reserve for the year ended March 31, 2021	Movement in Cash flow hedge reserve for the year ended March 31, 2020
Opening balance	**(24.45)**	(5.89)
Gain / (Loss) on the Effective portion of changes in fair value:		
a) Interest rate risk	**20.99**	(18.56)
b) Currency risk	-	-
Tax on movements on reserves during the year	-	-
Closing balance	**(3.46)**	**(24.45)**

Note 51 : Impairment of Investment in Associate

As per IND AS 36, the Group made an impairment testing of investments with Bhabhani Blunt Hairdressing Pvt Ltd, due to change in the economic scenario led by Covid. An impairment of 15.38 cr is recognised as an exceptional item, considering the indicators of impairment.

Following key assumptions were considered while performing Impairment testing:

Particulars	As at January 31, 2021
Average sales growth	22-30%
Terminal growth rate	5%
Pre- tax discount rate	17-21%

Note 52 : Goodwill and Other Intangible Assets with Indefinite Useful Life

Goodwill has been allocated to the Group's CGU as follows:

₹ Crore

Particulars	As at March 31, 2021	As at March 31, 2020
India	2.47	2.47
Indonesia	1,528.38	1,601.38
Africa (including SON)	3,101.68	3,233.40
Argentina	302.48	317.18
Others*	194.85	184.89
Total	**5,129.85**	**5,339.32**

* Others Include Chile and Srilanka.

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.

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 for all CGUs except Africa where a 10 year period has been used to recognise the longer period of faster growth in expected cash flows , before averaging to a lower pace of growth to perpetuity. The measurement using discounted cash flow is level 3 fair value based on inputs to the valuation technique used. Cash flows beyond 5 years (10 years in case of Africa CGU) is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre tax discount rate.

Indefinite life brands have been allocated to the Group’s CGU as follows:

₹ Crore

Particulars	As at March 31, 2021	As at March 31, 2020
India	791.25	791.25
Africa (including SON)	1,413.75	1,538.68
Chile	8.26	7.41
Total	**2,213.26**	**2,337.34**

The recoverable amount of the brands are 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 years (ten years in case of Africa CGU) cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Particulars (CGU and brands)	As at January 31, 2021		
	Average sales growth	Pre Tax discount rate	Terminal growth rate
Indonesia	8.2%	11.5%	6.0%
Africa (Including SON)	0% - 20%	6% - 18%	0% - 8%
Argentina	3.9%	16.9%	2.0%
Others*	5% - 16%	11% - 19%	3% - 5%

Particulars (CGU and brands)	As at January 31, 2020		
	Average sales growth	Pre Tax discount rate	Terminal growth rate
Indonesia	9.5%	12.15%	6.0%
Africa (Including SON)	0% - 28%	7% - 18%	3% - 7%
Argentina	7.3%	19.6%	2.0%
Others*	1.5% - 17.4%	9.5% - 20.8%	3% - 5%

* Others Include India, Chile and Srilanka.

The pre tax discount rate is based on risk free rate, beta variant adjusted for market premium and company specific risk factors.

Based on impairment test done as at January 31, 2021, Group has concluded that there is no impairment on Goodwill (March 31, 2020: ₹ 30 cr impairment of Goodwill in Argentina) and due to macro economic factors there was impairment for indefinite life intangible assets in Africa (including SON) of ₹ 61.68 crore as at March 31, 2021 (March 31, 2020 ₹ 40.48 crore). The impairment has been recorded as an 'Exceptional item' in the Consolidated Statement of Profit and Loss (refer Note 37).

With regard to the assessment of value in use other than the impairment recorded above, 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 53 : 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, household and hair care products.

Information about reportable segments for the year ended March 31, 2021 and March 31, 2020 is as follows:

Year ended March 31, 2021

₹ Crore

Particulars		**India**	**Indonesia**	**Africa (including Strength of Nature)**	**Others**	**Total**
	Segment Revenue	**6,254.33**	1,770.02	2,498.53	665.93	11,188.81
Add/(Less):	Inter segment revenue	**(126.71)**	(28.66)	(0.93)	(3.89)	(160.19)
	Revenue from Operations	**6,127.62**	1,741.36	2,497.60	662.04	**11,028.62**
	Segment result	**1,649.72**	484.65	177.21	76.68	2,388.25
Add/(Less):	Inter segment					
	Other income	**25.43**	0.88	3.33	2.38	32.02
	Depreciation & Amortization	**(83.36)**	(25.12)	(80.75)	(14.62)	(203.85)
	Interest income	**21.76**	5.25	3.34	4.70	35.05
	Finance costs (Unallocable)	**-**	-	-	-	(126.63)
	Exceptional items (net)	**-**	-	-	-	(44.47)
	Share of net profits of equity accounted anvestees (net of income tax)	**-**	-	-	-	(0.01)
	Profit Before Tax					**2,080.36**
	Tax expense	**-**	-	-	-	(359.54)
	Profit After Tax					**1,720.82**

Year ended March 31, 2020

₹ Crore

Particulars		India	Indonesia	Africa (including Strength of Nature)	Others	Total
	Segment Revenue	**5,474.45**	1,695.86	2,316.22	555.58	10,042.11
Add/(Less):	Inter segment revenue	**(98.16)**	(31.56)	(0.41)	(1.18)	(131.31)
	Revenue from Operations	**5,376.29**	1,664.30	2,315.81	554.40	**9,910.80**
	Segment result	**1,448.39**	443.62	229.35	21.67	2,143.03
Add/(Less):	Inter segment					
	Other income	**15.98**	9.77	9.65	0.65	36.05
	Depreciation & Amortization	**(81.37)**	(23.71)	(75.27)	(16.93)	(197.28)
	Interest income	**58.09**	13.19	4.58	0.39	76.25
	Finance costs (Unallocable)	**-**	-	-	-	(217.41)
	Exceptional items (net)	**-**	-	-	-	(81.05)
	Share of net profits of equity accounted anvestees (net of income tax)	**-**	-	-	-	0.81
	Profit Before Tax					**1,760.40**
	Tax expense	**-**	-	-	-	(263.82)
	Profit After Tax					**1,496.58**

Particulars	As at March 31, 2021	As at March 31, 2020
Segment Assets		
a) India	**3,788.49**	4,014.87
b) Indonesia	**2,809.51**	2,864.15
c) Africa (including Strength of Nature)	**6,799.35**	7,257.53
d) Others	**990.99**	936.63
Less: Intersegment Eliminations	**(105.52)**	(116.17)
	14,282.82	**14,957.01**
Segment Liabilities		
a) India	**1,292.85**	1,487.23
b) Indonesia	**615.29**	529.48
c) Africa (including Strength of Nature)	**789.28**	1,050.39
d) Others	**225.05**	165.25
Less: Intersegment Eliminations	**(106.40)**	(138.81)
	2,816.07	**3,093.54**
Add: Unallocable liabilities	**2,027.85**	3,965.11
Total Liabilities	**4,843.92**	**7,058.65**

Information about major customers:

No Single customer represents 10% or more of the Group's total revenue for the year ended March 31, 2021 and March 31, 2020

Capital expenditure

₹ Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
a) India	**72.76**	92.49
b) Indonesia	**23.06**	18.26
c) Africa (including Strength of Nature)	**62.68**	57.27
d) Others	**6.18**	6.68
Total	**164.69**	174.71

Note 54 : Assets Pledged As Security

The carrying amount of assets pledged as security for current and non-current borrowings are:

₹ Crore

		As at March 31, 2021	As at March 31, 2020
Current			
Financial assets			
Floating charge			
Trade receivables *(Refer Note 13)*		**2.82**	3.31
Total	**(a)**	**2.82**	3.31
Non Financial assets			
First charge			
Inventories *(Refer Note 11)*	**(b)**	**20.12**	14.39
Total current assets pledged as security	**(c) = (a) + (b)**	**22.94**	17.69
Non Current			
First charge			
Plant & Machinery *(Refer Note 3)*		**15.45**	16.01
Total non-current assets pledged as security	**(d)**	**15.45**	16.01
Total assets pledged as security	**(e) = (c) + (d)**	**38.39**	**33.71**

Note 55 : Additional Information, as required under Schedule III to the Companies Act, 2013, of Enterprises Consolidated as Subsidiary/Associates

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other comprehensive income (OCI)		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profits	Amount (₹ in crore)	As % of consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
Parent								
Godrej Consumer Products Limited (India)	67.37%	6,359.18	71.15%	1,224.34	-0.68%	1.11	78.70%	1,225.45
Subsidiaries								
Foreign								
Beleza Mozambique LDA	1.38%	130.57	2.33%	40.13			2.58%	40.13
Consell SA	0.00%	-0.04	0.00%	-0.03			0.00%	-0.03
Cosmetica Nacional	1.58%	148.69	0.61%	10.42			0.67%	10.42
Charm Industries Limited	0.07%	6.76	0.01%	0.22			0.01%	0.22
Canon Chemicals Limited	0.70%	65.91	0.00%	-0.02			0.00%	-0.02
Darling Trading Company Mauritius Ltd	2.06%	194.81	4.36%	74.95			4.81%	74.95
Deciral SA	0.09%	8.22	0.06%	1.00			0.06%	1.00
DGH Phase Two Mauritius	2.97%	280.79	0.07%	1.14			0.07%	1.14
DGH Tanzania Limited	0.81%	76.21	-0.01%	-0.11			-0.01%	-0.11
DGH Uganda	0.00%	-0.42	0.00%	-0.08			-0.01%	-0.08
Frika Weave (PTY) LTD	0.04%	3.51	0.02%	0.33			0.02%	0.33
Godrej Africa Holdings Limited	27.66%	2,610.49	3.73%	64.18			4.12%	64.18
Godrej Consumer Holdings (Netherlands) B.V.	7.43%	701.46	-1.81%	-31.15			-2.00%	-31.15
Godrej Consumer Investments (Chile) Spa	3.98%	375.90	0.00%	-0.00			0.00%	-0.00
Godrej Consumer Products (Netherlands) B.V.	0.44%	41.37	-0.02%	-0.29			-0.02%	-0.29
Godrej Consumer Products Bangladesh Ltd	0.00%	-0.11	0.00%	-0.02			0.00%	-0.02
Godrej Consumer Products Dutch Coöperatief U.A.	8.05%	760.26	-1.81%	-31.14			-2.00%	-31.14
Godrej Consumer Products Holding (Mauritius) Limited	19.09%	1,802.32	7.83%	134.74	-1.70%	2.79	8.83%	137.53
Godrej Consumer Products International (FZCO)	0.63%	59.53	3.70%	63.71			4.09%	63.71
Godrej East Africa Holdings Ltd	6.41%	605.30	-1.17%	-20.08			-1.29%	-20.08
Godrej Global Mid East FZE	0.23%	21.32	0.69%	11.80			0.76%	11.80
Godrej Hair Care Nigeria Limited (Dissolved on April 14, 2020)	0.00%	-	0.00%	-			0.00%	-

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other comprehensive income (OCI)		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profits	Amount (₹ in crore)	As % of consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
Godrej Hair Weave Nigeria Limited (Dissolved on April 23, 2020)	0.00%	-	0.00%	-			0.00%	-
Godrej Holdings (Chile) Limitada	4.71%	444.25	0.54%	9.32			0.60%	9.32
Godrej Household Products (Bangladesh) Pvt. Ltd.	0.03%	3.24	0.00%	0.09			0.01%	0.09
Godrej Household Products (Lanka) Pvt. Ltd.	0.15%	14.05	0.24%	4.08			0.26%	4.08
Godrej Indonesia IP Holding Ltd.	0.01%	1.00	6.05%	104.18			6.69%	104.18
Godrej International Trading Company (Sharjah) (Dissolved on January 21, 2021)	0.00%	-	0.03%	0.57			0.04%	0.57
Godrej Mauritius Africa Holdings Ltd.	12.42%	1,172.66	1.59%	27.28	-5.50%	9.00	2.33%	36.28
Godrej MID East Holdings Limited	0.03%	2.53	5.59%	96.19			6.18%	96.19
Godrej Netherlands B.V.	5.21%	491.62	0.09%	1.62			0.10%	1.62
Godrej Nigeria Limited	0.16%	15.38	-1.46%	-25.04	-0.09%	0.14	-1.60%	-24.90
Godrej Peru SAC	0.02%	2.24	-0.34%	-5.88			-0.38%	-5.88
Godrej SON Holdings INC	16.53%	1,560.71	6.82%	117.38	-5.62%	9.20	8.13%	126.58
Godrej South Africa Proprietary Ltd	1.17%	110.01	0.44%	7.57			0.49%	7.57
Godrej Tanzania Holdings Ltd	0.99%	93.65	-0.14%	-2.38			-0.15%	-2.38
Godrej (UK) Ltd	1.07%	101.15	-0.04%	-0.62			-0.04%	-0.62
Godrej West Africa Holdings Ltd.	1.23%	115.85	3.93%	67.63			4.34%	67.63
Hair Credentials Zambia Limited	0.03%	2.69	-0.09%	-1.53			-0.10%	-1.53
Hair Trading (offshore) S. A. L	0.83%	78.30	0.71%	12.27			0.79%	12.27
Indovest Capital	0.01%	0.92	0.00%	-0.03			0.00%	-0.03
Issue Group Brazil Limited	0.01%	1.23	0.01%	0.16			0.01%	0.16
Kinky Group (Pty) Limited	0.30%	28.60	0.06%	1.11			0.07%	1.11
Laboratoria Cuenca S.A	0.82%	77.01	2.03%	34.88			2.24%	34.88
Lorna Nigeria Ltd.	1.61%	152.19	0.96%	16.57	-0.07%	0.12	1.07%	16.69
Old Pro International Inc	1.41%	133.50	0.00%	-			0.00%	-
Panamar Producciones S.A.	0.01%	0.57	0.00%	-0.01			0.00%	-0.01
PT Ekamas Sarijaya	0.16%	14.78	0.01%	0.18			0.01%	0.18
PT Indomas Susemi Jaya	1.00%	94.74	0.84%	14.43			0.93%	14.43
PT Godrej Distribution Indonesia	1.45%	137.27	2.18%	37.50			2.41%	37.50

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other comprehensive income (OCI)		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profits	Amount (₹ in crore)	As % of consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
PT Megasari Makmur	16.40%	1,548.24	16.45%	283.05	-1.82%	2.97	18.37%	286.02
PT Sarico Indah	0.14%	13.36	0.06%	1.05			0.07%	1.05
Sigma Hair Industries Limited	0.07%	6.42	-0.10%	-1.67			-0.11%	-1.67
Style Industries Uganda Limited	0.00%	0.00	0.00%	-			0.00%	-
Strength of Nature LLC	22.58%	2,131.35	0.51%	8.71			0.56%	8.71
Strength of Nature South Africa Proprietary Limited (Dissolved on Nov 11, 2020)	0.00%	-	0.02%	0.29			0.02%	0.29
Style Industries Limited	1.48%	139.96	-2.52%	-43.45			-2.79%	-43.45
Subinite (Pty) Ltd.	0.09%	8.43	-0.59%	-10.18			-0.65%	-10.18
Weave Ghana Ltd	0.57%	54.09	0.32%	5.48			0.35%	5.48
Weave IP Holdings Mauritius Pvt. Ltd.	0.01%	0.95	0.09%	1.63			0.10%	1.63
Weave Mozambique Limitada	0.51%	48.34	-0.12%	-2.02			-0.13%	-2.02
Weave Senegal Ltd	-0.04%	-3.38	-0.06%	-0.98			-0.06%	-0.98
Weave Trading Mauritius Pvt. Ltd.	0.00%	0.46	0.00%	-0.09			-0.01%	-0.09
Godrej CP Malaysia SDN. BHD	0.00%	-	0.00%	-			0.00%	
Adjustment arising out of consolidation					115.48%	(188.96)	-12.13%	-188.96
Associate (Investments as per Equity method)								
Bhabani Blunt Hairdressing Pvt. Ltd.	0.00%	-	0.00%	-0.01			0.00%	-0.01
Eliminations	-144.21%	(13611)	-33.85%	(582.54)	0.00%	0.00	-37.41%	(582.53)
Grand Total	**100.00%**	**9438.90**	**100.00%**	**1720.82**	**100.00%**	**-163.63**	**100.00%**	**1557.19**

Note 56 : Details of Subsidiaries and Associate

The companies considered in the consolidated financial statements are :

Name of the subsidiaries	Country of Incorporation	Ownership interest held by the Group	
		March 31, 2021	March 31, 2020
Godrej Household Products (Lanka) Pvt. Ltd.	Srilanka	100%	100%
Godrej South Africa Proprietary Ltd	South Africa	100%	100%
Godrej Consumer Products Bangladesh Ltd	Bangladesh	100%	100%
Godrej Household Products (Bangladesh) Pvt. Ltd.	Bangladesh	100%	100%
Beleza Mozambique LDA	Mozambique	100%	100%
Consell SA	Argentina	100%	100%
Cosmetica Nacional	Chile	100%	100%
Charm Industries Limited	Kenya	100%	100%
Canon Chemicals Limited	Kenya	100%	100%
Darling Trading Company Mauritius Ltd	Mauritius	100%	100%
Deciral SA	Uruguay	100%	100%
DGH Phase Two Mauritius	Mauritius	100%	100%
DGH Tanzania Limited	Mauritius	100%	100%
DGH Uganda	Mauritius	100%	100%
Frika Weave (PTY) LTD	South Africa	100%	100%
Godrej Africa Holdings Limited	Mauritius	100%	100%
Godrej Consumer Holdings (Netherlands) B.V.	Netherlands	100%	100%
Godrej Consumer Investments (Chile) Spa	Chile	100%	100%
Godrej Consumer Products (Netherlands) B.V.	Netherlands	100%	100%
Godrej Consumer Products Dutch Coöperatief U.A.	Netherlands	100%	100%
Godrej Consumer Products Holding (Mauritius) Limited	Mauritius	100%	100%
Godrej Consumer Products International (FZCO)	Dubai	100%	100%
Godrej East Africa Holdings Ltd	Mauritius	100%	100%
Godrej Global Mid East FZE	Sharjah	100%	100%
Godrej Hair Care Nigeria Limited (Dissolved on April 14, 2020)	Nigeria	100%	100%
Godrej Hair Weave Nigeria Limited (Dissolved on April 23, 2020)	Nigeria	100%	100%
Godrej Holdings (Chile) Limitada	Chile	100%	100%
Godrej Indonesia IP Holding Ltd.	Mauritius	100%	100%
Godrej International Trading Company (Sharjah) (Dissolved on January 21, 2021)	Sharjah	100%	100%
Godrej Mauritius Africa Holdings Ltd.	Mauritius	100%	100%
Godrej MID East Holdings Limited	Dubai	100%	100%
Godrej Netherlands B.V.	Netherlands	100%	100%
Godrej Nigeria Limited	Nigeria	100%	100%
Godrej Peru SAC	Peru	100%	100%
Godrej SON Holdings INC	USA	100%	100%
Godrej Tanzania Holdings Ltd	Mauritius	100%	100%
Godrej (UK) Ltd	UK	100%	100%
Godrej West Africa Holdings Ltd.	Mauritius	100%	100%
Hair Credentials Zambia Limited	Zambia	100%	100%
Hair Trading (offshore) S. A. L	Lebanon	100%	100%
Indovest Capital	Labuan	100%	100%
Issue Group Brazil Limited	Brazil	100%	100%
Kinky Group (Pty) Limited	South Africa	100%	100%
Laboratoria Cuenca S.A	Argentina	100%	100%
Lorna Nigeria Ltd.	Nigeria	100%	100%
Old Pro International Inc	USA	100%	100%
Panamar Producciones S.A.	Argentina	100%	100%
PT Ekamas Sarijaya	Indonesia	100%	100%
PT Indomas Susemi Jaya	Indonesia	100%	100%

Name of the subsidiaries	Country of Incorporation	Ownership interest held by the Group	
		March 31, 2021	March 31, 2020
PT Godrej Distribution Indonesia	Indonesia	**100%**	100%
PT Megasari Makmur	Indonesia	**100%**	100%
PT Sarico Indah	Indonesia	**100%**	100%
Sigma Hair Industries Limited	Tanzania	**100%**	100%
Style Industries Uganda Limited	Uganda	**100%**	100%
Strength of Nature LLC	USA	**100%**	100%
Strength of Nature South Africa Proprietary Limited (Dissolved on Nov 11, 2020)	South Africa	**100%**	100%
Style Industries Limited	Kenya	**100%**	100%
Subinite (Pty) Ltd.	South Africa	**100%**	100%
Weave Ghana Ltd	Ghana	**100%**	100%
Weave IP Holdings Mauritius Pvt. Ltd.	Mauritius	**100%**	100%
Weave Mozambique Limitada	Mozambique	**100%**	100%
Weave Senegal Ltd	Senegal	**100%**	100%
Weave Trading Mauritius Pvt. Ltd.	Mauritius	**100%**	100%
Godrej CP Malaysia SDN. BHD	Malaysia	**100%**	100%
Bhabhani Blunt Hairdressing Private Limited *(Associate)*	India	**28%**	28%

Note 57 : Covid 19 Impact

The year ended March 31,2021 was unprecedented due to the spread of Coronavirus pandemic across the globe, impacting all the geographies of our operations in the early months of the year. The Group has been working on a safety first principle, ensuring that our employees and business partners are safe and are taking all necessary precautions to control the spread of Coronavirus. While we did see impact of lockdown in the early part of the year, we displayed strong agility in ramping up the production and resolving logistics challenges. The Group is recording sequential recovery across most of our markets of operations. We also leveraged technology, strong relationships with our channel partners to meet the end consumer demand.

As per our current assessment other than the impairment recorded on investment and brands, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, other investments and other financial assets is expected, and we continue to monitor changes in future economic conditions.

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 Registration No. 101248W/W-100022

For and on behalf of the Board of directors

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

Mumbai: May 11, 2021

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 ₹)

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
1	**Beleza Mozambique LDA**	13-10-2011	01-Apr-2020 To 31-Mar-2021	MZN	1.048	12.97	117.60	144.58	14.01	0.00	353.31	40.13	0.00	40.13	-	100%
2	**Consell SA**	02-06-2010	01-Apr-2020 To 31-Mar-2021	ARS	0.789	0.23	(0.27)	0.00	0.04	0.00	0.00	(0.03)	0.00	(0.03)	-	100%
3	**Cosmetica Nacional**	20-04-2012	01-Apr-2020 To 31-Mar-2021	CPeso	0.099	126.93	21.76	219.74	71.05	0.00	195.43	16.64	6.22	10.42	-	100%
4	**Charm Industries Limited**	09-09-2014	01-Apr-2020 To 31-Mar-2021	KES	0.661	0.66	6.10	14.09	7.33	0.00	19.55	0.27	0.05	0.22	-	100%
5	**Canon Chemicals Limited**	05-05-2016	01-Apr-2020 To 31-Mar-2021	KES	0.661	8.94	56.98	79.60	13.68	0.00	75.18	1.76	1.78	(0.02)	-	100%
6	**Darling Trading Company Mauritius Ltd**	22-01-2015	01-Apr-2020 To 31-Mar-2021	USD	72.515	7.25	187.56	194.84	0.02	7.25	75.05	74.95	0.00	74.95	-	95%*
7	**Deciral SA**	02-06-2010	01-Apr-2020 To 31-Mar-2021	ARS	0.789	7.46	0.75	17.00	8.79	0.00	16.00	1.05	0.05	1.00	-	100%
8	**DGH Phase Two Mauritius**	09-05-2012	01-Apr-2020 To 31-Mar-2021	USD	72.515	252.87	27.92	327.32	46.53	340.62	2.59	1.40	0.26	1.14	-	90%*
9	**DGH Tanzania Limited**	06-12-2012	01-Apr-2020 To 31-Mar-2021	USD	72.515	77.25	(1.04)	76.27	0.06	39.88	0.00	(0.11)	0.00	(0.11)	-	100%
10	**DGH Uganda**	31-01-2017	01-Apr-2020 To 31-Mar-2021	UGX	72.515	0.00	(0.42)	0.00	0.42	0.00	0.00	(0.08)	0.00	(0.08)	-	51%*
11	**Frika Weave (PTY) LTD**	06-01-2015	01-Apr-2020 To 31-Mar-2021	ZAR	4.864	5.39	(1.88)	3.51	0.00	0.00	0.44	0.45	0.13	0.33	-	100%
12	**Godrej Africa Holdings Limited**	19-01-2015	01-Apr-2020 To 31-Mar-2021	USD	72.515	2433.09	177.40	2610.55	0.06	2610.45	64.31	64.18	0.00	64.18	-	100%

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
13	**Godrej Consumer Holdings (Netherlands) B.V.**	31-03-2010	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.19	701.27	701.57	0.11	701.52	0.00	(31.15)	0.00	(31.15)	-	100%
14	**Godrej Consumer Investments (Chile) Spa**	28-03-2012	01-Apr-2020 To 31-Mar-2021	USD	72.515	392.57	(16.68)	375.91	0.01	375.88	0.00	(0.00)	0.00	(0.00)	-	100%
15	**Godrej Consumer Products (Netherlands) B.V.**	31-03-2010	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.17	41.21	41.41	0.04	41.36	0.00	(0.29)	0.00	(0.29)	-	100%
16	**Godrej Consumer Products Bangladesh Ltd**	13-04-2010	01-Apr-2020 To 31-Mar-2021	Taka	0.859	0.04	(0.16)	0.05	0.16	0.00	0.00	(0.02)	0.00	(0.02)	-	100%
17	**Godrej Consumer Products Dutch Coöperatief U.A.**	24-03-2010	01-Apr-2020 To 31-Mar-2021	USD	72.515	639.51	120.76	760.74	0.47	760.68	0.00	(31.14)	0.00	(31.14)	-	100%
18	**Godrej Consumer Products Holding (Mauritius) Limited**	23-04-2010	01-Apr-2020 To 31-Mar-2021	USD	72.515	1361.45	440.88	1899.87	97.55	1278.35	147.15	135.30	0.56	134.74	-	100%
19	**Godrej Consumer Products International (FZCO)**	28-02-2017	01-Apr-2020 To 31-Mar-2021	USD	72.515	7.25	52.28	435.24	375.71	0.00	520.27	63.71	0.00	63.71	-	95%*
20	**Godrej East Africa Holdings Ltd**	20-07-2012	01-Apr-2020 To 31-Mar-2021	USD	72.515	815.16	(209.86)	1301.36	696.05	1301.32	0.00	(20.08)	0.00	(20.08)	-	100%
21	**Godrej Global Mid East FZE**	05-07-2011	01-Apr-2020 To 31-Mar-2021	AED	19.743	9.05	12.26	58.13	36.81	0.00	105.08	11.80	0.00	11.80	-	100%
22	**Godrej Hair Care Nigeria Limited****	02-03-2016	01-Apr-2020 To 31-Mar-2021	Naira	0.196	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	100%
23	**Godrej Hair Weave Nigeria Limited****	02-03-2016	01-Apr-2020 To 31-Mar-2021	Naira	0.196	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	100%
24	**Godrej Holdings (Chile) Limitada**	29-03-2012	01-Apr-2020 To 31-Mar-2021	USD	72.515	376.16	68.09	444.26	0.01	444.05	9.77	9.32	0.00	9.32	-	100%
25	**Godrej Household Products (Bangladesh) Pvt. Ltd.**	01-04-2010	01-Apr-2020 To 31-Mar-2021	Taka	0.859	91.62	(88.38)	33.94	30.70	0.00	94.32	1.59	1.50	0.09	-	100%

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
26	**Godrej Household Products (Lanka) Pvt. Ltd.**	01-04-2010	01-Apr-2020 To 31-Mar-2021	LKR	0.366	26.29	(12.24)	33.72	19.67	0.00	63.77	3.86	(0.22)	4.08	-	100%
27	**Godrej Indonesia IP Holding Ltd.**	17-03-2015	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.00	1.00	1.05	0.05	0.72	104.27	104.18	0.00	104.18	-	100%
28	**Godrej International Trading Company (Sharjah)****	01-09-2016	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.00	0.00	0.00	0.00	0.00	0.00	0.57	0.00	0.57	-	51%*
29	**Godrej Mauritius Africa Holdings Ltd.**	14-03-2011	01-Apr-2020 To 31-Mar-2021	USD	72.515	1020.76	151.91	2595.70	1423.04	2582.75	74.30	27.48	0.20	27.28	-	100%
30	**Godrej MID East Holdings Limited**	28-07-2015	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.72	1.82	2.80	0.27	0.00	97.85	96.19	0.00	96.19	-	100%
31	**Godrej Netherlands B.V.**	19-10-2005	01-Apr-2020 To 31-Mar-2021	USD	72.515	4.41	487.21	492.69	1.07	371.44	2.39	1.93	0.30	1.62	-	100%
32	**Godrej Nigeria Limited**	26-03-2010	01-Apr-2020 To 31-Mar-2021	Naira	0.177	0.27	15.12	104.59	89.21	0.00	118.60	(26.66)	(1.62)	(25.04)	-	100%
33	**Godrej Peru SAC**	11-04-2017	01-Apr-2020 To 31-Mar-2021	ARS	0.789	14.05	(11.81)	3.35	1.11	0.00	8.97	(3.57)	2.31	(5.88)	-	100%
34	**Godrej SON Holdings INC**	22-03-2016	01-Apr-2020 To 31-Mar-2021	USD	72.515	1492.36	68.35	1831.62	270.91	1831.16	143.94	117.38	0.00	117.38	-	100%
35	**Godrej South Africa Proprietary Ltd**	01-09-2006	01-Apr-2020 To 31-Mar-2021	ZAR	4.864	8.78	101.23	110.20	0.19	0.00	10.88	7.57	0.00	7.57	-	100%
36	**Godrej Tanzania Holdings Ltd**	30-11-2012	01-Apr-2020 To 31-Mar-2021	USD	72.515	132.88	(39.23)	203.81	110.16	123.52	3.81	(2.38)	0.00	(2.38)	-	100%
37	**Godrej (UK) Ltd**	24-10-2005	01-Apr-2020 To 31-Mar-2021	GBP	99.803	98.14	3.01	101.90	0.75	99.07	3.31	(0.22)	0.40	(0.62)	-	100%
38	**Godrej West Africa Holdings Ltd.**	11-02-2014	01-Apr-2020 To 31-Mar-2021	USD	72.515	115.81	0.04	115.90	0.06	115.79	73.56	73.43	5.80	67.63	-	95%*
39	**Hair Credentials Zambia Limited**	23-12-2015	01-Apr-2020 To 31-Mar-2021	ZMK	3.285	0.01	2.68	9.41	6.72	0.00	1.11	(1.53)	0.00	(1.53)	-	100%
40	**Hair Trading (offshore) S. A. L**	23-12-2015	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.15	78.15	85.15	6.85	0.00	68.93	12.28	0.01	12.27	-	51%*

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
41	**Indovest Capital**	17-03-2010	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.09	0.84	1.05	0.13	0.00	0.00	(0.03)	0.00	(0.03)	-	100%
42	**Issue Group Brazil Limited**	23-05-2010	01-Apr-2020 To 31-Mar-2021	ARS	0.789	14.15	(12.92)	2.70	1.46	0.00	0.19	0.16	0.00	0.16	-	100%
43	**Kinky Group (Pty) Limited**	01-04-2008	01-Apr-2020 To 31-Mar-2021	ZAR	4.864	0.00	28.60	31.85	3.25	0.00	21.58	1.41	0.30	1.11	-	100%
44	**Laboratoria Cuenca S.A**	02-06-2010	01-Apr-2020 To 31-Mar-2021	ARS	0.789	12.69	64.32	181.47	104.46	12.69	244.94	47.03	12.15	34.88	-	100%
45	**Lorna Nigeria Ltd.**	05-09-2011	01-Apr-2020 To 31-Mar-2021	Naira	0.177	0.21	151.98	402.37	250.18	0.00	487.75	18.30	1.73	16.57	-	100%
46	**Old Pro International Inc**	28-04-2016	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.00	133.50	133.50	(0.00)	0.00	0.00	0.00	0.00	0.00	-	100%
47	**Panamar Producciones S.A.**	02-06-2010	01-Apr-2020 To 31-Mar-2021	ARS	0.789	0.04	0.53	0.58	0.00	0.44	0.00	(0.01)	0.00	(0.01)	-	100%
48	**PT Ekamas Sarijaya**	17-05-2010	01-Apr-2020 To 31-Mar-2021	IDR	0.005	1.26	13.53	15.13	0.35	0.00	1.08	0.20	0.03	0.18	-	100%
49	**PT Indomas Susemi Jaya**	17-05-2010	01-Apr-2020 To 31-Mar-2021	IDR	0.005	1.44	93.30	105.21	10.47	0.00	44.44	18.41	3.98	14.43	-	100%
50	**PT Godrej Distribution Indonesia**	17-05-2010	01-Apr-2020 To 31-Mar-2021	IDR	0.005	0.50	136.77	451.91	314.64	0.00	1862.99	48.38	10.89	37.50	-	100%
51	**PT Megasari Makmur**	17-05-2010	01-Apr-2020 To 31-Mar-2021	IDR	0.005	73.61	1474.63	2092.65	544.41	2.56	1474.96	352.41	69.36	283.05	-	100%
52	**PT Sarico Indah**	17-05-2010	01-Apr-2020 To 31-Mar-2021	IDR	0.005	3.37	9.99	23.46	10.10	0.00	25.10	1.32	0.27	1.05	-	100%
53	**Sigma Hair Industries Limited**	19-12-2012	01-Apr-2020 To 31-Mar-2021	TZS	0.031	37.94	(31.52)	56.32	49.90	0.00	109.99	(1.12)	0.55	(1.67)	-	100%
54	**Style Industries Uganda Limited**	15-06-2016	01-Apr-2020 To 31-Mar-2021	UGX	0.020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	51%*
55	**Strength of Nature LLC**	28-04-2016	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.00	2131.35	2285.21	153.86	32.82	537.19	1.18	(7.53)	8.71	-	100%
56	**Strength of Nature South Africa Proprietary Limited****	28-04-2016	01-Apr-2020 To 31-Mar-2021	ZAR	72.515	0.00	0.00	0.00	0.00	0.00	0.29	0.29	0.00	0.29	-	100%

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
57	**Style Industries Limited**	01-11-2012	01-Apr-2020 To 31-Mar-2021	KES	0.661	48.88	91.08	247.78	107.82	0.00	249.96	(43.06)	0.39	(43.45)	-	90%*
58	**Subinite (Pty) Ltd.**	06-09-2011	01-Apr-2020 To 31-Mar-2021	ZAR	4.864	0.00	8.43	286.18	277.75	0.00	646.77	(10.18)	0.00	(10.18)	-	95%*
59	**Weave Ghana Ltd**	16-09-2014	01-Apr-2020 To 31-Mar-2021	CEDI	12.546	53.23	0.86	93.60	39.52	0.00	168.56	4.33	(1.15)	5.48	-	100%
60	**Weave IP Holdings Mauritius Pvt. Ltd.**	11-07-2011	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.01	0.93	1.02	0.08	0.00	2.13	1.92	0.29	1.63	-	95%*
61	**Weave Mozambique Limitada**	13-10-2011	01-Apr-2020 To 31-Mar-2021	MZN	1.048	12.94	35.40	69.43	21.09	0.00	120.05	(2.22)	(0.21)	(2.02)	-	95%*
62	**Weave Senegal Ltd**	08-04-2016	01-Apr-2020 To 31-Mar-2021	XOF	0.130	30.44	(33.82)	1.96	5.34	0.00	0.00	(0.98)	0.00	(0.98)	-	100%
63	**Weave Trading Mauritius Pvt. Ltd.**	05-07-2011	01-Apr-2020 To 31-Mar-2021	USD	72.515	0.01	0.46	0.66	0.20	0.14	0.00	(0.09)	0.00	(0.09)	-	51%*
64	**Godrej CP Malaysia SDN. BHD**	04-06-2018	01-Apr-2020 To 31-Mar-2021	MYR	17.509	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	100%

* Financials of subsidiaries were considered 100% in consolidated financial statements

Names of subsidiaries which are yet to commence operations

Godrej CP Malaysia SDN. BHD

****Names of subsidiaries which have been liquidated or sold during the year:**

Godrej Hair Care Nigeria Limited (Dissolved on April 14, 2020)

Godrej Hair Weave Nigeria Limited (Dissolved on April 23, 2020)

Strength of Nature South Africa Proprietary Limited (Dissolved on Nov 11, 2020)

Godrej International Trading Company (Sharjah) (Dissolved on January 21, 2021)

Part "B": Associates and Joint Ventures

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

₹ Crore

Sl. No.	Name of Associates/Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for FY 21	
			No.	Amount of Investment in Associates/ Joint Venture (net of provision for diminution)	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1.	Bhabhani Blunt Hairdressing Private Limited	Year ended March 31, 2020	4967 Equity Instruments & 3060 Debentures	₹ 10.43 cr & ₹ 6.23 cr	28%	Godrej Consumer Products Ltd is holding more than 20% of share capital	Godrej Consumer Products Ltd stake is less than 51%	3.12	(0.01)	(0.04)

For and on behalf of the Board

Nisaba Godrej
Chairperson & Managing Director
DIN: 00591503

V Srinivasan
Chief Financial Officer
& Company Secretary

Mumbai: May 11, 2021

CONSUMER PRODUCTS

Godrej Consumer Products Limited

Registered Office:
Godrej One, 4th Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079
Tel.: +91 22 25188010/20/30 **Fax:** +91 22 25188040
Website: www.godrejcp.com **E-mail:** investor.relations@godrejcp.com
CIN: L24246MH2000PLC129806

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 21st ANNUAL GENERAL MEETING (**AGM**) of the members of GODREJ CONSUMER PRODUCTS LIMITED will be held on Wednesday, August 4, 2021, at 4.00 p.m. through video conferencing/other audio visual means to transact the following businesses.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (both standalone and consolidated) of the Company for the financial year ended March 31, 2021 and Report of the Board of Directors and Auditors' Report thereon;

2. To appoint a Director in place of Mr. Nadir Godrej (DIN: 00066195), who retires by rotation, and being eligible, offers himself for re-appointment;

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification(s) the following resolutions:

3. **Ordinary Resolution for the ratification of remuneration payable to M/s. P. M. Nanabhoy & Co. (Firm Membership number 000012), appointed as Cost Auditors of the Company for the fiscal year 2021-22**

   RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. P. M. Nanabhoy & Co. (Firm Membership number 000012), Cost Accountants, appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the fiscal year 2021-22, be paid a remuneration of ₹ 6,39,000/- per annum plus applicable taxes and out-of-pocket expenses that may be incurred.

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

4. **Ordinary Resolution for appointment of Mr. Sudhir Sitapati (DIN: 09197063) as Managing Director and CEO for a period of five years with effect from October 18, 2021**

   "RESOLVED THAT in accordance with the provisions of Sections 196,197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules thereunder, Mr. Sudhir Sitapati (DIN: 09197063) is hereby appointed as the Managing Director and CEO of the Company, on the following terms and conditions:

I. Period of appointment: October 18, 2021 to October 17, 2026

II. Remuneration

A. Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity. The annual increments will be decided by the Board of Directors and will be merit based and take into account other relevant factors. The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time-to-time.

B. Flexible Compensation

In addition to the fixed compensation, Mr. Sudhir Sitapati will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, 2013 (collectively called "perquisites and allowances").These allowances may be granted to Mr. Sudhir Sitapati in such form and manner as the Board may decide.

- Housing as per rules of the Company (i.e. unfurnished residential accommodation as per Company's rules OR House Rent Allowance as per Company's rules);

- Supplementary allowance;

- Leave Travel Allowance in accordance with the rules of the Company;

- Payment/ reimbursement of club fees, food vouchers, petrol reimbursement, car maintenance as per rules of the company;

- Payment/ reimbursement of telephone expenses;

- Housing Loan as per rules of the Company, Contingency Loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;

- Such other perquisites and allowances as per the policy/ rules of the Company in force and/or as may be approved by the Board from time to time.

The annual fixed remuneration which includes fixed and flexible remuneration shall be within the range of INR 6 crores p.a. to INR 12 crores p.a.

C. Variable Pay and Incentives

(i) Performance Linked Variable Remuneration (PLVR) relating to the financial years during the period of appointment shall be according to the applicable scheme of the Company or as may be decided by the Board of Directors.

(ii) Long Term Incentives as may be approved by the Board of Directors.

(iii) Stock Grants under the Company' Employee Stock Grant Scheme (ESGS).

D. Other Benefits

- Company car with driver

- Furnishing at residence as per rules of the Company;

- Payment/ reimbursement of medical/ hospitalization expenses in accordance with the rules of the Company;

- Group insurance cover, group mediclaim cover in accordance with the rules of the Company;

- Consolidated privilege leave, on full pay and allowance, Encashment/ accumulation of leave will all be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;

Explanation: Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.

III. Overall Remuneration
The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion may pay to Mr. Sitapati from time-to-time, shall not exceed the limits prescribed from time to time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being, be in force.

IV. Minimum Remuneration
Notwithstanding the foregoing, where in any financial year during the tenure of Mr. Sudhir Sitapati, the Company has no profits or its profits are inadequate, the remuneration will be subject to the limits specified in Schedule V to the Companies Act, 2013.

Notes:

a) Mr. Sudhir Sitapati is liable to retire by rotation. The appointment is terminable by giving three months' notice in writing on either side.

b) Mr. Sudhir Sitapati shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment, and it shall be Mr. Sitapati's endeavour, during the continuance of his employment, to prevent any other person from disclosing the aforesaid information.

c) If Mr. Sitapati is guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as director or any breach of these terms, as in the opinion of all other Directors renders his retirement from the office desirable, the opinion of such other Directors shall be final, conclusive and binding on him, and the Company may, by giving thirty days' notice in writing to him, terminate the appointment and he shall cease to be the Managing Director & CEO of the Company, upon expiration of such notice.

d) In the event of any re-enactment or re-codification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued thereunder.

RESOLVED FURTHER THAT

i) the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force)

ii) Any Key Managerial Personnel of the Company or any other person duly authorised by the Board be and are hereby severally authorised to take all such steps as may be necessary and expedient to give effect to this resolution and do all such acts including execution of agreement with Mr. Sudhir Sitapati.

By Order of the Board of Directors

V Srinivasan

Chief Financial Officer & Company Secretary

Mumbai, July 2 2021

Notes:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed herewith. The Board of Directors have considered and decided to include the Item Nos. 3 & 4 given above as Special Businesses in the forthcoming AGM.

2. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 02/2021 dated 13th January 2021 decided to allow Companies to conduct AGMs to through Video Conferencing (VC) or Other Audio Visual Means (OAVM) in accordance with requirements provided in paragraphs 3 and 4 of General Circular No. 20/2020 dated 5th May, 2020 and any other applicable circulars issued by the MCA & Securities and Exchange Board of India (SEBI). In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 21st AGM of the Company shall be conducted through VC/ OAVM. The Central Depository Services (India) Limited ('CSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No. 6.

3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at investor.relations@godrejcp.com.

5. **ELECTRONIC DISPATCH OF ANNUAL REPORT**

   - In accordance with the relevant MCA and SEBI Circulars, allowing electronic despatch of financial statements (including Report of Board of Directors, Auditors' report or other documents required to be attached therewith) instead of physical despatch, such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

6. **PROCEDURE FOR JOINING THE AGM THROUGH VC/ OAVM:**

   - Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access at www.evotingindia.com under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.

- Shareholders are encouraged to join the Meeting through Laptops / IPads/ Tabs for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

7. **PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATION WITH RESPECT TO ANNUAL REPORT:**

    - Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, Demat Account number / folio number, mobile number along with their queries to investor.relations@godrejcp.com latest by 5 p.m. on Friday, 30th July, 2021. Questions / queries received by the Company till this time shall only be considered and responded during the AGM.

    - Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

    - The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

8. **Procedure for remote E-voting**

    In accordance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and the Secretarial Standards issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members the facility to exercise their right to vote at the 21st AGM through electronic means and the business may be transacted through the e-voting services provided by the Central Depository Services Limited (CDSL).

    The instructions for members for voting electronically are as follows:-

    (i) The e-voting facility is available from 9.00 a.m.(IST) on Saturday, July 31, 2021 to 5.00 p.m. (IST) on Tuesday, August 3, 2021. The e-voting module shall be disabled by CDSL for voting thereafter. During this period, shareholders of the Company, holding shares either in physical or dematerialised (demat) form, as on the cut-off date, Wednesday, July 28, 2021, may cast their vote electronically.

    (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with NSDL	1)	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2)	If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3)	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.	

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	**Helpdesk details**
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

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

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

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

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

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

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

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

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

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

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

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

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

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

(xiv) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non- Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz., investor.relations@godrejcp.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/ OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

8. Only those shareholders, who are present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to investor.relations@godrejcp.com

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill

Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Mr Kalidas Vanjpe, Practising Company Secretary, (Membership No. FCS 7132) or failing him, Mr Ashok Ramani (Membership No. FCS 6808) has been appointed as the Scrutiniser to scrutinise the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter. The results of entire e-voting along with Scrutinizer's report shall be placed on the Company's website www.godrejcp.com within 2 days of passing resolutions at the AGM of the Company and communicated to stock exchanges, where the shares of the Company are listed.

9. PROCEDURE FOR INSPECTION OF DOCUMENTS:

The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and any other documents referred to in the accompanying Notice and Explanatory Statements, shall be made available for inspection through electronic mode, basis the request being sent on investor.relations@godrejcp.com.

10. DIVIDEND RELATED INFORMATION

Pursuant to the provisions of Section 124 of the Act, the Unpaid/Unclaimed Dividend pertaining upto the financial year 2013-14 and the May 2014 dividend paid during FY 2014-15 has been transferred by the Company to the Investor Education and Protection Fund (the 'IEPF') established by the Central Government. The Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends 7 years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the 'Investor Education and Protection Fund' (IEPF) of the Government. Unclaimed Dividends, as per the details given in the table below, will be transferred to the IEPF on the dates mentioned in the table. Those members who have not, so far, encashed these dividend warrants or any subsequent dividend warrants may claim or approach our Registrars (We have announced the change of RTA from Computech Sharecap Ltd to Link Intime Private Ltd. The handover date is not yet announced. Investors may check our website for the contact details of the new RTA)

Dividend Period	Type of Dividend	Paid in	Due date for transfer
2014-15	Interim	August 2014	September 9, 2021
2014-15	Interim	November 2014	December 7, 2021
2014-15	Interim	February 2015	March 13, 2022
2015-16	Interim	April 2015	June 3, 2022
2015-16	Interim	July 2015	September 3, 2022

Please note that Section 124(6) of the Companies Act, 2013 also provides that all shares in respect of which the dividend of last 7 consecutive years has remained unclaimed, shall also be transferred to the IEPF.

Hence, it is in the shareholders' interest to claim any uncashed dividends and for future dividends, opt for Electronic Credit of dividend so that dividends paid by the Company are credited to the investor's account on time.

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

12. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to our Registrars / Investor Relations Department of the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant. The Company will not be in position to issue Demand Drafts for dividends to those shareholders whose Bank account details are not updated.

13. Details as stipulated under Listing Regulations in respect of the Directors being appointed/re-appointed are attached herewith to the Notice.

By Order of the Board of Directors

V Srinivasan
Chief Financial Officer &
Company Secretary
Mumbai, July 2, 2021

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

ITEM 3

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records for applicable products of the Company.

On the recommendation of the Audit Committee, at its meeting held on May 11, 2021, the Board considered and approved the re-appointment of M/s. P. M. Nanabhoy & Co., Cost Accountants as the Cost Auditor for the fiscal year 2021-22 at a remuneration of ₹ 6,39,000/- per annum plus applicable taxes and reimbursement of out-of-pocket expenses.

The Board of Directors recommend the Ordinary Resolution as set out in Item No. 3 of the Notice for the approval of the shareholders.

None of the Directors, Key Managerial Personnel (KMP), or their relatives are, in any way, concerned with or interested, financially or otherwise in the said resolution.

ITEM 4

The Nomination and Remuneration Committee recommended the appointment of Mr. Sudhir Sitapati as the Managing Director & CEO with effect from October 18, 2021 and the consequential change in role of Ms. Nisaba Godrej as a Whole-time Director with effect from October 18, 2021. The Board of Directors at its meeting held on May 11, 2021 approved his appointment as the Managing Director of the Company designated as "Managing Director & CEO", for a period of five years with effect from October 18, 2021.

The details of Mr. Sudhir Sitapati as required to be given pursuant to the Listing Regulations and Secretarial Standards, are attached to the Notice.

For brevity, the particulars of the proposed remuneration, perquisites, and benefits payable to Mr. Sudhir Sitapati are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of resolution.

The Board believes that the Company will benefit from his professional expertise and rich experience. Hence, the Board recommends the resolution at item no.4 to the Members for their approval.

None of the Directors, Key Managerial Personnel (KMP), or their relatives are, in any way, concerned with or interested, financially or otherwise in the said resolution.

By Order of the Board of Directors

V Srinivasan
Chief Financial Officer &
Company Secretary
Mumbai, July 2, 2021

Information pursuant to the Listing Regulations and Secretarial Standards with respect to appointment or re-appointment of Directors

Names of Director	**Nadir Godrej**	Sudhir Sitapati
Category	Non-Executive Director	Managing Director and CEO
DIN	00066195	09197063
Date of Birth and Age	August 26, 1951 69 years	August 31, 1976 44 years
Qualification	• B.S Chem Engg (M.I.T, U.S.A), • M.S Chem Engg. (Stanford, U.S.A)	• MBA from Indian Institute of Management, Ahmedabad • B.Sc in Math with Economics Honours from St. Xavier's College, Mumbai
Nature of Expertise/Experience	Industrialist	Marketing and General Management
Brief Resume	Appended at end of this table	Appended at end of this table
First Appointment on the Board	November 29, 2000	October 18, 2021 (Proposed)
Terms & Conditions of Appointment/ re-appointment	Re-appointment as a Non-Executive Director subject to retirement by rotation	As mentioned in the resolution
Last Drawn Remuneration Details along with remuneration sought to be paid	Last drawn remuneration is given in the Corporate Governance Section of the Annual Report. As a Non-Executive Director, he is entitled to sitting fees for attending meetings of the Board/Committee and Commission on Profits as may be approved by the shareholders from time-to-time within the limits set out in the Companies Act, 2013	The proposed appointment is the first appointment in the Company
No. of shares held in GCPL as at March 31, 2021	63*	NIL
Relationship with other Directors/ Manager/ KMP	Brother of Adi Godrej	None
No. of Board meetings attended out of 5 meetings held during the year	5	Not applicable
Directorship details	**Listed Public Companies:** Godrej Consumer Products Limited Godrej Industries Limited Godrej Agrovet Limited Godrej Properties Limited Astec Lifesciences Limited **Public Companies:** Godrej & Boyce Mfg. Co. Limited Creamline Dairy Products Limited Godrej Tyson Foods Limited **Private Companies:** Isprava Vesta Private Limited Foreign Companies: Godrej International Limited ACI Godrej Agrovet Private Limited	**Listed Public Companies:** NIL **Public Companies:** NIL **Private Companies:** NIL **LLPs:** NIL **Partnership Firms:** NIL

Names of Director	Nadir Godrej	Sudhir Sitapati
	LLPs: ABG Venture LLP NBG Enterprise LLP Anamudi Real Estate LLP **Partnership Firms;** Partner in RKN Enterprises	
Committee Positions	**Member:** Stakeholders' Relationship Committee: Godrej Properties Limited Risk Management Committee Godrej Properties Limited **Chairman:** Corporate Social Responsibility Committee Godrej Properties Limited	**Member:** NIL **Chairperson:** NIL

* This shareholding reflects holding in their own name and does not include shares held as one of the trustee of family trusts.

Brief Resume of the Directors proposed to be appointed/re-appointed:

Nadir Godrej

Mr. Nadir B. Godrej is the Managing Director of Godrej Industries Limited & Chairman of Godrej Agrovet Limited. Mr. Godrej has a Bachelor of Science degree in Chemical Engineering from Massachusetts Institute of Technology, a Master of Science degree in Chemical Engineering from Stanford University and an MBA from Harvard Business School.

He has been a Director of several Godrej companies since 1977 and has developed the animal feed, agricultural inputs and chemicals businesses of Godrej Industries and other associate companies, and has been very active in research. Mr. Godrej is a member of the South Asia Advisory Board of Harvard Business School. Mr. Godrej's outside commitments include: President of The Alliance Francaise De Bombay, CII National Council, Member, Past Chairman CII National Committee on Chemicals - Past Independent Director of Indian Hotels Company Limited and Mahindra & Mahindra Limited for many years. He is a member of the South Asia Research Centre Advisory Board of Harvard Business School.

He has been awarded the Chevalier de Legion d'Honneur, Globoil Life Time Achievement Award - 2012, OTAI Life Time Achievement Award - 2012, Chemtech CEW Leadership & Excellence Award - 2013, and Chemexcil Life Time Achievement Award - 2013. He also received the Porter Prize 2013 for Creating Shared Value awarded to Godrej Industries Ltd. Mr. Godrej recently received the prestigious CHEMTECH Leadership & Excellence Award 2017 - Hall of Fame.

Also, the Board of Management of Manav Rachna University has unanimously conferred Mr. Godrej with an Honorary Degree of Doctor of Philosophy. And recently Mr. Godrej was presented the award in Business Excellence at the IBG function on 31st January, 2018

Sudhir Sitapati

Mr. Sudhir Sitapati was the Executive Director - Foods and Refreshments at Hindustan Unilever Limited (HUL). In his 22 years at HUL, he has led teams across several categories and functions in India, Europe, South East Asia and Africa to create significant value for the business. Sudhir was appointed to the HUL Management Committee as an Executive Director in 2016, making him one of its youngest ever members. Under Sudhir's leadership, HUL built up its Foods and Refreshments business as one of the largest in India. This included the USD 5 billion merger and integration of GlaxoSmithKline Consumer Healthcare with HUL, the largest deal of its kind in the FMCG sector in India.

In his previous roles, Sudhir was instrumental in creating a world-class Tea business for HUL in India and leading HUL's Soaps business in the country. A passionate marketer, he has worked closely on internationally acclaimed purpose-led marketing campaigns for some of HUL's most iconic brands, including Surf Excel's 'Dirt is Good', Lifebuoy's 'Have you washed your hands with Lifebuoy?' on rotis at the Kumbh Mela, and Brooke Bond's 'Taste of Togetherness'.

He is currently the Co-Chair of the CII National Committee of Food Processing and is a past Co-Chair of the FMCG Committee. He was also a member of the advisory board of Flipkart in 2015. Sudhir is the author of the best-selling book 'The CEO Factory: Management lessons from Hindustan Unilever'. The book was a runner up at the Tata Book Festival, 2020. Sudhir has an MBA from the Indian Institute of Management, Ahmedabad and a B.Sc in Math with Economics Honours from St. Xavier's College, Mumbai.

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