

EMERGING STRONGER THROUGH RESILIENCE

# ANNUAL REPORT 2021



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# BOARD OF



**Adi Godrej**  
Chairman



**Nadir Godrej**  
Managing Director



**Tanya Dubash**  
Executive Director &  
Chief Brand Officer



**Jamshyd Godrej**  
Director



**Vijay Crishna**  
Director



**Nitin Nabar**  
Executive Director &  
President (Chemicals)

# DIRECTORS



**Mathew Eipe**  
Independent Director



**Ganapati Yadav**  
Independent Director



**Monaz Noble**  
Independent Director



**Shweta Bhatia**  
Independent Director



**Sandeep Murthy**  
Independent Director



**Ajaykumar Vaghani**  
Independent Director

# Corporate Information

<b>AUDITORS</b>	:	BSR & Co. LLP, Chartered Accountants
<b>BOARD COMMITTEES</b>		
Audit Committee	:	Mr. Mathew Eipe (Chairman) Ms. Monaz Noble Dr. Ganapati Yadav Mr. Sandeep Murthy Mr. Nitin Nabar
Nomination & Remuneration Committee	:	Mr. Mathew Eipe (Chairman) Ms. Monaz Noble Ms. Shweta Bhatia Mr. Sandeep Murthy
Stakeholders' Relationship Committee	:	Mr. Adi Godrej (Chairman) Mr. Nadir Godrej Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe Ms. Shweta Bhatia
Corporate Social Responsibility Committee	:	Mr. Nadir Godrej (Chairman) Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe
Risk Management Committee	:	Mr. Nadir Godrej (Chairman) Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe Dr. Ganapati Yadav Mr. Clement Pinto
Management Committee	:	Mr. Adi Godrej (Chairman) Mr. Nadir Godrej Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe
<b>CHIEF FINANCIAL OFFICER</b>	:	Mr. Clement Pinto
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	:	Ms. Tejal Jariwala
<b>REGISTERED OFFICE</b>	:	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra. Phone: 022-2518 8010, 2518 8020, 2518 8030 Fax: 022-2518 8066 Website: <a href="http://www.godrejindustries.com">www.godrejindustries.com</a> CIN: L24241MH1988PLC097781

## REGISTRARS & TRANSFER AGENT

Equity Shares	Computech Sharecap Limited 147, Mahatma Gandhi Road, Opp. Jahangir Art Gallery, Fort, Mumbai - 400 001, Maharashtra, India. Phone: 022 - 2263 5000, 2263 5001 Fax: 022 - 2263 5001 E-Mail: <a href="mailto:helpdesk@computechsharecap.in">helpdesk@computechsharecap.in</a> Website: <a href="http://www.computechsharecap.com">www.computechsharecap.com</a>
Non-Convertible Debentures	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400 059, Maharashtra, India. Phone: 022-6263 8200 E-Mail: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>
Debenture Trustee	Catalyst Trusteeship Limited Windsor, 6 <sup>th</sup> Floor, Office No.604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra, India. Tel.: 022-4922 0555 E-Mail: <a href="mailto:ComplianceCTL-mumbai@ctltrustee.com">ComplianceCTL-mumbai@ctltrustee.com</a> Website: <a href="http://www.catalysttrustee.com">www.catalysttrustee.com</a>

## FACTORIES

Ambernath	:	Plot No.N-73, Additional Ambernath Industrial Area, Anand Nagar, Village Jambivali, Taluka Ambernath (East), District Thane, Maharashtra - 421 506. Phone: 0251 - 2624000
Valia	:	Burjorjinagar, Plot No. 3, Village Kanerao, Taluka - Valia, District Bharuch, Gujarat - 393 135. Phone: 02643 - 270756 to 270760 Fax: 02643 - 270018
Wadala	:	L.M. Nadkarni Marg, Near M.P.T. Hospital, Wadala (East), Mumbai - 400 037, Maharashtra, India. Phone: 022 - 2415 4816, 2414 8770 Fax: 022 - 2414 6204
Dombivali	:	Plot No: W-61, MIDC Phase II, Sagaon, Sonarpada, Dombivali - East, Thane, Maharashtra - 421 204. Phone: 0251 - 2871177

## BANKERS

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

# CHAIRMAN'S STATEMENT

Dear Shareholders,

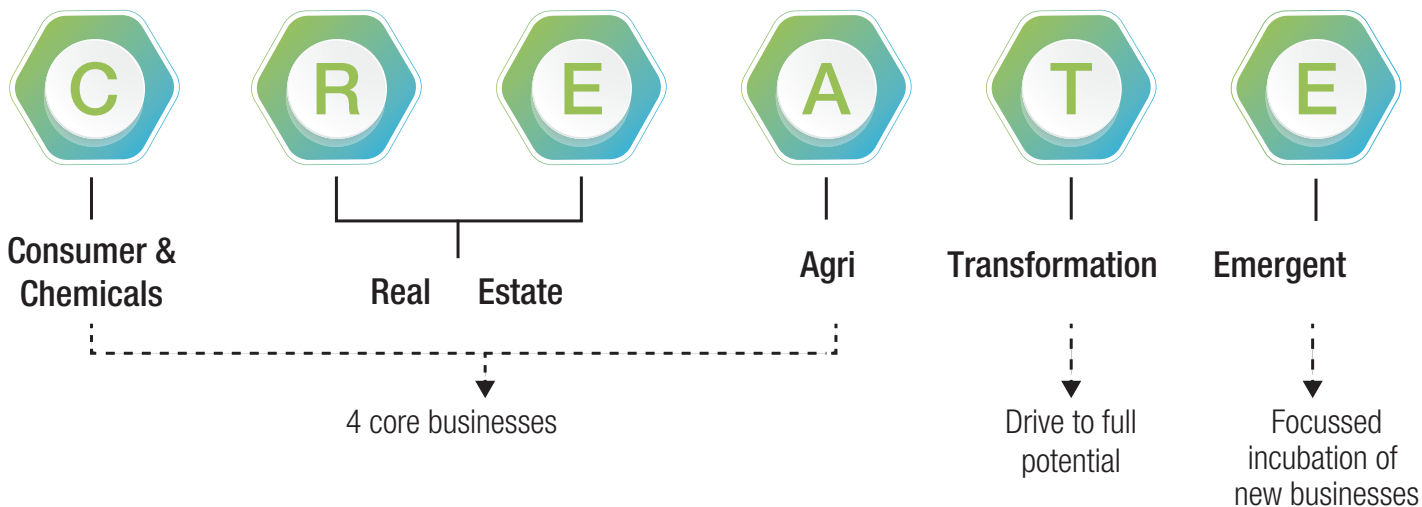
I am delighted to share with you the events and developments of your Company during the course of the financial year 2020-21. The year gone by is representative of the value Godrej Industries continues to create for all its stakeholders.

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



**Adi Godrej**  
Chairman





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

## C – Consumer and Chemicals

### Consumer (GCPL)

GCPL is a leading emerging markets company. As part of the 124-year young Godrej Group, GCPL is fortunate to have a proud legacy built on the strong values of trust, integrity and respect for others. At the same time, it is growing fast and has exciting, ambitious aspirations. Besides its strong financial strength and innovative, much-loved products, GCPL remains a good company. GCPL is also bringing together the passion and purpose to make a difference through the 'Good & Green' approach to create a more inclusive and greener India.

From a category perspective, GCPL saw continued strong growth momentum in the Household Insecticides and Hygiene categories. Hygiene grew by 24%, Household Insecticides grew by 15% and Value For Money products grew by 14%.

From a geography perspective, GCPL India grew at 14%. Africa, USA and Middle East business grew at 8% in INR and 9% in constant currency terms. Its Indonesian business delivered growth of 4% in INR and 2% in constant currency terms, on a positive growth base.

GCPL continues to focus its growth efforts where the demand is – in Household Insecticides, Hygiene and Value For Money. They are using this time to find ways to move faster and experiment more, sharpen execution, build platforms for the future, double down on digitisation and sustainability, and create more delight for all consumers.

We remain confident of leveraging growth opportunities to drive sustainable, profitable sales growth across our portfolio in FY 2022. We will continue to carefully navigate the challenges of the second wave of COVID-19 in India by ensuring seamless supply chain deliveries, and closely tracking shifts in consumer behavior.

We remain committed to doing our very best to truly live The Godrej Way and serve our people and communities.

### Chemicals

Our Chemicals business continued its strong performance, despite the COVID pandemic and lockdown restrictions during the year. The Total revenue of the Chemicals business stood at ₹ 1,666 Crore, with a healthy operating profit of ₹ 119 Crore. The business did well across its product categories with

good demand from hygiene related industries. Our Manufacturing Facilities worked very well during the Pandemic with the highest importance given to people safety and by following all COVID safety protocols. We continue to ensure that our growth is both sustainable as well as profitable, and that we continue to prioritise safety. Several initiatives taken by the Business resulting in energy and operating efficiencies has also helped the business to grow in a profitable and sustainable manner.

I am happy to share that the Chemicals Business received several awards and recognition. Our Valia (Gujarat) Factory has been awarded “GreenCo Star Performer Award, 2020” by Confederation of Indian Industry in the Annual CII Green Co Summit 2020. They were also awarded the ‘FGI Award’ for Excellence in Pollution Management & Sustainable Practices. Our Ambarnath (Maharashtra) Factory was also awarded most environment friendly company by FICCI in 2021. I am also happy to share that our Chemicals Business has won the Organization with Best Employee Relations Practices - award at the Global HR Excellence Awards organized by World HRD Congress and Times Ascent.

### **R E – Real Estate (GPL)**

GPL delivered a strong performance this year in unprecedented circumstances. The team leveraged digital and physical channels to report a booking value of ₹ 6,725 Crore, the highest ever in the history of GPL.

On the operational front, GPL successfully delivered 6.5 million sq.ft across its projects. GPL has now delivered over 28.2 million sq. ft. of real estate in the last six years. GPL also successfully concluded the largest ever QIP by a real estate company in India raising ₹ 3,750 Crore.

GPL received several recognitions for the efforts on environment and safety, including being ranked #1 amongst listed global residential developers in the 2020 Global Real Estate Sustainability benchmark (GRESB) Assessment report – An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance.

While the real estate sector like all parts of the economy has been impacted by the COVID pandemic, we expect the sector will continue the robust recovery it was witnessing once this crisis abates. Given our robust launch pipeline, strong balance sheet, and interesting new project acquisition opportunities, we expect a strong FY22.

### **A – Agri Business (GAVL)**

The fiscal year 2020-21 was an excellent year for GAVL in terms of business profitability. The consolidated profit before tax for the year was ₹ 448 Crore, representing year-on-year growth of ~60%.

With a nation-wide lockdown at the beginning of the year, the team did a great job of keeping the supply chains running, with little and in some cases no downtime. In less than a fortnight, the entire network of 64 manufacturing plants were up and running. GAVL quickly adapted to this situation and all its manufacturing plants were operational during the Pandemic / lockdown while ensuring utmost safety for its employees and business partners. This quick adaptation to the new normal and commitment of our Employees and our business partners ensured that the business segments did well.

The Animal feeds business operating results grew by 24% in fiscal year 2021, supported by favorable commodity prices and realization of R&D benefits. The Crop Protection business too did well with Astec recording a 45% growth in PBT. The focus on R&D continues with the business building a new state-of-the-art R&D facility at New Mumbai. The business is doing well with new product launches and expanding its customer base. It was also one of the best years for GAVL’s poultry and processed foods subsidiary

Godrej Tyson, as it reported 17% revenue growth. Higher volumes and price coupled with favourable input prices helped in the business performance. The Dairy business profitability improved supported by low input procurement prices. The vegetable oil business was impacted by the white-fly attack which lowered FFB arrival and oil content in the fruit.

## **T – Transformation**

As a Group, your Company believes in inclusive growth that aims at enhancing the competitiveness of the businesses while simultaneously advancing the economic and social conditions of the communities in which it operates. This focus is implemented Group wide through the 'Godrej Good and Green' initiative. Godrej Group stands in solidarity with efforts to overcome COVID-19. We stand in solidarity with our people and Governments and the many efforts to ensure public health and safety.

As a Group, we earmarked an initial outlay of ₹ 50 Crore and as of March 2021, we have already committed ₹ 51.4 Crore. We will try to the best of our capabilities to serve our customers, employees, communities and countries, and especially support health personnel, government workers, and everyone working tirelessly to curb the spread of this pandemic. The initiatives are in the areas of medical equipment supply, vaccination and awareness, product innovations and supply and support at factories and construction sites.

## **E – Emergent Businesses**

Over the many years, your Company has incubated new businesses and grown them successfully. We believe that there is a good potential for Housing finance and Non-banking finance business in our Country. Looking at this opportunity, these businesses will be nurtured under your Company. Godrej Housing Finance Limited (GHFL) received RBI license to commence operations during the course of fiscal year 2020-21 and has started operations. GHFL will be a sub-subsidiary of your Company, post receipt of RBI approval. We believe that this new business will create overall value to the Stakeholders.

We through Godrej Maxximilk, a subsidiary of GAVL is engaged in in-vitro production of high-quality cows that aid dairy farmers produce top-quality milk, which help in increasing their yield by a significant proportion.

To conclude, we had a good year. We remain encouraged and confident of achieving our long term objectives of inclusive, sustainable and profitable growth. As we look ahead, I feel confident of strong growth in the medium to long term.

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

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

Yours sincerely,

**Adi Godrej**

Chairman, Godrej Industries Limited



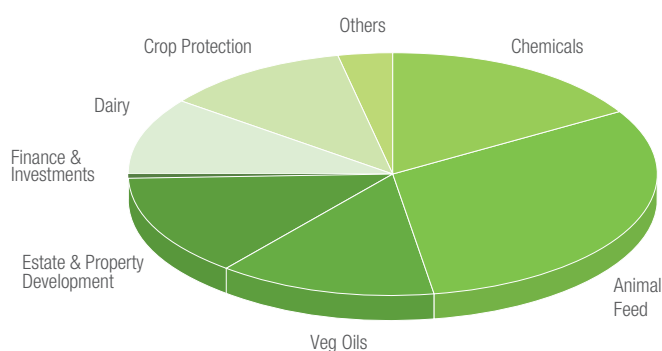
**FINANCIAL  
HIGHLIGHTS**

# Financial Highlights

₹ Crore

FINANCIAL HIGHLIGHTS - CONSOLIDATED	2020-21	2019-20
Total Income <sup>+</sup>	9,996	12,151
Profit before Finance Costs, Depreciation and Amortisation and Tax & including Share of Profit of Associates <sup>+</sup>	1,328	1,808
Depreciation and Amortisation Expense	242	234
Finance Costs	469	491
Tax	226	271
Non-Controlling Interest	56	258
Net Profit (Attributable to Owners of the Company)	335	554
<sup>+</sup> Including other income and exceptional items		

**Total Income 2020-21**



**Break-up of Total Income\***  
₹ Crore

Chemicals	1,657
Animal Feed	3,093
Veg Oils	1,338
Estate & Property Development	1,364
Finance & Investments	48
Dairy	1,032
Crop Protection	1,140
Others	324
<b>Total</b>	<b>9,996</b>

\* net of intersegment income



NOTICE TO  
**SHAREHOLDERS**

# Notice to Shareholders

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NOTICE is hereby given that the 33<sup>rd</sup> (THIRTY THIRD) Annual General Meeting of the Members of GODREJ INDUSTRIES LIMITED (“the Company”) will be held on Friday, August 13, 2021 at 3:30 p.m. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

## **ORDINARY BUSINESS:**

### **1. Adoption of Financial Statements for the Financial Year ended March 31, 2021**

To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2021 and the Board’s Report and Statutory Auditor’s Report thereon.

### **2. Appointment of Mr. Jamshyd Godrej as a Director, liable to retire by rotation, who has offered himself for re-appointment**

To consider and if thought fit, to pass, the following as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to provision of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the Members of the Company, be and is hereby accorded to the re-appointment of Mr. Jamshyd Godrej (DIN: 00076250) as a “Director”, to the extent that he is required to retire by rotation.”

### **3. Appointment of Mr. Nitin Nabar as a Director, liable to retire by rotation, who has offered himself for re-appointment**

To consider and if thought fit, to pass, the following as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to provision of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the Members of the Company, be and is hereby

accorded to the re-appointment of Mr. Nitin Nabar (DIN: 06521655) as a “Director”, to the extent that he is required to retire by rotation.”

## **SPECIAL BUSINESS:**

### **4. Approval for appointment of Ms. Shweta Bhatia as an Independent Director of the Company**

To consider and if thought fit, to pass, the following as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 161 of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, if any, of the Act and the Rules framed thereunder (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for time being in force), the consent of the Members of the Company be and is hereby accorded for the appointment of Ms. Shweta Bhatia (DIN: 03164394) as a “Non-Executive Independent Director” of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from October 28, 2020 up to October 27, 2025.”

### **5. Approval for appointment of Mr. Sandeep Murthy as an Independent Director of the Company**

To consider and if thought fit, to pass, the following as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 161 of the Companies Act, 2013 (“the Act”) read with Schedule IV to

the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, if any, of the Act and the Rules framed thereunder (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for time being in force), the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Sandeep Murthy (DIN: 00591165) as a “Non-Executive Independent Director” of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from March 1, 2021 upto February 28, 2026.

**6. Approval for appointment of Mr. Ajaykumar Vaghani as an Independent Director of the Company**

To consider and if thought fit, to pass, the following as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 161 of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, if any, of the Act and the Rules framed thereunder (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for time being in force), the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Ajaykumar Vaghani (DIN: 00186764) as a “Non-Executive Independent Director” of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from June 23, 2021 upto June 22, 2026.”

**7. Approval for re-appointment of and remuneration payable to Ms. Tanya Dubash as “Whole Time Director” of the Company for a period of 3 (three) years, w.e.f. April 1, 2022 to March 31, 2025**

To consider and if thought fit, to pass, the following as an **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V to the Act and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) [including any statutory modification(s) / amendment(s) / re-enactment(s) thereof], and on the basis of the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the re-appointment of and terms of remuneration payable to, including increase in remuneration and / or waiver of refund of excess remuneration and / or the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of appointment of Ms. Tanya Dubash (DIN: 00026028) as the “Whole Time Director” of the Company, for a period of 3 (three) years starting from April 1, 2022 to March 31, 2025 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice and as set out in the agreement to be entered into between the Company and Ms. Tanya Dubash, with liberty to the Board of Directors / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board of Directors and Ms. Tanya Dubash.

**RESOLVED FURTHER THAT** the remuneration payable to Ms. Tanya Dubash for a period of 3 (three) years from April 1, 2022 to March



31, 2025 may exceed ₹ 5 Crore (Rupees Five Crore) or 2.5% of the net profits, whichever is higher or the aggregate annual remuneration of all Executive Directors taken together may exceed 5% of the net profits of the Company in any financial year, in terms of the provisions of Regulation 17(6)(e) of the SEBI Listing Regulations.

**RESOLVED FURTHER THAT** any Director of the Company or the Chief Financial Officer or the Company Secretary be and are hereby severally authorized, to do all such things including execution of the Agreement and take all such steps as may be necessary and expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including Nomination and Remuneration Committee of the Board of Directors) be and is hereby authorised to take such steps as may be necessary for obtaining necessary approvals (statutory, contractual or otherwise), in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, agreements, applications, documents and writings that may be required, for and on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

**8. Approval for re-appointment of and remuneration payable to Mr. Nitin Nabar as “Whole Time Director” of the Company for a period of 2 (two) years 1 (one) month, w.e.f. April 1, 2022 to April 30, 2024**

To consider and if thought fit, to pass, the following as an **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V to the Act and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(“Listing Regulations”) [including any statutory modification(s) / amendment(s) / re-enactment(s) thereof], and on the basis of the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the re-appointment of and terms of remuneration payable to, including increase in remuneration and / or waiver of refund of excess remuneration and / or the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of appointment of Mr. Nitin Nabar (DIN: 06521655) as the “Whole Time Director” of the Company, for a period of 2 (two) years and 1 (one) month starting from April 1, 2022 to April 30, 2024 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice and as set out in the agreement to be entered into between the Company and Mr. Nitin Nabar, with liberty to the Board of Directors / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board of Directors and Mr. Nitin Nabar.

**RESOLVED FURTHER THAT** any Director of the Company or the Chief Financial Officer or the Company Secretary be and are hereby severally authorized, to do all such things including execution of the Agreement and take all such steps as may be necessary and expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including Nomination and Remuneration Committee of the Board of Directors) be and is hereby authorised to take such steps as may be necessary for obtaining necessary approvals (statutory, contractual or otherwise), in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, agreements, applications, documents and writings that may be required, for and on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

**9. Ratification of remuneration of M/s. R. Nanabhoy & Co., Cost Accountants appointed as the “Cost Auditors” of the Company**

To consider and if thought fit, to pass, the following as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to Section 148 and all applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof), the remuneration payable to M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 000010), appointed as the Cost Auditors of the Company, to conduct an audit of the cost records of the Company for the Financial Year ending on March 31, 2022, at ₹ 3,50,000/- (Rupees Three Lakh Fifty Thousand Only) plus Goods and Service Tax and reimbursement of out-of-pocket expenses, be and is hereby approved and ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and / or the Chief Financial Officer and / or the Company Secretary be and are hereby severally authorized to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto.”

**10. Payment of Commission to Independent Directors of the Company**

To consider and if thought fit, to pass, the following as a **SPECIAL RESOLUTION**: -

“**RESOLVED THAT** upon recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as “the Act”), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the provisions

contained in the Nomination and Remuneration Policy of the Company, in accordance with Articles of Association of the Company and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time), the approval of the Members of the Company be and is hereby accorded for payment of Commission (in addition to the payment of sitting fees for attending Meetings of the Board of Directors or Committees thereof), as the Board of Directors may from time to time determine not exceeding in aggregate 1% (One percent) of the Net Profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act.

**RESOLVED FURTHER THAT** an amount of ₹10,00,000/- (Rupees Ten Lakh Only) be paid and distributed to each Independent Director of the Company as commission for each Financial Year with effect from Financial Year 2021-22 onwards, subject to an overall amount not exceeding 1% (One percent) of the Net Profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act.

**RESOLVED FURTHER THAT** in case of inadequacy of profits and / or No Profits in any Financial Year, an amount not exceeding ₹10,00,000/- (Rupees Ten Lakh Only) be paid as ‘Commission’ to each Independent Director for that relevant Financial Year (from Financial Year 2021-22 onwards).

**RESOLVED FURTHER THAT** the Commission be paid to and distributed to the Independent Directors of the Company, as may be determined by the Board of Directors, the proportion and manner of such payment and distribution as may be decided by the Board of Directors from time to time.

**RESOLVED FURTHER THAT** for the sake of clarification, the remuneration aforesaid shall be exclusive of fees payable to a Director for each of the Meetings of the Board of Directors or Committees thereof, attended by the Independent Director.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee of the Board of Directors and/or Mr. Adi Godrej, Chairman, Mr. Nadir Godrej, Managing Director, Ms. Tanya Dubash, Executive Director & Chief Brand Officer, Mr. Nitin Nabar, Executive Director & President (Chemicals), and Mr. Clement Pinto, Chief Financial Officer (“Authorised Signatory(ies)”) be and are hereby severally authorized to sign and execute such document(s) / deed(s) / writing(s) / paper(s) / agreement(s) as may be required, to settle any question, difficulty or doubt that may arise in respect of the payment of aforesaid commission, to delegate all or any of the above powers to any Committee of Directors or to any Director(s) / Official(s) of the Company and generally to do all acts, deeds, matters and things that may be deemed necessary, proper, expedient or incidental, in its absolute discretion for the purpose of giving effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** a copy of the foregoing resolution certified to be true by any Director of the Company or the Chief Financial Officer or the Company Secretary be furnished to the concerned authority(ies) / person(s) and they be requested to act accordingly.”

**Date and Place: June 22, 2021, Mumbai**

**By Order of the Board of Directors  
of Godrej Industries Limited**

**Tejal Jariwala  
Company Secretary & Compliance Officer  
(FCS 9817)**

**Registered Office:**

Godrej One, Pirojshanagar,  
Eastern Express Highway, Vikhroli (East),  
Mumbai 400 079, Maharashtra.

Tel.: +91 22 2518 8010

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Website: [www.godrejindustries.com](http://www.godrejindustries.com)

Email: [investor@godrejinds.com](mailto:investor@godrejinds.com)

CIN: L24241MH1988PLC097781

**NOTES:**

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India for special business under Item Nos. 4 to 10 of the Notice is annexed hereto.
2. 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 maintained 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 relevant documents referred to in the accompanying Notice and Explanatory Statements, shall be made available for inspection during the AGM in accordance with the applicable statutory requirements based on the requests received by the Company on [investor@godrejinds.com](mailto:investor@godrejinds.com).
3. The Company’s Statutory Auditors, M/s. BSR & Co. LLP, Chartered Accountants, (Registration number 101248W/W-100022), were appointed for a period of 5 (Five) consecutive years at the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting (“AGM”) of the Members held on August 11, 2017 at a remuneration as decided by the Board of Directors of the Company.

Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on August 11, 2017. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 (“the Act”) by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors was withdrawn from the statute. In view of the same, the Members of the Company at the 30<sup>th</sup> (Thirtieth) AGM held on August 13, 2018 had approved ratification of appointment of

- M/s. BSR & Co. LLP as the Statutory Auditors of the Company for the remaining period, i.e., from the conclusion of 30<sup>th</sup> (Thirtieth) AGM held on August 13, 2018 upto the conclusion of the 34<sup>th</sup> (Thirty Fourth) AGM. Therefore, the approval of the Members for continuance of their appointment at this AGM is not being sought. The Statutory Auditors had given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.
4. In view of the continuing COVID-19 pandemic, social distancing norms to be followed and the ongoing restriction on movement of individuals at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively and General Circular No.02/2021 dated January 13, 2021, issued by the Ministry of Corporate Affairs (“MCA Circulars”) and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, issued by the Securities and Exchange Board of India (“SEBI Circulars”) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 33<sup>rd</sup> (Thirty Third) AGM of the Company is being conducted through Video Conference (VC) / Other Audio Visual Means (OAVM), which does not require physical presence of Members at a common venue, in compliance with the aforesaid MCA Circulars and SEBI Circulars. In terms with the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the venue of the the 33<sup>rd</sup> (Thirty Third) AGM shall be deemed to be the Registered Office of the Company situated at “Godrej One”, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079, Maharashtra.
  5. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 33<sup>rd</sup> (Thirty Third) AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to this Notice. However, in terms of the provisions of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
  6. Participation of Members through VC /OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
  7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization can be sent to the Company on [investor@godrejinds.com](mailto:investor@godrejinds.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  9. The Register of Members and Share Transfer Books will remain closed from **Friday, August 6, 2021 to Friday, August 13, 2021** (both days inclusive) for the purpose of the Annual General Meeting.
  10. The details required under Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of

India, in respect of the Directors / persons proposed to be appointed / re-appointed at this AGM forms a part of this Notice.

11. The Company's Registrar and Share Transfer Agents for its Share Registry Work are Computech Sharecap Limited, having their office at 147, Mahatma Gandhi Road, 3<sup>rd</sup> Floor, Opp. Jehangir Art Gallery, Fort, Mumbai – 400 001, Maharashtra.

Members holding shares in physical form are requested to notify/send any change in their address/bank mandate to the Company's Registrar and Share Transfer Agent at the abovementioned address. Members may also address all other correspondences to the Registrar and Share Transfer Agent at the address mentioned above.

#### **DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL IDs:**

12. Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the SEBI Listing Regulations, companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository Participant(s).

In compliance with MCA Circular No. 20/2020 dated May 5, 2020, MCA General Circular No. 02/2021 dated January 13, 2021, SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and owing to the difficulties involved in dispatching of physical copies of the Financial Statements including Boards' Report, Auditor's report or other documents required to be attached therewith (together referred to as "Annual Report"), the Annual Report for Financial Year 2020-21 including Notice of AGM are being sent in electronic mode to Members whose e-mail address(es) are registered with the Company or the Depository Participant(s) and no physical copies will be dispatched to the Members.

Therefore, Members are requested and encouraged to register / update their email addresses, with their Depository Participant (in case of Shares held in dematerialised form) or with Computech Sharecap Limited, our Registrar and Share Transfer Agents (RTA) (in case of Shares held in physical form).

The Notice of AGM along with Annual Report for Financial Year 2020-21, is available on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com), on the website of Stock Exchanges, i.e., BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

13. Members holding shares in physical mode and who have not updated their email addresses with the Company / Depository Participant(s) / RTA are requested to update their email addresses by writing to the Company's RTA, Computech Sharecap Limited with subject line "Request to update email id" at [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in). Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back) and self-attested copy of PAN card and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, for updation of email address. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participant(s). The Company and RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned Members, subject to receipt of the required documents and information from the Members.

#### **14. GREEN INITIATIVE:**

To support the Green Initiative, Members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

## 15. NOMINATION:

Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in electronic / demat form, the Members may please contact their respective Depository Participant(s).

## 16. SHARE TRANSFER PERMITTED ONLY IN DEMAT:

As per the provisions of Regulation 40 of the SEBI Listing Regulations, Members may note that, effective April 1, 2019, requests for effecting transfer of securities held in physical mode cannot be processed by the listed entity, unless the securities are held in dematerialized form. Hence, Members are requested to dematerialize their shares if held in physical form.

## 17. SUBMISSION OF PAN:

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, who have not updated their PAN with the Company are therefore requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA of the Company or directly to the Company.

Members are requested to note that furnishing of Permanent Account Number (PAN) is now mandatory in the following cases:-

- a. Transferees and Transferors PAN Cards for transfer of shares,
- b. Legal Heirs'/Nominees' PAN Card for transmission of shares,
- c. Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and
- d. Joint Holders' PAN Cards for transposition of shares.

18. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the Members for a period of 7 (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 Members whose dividends remain unpaid / unclaimed for a period of 7 (Seven) consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on August 13, 2020 (date of last AGM) are available on the website of the Company. The Members whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority, viz. [www.iepf.gov.in](http://www.iepf.gov.in).

During the year, the Company transferred unclaimed dividend of ₹ 7,95,241/- (Rupees Seven Lakh Ninety Five Thousand Two Hundred Forty One Only) and no shares were required to be transferred to IEPF.

Dividend for the Financial Year ended	Date of Dividend Declaration	Due Date for Transfer
31.03.2014	09.08.2014	16.09.2021
31.03.2015	11.08.2015	17.09.2022
31.03.2016*	08.03.2016*	14.04.2023
31.03.2017	11.08.2017	17.09.2024
31.03.2018	13.08.2018	19.09.2025
31.03.2019	13.08.2019	19.09.2026
31.03.2020	Not Applicable	Not Applicable

*\*Interim Dividend*

## 19. VOTING:

All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **cut-off date**, i.e. **August 6, 2021** only shall be entitled to vote at the Annual General Meeting by availing the facility of remote e-voting or by voting at the AGM.

Any person becoming a Member of the Company after the Notice of the Meeting is sent out through e-mail and holds shares as on the cut-off date i.e. Friday, July 16, 2021, may obtain the user ID and Password by sending a request to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and can exercise their voting rights through remote e-voting by following the instructions listed hereinbelow or by voting facility provided during the meeting.

### A. INSTRUCTIONS FOR MEMBERS FOR VOTING THROUGH ELECTRONIC MEANS PRIOR TO AGM / AT THE AGM:

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by Members using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

## RESULTS OF E-VOTING:

3. Mr. Kalidas Vanjpe, Practicing Company Secretary, (Membership no. FCS 7132) or failing him Mr. Ashok Ramani (Membership No. FCS 6808) of M/s. A. N. Ramani & Co., Company Secretaries have been appointed as the Scrutinizers to scrutinize the remote e-voting process as well as the e-voting process to be conducted at the AGM, in a fair and transparent manner.
4. The Scrutinizer, after scrutinizing the e-voting completed at the Meeting and through remote e-voting will not later than 48 (Forty-Eight) hours of conclusion of the Meeting, make the Scrutinizer's Report and submit the same to the Chairman or a person duly authorised by the Chairman. The Results shall be declared within 48 (Forty-Eight) hours after the conclusion of the AGM.
5. The Results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com) immediately after the Results are declared and will simultaneously be communicated to CDSL, viz., [www.evotingindia.com](http://www.evotingindia.com) and the Stock Exchanges, viz., BSE Limited and the National Stock Exchange of India Limited, where the Equity Shares of the Company are listed.
6. Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on the cut-off date i.e. Friday, August 6, 2021. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cutoff date, i.e. Friday, August 6, 2021, only shall be entitled to avail the facility of remote e-voting.
7. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and

is holding shares as of the cut-off date, i.e., **Friday, July 16, 2021**, may obtain the login details in the manner as mentioned below.

#### **THE INSTRUCTIONS FOR MEMBERS VOTING ELECTRONICALLY ARE AS UNDER:**

The voting period begins on **Monday, August 9, 2021 at 9.00 a.m. (IST)** and will end on **Thursday, August 12, 2021 at 5.00 p.m. (IST)**. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., **Friday, August 6, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

#### **A. The details of the process and manner for e-Voting and joining virtual meeting for Individual shareholders & Members holding shares in dematerialized form.**

- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 and the provisions contained in 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 to increase participation by the public non-institutional shareholders/retail 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 E-voting Service Providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility being provided by Listed entities, 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.

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

Type of share holders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Members who have opted for CDSL's 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.</p> <p>The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on 'Login' icon and select 'New System Myeasi'.</p> <p>2) After successful login the Easi / Easiest, Member will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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 &amp; voting during the meeting. Additionally, there is also link 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.</p> <p>3) If the Member is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the Member can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the Member by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, Member will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) Members who are already registered for NSDL IDeAS facility, may please visit the e-Services website of NSDL.</p> <ul style="list-style-type: none"> <li>Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile.</li> <li>Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section.</li> <li>A new screen will open. Member will have to enter User ID and Password. After successful authentication, Member will be able to see e-Voting services.</li> <li>Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.</li> </ul>

	<ul style="list-style-type: none"> <li>Click on company name or e-Voting service provider name and Member will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the AGM.</li> </ul> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL.</p> <ul style="list-style-type: none"> <li>Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>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.</li> <li>After successful authentication, Member will be redirected to NSDL Depository site wherein you can see e-Voting page.</li> <li>Click on company name or e-Voting service provider name and Member will be redirected to e-Voting service provider website for casting its vote during the remote e-Voting period or joining virtual meeting &amp; voting during the AGM.</li> </ul>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<ul style="list-style-type: none"> <li>Members can also login using the login credentials of their demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>After successful login, Member will be able to see e-Voting option.</li> <li>Once you click on e-Voting option, Member will be redirected to NSDL/CDSL Depository site after successful authentication, wherein Member can see e-Voting feature.</li> <li>Click on company name or e-Voting service provider name and Member will be redirected to e-Voting service provider's website for casting its vote during the remote e-Voting period or joining virtual meeting &amp; voting during the AGM.</li> </ul>

**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 <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**B. The details of the process and manner for remote e-voting and joining virtual meeting for shareholders other than individual shareholders and Members holding shares in physical mode, are explained herein below:**

- a) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- b) Click on “**Shareholders**” module.
- c) Now Enter your User ID
  - i. **For CDSL:** 16 digits beneficiary ID,
  - ii. **For NSDL:** 8 Character DP ID followed by 8 Digits Client ID,
  - iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- d) Next enter the Image Verification as displayed and Click on “**LOGIN**”.
- e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- f) If you are a first time user then follow the steps given below.

**For Members holding shares in Demat Form (other than individual shareholders) and Members holding shares in Physical Form**

PAN	<ul style="list-style-type: none"> <li>• Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first five letters “NPGIL” and the 5 digits of the sequence number provided to you in the email.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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 (c).</li> </ul>

- g) After entering these details appropriately, click on “**SUBMIT**” tab.
- h) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘**Password Creation**’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j) Click on the EVSN: **GODREJ INDUSTRIES LIMITED**.
- k) 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.

- l) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- m) 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.
- n) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take a print of the votes cast by clicking on “**Click here to print**” option on the Voting page.
- p) 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.

q) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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](mailto: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@godrejinds.com](mailto:investor@godrejinds.com), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 022-23058738 and 022-23058542/43.

**C. INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY DURING THE AGM ARE AS UNDER:**

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

- b. 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.
- c. Only those Members, 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.
- d. If any Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the Meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the Meeting is available only to the Members attending the Meeting.
- e. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**D. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- a. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system.
- b. Members may access the same at <https://www.evotingindia.com> under Share holders / 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. Click on live streaming appearing beside the **EVSN**.
- c. The Members can join the AGM in the VC/OAVM mode 15 (fifteen) minutes before

the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to the Members on first come first served basis.

- d. Members are encouraged to join the Meeting through Laptops / iPads for better experience.

**Suggested System requirements for best VC experience:**

Internet connection – broadband, wired or wireless (3G or 4G/LTE), with a speed of 5 Mbps or more  
Microphone and speakers – built-in or USB plug-in or wireless Bluetooth

**Browser:**

Google Chrome : Version 72 or latest  
Mozilla Firefox: Version 72 or latest  
Microsoft Edge  
Chromium: Version 72 or latest  
Safari: Version 11 or latest  
Internet explorer: Not Supported

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.

**20. PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:**

- As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, Demat account number / folio number, email id, mobile number to [investor@godrejind.com](mailto:investor@godrejind.com). Questions / queries received by the Company till 5:00 p.m. (IST) on to Wednesday, August 11, 2021, shall only be considered and responded to during the AGM.
- 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, DP ID and Client ID/folio number, PAN, mobile number to [investor@godrejinds.com](mailto:investor@godrejinds.com) from Monday, August 2, 2021 (9:00 a.m. IST) to Wednesday, August 11, 2021 (5:00 p.m. IST). Those Members 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, depending on availability of time.

Members who need assistance before or during the AGM, can contact CDSL by sending an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 022- 23058738 and 022-23058542/43.

21. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. on Friday, August 13, 2021, subject to receipt of the requisite number of votes in favour of the Resolutions.

**Date and Place: June 22, 2021, Mumbai**

**By Order of the Board of Directors  
of Godrej Industries Limited**

**Tejal Jariwala  
Company Secretary & Compliance Officer  
(FCS 9817)**

**Registered Office:**

Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra.

Tel.: +91 22 2518 8010

Fax: +91 22 2518 8066

Website: [www.godrejindustries.com](http://www.godrejindustries.com)

Email: [investor@godrejinds.com](mailto:investor@godrejinds.com)

CIN: L24241MH1988PLC097781

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

The following Explanatory Statement sets out all the material facts relating to the Special business mentioned under Item Nos. 4 to 10 of the accompanying Notice dated June 22, 2021.

### **ITEM NO. 4**

The Nomination and Remuneration Committee and the Board of Directors through Circular Resolutions passed dated October 22, 2020 and October 23, 2020 respectively, had recommended appointment of Ms. Shweta Bhatia as the “Non-Executive Independent Director” of the Company, subject to the approval of the Members, for a term of 5 (Five) consecutive years effective from October 28, 2020 up to October 27, 2025.

The Company has received the consent from Ms. Shweta Bhatia to act as Director and also her declarations confirming that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. She has also confirmed that she is not debarred from holding office of director by virtue of any SEBI order or any other such authority and that she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Ms. Shweta Bhatia is independent of the management of the Company and in the opinion of the Board of Directors of the Company, she fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for appointment as an Independent Director of the Company.

A copy of the draft letter of appointment in respect of Independent Director setting out the terms and conditions would be available electronically for inspection by the Members on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com).

The brief profile of Ms. Shweta Bhatia, along with her other details, are provided elsewhere in this Notice. The Board is of the opinion that Ms. Shweta Bhatia's expertise in the fields of funding strategy, investments and vast experience in financial, technology and consumer services of various companies would be an asset to the Company's development and progress.

**Brief profile of Ms. Shweta Bhatia is as under:**

Ms. Shweta Bhatia had joined Eight Roads Ventures in April 2018 and leads the technology, consumer and financial services (TCF) investments team in India. She has over 15 years of experience in private equity and finance, most recently as Head of Asia Investments for the Venture Capital & Growth Equity team at Goldman Sachs Investment Partners. Ms. Shweta Bhatia began her career in the investment banking division of Goldman Sachs based in New York and worked in a growth equity investing role at Warburg Pincus in Mumbai before re-joining Goldman Sachs in 2010. Her key focus sectors include consumer, enterprise SaaS, and fintech including experience with investments such as Whatfix, Chaipoint, Shadowfax, MoEngage, Early Salary and FarEye.

Ms. Shweta Bhatia has received an MBA from Harvard Business School and a BA in Computer Science and Economics from Smith College.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations. Detailed disclosure in terms of Regulation 36(3) of the Listing Regulations is given elsewhere in this Notice.

Other than Ms. Shweta Bhatia and her relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolution as set out in **Item No. 4** of this Notice.

The Board recommends the **ORDINARY RESOLUTION** as set out at **ITEM NO. 4** of the Notice for approval by the Members.

**ITEM NO. 5**

The Nomination and Remuneration Committee and the Board of Directors through Circular Resolutions passed dated February 27, 2021, had recommended appointment of Mr. Sandeep Murthy as the "Non-Executive Independent Director" of the Company, subject to the approval of the Members, for a term of 5 (Five) consecutive years effective from March 1, 2021 up to February 28, 2026.

The Company has received the consent from Mr. Sandeep Murthy to act as Director and also his declarations confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also confirmed that he is not debarred from holding office of director by virtue of any SEBI order or any other such authority and that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Mr. Sandeep Murthy is independent of the management of the Company and in the opinion of the Board of Directors of the Company, he fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for appointment as an Independent Director of the Company.

A copy of the draft letter of appointment in respect of Independent Director setting out the terms and conditions would be available electronically for inspection by the Members on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com).

The brief profile of Mr. Sandeep Murthy, along with his other details, are provided elsewhere in this Notice. The Board is of the opinion that Mr. Sandeep Murthy's expertise in the fields of investment banking and vast experience in venture capital segment would be an asset to the Company's development and progress.

### **Brief profile of Mr. Sandeep Murthy is as under:**

Sandeep Murthy is one of the builders of India's Internet economy. He hasn't just seen the highs and lows play out as an investor, but actually roughed it out in operational roles including one as the CEO of Cleartrip in 2006 for three years. A dreamer from the start, who doesn't believe in choosing between "this or that" he did his undergrad in both business and engineering from the University of Pennsylvania. Like all good Penn grads he dove into investment banking. However, since it was the height of the dot.com boom, he did it a little differently by moving out to Palo Alto, California to join CSFB Technology Group. He teamed up with a friend to build a digital music company that was incubated by Sony Music and ended up selling the company to Sony after the Internet bubble burst. Sandeep lived the Bay Area dream for a few years before moving to New York to join InterActive Corp (IAC) the owners of Expedia, TicketMaster and Home Shopping Network where he helped launch Gifts.com. He started to explore the India technology opportunity and ultimately moved to Mumbai to manage investments for Sherpalo Ventures, a fund based out of Menlo Park in California.

Today he's a co-founder and partner at Lightbox, a Mumbai based venture capital firm investing in Indian consumer technology companies. Lightbox has raised over \$380M from leading institutional investors. Recent investments include Droom, Rebel Foods, Furlenco and AI-platform Embibe, which received a \$185MM investment commitment from Reliance, India's internet super power. This is the largest AI investment in edtech anywhere in the world. Sandeep also supports platforms like Magic Bus, a non-profit organization that uses activity based curriculum to teach underprivileged kids life skills. Most of his time is spent figuring how to make something unprecedented happen. With an all-in, nothing-held-back style, he loves diving in, getting to the heart of the matter, trying new things and getting as many people as possible involved. In a somewhat unpredictable market, Sandeep's investment success stems from a combination of deep product instinct and unconventional thinking.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations. Detailed disclosure in terms of Regulation 36(3) of the Listing Regulations is given elsewhere in this Notice.

Other than Mr. Sandeep Murthy and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolution as set out in **Item No. 5** of this Notice.

The Board recommends the **ORDINARY RESOLUTION** as set out at **ITEM NO. 5** of the Notice for approval by the Members.

### **ITEM NO. 6**

The Nomination and Remuneration Committee and the Board of Directors through Circular Resolutions passed dated June 22, 2021, had recommended appointment of Mr. Ajaykumar Vaghani as the "Non-Executive Independent Director" of the Company, subject to the approval of the Members, for a term of 5 (Five) consecutive years effective from June 23, 2021 up to June 22, 2026.

The Company has received the consent from Mr. Ajaykumar Vaghani to act as Director and also his declarations confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also confirmed that he is not debarred from holding office of director by virtue of any SEBI order or any other such authority and that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Mr. Ajaykumar Vaghani is independent of the management of the Company and in the opinion of the Board of Directors of the Company, he fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for appointment as an Independent Director of the Company.

A copy of the draft letter of appointment in respect of Independent Director setting out the terms and conditions would be available electronically for inspection by the Members on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com).

The brief profile of Mr. Ajaykumar Vaghani, along with his other details, are provided elsewhere in this Notice. The Board is of the opinion that Mr. Ajaykumar Vaghani's expertise in the fields of manufacturing, innovation and technology would be an asset to the Company's development and progress.

**Brief profile of Mr. Ajaykumar Vaghani is as under:**

Ajay Vaghani is the Founder Chairman and Managing Director, of Hamilton Housewares (a private company). Hamilton was established in 2000 and over the past eighteen years has pioneered products in the Houseware, Kitchenware & Tableware space and MILTON has become a highly recognized brand in India. Over the years 'CLARO', 'TREO' and 'SPOTZERO' have also carved a niche for themselves. With four manufacturing locations and more than 6,000 products, Hamilton is present across India and over the past few years has seen tremendous growth in all areas. Ajay is an innovator and enjoys working with technology. He has been instrumental in launching more than 6,000 products over the past eighteen years. Through his leadership, the company has grown at a 20% CAGR over the past 5 years. Ajay has served in Young President Organization as a Board Member in Mumbai and South East Asia. He also served as an advisor to a USA based private equity firm. Currently, he is a member of the President's Council in Wesleyan University, U.S.A.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations. Detailed disclosure in terms of Regulation 36(3) of the Listing Regulations is given elsewhere in this Notice.

Other than Mr. Ajaykumar Vaghani and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolution as set out in **Item No. 6** of this Notice.

The Board recommends the **ORDINARY RESOLUTION** as set out at **ITEM NO. 6** of the Notice for approval by the Members.

**ITEM NO. 7 & ITEM NO. 8**

The tenure of Ms. Tanya Dubash and Mr. Nitin Nabar, both 'Whole Time Directors' will expire on March 31, 2022. It is proposed to re-appoint Ms. Tanya Dubash for a period of 3 (three) years, from April 1, 2022 to March 31, 2025 and Mr. Nitin Nabar for a period of 2 (two) years 1 (one) month starting from April 1, 2022 to April 30, 2024. Subject to the approval of the Members of the Company, the Nomination and Remuneration Committee and the Board of Directors of the Company had, vide resolutions passed on May 21, 2021, respectively, approved re-appointment of Ms. Tanya Dubash and Mr. Nitin Nabar as Whole Time Directors of the Company, designated as "Executive Director & Chief Brand Officer" and "Executive Director & President (Chemicals)", respectively. Accordingly, it is proposed to re-appoint them and approve their remuneration as 'Whole Time Directors' of the Company.

A brief profile of Ms. Tanya Dubash and Mr. Nitin Nabar, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, is provided as part of the Notice. The proposed remuneration and terms and conditions of appointment of Ms. Tanya Dubash and Mr. Nitin Nabar (hereinafter referred to as the Whole Time Directors) are as given below:

- a. The Whole Time Directors shall perform their duties subject to the superintendence, control and direction of the Board of Directors of the Company.



b. In consideration of the performance of their duties, the Whole Time Directors shall be entitled to receive remuneration as stated herein below.

These resolutions do not constitute Related Party Transactions under the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. These resolutions, though Related Party Transactions under Listing Regulations and applicable accounting standards, are not material related party transactions. The remuneration payable to the above mentioned Directors is given below:

**(i) FIXED COMPENSATION:**

Fixed Compensation shall include Basic Salary and the Company's Contribution to Provident Fund and Gratuity Fund.

The Basic Salary shall be in the following range:

- a) Ms. Tanya Dubash ₹ 2,00,00,000/- p.a. to ₹ 2,50,00,000/- p.a., payable monthly; and
- b) Mr. Nitin Nabar ₹ 90,00,000/- p.a. to ₹ 1,05,00,000/- p.a., payable monthly.

The Annual Basic Salary and increments will be decided by the Nomination and Remuneration Committee/ Board of Directors depending on the performance of the Whole Time Directors, the profitability of the Company and other relevant factors.

**(ii) PERFORMANCE LINKED VARIABLE REMUNERATION (PLVR):**

Performance Linked Variable Remuneration according to the Scheme of the Company for each of the financial years as may be decided by the Nomination and Remuneration Committee / Board of Directors of the Company based on Profits or

other parameters and other relevant factors and having regard to the performance of the Whole Time Directors for each year, which shall not exceed ₹ 6,70,00,000/- p.a. for Ms. Tanya Dubash and ₹ 4,00,00,000/- p.a. for Mr. Nitin Nabar.

**(iii) FLEXIBLE COMPENSATION:**

In addition to the Fixed Compensation and PLVR, the above mentioned Directors shall be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the policy/rules of the Company and subject to the relevant provisions of the Companies Act, 2013 (collectively called "perquisites and allowances").

These perquisites and allowances may be granted to the Whole Time Directors in the manner as the Board may decide as per the Policy/Rules of the Company.

- Housing (i.e. Unfurnished residential accommodation OR House Rent Allowance at 85% of Basic Salary);
- Furnishing at residence;
- Supplementary allowance;
- Leave Travel Assistance;
- Payment / reimbursement of domiciliary medical expenses for self and family;
- Payment/reimbursement of food vouchers, fuel reimbursement;
- Company cars with drivers for official use, provision of telephone(s) at residence; payment/reimbursement of expenses thereof;
- Housing Loan and contingency loan as per rules of the Company. These loans shall be subject to necessary approval(s), if any;
- Earned / privilege leave, on full pay and allowance, not exceeding 30 days in a financial year. Encashment / accumulation of leave will be permissible in accordance with the policy/Rules specified by the Company. Casual/Sick leave as per the rules of the Company;

- 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 maximum cost to the Company for the aggregate of the allowances for the Whole Time Directors shall be (a) Ms. Tanya Dubash - ₹ 5,00,00,000/- payable monthly and (b) Mr. Nitin Nabar - ₹ 2,50,00,000/- payable monthly; plus cars (including drivers salary, fuel, maintenance and other incidental expenses) plus housing (i.e. unfurnished residential accommodation OR House Rent Allowance at 85% of Basic Salary). In addition to the above, the Whole Time Directors shall be eligible for club facilities, group insurance cover, group hospitalization cover, and/or any other allowances, perquisites and facilities as per the Rules of the Company.

**Explanation:**

- a) For Leave Travel Assistance and reimbursement of medical and hospitalization expenses, 'family' means spouse, dependent children and dependent parents;
- b) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.

**(iv) OVERALL REMUNERATION:**

The aggregate of salary and perquisites as specified above or paid additionally to the Whole Time Directors in accordance with the rules, which the Board may in its absolute discretion pay to the Whole Time Directors from time to time, shall be in compliance with the provisions of Section 197 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013, (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof, for the time being

in force). Further, the remuneration payable to Ms. Tanya Dubash, may exceed the limits prescribed under Regulation 17(6)(e) of the Listing Regulations, in any year during the tenure of their appointment as the "Whole Time Director" of the Company.

**(v) LOANS:**

- a) Granting of loans according to Company's Scheme subject to Central Government's approval, if applicable.
- b) Continuation of Loans, if already availed.

**Notes:**

- I. Unless otherwise stipulated, for the purpose of the above, the perquisites shall be evaluated as per Income Tax Rules wherever actual cost cannot be determined.
- II. Notwithstanding the foregoing, where in any Financial Year during the currency of the tenure of the above mentioned directors, the Company has no profits or its profits are inadequate, the remuneration by way of salary, commission and perquisites shall be paid in compliance with the provisions of the Companies Act, 2013.
- III. The limits specified above are the maximum limits and the Nomination and Remuneration Committee / Board may in its absolute discretion pay to the abovementioned Directors lower remuneration and revise the same from time to time within the maximum limits stipulated above.
- IV. In the event of any re-enactment or recodification 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 there under.

V. If at any time the Whole Time Directors cease to be in the employment of the Company for any cause whatsoever, he/she shall cease to be the Whole Time Director of the Company.

VI. The Whole Time Directors are appointed by virtue of their employment in the Company and their appointment is subject to the provisions of Section 167 of the Companies Act, 2013 while at the same time Whole Time Directors are liable to retire by rotation. The appointment is terminable by giving three months' notice in writing on either side.

The Board of Directors are of the view that the re-appointment of Ms. Tanya Dubash and Mr. Nitin Nabar as the Whole Time Directors will be beneficial to the operations of the Company and the remuneration payable to them is commensurate with their abilities and experience and accordingly the Board recommends the Special Resolutions at Item No. 7 and 8 of the accompanying notice for approval by the Members of the Company.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval.

Ms. Tanya Dubash and Mr. Nitin Nabar may be deemed to be interested in the resolution at Item No. 7 and 8, respectively. Ms. Tanya Dubash is the daughter of Mr. Adi Godrej, accordingly Mr. Adi Godrej may be deemed to be interested in the resolution (Item No. 7). None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned Resolutions.

The following additional information as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

## I. General Information:

### 1. Nature of Industry

The Company is engaged in the business of manufacture and marketing of oleochemicals, their precursors and derivatives, bulk edible oils, estate management and investment activities.

### 2. Date or expected date of commencement of commercial production:

March, 1988.

### 3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable as the Company is an existing Company.

### 4. Financial Performance based on given indicators:

(₹ in Crore)

Particulars	F.Y. 2020-21	F.Y. 2019-20
Total Income	1,920.85	2,004.03
Expenditure other than Interest and Depreciation	1,718.76	1,675.73
Profit before Interest, Depreciation and Tax	202.09	328.30
Interest (net)	237.51	228.99
Profit before depreciation and tax	(35.42)	99.31
Depreciation	72.18	68.62
Profit before Tax	(107.60)	30.69
Provision for Current Tax	-	(0.07)
Provision for Deferred Tax	(0.06)	(0.05)
Net Profit	(107.54)	30.81

## 5. Foreign Investments and Collaborations:

The Company has not made any Foreign Investments and neither entered into any collaborations during the last Financial Year.

Nabar has held leadership roles across the sales, marketing, commodities, imports and exports, supply chain management and purchase functions.

## II. Information about the Appointees:

### 1. Background Details:

(a) **Ms. Tanya Dubash:** Ms. Tanya Dubash serves as the Executive Director and Chief Brand Officer of Godrej Industries Limited, and is responsible for the Godrej Group's brand and communications function, including guiding the Godrej Masterbrand. Ms. Tanya Dubash is a Director on the Board of Godrej Consumer Products Limited and Godrej Agrovet Limited. She also serves on the boards of Britannia Industries Limited, Go Airlines (India) Limited, Escorts Limited, AIESEC and India@75. Ms. Tanya Dubash was a member on the Board of the Bharatiya Mahila Bank between November 2013 and May 2015. She was a trustee of Brown University between 2012 and 2018 and continues to be member of the Brown India Advisory Council and on the Watson Institute Board of Overseers. Ms. Tanya Dubash was recognized by the World Economic Forum as a Young Global Leader in 2007. She is AB cum laudé, Economics & Political Science, Brown University, USA, and an alumna of the Harvard Business School.

(b) **Mr. Nitin Nabar:** Mr. Nitin Nabar is currently the Executive Director & President (Chemicals) of Godrej Industries Limited. Mr. Nitin Nabar is also a member of the Godrej Management Committee, the apex decision-making body of the Godrej Group. Mr. Nitin Nabar joined the Group in June 1985 as a Trainee, after completing his B.Sc (Tech) degree from ICT. He is also a Management Graduate with specialisation in Marketing from Welingkar Institute of Management Development and Research, Mumbai. In his 33 years at Godrej, Mr. Nitin

### 2. Past remuneration:

During the Financial Year ended March 31, 2021, ₹ 6,96,47,700/- and ₹ 4,79,01,898/- was paid as remuneration to Ms. Tanya Dubash and Mr. Nitin Nabar respectively.

### 3. Recognition and Awards:

Ms. Tanya Dubash was recognized by the World Economic Forum as a Young Global Leader in 2007.

Mr. Nitin Nabar has been recognised by ICT with the UAA-ICT Distinguished Alumnus (Professional) Award 2018. He is a Committee Member in CHEMEXCIL (an export promotion council for the chemicals industry).

### 4. Job profile Suitability:

**Ms. Tanya Dubash:** She is on the board of several Godrej Group companies including Godrej Consumer Products Limited and Godrej Agrovet Limited. As an Executive Director & Chief Brand Officer, she is charged with the responsibility of enhancing the value of the Godrej Brand and evolving the Group to a more Brand driven organization. She heads the Strategic Marketing Group (SMG) that guides the Godrej Masterbrand and portfolio strategy, and chairs a Marketing Council comprising of Group Marketing Heads. She also heads Corporate Communications and Media for the Group. She is a Trustee of the Brown University and a member of the Brown - India Advisory Council.

**Mr. Nitin Nabar:** He was instrumental in building up the Chemicals business globally, during his tenure as the head of sales and marketing. Today, this business, which Mr. Nitin Nabar now heads, ranks among

India's leading manufacturer of oleochemicals and surfactants, and its products are exported to over 80 countries in North and South America, Asia, Europe, Australia and Africa. He is passionate about driving the Group's commitment to sustainable business growth, built on the concept of shared values. Under his leadership, the Chemicals business introduced several sustainability initiatives, which have been recognised in external forums. Some of these include CII, FICCI, ICC acknowledgements of Environmental Best Practices and Energy Efficiency initiatives.

### 5. Remuneration proposed:

Ms. Tanya Dubash: Salary proposed to Ms. Tanya Dubash is in the basic scale of ₹ 2,00,00,000/- p.a. to ₹ 2,50,00,000/- p.a., payable monthly and other perquisites, allowances, other benefits etc. respectively, as fully set out herein above.

Mr. Nitin Nabar: Salary proposed to Mr. Nitin Nabar is in the basic scale of ₹ 90,00,000/- p.a. to ₹ 1,05,00,000/- p.a., payable monthly and other perquisites, allowances, other benefits etc. respectively, as fully set out herein above.

### 6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Ms. Tanya Dubash and Mr. Nitin Nabar, the remuneration proposed to be paid to them is commensurate with the remuneration packages paid to their similar counterparts in other companies.

### 7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

Besides the remuneration proposed to be paid to Ms. Tanya Dubash and Mr. Nitin Nabar, they do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors except that Ms. Tanya Dubash is the daughter of Mr. Adi Godrej.

### III. Other Information:

Reasons of loss or inadequate profits:	Godrej Industries Limited (GIL) has interest in various businesses directly and through its subsidiaries and associates. GIL including its subsidiaries and associates has presence in oleochemicals, property development, oil palm plantation, animal feeds and agroproducts, poultry, personal care and household care, etc. While GIL's investments in Group Companies are strategic investments, GIL does encash some of the value created from time to time by sale of such investments resulting in profits on sale of investments. This profit is to be necessarily excluded from the calculations for determining the net profits under Section 198 of the Companies Act, 2013 in order to ascertain the limit for overall maximum managerial remuneration. If GIL was allowed to consider such profits (e.g. profit on sale of investments), the Company may be well within its limit.
Steps taken or proposed to be taken for improvement	
Expected increase in productivity and profits in measurable terms:	

## **ITEM NO. 9**

The Board of Directors of the Company, based on recommendations of the Audit Committee, has appointed M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai, as the "Cost Auditors" of the Company for the Financial Year 2021-22, pursuant to Section 148 and other applicable provisions of the Act, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, at its Meeting held on May 21, 2021.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors. Therefore, pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 3,50,000/- (Rupees Three Lakh Fifty Thousand Only) per annum, exclusive of applicable tax(es) and reimbursement of out- of pocket expenses, if any, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, shall require subsequent ratification by the Members.

Based on the certification received from the Cost Auditors, it may be noted that:-

- a. the Cost Auditors do not suffer from any disqualifications as specified under Section 141(3) of the Act;
- b. their appointment is in accordance with the limits specified in Section 141(3)(g) of the Act;
- c. none of their Partners is in the whole-time employment of any Company; and
- d. they are an independent firm of Cost Accountants holding valid certificate of practice and are at arm's length relationship with the Company, pursuant to Section 144 of the Act.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 9.

The Board recommends the **ORDINARY RESOLUTION** set forth in **Item No. 9** for approval of the Members.

## **ITEM NO. 10**

In accordance with the approval of the Board of Directors of the Company based on recommendation of the Nomination and Remuneration Committee, made at their respective meetings held on May 21, 2021, an amount of ₹ 10,00,000/- (Rupees Ten Lakh Only) is proposed to be paid as 'Commission' to each Independent Director per annum for their contribution to the Company and in addition to the sitting fees for attending the meetings of the Board and Committees thereof.

With the enhanced Corporate Governance requirements under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, coupled with the size, nature, complexity and dynamics of business, the role of Independent Directors to maintain oversight has gone up. The role & responsibilities of the Independent Directors have become more onerous, requiring greater time commitments, attention and a higher level of oversight.

Considering above changes, it is proposed to pay of ₹ 10,00,000/- (Rupees Ten Lakh Only) to each Independent Director of the Company as commission for each Financial Year with effect from Financial Year 2021-22 onwards.

The proposal is commensurate with enhanced role and engagement of the Independent Directors. The remuneration payable to each Independent Director shall be determined by the Board or Committee thereof within this overall limit as prescribed under the Companies Act,

2013 and the Rules framed thereunder (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof for the time being in force).

In case of inadequacy of profits and / or No Profits in a given financial year, as the case may be, an amount not exceeding ₹ 10,00,000/- (Rupees Ten Lakh Only) will be paid as 'Commission' to each Independent Director for that relevant Financial Year.

Except Independent Directors of the Company, no other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 10.

The Board recommends the **SPECIAL RESOLUTION** set forth in **Item No.10** for approval of the Members.

**Date and Place: June 22, 2021, Mumbai**

**By Order of the Board of Directors  
of Godrej Industries Limited**

**Tejal Jariwala  
Company Secretary & Compliance Officer  
(FCS 9817)**

**Registered Office:**

Godrej One,  
Pirojshanagar, Eastern Express  
Highway, Vikhroli (East),  
Mumbai 400 079, Maharashtra, India  
Tel.: +91 22 2518 8010  
Fax: +91 22 2518 8066  
Website: [www.godrejindustries.com](http://www.godrejindustries.com)  
Email: [investor@godrejinds.com](mailto:investor@godrejinds.com)  
CIN: L24241MH1988PLC097781

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**BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT**

*[Pursuant to Regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

Name of the Director	Mr. Jamshyd Godrej	Ms. Tanya Dubash	Mr. Nitin Nabar	Ms. Shweta Bhatia	Mr. Sandeep Murthy	Mr. Ajaykumar Vaghani
Age	72 years	52 years	57 years	42 years	44 years	54 years
Nationality	Indian	Indian	Indian	Indian	Indian	Indian
Date of appointment	March 7, 1988	August 1, 1996	May 1, 2013	October 28, 2020	March 1, 2021	June 23, 2021
Qualification	B.E. Mechanical, Illinois Institute of Technology, USA	AB, Economics & Political Science, Brown University, USA., Advanced Management Program, Harvard Business School	B.Sc (Tech) University of Mumbai and Management Graduate, Welinkar Institute of Management Development and Research, Mumbai	BA in Computer Science, Economics from Smith College, MBA from Harvard Business School	UG – Engineer, University of Pennsylvania, Philadelphia	B.Com- University of Mumbai
Nature of expertise in specific functional area	Engineering and Management	Marketing	Sales, Marketing, Commodities, Exports, Imports and Purchase	Funding strategy, investment and vast experience in financial, technology and consumer services	Investment banking and vast experience in venture capital segment	Sales, Marketing, Commodities, investment and vast experience in financial, technology and consumer services
Directorships held in other companies (excluding Foreign Companies and Section 8 Companies)	<p><u>Listed Public Companies:</u></p> <ul style="list-style-type: none"> <li>- Godrej Consumer Products Limited</li> <li>- Godrej Grovet Limited</li> <li>- Godrej Properties Limited</li> </ul> <p><u>Public Companies:</u></p> <ul style="list-style-type: none"> <li>- Godrej &amp; Boyce Manufacturing Company Limited</li> </ul> <p><u>Private Companies:</u></p> <ul style="list-style-type: none"> <li>- Illinois Institute of Technology (India) Private Limited</li> <li>- Godrej UEP Private Limited</li> </ul>	<p><u>Listed Public Companies:</u></p> <ul style="list-style-type: none"> <li>- Godrej Agrovet Limited</li> <li>- Godrej Consumer Products Limited</li> <li>- Escorts Limited</li> <li>- Britannia Industries Limited</li> </ul> <p><u>Public Companies:</u></p> <ul style="list-style-type: none"> <li>- Godrej Seeds &amp; Genetics Limited</li> <li>- Go Airlines (India) Limited</li> <li>- Ensemble Holdings &amp; Finance Limited</li> </ul> <p><u>Private Companies:</u></p> <ul style="list-style-type: none"> <li>- Godrej Holdings Private Limited</li> <li>- Innovia Multiventures Private Limited</li> </ul>	<p><u>Public Companies:</u></p> <ul style="list-style-type: none"> <li>- Ensemble Holdings &amp; Finance Limited</li> </ul>	<p><u>Private Companies:</u></p> <ul style="list-style-type: none"> <li>- Mountain Trail Foods Private Limited</li> <li>- Quicko Technosoft Labs Private Limited</li> <li>- Social Worth Technologies Private Limited</li> <li>- Shadowfax Technologies Private Limited</li> <li>- Robotic Wares Private Limited</li> </ul>	<p><u>Public Companies:</u></p> <ul style="list-style-type: none"> <li>- Future E- commerce Infrastructure Limited</li> </ul> <p><u>Private Companies:</u></p> <ul style="list-style-type: none"> <li>- Sherpa India Advisors Private Limited</li> <li>- Zoomin Online (India) Private Limited</li> <li>- LightBox India Advisors Private Limited</li> <li>- Paymate India Private Limited</li> <li>- Flyin Travel &amp; Tourism Private Limited</li> </ul>	<p><u>Public Companies:</u></p> <ul style="list-style-type: none"> <li>- Milton Global Limited</li> </ul> <p><u>Private Companies:</u></p> <ul style="list-style-type: none"> <li>- Rising Star Plastics Private Limited</li> <li>- Hamilton Housewares Private Limited</li> <li>- Euroline Domestic Appliances Private Limited</li> <li>- D J Holdings Private Limited</li> <li>- Hamilton Writing Instruments Private Limited</li> </ul>



Name of the Director	Mr. Jamshyd Godrej	Ms. Tanya Dubash	Mr. Nitin Nabar	Ms. Shweta Bhatia	Mr. Sandeep Murthy	Mr. Ajaykumar Vaghani
Chairmanships / Memberships of Committees held in Committees of other companies	<b>Godrej &amp; Boyce Manufacturing Company Limited</b> - Member of Corporate Social Responsibility Committee <b>Indian Machine Tool Manufacturers Association</b> - Chairman of Audit & Finance Committee - Chairman of Nomination and Remuneration Committee	<b>Godrej Consumer Products Limited:</b> - Member of Corporate Social Responsibility Committee - Member of Management Committee - Member of Stakeholders' Relationship Committee - Member of Sustainability Committee <b>Escorts Limited:</b> - Member of Corporate Social Responsibility Committee <b>Britannia Industries Limited:</b> - Member, Strategy and Innovation Steering Committee <b>Godrej Seeds &amp; Genetics Limited:</b> - Chairperson of Corporate Social Responsibility Committee	None	None	None	None
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company inter-se	- None	- Daughter of Mr. Adi Godrej, Chairman	None	None	None	None
No. of shares held by Director:	1,90,838	7,41,755	20,935	Nil	Nil	Nil
By Self:	- 9,97,085 (as a Trustee of Raika Godrej Family Trust)	- 94,14,449 (as a Trustee of TAD Family Trust)	Nil			
As a beneficial owner of:	- 91,60,215 (as a Trustee of JNG Family Trust)	- 1,56,19,033 (as a Trustee of Raika Lineage Trust)				
	- 1,56,19,983 (as a Trustee of Navroze Lineage Trust)	- 1 (as a Trustee of P.J.G Family Trust)				
	- 1 (as a Trustee of R.J.G Family Trust)	- 1 (as a Trustee of TAD Children Trust)				
	- 1 (as a Trustee of N.J.G Family Trust)		4	2	Not Applicable	Not Applicable
Number of Meetings of the Board attended during the year (Financial Year 2020-21)	3	4	4	2	Not Applicable	Not Applicable
Number of Meetings of the Board attended during the year (Financial Year 2021-22, i.e. upto May 21, 2021)	0	1	1	1	1	Not Applicable



**BOARD'S REPORT**

# Board's Report

To the Members,

Your Company's Directors have pleasure in presenting the Board's Report along with the Audited Financial Statements for the Financial Year ended March 31, 2021.

## Review of Operations / Financial Summary

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

Particulars	(₹ Crore)	(₹ Crore)
	2020-21	2019-20
Revenue from Operations	1,855.53	1,968.72
Exceptional Items	1.27	(25.62)
Other Income	64.05	60.93
<b>Total Income</b>	<b>1,920.85</b>	<b>2,004.03</b>
Total Expenditure other than Finance Costs and Depreciation and Amortisation	1,718.76	1,675.73
Profit before Finance Costs, Depreciation and Amortisation	202.09	328.30
Depreciation and Amortisation	72.18	68.62
Profit before Finance Costs and Tax	129.91	259.68
Finance Costs (net)	237.51	228.99
Profit before Tax	(107.60)	30.69
Provision for Current Tax	-	(0.07)
Provision for Deferred Tax	(0.06)	(0.05)
<b>Net Profit / (loss)</b>	<b>(107.54)</b>	<b>30.81</b>
Surplus brought forward	545.64	555.48
Profit after Tax available for appropriation	438.10	586.29
Other comprehensive income (net of tax)	(0.76)	1.96
Dividend on Equity Shares	-	38.69
Tax on Distributed Profit	-	-
Transfer to General Reserve	-	-
<b>Surplus Carried Forward</b>	<b>438.86</b>	<b>545.64</b>

## Share Capital

The Paid-up Equity Share Capital as on March 31, 2021 was ₹ 33,65,25,098/- (Rupees Thirty Three Crore Sixty Five Lakh Twenty Five Thousand Ninety Eight Only) divided into 33,65,25,098 (Thirty Three Crore Sixty Five Lakh Twenty Five Thousand Ninety Eight) Equity Shares of Face Value of ₹ 1/- (Rupee One Only) each. During the Financial Year under review, your Company has allotted 59,082 (Fifty Nine Thousand Eighty Two) Equity Shares of Face Value of ₹ 1/- (Rupee One Only) each pursuant to exercise of Options by the employees of the Company under Godrej Industries Limited- Employee Stock Grant Scheme, 2011 (ESGS 2011).

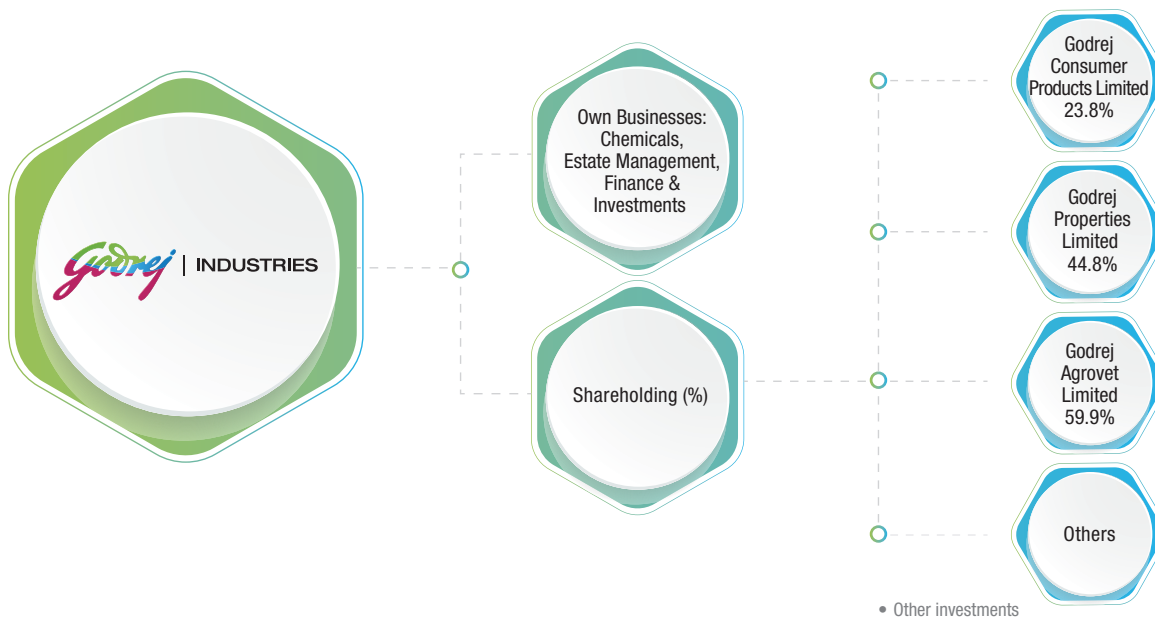
## Debentures

Your Company privately placed Non-Convertible Debentures of ₹1,500 Crore (Rupees One Thousand Five Hundred Crore) [in 2 Tranches of ₹750 Crore (Rupees Seven Hundred Fifty Crore) each] during the Financial Year 2020-21, which are listed on the Debt Segment of the National Stock Exchange of India Limited. Further, your Company is in compliance with the SEBI Circular having reference number SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

## Dividend / Dividend Distribution Policy

Your Company has not declared Dividend for the Financial Year 2020-21. Further, in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Dividend Distribution Policy of the Company is appended as 'Annexure A' to this Report and the same is also made available on the website of the Company. The same can be accessed on <http://www.godrejindustries.com/listing-compliance.aspx>

## Business Structure



## Industry Structure and Development

The World Economic Outlook (WEO) update, Global growth is projected at 6% in 2021, moderating to 4.4% in 2022. The upward revision reflects additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and continued adaptation of economic activity to subdued

mobility. High uncertainty surrounds this outlook, related to the path of the pandemic, the effectiveness of policy support to provide a bridge to vaccine-powered normalization and the evolution of financial conditions.

India is the second-most populous country in the world with an estimated population of 1.38 billion people. India has been one of the fastest growing economies in the past few years. Today, it is the world's sixth-largest economy in terms of nominal gross domestic product ("GDP") and the third-largest economy on purchasing power parity (PPP) basis.

The Indian economy was already facing turbulence prior to the start of 2020 when the COVID-19 pandemic happened. The pandemic and subsequent containment measures to curb the spread of the virus posed one of the most formidable economic challenges to India and the world.

The stringent nation-wide lockdown imposed in March 2020 resulted in a 24.4% contraction of GDP in the first quarter of the Financial Year 2020. The situation has improved since then, with the measured opening up of the Indian economy. Growth improved to -7.3% in the second quarter and to 0.4% in the third quarter of the Financial Year 2020. Importantly, a sustained resurgence in high frequency indicators such as power demand, GST collection, E-way bills and steel consumption demonstrate that the economy is in a V-shaped recovery. In fact, driven by the normalization of business activities amid a gradual lifting of restrictions, high pent-up demand, policy support and improved consumer sentiments as rollout of vaccines gather traction.

Reserve Bank of India intends to support economic growth by maintaining its accommodative stance. Since the 77-month high of 7.6% recorded in October 2020, retail inflation has also been on a declining trend, falling from 4.6% in December 2020 to 4.1% in January 2021. To aid growth, the RBI is expected to keep the repo rate at the existing historical low of 4%.

The Indian real estate sector was poised to gain momentum in 2020. After three years of disruptions in the form of demonetization, GST, RERA and the NBFC crisis, transparency and efficiency were slowly trickling into the system. Instead, the year 2020 will be remembered for the COVID-19 pandemic that affected virtually every person in the country. The nationwide lockdown that followed threw markets into turmoil, bringing more pain and distress to the realty industry. In the face of this unprecedented crisis, the real estate sector displayed remarkable resilience. Once the process of lifting lockdowns was initiated in the third quarter of 2020, both the residential and office markets started showing promising signs of revival. In the last quarter of 2020, uncertainties surrounding the economy and jobs further reduced, which led to an increase in the pace of revival with the markets tracing a V-shaped recovery path.

COVID-led lockdown in India disrupted demand and supply across sectors. The output in most sectors is expected to contract, however, the agriculture sector is the only sector that is expected to grow in the fiscal year 2020-21. Agricultural activities were categorised under essential goods and services, therefore, the sector was more resilient than other sectors. As per the latest estimates, during the Financial Year, agriculture sector is expected to grow at 3.0% over the previous year and food grain production is expected to increase to 303.3 million tonnes compared to the previous year's production of 297.5 million tonnes.

The demand for oleo-chemicals, which is sustainable and bio-based chemicals, is increasing as consumers become more aware about the environmental and cost benefits which oleo-chemicals can provide. Consumer preference is increasing in using eco-friendly biodegradable products in FMCG goods like detergents, soaps etc. Fatty Acids, Fatty Alcohol, and Specialty Chemicals used by this segment is growing at healthy rate. Demand for Fatty Acids in oil and gas sector has also increased. Consumer awareness and use of hygiene and cleansing product has increased during pandemic. This is helping surfactant and Specialty Chemicals demand. Demand of Glycerine from pharmaceutical sector looks good and its growth is driven by domestic consumption.

## Management Discussion and Analysis Report

The Management Discussion and Analysis Report on the operations of the Company, as required under the Listing Regulations, 2015 is appended as 'Annexure B' to this Report.

### Subsidiary and Associate Companies

#### Godrej Agrovet Limited (GAVL)

At Godrej Agrovet Limited, the management and the employees worked with effective coordination and agility to adjust to the changing and evolving situation. Manufacturing plants were operational in April 2020 after obtaining necessary approvals. GAVL ensured that the manufacturing plants were well-equipped with requisite safety equipment and high level of safety measures were followed at all locations. Focus was on improving profitability in all the business segments, despite the tough environment. Profit before tax (excluding non-recurring and exceptional items) grew by 59.7% year-on-year in Financial Year 2020-21, despite an 8.5% decline in sales.

#### Animal Feeds:

Favourable commodity prices and realization of R&D initiatives led to segment results increasing by 24.1% in the current Financial Year. However, volumes and segment revenues declined by 13.1% and 16.8%, respectively in 2020-21. The demand for animal feed viz. cattle, broiler, layer, fish and shrimp feed is directly proportional to the demand for the end protein products viz. milk, chicken/eggs, fish and shrimp. In the Financial Year 2020-21 because of the lockdown, the demand for end protein products from the HoReCa segment (Hotels, restaurants and catering), which forms nearly 30%-35% of the overall industry demand, was significantly impacted. As a result, volumes and segment revenues in the animal feed business were impacted.

#### Crop Protection:

In the current Financial Year, the objective of the standalone crop protection business was to accelerate collections and improve the working capital cycle. During the Financial Year 2020-21, the collections increased to ₹ 629 Crore from ₹ 495 Crore in the previous year, representing a growth of 27%. In terms of performance, standalone segment revenues grew at a marginal rate of 2.4% and segment results at ₹ 153.4 Crore were nearly similar to the previous year. Segment performance could have been higher, but production disruption of the key products in the peak season due to COVID-led lockdown impacted sales and profitability levels to some extent.

#### Vegetable Palm:

White-fly infestation impacted the palm oil plantation in Southern India in the Financial Year 2020-21. This not only lowered Fresh fruit bunches (FFBs) volumes but also the oil content in the fruit. Therefore, FFBs volumes and oil extraction ratio declined, which adversely affected profitability level in the Financial Year 2020-21. However, the sharp increase in global crude palm oil prices and palm kernel oil prices provided some respite. Crude palm oil prices and palm kernel oil prices increased by 33.4% and 29.1%, respectively. In terms of performance, while the segment revenues increased by 5.4%, the segment results declined by 6.3% year-on-year. Further, GAVL has also worked on increasing area-under plantation and currently has around 75,000 hectares under palm oil cultivation.

# GODREJ AGROVET

Oil Palm



Agri  
Input



Animal  
Feed



Godrej  
Tyson  
Foods



Dairy  
Products



## **Review of Operations / State of Affairs of the Subsidiaries of GAVL:**

### **Astec LifeSciences Limited (Astec) & its Subsidiaries:**

GAVL agrochemical subsidiary -Astec LifeSciences Limited (Astec), maintained its strong performance for the Financial Year 2020-21 as profit before tax grew by 45.2%, year-on-year, despite a modest 5.3% growth in total income. Segment-wise, revenue growth is driven by enterprise sales and geographically, domestic business contributed to the growth. GAVL continues to hold 62.3% stake in Astec as on March 31, 2021.

### **Creamline Dairy Products Limited & its Subsidiary:**

In GAVL's dairy subsidiary, Creamline Dairy Products Limited's total income declined by 13.4% year-on-year mainly because of lower demand from the HoReCa (Hotels, restaurants and catering) segment. HoReCa segment and out-of-home consumption form nearly one-third of the overall industry demand for milk and milk products. Lower demand from these segments impacted volumes and sales during the year for the industry and our dairy subsidiary. However, profitability improved from the lower levels seen in the fiscal year 2019-20 supported by low procurement prices and fixed costs reduction. The company recorded profit before tax of ₹ 7.3 Crore in the financial year 2020-21 compared to ₹ 3.1 Crore in the previous year. The company re-launched the entire product portfolio under a new 'Godrej Jersey' logo. Value-added products formed 27% of revenues in the current year compared to 28% in the previous year.

### **Godrej Tyson Foods Limited (GTFL):**

For the subsidiary Godrej Tyson Foods Limited, it was an excellent year with total income growing by 17.1% year-on-year. Profit before tax also increased to ₹ 22.7 Crore in Financial Year 2020-21 compared to a loss before tax of ₹ 77.2 Crore in the previous year. The performance was supported both by the live bird segment and the Yummiez segment. In the live bird segment, growth was driven by remunerative end product prices on one end and favourable raw material prices on the other end. Lockdown led to an increase in demand for ready-to-eat and easy-

to-cook frozen food products, which benefited sales and profitability in the Yummiez segment.

### **Godrej Maxximilk Private Limited:**

GAVL has increased its stake in Godrej Maxximilk Private limited to 74.9% in the financial year 2020-21 from 74.0% stake in the previous year. The subsidiary is engaged in in-vitro production of high-quality cows that aid dairy farmers produce top-quality milk, thereby increasing their yield by a significant proportion. For 2020-21, the company has reported a loss before tax of ₹ 8.1 Crore compared with a loss before tax of ₹ 7.8 Crore in the previous year.

### **Joint Venture of GAVL:**

#### **ACI Godrej Agrovet Private Limited, Bangladesh:**

GAVL's 50:50 joint venture with Advanced Chemical Industries Limited (ACI), Bangladesh named ACI Godrej Agrovet Private Limited, continued its stellar performance and posted strong growth. Revenues and profit before tax grew by 21.8% and 43.8%, respectively. This was on account of strong volume growth across all segments, i.e. cattle, poultry and aqua feed.

### **Godrej Properties Limited (GPL)**

#### **OVERVIEW OF OPERATIONS:**

For the Financial Year under review, GPL's total income decreased by 57% and stood at ₹ 1,217 Crore. EBITDA decreased by 84% to ₹ 119 Crore and net loss was ₹ 189 Crore, due to certain one-time accounting charges taken in Q4 FY21.

With the new projects signed by GPL, the company has added saleable potential of 6.0 million sq. ft. to the portfolio. One of the key achievements was an acquisition of 18 acres land parcel at Whitefield, Bangalore with a saleable potential of 2.5 million sq. ft. GPL also emerged as highest bidder in the CIDCO e-auctioning process for the two adjacent plots in Sanpada, Navi-Mumbai. Spread over ~1.5 acres, this project will offer ~4 lakh square feet of development potential comprising primarily of premium residential apartments with a small amount of high-street retail at the base.



## GODREJ PROPERTIES



Godrej 101\*\*



Godrej RKS\*



Godrej Icon\*\*

Despite the pandemic, GPL has achieved the highest ever sales in its history. This was possible due to increased focus on digital sales, attractive payment plans, and the customers' trust in our brand. GPL achieved sales volume of 10.8 million square feet and booking value of ₹ 6,725 Crore in FY21, resulting in a growth of 14% Y-o-Y. GPL has recorded a booking value in excess of ₹ 5,000 Crore for the last four consecutive years. GPL achieved sale volumes of more than 1.5 million sq. ft. and sale value of more than ₹ 1,300 Crore in all the four focus markets. GPL launched 11 new projects/phases in FY21. Most notable of these were Godrej Woods, Sector 43 Noida, with a booking value of ₹ 509 Crore and Godrej Royale Woods, Bengaluru, with a booking value of ₹ 371 Crore. These successful launches were complimented by ₹ 4,550 Crore of sustenance sales in FY21, which is the highest ever reported by GPL.

On the operational front, GPL successfully delivered 6.5 million sq.ft across its projects. GPL has now delivered over 28.2 million sq. ft. of real estate in the last six years. GPL's delivery record demonstrates that it can operate at a large scale and keep pace with its accelerating sales. GPL has continued its focus on exploring advanced construction technologies, improving

Net Promoter Score (NPS) and achieving Design Standardization. Sustainable development is an integral part of the GPL's vision and GPL received several recognitions for the efforts on environment and safety, including being ranked #1 amongst listed global residential developers in the 2020 Global Real Estate Sustainability Benchmark (GRESB) Assessment report – An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance. GPL also received other awards like Mahatma Award for CSR Excellence, CSR Leadership Award for Best Corporate Social Responsibility Practices from World CSR Congress, Estrade Green Developer of the year Award 2020, Recognition from Enviro Creators Foundation and Ministry of Forest & Tribal Development, Gujarat state for planting over 16,250+ trees at Pulwama Shahid Vann, Gujarat (Umbergaon). The Company's long term credit rating by ICRA stands is AA (Positive) (Outlook on the long term rating changed to "Positive" from "Stable"), with continued access to cheaper capital, showcasing confidence in the GPL's operations.

Due to default/delay on the part of the JVPs in fulfilling their contractual obligations, including obtaining approvals and providing funding, GPL has initiated legal action in three projects in MMR – in Byculla, Thane and Bhandup. GPL is confident of its merits in these cases.

## **FUTURE PROSPECTS AND OUTLOOK OF THE COMPANY:**

The outbreak of the COVID-19 pandemic had adversely impacted the sector performance in the first half of FY21. However, in the second half, the company witnessed a turnaround in sentiment towards residential real estate. The recent surge in cases due to the second wave of COVID-19 may impact the demand in the first half of FY22. However, the start of vaccine rollout, low home loan interest rates and increased desire to pursue home ownership may revive the demand.

While the pandemic might have negatively affected the industry at large, the operational momentum of GPL will be sustained by its healthy balance sheet and robust project pipeline. Consolidation in residential real estate sector is expected to continue, leading to increase in market share of branded organized players such as GPL. Given the high pace of urbanization, low interest rates and rising disposable income, GPL remains optimistic about the sector's long-term direction. With a strong brand, pan-India presence, demonstrated track record and excellent sales & marketing capabilities, the company is well poised for a high growth trajectory over the next few years.

Going forward, GPL also believes that the technology will play a vital role in minimizing the impact of COVID-19 and hence GPL is focusing on strengthening our digital sales capabilities. GPL has also been actively focusing on improving on-site facilities to create a safe working environment for the workforce. These measures will help the company tide over the impact of COVID-19 and make it more efficient in the long term.

GPL will focus on opportunistic growth avenues in the current environment to create a healthy project pipeline across the growth markets. GPL's recent Qualified Institutional Placement (QIP) raise of ₹ 3,750 Crore aims at supporting the growth aspirations and providing significant opportunities to rapidly scale in the years ahead. GPL will continue to focus on four key markets - Mumbai, NCR, Bengaluru and Pune. When evaluating new projects, GPL will continue to seek superior long-term growth in shareholder value by maximizing

returns through optimal financing and fiscal discipline. GPL will also enhance agility across its processes to further reduce project launch turnaround times. GPL shall continue its pursuit of key strategic priorities – Driving profitability, Improving customer experience, adopting digital technologies.

## **Godrej Consumer Products Limited (GCPL)**

Godrej Consumer Products Limited (GCPL) is a leading emerging markets company. As part of the 124-year young Godrej Group, the company is fortunate to have a proud legacy built on the strong values of trust, integrity and respect for others. At the same time, it is growing fast and has exciting, ambitious aspirations.

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

GCPL is confident that with its clear strategic focus, differentiated product portfolio, superior execution and top-notch team, it will continue to deliver industry-leading results in the future.

## **Other Subsidiaries**

Godrej International Limited (GINL) is incorporated in the Isle of Man and is a wholly owned subsidiary of the Company.

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

Financial Year 2020-21 began on a depressed note as COVID 19 led to fears of Demand Destruction and commodity prices fell sharply. However, it was soon realised that In-Home Consumption

# GODREJ CONSUMER PRODUCTS

## HAIR CARE



## HOME CARE



## HYGIENE



was leading to consumers eating better and using better quality branded products. From mid May 2020, prices began to recover and hit new highs by December 2020. Side by side the weather phenomenon called La Nina swept over South America provoking fears of drought. Fortunately, this 2020 La Nina turned out to be quite mild and soybean production in Brazil and Argentina did not suffer at all. Prices peaked towards the end of December 2020 and fell in the first half of January 2021. However, the excitement of this Financial Year was not finished yet. The new Biden White house in USA led to huge optimism on Green Energy and the encouragement of Bio Diesel as well as Renewable Diesel and corn-based Ethanol. This new factor led to a sharp and strong spike in veg oil prices. High prices continue well into FY 2021-22. Both our companies handled these turning markets admirably and reported very good results.

Ensemble Holdings and Finance Limited (EHFL), a wholly owned subsidiary of your Company, is a Non-Banking Finance Company. The total income of EHFL for FY 2020-21 was ₹ 0.14 Crore as compared to ₹ 0.41 Crore in the previous year. During the year, the National Company Law Tribunal, Mumbai bench vide its Order dated April 22, 2020 has approved the Scheme of Arrangement (Demerger) between Ensemble Holdings and Finance Limited (EHFL) and the Company. Upon coming into effect of the Scheme, the investment undertaking of EHFL stands transferred to and vested in the Company with effect from the Appointed Date, i.e. October 1, 2019.

### Financial Position

The Net Debt Position at the end of the Financial Year stands at ₹ 2,963 Crore as compared to ₹ 2,532 Crore in the previous year. The Net debt equity ratio is 1.94 as compared to 1.55 in the previous year.

Your Company continues to hold the topmost rating of [ICRA] A1+ from ICRA for its commercial paper program (₹ 1,500 Crore) (previous year ₹1,000 Crore). ICRA has reaffirmed an [ICRA] A1+ rating for its short term debt instruments / other banking facilities (₹ 800 Crore) (previous year ₹ 800 Crore). This rating of ICRA represents highest-credit quality

carrying lowest credit risk. ICRA also reaffirmed [ICRA]AA rating with stable outlook for long-term debt, working capital and other banking facilities (₹ 1,340 Crore) (previous year ₹ 1,340 Crore). In addition to the ICRA's rating for commercial paper programme, CRISIL has also assigned a rating of "CRISIL A1+" to the commercial paper programme of ₹ 1,500 Crore (previous year ₹ 1,000 Crore). Instruments with these ratings are considered to have very strong degree of safety regarding timely payment of financial obligations. For the Non-Convertible Debentures (NCD) programme of ₹ 3,000 Crore (previous year ₹ 1,500 Crore) CRISIL has assigned "CRISIL AA" and ICRA has assigned "ICRA AA" with stable outlook.

### Report on Performance and Financial Position of Subsidiary Companies:

Report on Performance and Financial Position of each of the Subsidiaries, Associates, Joint Venture companies in Form AOC-1, forms a part of the Consolidated Financial Statements.

### Loans, Guarantees & Investments

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees or investments made by the Company under the aforesaid provisions during the Financial Year 2020-21 have been provided in the Notes to the Standalone Financial Statements.

### Related Party Transactions

In compliance with the Listing Regulations, the Company has a policy on Materiality of Related Party Transactions and dealing with Related Party Transactions (RPT Policy). The RPT Policy can be accessed on the website of the Company, viz. <http://www.godrejindustries.com/listing-compliance.aspx>.

All Related Party Transactions entered into by your Company during the Financial Year 2020-21 were on an arm's length basis and were in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other related parties

which may have a potential conflict with the interest of the Company. Requisite prior approval of the Audit Committee of the Board of Directors was obtained for Related Party Transactions. Therefore, disclosure of Related Party Transactions in Form AOC-2 as per the provisions of Section 134(3)(h) and Section 188 of the Companies Act, 2013 read with the Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. Attention of Members is also drawn to the disclosure of transactions with related parties set out in Note No.40 of Standalone Financial Statements, forming part of the Annual Report. None of the Directors had any pecuniary relationships or transactions vis-à-vis the Company. Further, the Company has not entered into any transactions with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company during the Financial Year 2020-21.

### **Manufacturing Facilities**

Your Company has manufacturing units at Ambernath, Valia, Wadala and Dombivili.

Ambernath factory is currently certified as per latest ISO standards, i.e., ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OH&S). This year the factory completed 1<sup>st</sup> stage of IATF (Automotive certification for tyre industries) and responsible care certification. Ambernath plant has been awarded silver rating on Ecovadis Platform and is also a member of SEDEX with a Zero Score in audit.

The Valia factory is ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified. It has been recently certified with a new ISO standard i.e. ISO 50001:2018 for Energy Management System across India for getting certified as per new 2018 standard guidelines. This year, we have included one of the sophorolipid in the COSMOS certification. The certification helps labelling the product as natural or organic. In new product domain, the unit has started commercial production for Sorbitol Mono Oleate for Industrial application, Coco betaine, Oleth 20 and Polyquaternium for Personal Care segment.

Majority of the finished products at both locations are Kosher certified and some are also REACH

registered to meet the EU regulation. The Company is also a member of RSPO (Roundtable for Sustainable Palm Oil), Action of Sustainable Derivative (ASD) and a respondent of Climate Change Discloser and Water Security in CDP.

Vegoils Division (Wadala), is a vegetable oil refining facility in Mumbai for manufacturing edible oils and Vanaspati. We have recently modified our Vanaspati manufacturing process by using inter esterified vegetable oil. This reduces trans-fat content in Vanaspati to <0.5%. Vegoils has a continuous refinery to process 100 TPD vegetable oils like Sunflower oil, Groundnut oil and Vanaspati. Factory is ISO-22000:2018 certified and also possesses Kosher and Halal certificate. This Factory also produces and sells Pharmaceutical Grade Refined Groundnut oil (Arachis oil) and Refined Sunflower Oil to pharmaceuticals companies for their application. This Factory produces and packs variety of edible oils such as Sesame oil, Refined Sunflower oil, Refined Groundnut oil, Refined Rice Bran oil, RBD Palm Olein oil and Vanaspati in various pack sizes.

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

### **Research and Development (R&D)**

During the year under consideration, R&D has continued its innovations quest in the processes / product ranges and also came up with many new concept advanced ingredients mainly based on the Oleo feedstocks and having applications in Home, Personal care, Animal Nutrition and Agricultural fields. Fatty acids based fuel lubricity blends and Polymer application blends were optimized further and introduced to the petroleum and fuel lubricity customers thus securing newer avenues for our fatty acids portfolio. Similarly, the concentrated Surfactant Blends for the Cleaning and Sanitization applications were standardized and commercialised during the COVID times. Polymeric quaternary compound was a new area for hair & personal care and we successfully introduced our first commercial ingredient in this category.

In the new products category, R&D continues its efforts in developing improved and customized specialty mild surfactants, bio-surfactants and home & personal care ingredients and their blends, mainly through in house process development. Our current emphasis for the new development is “Go Green” and accordingly we are focusing more and more on the totally biodegradable ingredients/ Blends replacing the chemicals ingredients. One of our important developments in this space, was the mild surfactant category termed as “Sulfate Free”, which could be the future ready product and the anti-dandruff ingredient which is replacement of the commercially available harsh chemical ingredients.

### Human Resource Development and Industrial Relations

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

With an aim at enhancing employees’ experience, the highest priority was given to people-focused measures and policies in areas of health, safety and wellness of employees and their families, especially in the wake of COVID-19. In order to drive employee motivation and performance, a structured culture and engagement framework was put in place with focus on three core pillars of Learning and Development, Communication and Connect, and Recognition.

The total number of persons employed in your Company as on March 31, 2021 were 1,070.

### Business Responsibility Report

The Business Responsibility Report highlighting your Company’s sustainability initiatives is appended as ‘Annexure C’. This Report describes the initiatives taken by the Company from an environment, social and governance perspective.

### Employee Stock Grant Scheme 2011 (ESGS)

The details of the grants allotted under Godrej Industries Limited - Employee Stock Grant Scheme, 2011 (ESGS 2011), as also the disclosures in compliance with the Securities and Exchange Board of India (Share Based

Employee Benefits) Regulations, 2014, have been uploaded on the website of the Company at [www.gorejindustries.com](http://www.gorejindustries.com).

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the ESGS 2011. The Board of Directors confirm that the ESGS 2011 has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the resolution passed by the Members. The Board further confirms that there have been no changes in the ESGS 2011 Scheme during the Financial Year 2020-21. The Certificate, obtained from M/s. BSR & Co. LLP, Statutory Auditors in this regard, shall be kept open for inspection by the Members at / during the ensuing 33<sup>rd</sup> (Thirty Third) Annual General Meeting.

### Fixed Deposits

The details of deposits covered under Chapter V of the Companies Act, 2013, i.e., deposits within the meaning of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year 2020-21 are as follows:

Sr. No.	Particulars	Details (₹ Crore)
(i)	Deposits accepted during the Year	Nil
(ii)	Deposits remained unpaid or unclaimed during the Year: Matured Deposits with the Company	0.25
(iii)	Whether there has been any default in repayment of deposits or payment of interest thereon during the Year and if so, number of such cases and total amount involved: a. At the beginning of the Year: b. Maximum during the Year: c. At the end of the Year:	Nil Nil Nil
(iv)	Details of deposits which are not in compliance with the requirements of Schedule V of the Companies Act	Nil

Your Company is currently not accepting public deposits and has not accepted any deposits from its Directors during the Financial Year 2020-21.

## Directors

### (a) Re-appointment of Whole Time Directors

Upon recommendation of the Nomination and Remuneration Committee of the Board of Directors and as approved by the Board of Directors at their Meetings held on May 21, 2021, Ms. Tanya Dubash (DIN: 00026028) has been re-appointed as the “Executive Director and Chief Brand Officer” for a period of 3 (three) years starting from April 1, 2022 upto March 31, 2025 and Mr. Nitin Nabar (DIN: 06521655) has been re-appointed as the “Executive Director and President (Chemicals)” for a period of 2 (two) years 1 (one) month starting from April 1, 2022 upto April 30, 2024, subject to approval of the Members at the 33<sup>rd</sup> (Thirty Third) Annual General Meeting (AGM).

### (b) Appointment / Resignation / Cessation of tenure of Independent Directors

The Shareholders of the Company at the 32<sup>nd</sup> (Thirty Second) Annual General Meeting held on August 13, 2020 approved appointment of Ms. Monaz Noble (DIN: 03086192) as the “Independent Director” on the Board of Directors of your Company for a term of 5 (five) years starting from May 1, 2020 to April 30, 2025.

The tenure of directorship of Mr. Aspy Cooper (DIN: 00026134), who was appointed as the “Independent Director” of the Company for a term of 5 (Five) years, i.e. from October 28, 2015 to October 27, 2020, had come to an end and accordingly, he ceased to be the Independent Director of the Company with effect from close of business hours on October 27, 2020.

Also, upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors on October 22, 2020 and October 23, 2020 respectively, Ms. Shweta Bhatia (DIN: 03164394) was appointed as the “Additional (Non-Executive Independent) Director” on the Board of Directors of your Company for a term of 5 (Five) years starting from October 28, 2020 upto October 27, 2025,

which is subject to approval of the Members at the ensuing 33<sup>rd</sup> (Thirty Third) AGM.

Further, Mr. Keki Elavia (DIN: 00003940), who was appointed as the Independent Director for a second term starting from August 9, 2019 to March 31, 2021 had stepped down from the position of the “Non-Executive Independent Director” of the Company, due to personal reasons, with effect from February 11, 2021. The Board hereby confirms that as per the confirmation received from Mr. Keki Elavia, there were no material reasons for his resignation other than those mentioned in his resignation letter dated February 11, 2021.

Also, upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors on February 27, 2021, Mr. Sandeep Murthy (DIN: 00591165) was appointed as the “Additional (Non-Executive Independent) Director” on the Board of Directors of your Company for a term of 5 (Five) years starting from March 1, 2021 upto February 28, 2026, which is subject to approval of the Members at the ensuing 33<sup>rd</sup> (Thirty Third) AGM.

Further, Mr. Kavas Petigara (DIN: 00066162), who was appointed as the Independent Director for a second term starting from August 9, 2019 to July 8, 2023 had stepped down from the position of the “Non-Executive Independent Director” of the Company, due to personal reasons, with effect from April 1, 2021. The Board hereby confirms that as per the confirmation received from Mr. Kavas Petigara, there were no material reasons for his resignation other than those mentioned in his resignation letter dated March 31, 2021.

### (c) Appointment of Non-Executive Director

Upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors on May 21, 2021, Mr. Pirojsha Godrej (DIN: 00432983) has been appointed as the “Additional (Non-Executive) Director” on the Board of Directors of your Company with effect from April 1, 2022, liable to retire by rotation. He will hold office of the Non-Executive Director

of the Company with effect from April 1, 2022, subject to regularisation at the next year's Annual General Meeting of the Shareholders.

**(d) Directors liable to retire by rotation**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Company's Articles of Association, Mr. Jamshyd Godrej (DIN: 00076250) and Mr. Nitin Nabar (DIN: 06521655) Directors of the Company are liable to retire by rotation at the ensuing 33<sup>rd</sup> (Thirty Third) AGM, and being eligible, have offered themselves for re-appointment.

**(e) Resolutions to be passed at the ensuing AGM**

Appropriate resolutions for re-appointment of Ms. Tanya Dubash and Mr. Nitin Nabar as the "Whole Time Directors", appointment of Ms. Shweta Bhatia and Mr. Sandeep Murthy as the "Non-Executive Independent Directors" and for re-appointment of Mr. Jamshyd Godrej and Mr. Nitin Nabar as the Directors of the Company liable to retire by rotation, are being moved at the ensuing 33<sup>rd</sup> (Thirty Third) AGM, which the Board recommends for your approval.

**(f) Composition of Board of Directors**

As on the date of this Board's Report, i.e., as on May 21, 2021 your Company's Board of Directors comprises of the following Directors:

Name of the Director	Director Identification Number (DIN)	Category
Mr. Adi Godrej	00065964	Chairman and Non-Executive Non-Independent Director
Mr. Jamshyd Godrej	00076250	Non-Executive Non-Independent Director
Mr. Nadir Godrej	00066195	Managing Director
Mr. Vijay Krishna	00066267	Non-Executive Non-Independent Director

Name of the Director	Director Identification Number (DIN)	Category
Mr. Mathew Eipe	00027780	Non-Executive Independent Director
Ms. Tanya Dubash	00026028	Executive Director & Chief Brand Officer
Mr. Nitin Nabar	06521655	Executive Director & President Chemicals
Dr. Ganapati Yadav	02235661	Non-Executive Independent Director
Ms. Monaz Noble	03086192	Non-Executive Independent Director
Ms. Shweta Bhatia	03164394	Non-Executive Independent Director
Mr. Sandeep Murthy	00591165	Non-Executive Independent Director

**(g) Declaration of Independence from Independent Directors**

Your Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of provisions of Section 134(3)(d) of the Companies Act, 2013, the Board of Directors of your Company have taken note of these declarations of independence received from all the Independent Directors and have undertaken due assessment of the veracity of the same. The Board of Directors is of the opinion that the Independent Directors of your Company possess requisite qualifications, experience, expertise (including proficiency) and they hold the highest standards of integrity that enable them to discharge their duties as the Independent Directors of your Company. Further, in compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs.



## **(h) Board Meetings**

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance in order to help them plan their schedule. However, in case of special and urgent business needs, approval is taken either by convening Meetings at a shorter notice with consent of the Directors or by passing resolutions through circulation.

4 (Four) Meetings of the Board of Directors were held during the Financial Year 2020-21 (i.e. on May 22, 2020, August 13, 2020, November 11, 2020, February 12, 2021). The maximum gap between two Board Meetings did not exceed 120 (One Hundred and Twenty) days. The details of Board Meetings and the attendance record of the Directors are provided in the Report on Corporate Governance section of the Annual Report.

All the Board Meetings during the year were conducted through Video Conferencing owing to the lockdown situation across the country due to pandemic.

## **(i) Performance Evaluation of the Board of Directors, its individual members, and its Committees**

In terms with the Policy for Evaluation of the Performance of the Board of Directors of the Company, we conducted a formal Board Effectiveness Review, as part of our efforts to evaluate the performance of our Board and identify areas that need improvement, in order to enhance the effectiveness of the Board, its Committees, and Individual Directors. This was in line with the requirements of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Corporate HR team of Godrej Industries Limited and Associate Companies (GILAC) worked directly with the Chairperson and the Nomination and Remuneration Committee of the Board to design and execute this process. It was later adopted by the Board. Each Board Member completed a confidential online questionnaire, sharing vital feedback on how the Board currently operates and how its effectiveness could be improved. The survey comprised of below sections and compiled feedback and suggestions on:

- Board Processes (including Board composition, strategic orientation and team dynamics);
- Individual Committees;
- Individual Board Members;
- the Chairman; and
- Declaration of independence from Independent Directors

The criteria for Board processes included Board composition, strategic orientation and team dynamics. Evaluation of each of the Board Committees covered whether they have well-defined objectives, the correct composition, and whether they achieved their objectives. The criteria for Individual Board Members included skills, experience, level of preparedness, attendance, extent of contribution to Board debates and discussion, and how each Director leveraged their expertise and networks to meaningfully contribute to the Company. The criteria for the Chairperson's evaluation included leadership style and conduct of Board Meetings.

The following reports were created as part of the evaluation:

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

Further, the performance evaluation criteria for Independent Directors included a check on their fulfilment of the independence criteria and their independence from the management.

The overall Board Feedback Report was facilitated by Mr. Adi Godrej, Chairman with Independent Directors. Feedback from the Committees and Individual Board Members was shared with the Chairman. Following his evaluation, a Chairman's Feedback Report was compiled.

#### **(j) Nomination and Remuneration Policy**

The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel, and other employees can be accessed on the Company's website at <http://www.godrejindustries.com/listing-compliance.aspx>. The Company's total rewards framework aims at holistically using elements such as fixed and variable compensation, long-term incentives, benefits and perquisites, and non-compensation elements (career development, work-life balance, and recognition). The Non-Executive Directors receive sitting fees in accordance with the provisions of the Companies Act, 2013.

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

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

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

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

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

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

#### **Talent Management and Succession Planning**

Your Company has the talent management process in place with an objective of developing a robust talent pipeline for the organisation which includes the senior leadership team.

As part of our Talent Management Process called Total Talent Management, we identify critical positions and assess the succession coverage for them annually. During this process, we also review the supply of talent, identify high potential employees and plan talent actions to meet the organisation's talent objectives. We continue to deploy leadership development initiatives to build succession for key roles.

## **Total Rewards Philosophy**

The policy of your Company on Director's appointment and remuneration of the Directors, Key Managerial Personnel and other employees including criteria for determining qualifications, positive attributes, independence of a director, is stated below:

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

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

#### **Highlights**

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

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

#### **Total Compensation**

The total compensation has three components:

1. 'Fixed Compensation' comprises of basic salary and retirement benefits, like provident fund and gratuity.
2. 'Flexible Compensation' is a fixed pre-determined component of the compensation.
3. 'Variable Compensation (Performance Linked Variable Remuneration)' rewards one for delivering superior business results and individual performance. It is designed to provide a significant upside earning potential without cap for over achieving business results. It has a 'Collective' component, which is linked to the achievement of specified business results, measured by Economic Value Added or other related metrics, relative to the target set for a given financial year and an 'Individual' component, based on the performance, as measured by the performance management process.

#### **Long Term Incentives (Employee Stock Grant Scheme)**

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

## (k) Familiarisation Programmes

Familiarisation programme for the Independent Directors was conducted during the Financial Year 2020-21. Apart from this, business presentations were made by the Management to the Independent Directors. The details of familiarization programmes pursuant to Regulation 25(7) of the Listing Regulations is uploaded on the Company's website, viz. <http://www.godrejindustries.com/listing-compliance.aspx>.

## Key Managerial Personnel

There have been no changes in the Key Managerial Personnel of the Company during the Financial Year 2020-21.

## Details of Directors / Key Managerial Personnel who were appointed or have resigned during the Financial Year 2020-21

Name of the Director	Date of appointment / resignation
Mr. Nadir Godrej	Re-appointment as "Managing Director" for 3 (three) years with effect from April 1, 2020 to March 31, 2023
Ms. Monaz Noble	Appointment as "Independent Director" for a term of 5 (five) years with effect from May 1, 2020 to April 30, 2025
Mr. Aspy Cooper	Completion of tenure from directorship as Independent Director of the Company with effect from October 27, 2020.
Ms. Shweta Bhatia	Appointment as "Independent Director" for a term of 5 (five) years with effect from October 28, 2020 to October 27, 2025
Mr. Keki Elavia	Resigned from directorship with effect from February 11, 2021
Mr. Sandeep Murthy	Appointment as "Independent Director" for a term of 5 (five) years with effect from March 1, 2021 to February 28, 2026
Mr. Kavas Petigara	Resigned from directorship with effect from April 1, 2021

## Auditors and Auditors' Report

### Statutory Auditors

M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) have been appointed as the Statutory Auditors of the Company at the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting (AGM) of the Members held on August 11, 2017, pursuant to Sections 139 to 144 of the Companies Act, 2013 and Rules 3 to 6 of the Companies (Audit And Auditors) Rules, 2014, for a term of 5 (Five) years, to hold office from the conclusion of the 29<sup>th</sup> (Twenty Ninth) AGM, till the conclusion of the 34<sup>th</sup> (Thirty Fourth) AGM, on a remuneration as may be decided by the Board of Directors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on August 11, 2017. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors was withdrawn from the statute. In view of the same, the Members of the Company at the 30<sup>th</sup> (Thirtieth) AGM held on August 13, 2018 had approved ratification of appointment of M/s. BSR & Co. LLP as the Statutory Auditors of the Company for the remaining period, i.e., from the conclusion of 30<sup>th</sup> (Thirtieth) AGM held on August 13, 2018 upto the conclusion of the 34<sup>th</sup> (Thirty Fourth) AGM. Therefore, the approval of the Members for continuance of their appointment at this AGM is not being sought. The Statutory Auditor's Report on the Financial Statements for the Financial Year ended on March 31, 2021 does not contain any qualification, reservation, adverse remark or disclaimer.

### Cost Auditors

M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 000010) were appointed by the Board of Directors as the Cost Auditors of the Company for all the applicable products pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year 2020-21. They are required to submit the report within 180 (One Hundred and Eighty) days from the end of the accounting year.

Further, upon recommendation of the Audit Committee, the Board of Directors at their Meetings held on May 21, 2021 have approved re-appointment of M/s. R. Nanabhoy & Co., Cost Accountants, being eligible, as the Cost Auditors of the Company for the Financial Year 2021-22 at a remuneration of ₹ 3,50,000/- (Rupees Three Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses, subject to ratification of the said remuneration by the Members at the ensuing 33<sup>rd</sup> (Thirty Third) Annual General Meeting pursuant to Section 148 of the Companies Act, 2013.

The Company has maintained the necessary accounts and records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 pertaining to Cost Audit.

### Secretarial Auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company's Board of Directors had appointed M/s. A. N. Ramani & Co., Practicing Company Secretaries (Firm Registration No. P2003MH000900), to conduct Secretarial Audit of the Company for the Financial Year 2020-21.

The Secretarial Audit Report issued by M/s. A. N. Ramani & Co., Secretarial Auditors for the Financial Year ended March 31, 2021 is annexed herewith marked as 'Annexure D' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### Vigil Mechanism / Whistle Blower Policy

Your Company is focused to ensure that integrity and ethics continue to be the bedrock of its corporate operations. It is committed to conducting its business in accordance with the highest standards of professionalism and ethical behavior. Your Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. This initiative was taken to encourage employees to report irregularities in operations, besides complying

with the statutory requirements under Companies Act, 2013. All employees of the Company can avail this mechanism. If the whistle blower is not satisfied with the actions taken, necessary steps to escalate the same can be taken. Through the process, the mechanism considers and extends complete protection to the whistle blower and direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

### Committees of Board of Directors

#### (a) Audit Committee

Pursuant to the provisions of Section 177(8) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of the Listing Regulations, your Company has constituted an Audit Committee of the Board of Directors.

The composition of the Audit Committee during the Financial Year 2020-21 was as under. The Audit Committee was further re-constituted with effect from April 1, 2021, details are as below:

Name of the Member	Designation
Mr. Kavas Petigara	Chairman (Independent Director)@
Mr. Aspy Cooper	Member (Independent Director)*
Mr. Mathew Eipe	Chairman (Independent Director)\$
Mr. Nitin Nabar	Member (Executive Director)
Ms. Monaz Noble	Member (Independent Director)#
Dr. Ganapati Yadav	Member (Independent Director)~
Mr. Sandeep Murthy	Member (Independent Director)~

\*Ceased to be Independent Director of the Company with effect from close of business hours on October 27, 2020  
 @Appointed as Member with effect from October 28, 2020  
 #Resigned from directorship with effect from April 1, 2021  
 \$ Appointed as Chairman with effect from April 1, 2021  
 ~Appointed as Member with effect from April 1, 2021

The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the Audit Committee Meetings as invitees. The Company Secretary and Compliance Officer acts as Secretary to the Audit Committee. All observations and recommendations made by the Audit Committee to the Board of Directors, were duly noted and accepted by the Board.

4 (Four) Meetings of the Audit Committee were held during the Financial Year 2020-21 (i.e., May 22, 2020, August 13, 2020, November 11, 2020 and February 12, 2021).

### (b) Risk Management Committee

Pursuant to the provisions of Regulation 21 of Listing Regulations, your Company has constituted a Risk Management Committee of the Board of Directors.

The composition of the Risk Management Committee during the Financial Year 2020-21 was as under. The Risk Management Committee was further re-constituted with effect from April 1, 2021 and May 21, 2021, details are as below:

Name of the Member	Designation
Mr. Nadir Godrej	Chairman (Managing Director)
Ms. Tanya Dubash	Member (Executive Director & Chief Brand Officer)
Mr. Nitin Nabar	Member (Executive Director & President Chemicals)
Mr. Mathew Eipe	Member (Independent Director)*
Dr. Ganapati Yadav	Member (Independent Director)#
Mr. Clement Pinto	Member (Chief Financial Officer)#

\*Appointed with effect from April 1, 2021

# Appointed with effect from May 21, 2021

3 (Three) Meetings of the Risk Management Committee were held during the Financial Year 2020-21 (i.e., June 11, 2020, October 30, 2020 and January 8, 2021).

Your Company had formed a Risk Management Committee consisting of the Managing Director, Whole Time Directors, Independent Directors and Chief Financial Officer. The Committee identifies,

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

### The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. The Board of Directors of your Company has constituted Internal Complaints Committees (ICCs) at Head Office as well as regional levels pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The Company has formulated and circulated to all the employees, a policy on prevention of sexual harassment at workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment. Since there were no complaints received by the ICCs during the calendar year 2020, the Committee filed a 'NIL' complaints report with the concerned authority(ies), in compliance with Section 22 of the aforementioned act.

### Directors' Responsibility Statement

The Board of Directors have laid down Internal Financial Controls within the meaning of the explanation to Section 134(5)(e) ("IFC") of the Companies Act, 2013. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and will evolve over time as the business, technology and possibly even fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There might therefore be gaps in the IFC as Business evolves. Your Company has a process in place to continuously identify such gaps and implement newer and / or improved

controls wherever the effect of such gaps might have a material effect on the Company's operations.

Pursuant to the provisions contained in sub-sections (3)(c) and (5) of Section 134 of the Companies Act, 2013, the Directors of your Company, based on the representation received from the Operating Management and after due enquiry confirm the following:

- a) In the preparation of the annual accounts for the Financial Year 2020-21, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) The Directors have selected such accounting policies and applied consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e. March 31, 2021) and of the profit and loss of the Company for that period (i.e. the Financial Year 2020-21);
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company, for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts for the Financial Year ended March 31, 2021 on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- f) The Directors have devised proper systems to ensure compliance of all laws applicable to the Company and such systems are adequate and operating effectively.

### Corporate Governance

As required by the existing Regulation 34(3) read with Schedule V of the Listing Regulations, a detailed report on Corporate Governance is included in the Annual Report.

M/s. A. N. Ramani & Co., Practicing Company Secretaries have certified the Company's compliance of the requirements of Corporate Governance in terms of Regulation 34(3) read with Schedule V of the Listing Regulation and their compliance certificate is annexed to the Report on Corporate Governance.

### Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo

The information in respect of matters pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required under Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended as '**Annexure E**' to this Report.

### Annual Return

In compliance with provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return as per Section 92(3) of the Companies Act, 2013 has been hosted on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

### Managerial Remuneration and Remuneration Particulars of Employees

The remuneration paid to Directors and Key Managerial Personnel and the employees of the Company during the Financial Year 2020-21 was in accordance with the Nomination and Remuneration Policy of the Company.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as '**Annexure F**' to this Report.

The information required pursuant to Section 197 of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company are available to Shareholders for inspection on request. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, on [investor@godrejinds.com](mailto:investor@godrejinds.com), whereupon a copy would be sent.

## Material changes and commitments since the Financial Year end

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the March 31, 2021 and the date of this Boards' Report (i.e. May 21, 2021). However, the Financial Year ended March 31, 2021 was an unprecedented period due to the spread of COVID-19 pandemic across the globe, adversely impacting sales performance of the Company. While the operations have resumed for manufacturing locations in compliance with Government directives since April, 2020, the Company continues to closely monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations. As per the Company's current assessment, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and we continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.

On May 14, 2021, the Company has issued 7,500 (Seven Thousand Five Hundred) Unsecured Redeemable Non-Convertible Debentures (NCD) of Face Value ₹ 10,00,000/- (Rupees Ten Lakh) each. The total value of NCD is ₹ 750 Crore (Rupees Seven Hundred Fifty Crore). These NCDs are carrying the interest rate of 6.92% (six point nine two per cent) per annum and are redeemable at the end of 4 (four) years from the date of allotment. The NCDs are listed on the National Stock Exchange of India Limited.

## Fraud Reporting

There have been no instances of frauds reported by the Auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

## Corporate Restructuring

### **Scheme of Arrangement (Demerger) entered into between Ensemble Holdings Finance Limited, Wholly Owned Subsidiary and Godrej Industries Limited ("the Company")**

The National Company Law Tribunal, Mumbai bench vide its Order dated April 22, 2020 approved the Scheme of Arrangement (Demerger) between Ensemble Holdings and Finance Limited (EHFL) and the Company. Consequent to the said Order and filing of the certified Orders with the Registrar of Companies, Maharashtra on May 14, 2020, the Scheme had become effective from the Appointed Date i.e. October 1, 2019. Upon coming into effect of the Scheme, the investment undertaking of EHFL stood transferred to and vested in the Company with effect from the Appointed Date. The Company had given effect of the Scheme in its Financial Statements for the Financial Year ended March 31, 2020 as per guidance set out in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 14 (Issue 4), being a common control transaction. The Financial Statements for the Financial Year ended March 31, 2019 were restated as per Appendix C of Ind AS 103, Business Combinations, as if the business combination had occurred from the beginning of the preceding period. As EHFL is a 100% subsidiary of the Company, there is no impact of the Scheme on the Consolidated Financial Results.

## Policies of the Company

Listing Regulations have mandated the formulation of certain policies for all listed companies. As per provisions of Listing Regulations, certain Policies are hosted on the Company's website viz; [www.godrejindustries.com](http://www.godrejindustries.com).

The key policies that have been adopted by the Company pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, the Listing Regulations and other applicable laws are as follows:



Name of the Policy	Brief Particulars of the Policy
Risk Management Policy	The Company has in place, a Risk Management Policy which is framed by the Board of Directors of the Company. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, property, regulatory, reputational and other risks and the Company has in place an adequate Risk Management infrastructure capable of addressing these risks.
Corporate Social Responsibility Policy	The Corporate Social Responsibility (CSR) Committee has formulated and recommended to the Board and the Board has approved a Corporate Social Responsibility Policy (CSR Policy), which outlines the Company's strategy to bring about a positive impact on society through various CSR activities and programmes.
Policy for determining Material Subsidiaries	This Policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company in order to comply with the requirements of Regulation 16(1) (c) and Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has the following Material Subsidiaries as on March 31, 2021: 1) Godrej Properties Limited (Listed Subsidiary) 2) Godrej Agrovet Limited (Listed Subsidiary)
Nomination and Remuneration Policy	This Policy formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director (Executive / Non-Executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management Employees.
Whistle Blower Policy / Vigil Mechanism	Your Company has a Vigil Mechanism / Whistle Blower Policy which provides adequate safeguards against victimization of persons who use Whistle Blower mechanism and make provision for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.
Policy on Prevention of Sexual Harassment at Workplace	Your Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.
Policy on Materiality of Related Party Transaction and dealing with Related Party Transaction	This Policy regulates all transactions between the Company and its Related Parties.
Code of Conduct for the Board of Directors and Senior Management Personnel	Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which your Company is strongly committed.
Code of Conduct for Insider Trading	This Policy sets up an appropriate mechanism to curb Insider Trading in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
Policy on Criteria for determining Materiality of Events	This Policy applies to disclosures of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of Regulation 30 of the Listing Regulations.
Policy for Maintenance and Preservation of Documents	The purpose of this Policy is to specify the type of documents and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Listing Regulations. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
Archival Policy	This Policy is framed pursuant to the provisions of the Listing Regulations. As per this Policy, your Company is required to disclose on its website, all such events or information which have been disclosed to the Stock Exchanges where the securities of the Company are listed. Further, such disclosures shall be hosted on the website of the Company for a minimum period of 5 (five) years and thereafter as per Archival Policy of the Company.
Dividend Distribution Policy	This Policy is framed by the Board of Directors in terms of the Listing Regulations. The focus of the Company is to have a Policy on distribution of dividend so that the investor may know as to when and how much dividend they may expect.

## Disclosures as per the Companies (Accounts) Rules, 2014

Change in nature of business, if any	None
Names of Companies which have become or have ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the Financial Year 2020-21	Pyxis Holdings Limited became the subsidiary of the Company with effect from March 25, 2021.
Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals, impacting the going concern status and the Company's operations in future	During the Financial Year 2020-21, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

### Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS- 1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

### Transfer to Investor Education and Protection Fund

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹ 7,95,241/- (Rupees Seven Lakh Ninety Five Thousand Two Hundred Forty One Only) unpaid / unclaimed dividends were transferred during the Financial Year 2020-21 to the Investor Education and Protection Fund (IEPF).

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company. The same can be accessed on [www.godrejindustries.com](http://www.godrejindustries.com). The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 13, 2020 (date of last AGM) on the Company's website which can be accessed on [www.godrejindustries.com](http://www.godrejindustries.com) and of the Ministry of Corporate Affairs website at [www.iepf.gov.in](http://www.iepf.gov.in).

### Depository System

Your Company's Equity Shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2021, 99.89% of the Equity Shares of your Company were held in demat form.

You Company has issued Non-Convertible Debentures during the Financial Year 2020-21 in demat mode only.

### Listing

The Equity Shares of your Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The applicable annual listing fees have been paid to the Stock Exchanges before the due dates. The Equity Shares of your Company were not suspended from trading on BSE and NSE at any point of time during the Financial Year 2020-21.

During the Financial Year 2020-21, your Company had issued Non-Convertible Debentures on private placement basis which are listed on the National Stock Exchange of India Limited (NSE). The applicable annual listing fees has been paid to the Stock Exchange before the due date.

### Additional Information

The additional information required to be given under the Companies Act, 2013 and the Rules framed thereunder, has been laid out in the Notes attached to and forming part of the Accounts. The Notes to the Accounts referred to the Auditors' Report are self-explanatory and therefore do not call for any further explanation. The Consolidated Financial Statements of our Company form a part of this Annual Report. Accordingly, this Annual Report of your Company does not contain the Financial Statements of its Subsidiaries. The Audited Annual Accounts and related information of the Company's Subsidiaries will be made available upon request. These documents including the Subsidiary Companies' documents will be available for inspection on the Company's website, viz., [www.godrejindustries.com](http://www.godrejindustries.com).

### Acknowledgement

Your Directors thank the Union Government, the Governments of Maharashtra and Gujarat as also all the Government Agencies, Banks, Financial Institutions, Shareholders, Customers, Fixed Deposit Holders, Vendors and other Business Associates, who, through their continued support and co-operation, have helped as partners in your Company's progress. Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the growth of the Company.

**For and on behalf of the Board of Directors  
of Godrej Industries Limited**

**Adi Godrej**  
**Chairman**  
**(DIN: 00065964)**  
**Mumbai, May 21, 2021**

# Annexure "A"

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## Dividend Distribution Policy of Godrej Industries Limited

### 1. Background and applicability

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") require the top 500 listed companies (by market capitalisation) to disclose a Dividend Distribution Policy in the annual report and on the corporate website.

The Board of Directors ("Board") of Godrej Industries Limited ("Company") has adopted this Dividend Distribution Policy to comply with these requirements.

Presently, the Authorised Capital of the Company is ₹ 180,00,00,000/- (Rupees One Hundred Eighty Crore) divided into 80,00,00,000 (Eighty Crore) Equity Shares of ₹ 1/- (Rupee One) each and 10,00,00,000 (Ten Crore) Unclassified Shares of ₹ 10/- each. At present, the issued and paid-up share capital of the Company comprises only equity shares. The policy is subject to review if and when the Company issues different classes of shares.

### 2. Dividend distribution philosophy

The Company is deeply committed in value creation for all its stakeholders. The focus will continue to be on long term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

### 3. Dividend

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

### 4. Circumstances under which shareholders can expect Dividend

The Board will assess the Company's financial requirements, including present and future investment opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any financial year.

The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013 (the Act). If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

## **5. Interim and Final Dividend**

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by Listing Regulations.

## **6. Financial parameters and other internal and external factors that would be considered for declaration of Dividend:**

- Distributable surplus available as per the Act and Regulations
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure and Investment requirements
- Cost and availability of alternative sources of financing
- Stipulations/ Covenants of loan agreements
- Macroeconomic and business conditions in general
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

## **7. Utilisation of retained earnings**

Subject to applicable regulations, the Company's retained earnings shall be applied for:

- Funding growth needs including working capital, capital expenditure, repayment of debt, etc.
- Payment of Dividend in future years
- Issue of Bonus shares/ Buyback etc.
- Any other permissible purpose

## **8. Modification of the Policy**

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013, the Regulations, etc.

## **9. Disclaimer**

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

# Annexure “B”

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The highlights of overall performance are as follows:

₹ Crore

Particulars	2020-21	2019-20
Sales	1,855.53	1,968.72
Total Income	1,920.86	2,004.03
Profit / (Loss) Before Taxation	(107.60)	30.69
Profit / (Loss) After Current Taxation	(107.60)	30.76
Profit / (Loss) After Current & Deferred Taxation	(107.54)	30.81
Earnings per Equity Share (₹) - Basic	(3.20)	0.92
Earnings per Equity Share (₹) - Diluted	(3.19)	0.92

Profitability Ratios		
PBDIT/Total Income	11%	16%
PBT/Total Income	-6%	2%
PAT/Total Income	-6%	2%
Return on Capital Employed	2%	6%
Return on Net Worth	-7%	2%

Financial Risk Ratios		
Debt / Equity	1.94	1.55
Debtors Turnover (Number of Days)	51.94	43.33
Inventory Turnover (Number of Days)	85.39	55.02
Current Ratio	0.95	1.03
Interest Coverage	0.84	1.48

Operating margin has reduced from 16% to 11% this is mainly due to lower Dividend Income in Finance and Investment Business.

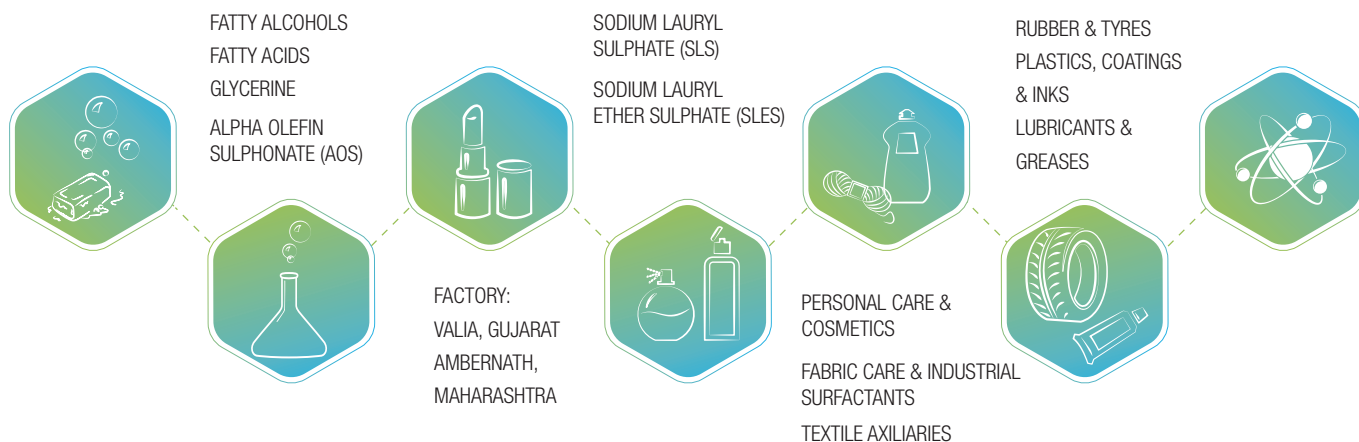


OLEOCHEMICALS  
SURFACTANTS  
OLEO DERIVATIVES  
SPECIALTY MOLECULES  
BIO-SURFACTANT



**OUR CHEMICALS HELP  
MAKE LIFE BEAUTIFUL**





## CHEMICALS DIVISION

The Chemicals division is one of India's leading manufacturers of basic oleo-chemicals, surfactants and derivatives of oleo-chemicals. The division has a blend of domestic and international operations and is one of the leading suppliers in the Indian market. The division achieved export turnover of ₹ 452 Crore in this fiscal, accounting for about 27% of its turnover.

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

The current fiscal year began with spread of COVID 19 pandemic across the world. Our country imposed nationwide lockdown. The operation of the Company were scaled down during April to June 2020. This had an impact on Chemical division during April to June 2020.

However, demand from industry producing cleansing products and pharmaceutical industry increased in remaining period of Fiscal year. Chemicals business performance improved in July 2020 to March 2021 increase by 18% in comparison to PBIT of July 2019 to March 2020.

The product category-wise review follows:

### Fatty Acids

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

accounted for about 40% of the turnover of the division. The division plans to expand business to oils & gas industry and also enhance the sales of its value-added fatty acids in the domestic as well as export markets.

### Fatty Alcohol

Fatty alcohol contributed 30% to turnover of this division. A good portion of the revenues for this category comes from exports. The division is also expanding the product basket by focusing on value-added fatty alcohol and also long chain alcohol.

### Surfactants

Surfactants contributed 23% to the turnover of the division. Our products have been approved by several multi-national companies and we can now strongly participate in their global sourcing programs. Effective sourcing of raw material and increasing customer base are important for improving margins. This product portfolio has done reasonably well on both these counts.

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

Demand from industry producing cleansing products has boost the sale and margin in current fiscal year.

## Glycerin

Glycerin accounted for 8% of the turnover of this division. Being largely a co-product, additional sales are mostly opportunistic, depending on market conditions. With the help of R&D, the division is now manufacturing value added glycerin products.

## Other Initiatives

Your Company continues to focus on use of renewable energy. In FY 2020-21, more than 49% of the energy was consumed through renewable sources. We achieved this through use of biomass briquettes, Solar roof top and other initiatives. Our Valia (Gujarat) factory has reduced its specific energy consumption by 6.7% since 2011. This is achieved through various energy efficiency initiatives at our plant locations.

We also monitor our Greenhouse gas emissions. We have reduced our overall carbon footprint by 45 % in last 10 years. This is achieved through various energy efficiency and Renewable energy projects.

We have also been implementing various project for waster savings and those projects helped us to reduce our overall specific water consumption by 41% from 2011.

This year, our Ambernath unit has also received the prestigious- Most Environment Friendly Award from FICCI and Energy Efficient Unit by CII and Valia unit has received Award for Excellence in the Category of Pollution Management & Sustainable Practices -2020 in 16th FGI Awards (Federation of Gujarat Industries) and Green Co Star Performer Award by CII. We have also received- Best Practice in Health and Safety (Forklift) by CII and an award for Covid case study by Baroda Council.

Valia Unit has successfully completed 5S and ISO 50001:2018 (Energy Management System) certification. We have been winning recognition at national and international level for our 5S implementation and most recently, we won the Platinum Award at the International Convention on Quality Control Circles.

We have been ranked “B” on CDP Climate Disclosure Program (CDPIIndia's) India's Climate Change and Water Security Disclosure Index 2020. The rating is above than the average score of C in the Chemicals sector and the global average for Climate Change ,Change, whereas for water security we stand similar to the industry average.

Also, we have secured Silver rating on the Ecovadis Platform (write something about ecovadis) for our Ambernath Unit. EcoVadis is one of the world's most trusted provider of business sustainability ratings, intelligence and collaborative performance improvement tools for global supply chains.

## Outlook

In view of outbreak of second wave of COVID pandemic, the movement of goods is marginally impacted. While this may adversely impact the sales performance, we continue to closely monitor the situation and take appropriate action, in due compliance with the applicable regulations.

Increase in price of vegetable oil and other Raw Material will play significant role in operating margin of the division. The division has in house expert for commodities and also has strong risk management policy which will protect the operating margin.

Sharp increase in freight rates and lower availability of containers and vessels will have impact on movement of export goods. The division will closely monitor the same and will ensure timely delivery of goods to the customer.

## Finance and Investments

During the year, your Company continued to earn return from its investments in the form of Dividend of ₹ 62.86 Crore (previous year ₹ 244.51 Crore). Your company invested ₹ 60.96 Crore in Godrej Agrovet Limited by purchasing shares from the secondary market. On March 25, 2021, your Company completed the acquisition of shares of Pyxis Holdings Limited, consequent to the said acquisition, Pyxis Holdings Limited has become the subsidiary of the Company with effect from March 25, 2021.



Your Company is looking at expanding and diversifying its business activities. It believes that there is a strong potential for housing finance and non-banking finance business in our country with a decent return on investments. Looking at the opportunity in the housing finance sector and NBFC business, to nurture the finance business under the umbrella of the your company being the flagship company of the Group, the subsidiary of your Company will acquire 95% stake in Godrej Housing Finance Ltd (GHFL). Entering the financial services business will diversify the business of the Company and would lead to overall value creation for the stakeholders of the Company in the future. Pyxis Holdings Limited will acquire shares of GHFL and EHFL subject to the approval of the RBI.

## Veg Oils

The veg oils business started direct sales of edible Oils under 'Godrej Brand' in bulk and consumer packs from September, 2015. The business clocked a revenue of ₹ 105 Crore and has a reach of 8000+ retail outlets in Mumbai Metropolitan Region (MMR) and 2000+ retail outlets in Western Maharashtra and Goa.

Veg Oils business is impacted due to COVID pandemic. The complete and partial lockdown has impacted demand of vegetable oil from Hotel / Restaurant / Catering (HoReCa) segment. The division will focus more on consumer pack business by more sales promotion activities.

## Human Resource Development and Industrial Relations

Industrial relations at all plant locations remained harmonious.

With an aim at enhancing employees' experience, the highest priority was given to people-focused measures and policies in areas of health, safety and wellness of employees and their families, especially in the wake of COVID-19. In order to drive employee motivation and performance, a structured culture and engagement framework was put in place with focus on three core pillars of Learning and Development, Communication and Connect, and Recognition.

The total number of persons employed in your Company as on March 31, 2021 were 1,070.



REFINED SUNFLOWER OIL • REFINED GROUNDNUT OIL • FILTERED GROUDNUT OIL • REFINED RICE BRAN OIL  
REFINED PALMOLEIN OIL • REFINED SOYABEAN OIL • KACHI GHANI MUSTARD OIL • VANASPATI • SESAME OIL

## **Policy to Prevent Sexual Harassment at the work place**

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

During the year, the Company has reconstituted its Internal Complaints Committee, pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has formed two separate committees – one for the Head Office, factories in Maharashtra and branches in India and the other for the factory at Valia, Gujarat. Ms. Shefali Kohli is the Presiding Officer for both the Committees. While the Act is applicable only to women employees, our Company policy is covering all employees and all premises of the Company in India.

No complaints were received by the committee during the year under review. Since the number of complaints filed during the year was NIL, the Committee prepared a NIL complaints report. This is in compliance with Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **Internal Control Systems and their Adequacy**

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transactions are authorized, recorded and reported correctly. Your Company's Corporate Audit and Assurance Department, issues well documented operating procedures and authorities with adequate built-in controls at the beginning of any activity and revised procedures if there is any major change. The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. Corporate Audit & Assurance Department during the year, facilitated a review of your company's risk management programme. The risks and mitigation measures were reviewed by your company's Risk Committee and corrective measures initiated. During the year, the Corporate Audit & Assurance Department carried out various reviews and provided assurance on compliances to lay down policies, processes and internal controls.

## **Information Security**

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

Your Company has in place, all the procedures and practices that are in line with the ISO Security Standards.

## Opportunities and Threats

The outbreak of Second Wave of COVID pandemic could impact the global demand, economic environment/economic policies. At the same time, government thrust on vaccination will soon reduce the impact of pandemic. Government initiatives like make in India will give good opportunity for growth.

## Risks and Concerns

Your Company had put a risk management framework in place post a comprehensive review of its risk management process. Your Company has taken a fresh look at the risk management framework. The review involved understanding the existing risk management initiatives, zero-based identification and assessment of risks in the various businesses as also the relative control measures and arriving at the desired counter measures keeping in mind the risk appetite of the organization. The Risk Management Committee has periodically reviewed the risks in the various businesses and recommended appropriate risk mitigating actions.

The Commodity based businesses are likely to be affected by vagaries of the weather, demand for edible oil, oilseed production, etc. The business is exposed to commodity price risks relating to raw materials which account for the largest portion of the costs of both the Chemicals and Vegoils businesses.

The Chemicals business growth will also depend on the growth of end user industries like polymer, detergent, cosmetic and personal care. As a significant employer and chemicals producer, to ensure occupational safety, employment standards, production safety, and environmental protection, your Company maintains strict safety, health, environmental protection and quality control programs to monitor and control these operational risks.

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

## Cautionary Statement

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

Valia Plant





# BUSINESS RESPONSIBILITY REPORT

## Annexure "C"

### **BUSINESS RESPONSIBILITY REPORT FOR GODREJ INDUSTRIES LIMITED**

#### **RESPONSE TO COVID PANDEMIC**

We stood in solidarity with our people and government for their efforts to ensure public health and safety. As a Group, we earmarked an initial outlay of ₹ 50 Crore and as of March 2021, we have already committed ₹ 51.4 Crore.

Together, we have directly reached out to 7 Lakh people across the country.

During March – September 2020 period, we focused on relief support. We provided ration kits, hygiene and sanitation kits, medical supplies, equipment and beds and meals. We also made donations to local and national governments efforts. We also provided support to workers and farmers which enabled them to access various entitlements and welfare schemes.

Our efforts are focused on:



**Ensuring safety of our employees**



**Protecting people in our ecosystem**



**Strengthening public healthcare**



**Supporting national efforts through donations**



**Providing relief to worst affected communities**



**Supporting local communities around our manufacturing sites**

From October 2020 onwards, we focused on livelihoods recovery and rehabilitation. We provided support to small businesses to pivot or restart their work and helped farmers access government grants, improve their farm productivity and gain access to markets, in addition to the donations and other relief support that we provided.

## **SUSTAINABILITY EFFORTS BY THE GODREJ GROUP**

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

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

We have extended our support to Infuse Ventures, a venture capital fund which focuses on technology startups for building sustainable solutions for India. Infuse Ventures is working closely with entrepreneurs from an early stage, helping them test and validate their business models through grant funding. Their Renewables Seed program is also supported by the Ministry of New and Renewable Energy, Govt. of India, which aims to support piloting of new ideas to increase the adoption of renewable energy in India through new IT, financial model & product innovations. Six ventures have been provided with piloting grants through this program.

## SUSTAINABILITY IN GODREJ'S CORE VISION

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



**Ensuring  
Employability**



**Creating a  
Greener India**



**Innovating for  
Good & Green Products**

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

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

Godrej Family members are the Promoters of the Company and the shareholding of promoter/promoter group constitutes 67.19% of the paid up capital of the Company as at March 31, 2021.

Name of Company	Godrej Industries Limited
Corporate Identity Number (CIN)	L24241MH1988PLC097781
Registered Office	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079.
Email id	<a href="mailto:investor@godrejinds.com">investor@godrejinds.com</a>
Website	<a href="http://www.godrejindustries.com">www.godrejindustries.com</a>

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

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

- The Company operates from its factories at the following locations:
  - o Ambernath, Maharashtra
  - o Valia, Gujarat
  - o Wadala, Maharashtra
  - o Dombivali, Maharashtra
- The Company has spread its wings both in the domestic and international market.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

FY 2020-21	Amount (₹ Crore)
Paid up Capital	33.66
Total Income	1,919.58
Net Profit/(Loss)	(107.5)
Total spending on Corporate Social Responsibility (CSR) as a % of average Net Profit after Tax of last 3 years.	NIL
Market capitalization (as on March 31, 2021)	18,256

## SECTION C: OTHER DETAILS

GIL has subsidiaries which are required to comply with provisions of Section 135 of the Companies Act, 2013. They have their own CSR Projects and do not participate in the business responsibility activities of the parent company.

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

## SECTION D: BR INFORMATION

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

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

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

The Committee met once during the Financial Year 2020-21 to assess the CSR Requirement of the Company. CSR Requirements as per Section 135 of the Companies Act, 2013 is NIL for the current year. Consequently, no business responsibility initiatives undertaken by the Company have been tagged and reported as CSR spends, though the Company / Godrej Group supports various initiatives and for COVID relief.

The CSR Committee comprises of the following members:

Name of the Director	Designation
Mr. Nadir Godrej, Chairman	Executive Directors
Ms. Tanya Dubash, Member	
Mr. Nitin Nabar, Member	
Mr. Kavas Petigara, Member @	Non-Executive, Independent Director
Mr. Mathew Eipe, Member @	

@Mr. Kavas Petigara resigned from the Directorship of the Company w.e.f April 1, 2021 and in his place Mr. Mathew Eipe was inducted as the Member of the CSR Committee w.e.f April 1, 2021.

### 1 (b) Details of Business Responsibility Head

Name - Mr. Nadir Godrej  
 Designation - Managing Director  
 Telephone - 022-25188010  
 Email id - [nb.godrej@godrejinds.com](mailto:nb.godrej@godrejinds.com)

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

Details of compliance (Reply in Y/N)

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



**3(a)** The Board of Directors of the Company assesses various initiatives forming part of the BR performance of the Company at least once a year.

**3(b)** The Company publishes the information on BR in the Annual Report of the Company. The hyperlink to view the Annual Report is: [www.godrejindustries.com](http://www.godrejindustries.com)

## SECTION E: PRINCIPLE - WISE PERFORMANCE BY GODREJ INDUSTRIES LIMITED

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

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

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

#### Organization Structure

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

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



## Code of Conduct

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An annual confirmation affirming compliance with the code of conduct is obtained from Board Members and senior management every year and the same has been obtained for the year ended March 31, 2021.

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

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

25 investor / stakeholder complaints were received in the past Financial Year and all such complaints were satisfactorily resolved by the management.

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

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

At GIL, we have a strong focus on R&D that includes delivering desired products with differentiation for consumer/customer benefits, multi-functionality from alternate raw materials to reduce environmental impact & through an eco-friendly manufacturing process. Our R&D has developed many glycerol based esters and a vegetable oil based bio surfactant produced by fermentation process, which can be used in multiple industries including animal feed, Agricultural applications, Home & personal care as

well as oil & gas field. They can be suitably used and/or blended to suit the specific application.

We have also developed eco-friendly alternative to chemical anti-dandruff active and cold processable concentrated synergistic blends for health & hygiene care and preservation.

### **Principle 3: Promoting the well-being of all employees**

The total number of persons employed in your Company as on March 31, 2021 is 1,070. We have made concerted efforts towards creating learning and development opportunities that continually enhance the value of our team members in line with the organisational objectives.

We focus on ensuring well-being of all our employees. Safety and health of our team members is extremely important to us and we are committed to building and maintaining a safe and healthy workplace. The following are essential parts of the Code of Conduct.

### **Diversity & Zero discrimination, Health & Safety, Good working environment**

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

#### **Diversity and equal opportunities**

We value diversity within the Godrej Group and are committed to offering equal opportunities in employment. We do not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, gender, gender identity/ expression, sexual orientation, disability, age, or marital status and always allow for equal opportunities for all team members. We are proud to share that out of the total employee count of 1,070 the number of permanent female employees is 113.

Diversity & Inclusion initiatives are taken care of at the corporate level by the Diversity & Inclusion Department.

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

- **Godrej Careers 2.0:**

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

- **Awareness drive towards mental health:**

As during the pandemic the format of permanent work from home was introduced in many locations, the Company identified the need for employees to make this transition smoother and revamped its employee assistance program, through initiatives like Wellness Wednesday – an awareness drive through mailers targeted at employees facing challenges with respect to work from home, self-care, digital fatigue etc., and also introduced personalized plans for counselling services covering all employees along with 3 dependents.

- **Policy for prevention of sexual harassment:**

The Company is committed to creating and maintaining an atmosphere in which all employees can work together, without fear of sexual harassment, exploitation or intimidation. A gender- neutral policy on prevention of sexual harassment has been in place for years. The Company has a functioning IC committee that is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, having two separate committees – one for the head office, factories in Maharashtra and branches in India and the other for the factory at Valia, Gujarat.

Ms. Shefali Kohli is the Presiding Officer for both the Committees.

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

- **Health Check-up:**

The Company has initiated a policy for health checkup of employees who are above the age of 40 years, wherein they can have the health

checkup done at designated hospitals, once in one year.

- **Doctor on Call:**

The Company has introduced the 'Doc on Call' facility whereby employees and their dependents can consult a general physician any time of the day through an exclusive helpline number.

## Good Working Environment

- **Progressive Human Resource policies:**

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

- **Engagement Forums:**

There are multiple touch points for the leadership team to interact with employees through forums like town halls, the long range plan and annual operating plan cascades, focus groups around engagement surveys, HR connect sessions with employees across departments, skip level meetings by senior leadership etc. The organization invests in functional training for all employees in line with their current and future career aspirations. The learning suite encompasses functional training, leadership development programs and behavioral training geared towards leading self, leading others and leading business.

The touch points and training sessions are conducted virtually in the current pandemic scenario keeping the safety of our employees as top priority.

## Health & Safety

- **On-campus:**

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

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

At our Corporate office at Godrej One, we celebrated Road Safety and National Safety Week. Owing to the COVID Restrictions the awareness sessions were limited to contactor staff only. The main objective of these celebrations was to create awareness and motivate workforce towards the Godrej's goal of zero incident.

Amid the COVID restrictions, we took many precautions at our Corporate office, branches and factories like limited Entry Points, checking of body temperature, display of Arogya Setu App, santization of shoes and hands and several other COVID safety protocols.

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

We at Godrej Industries have identified and prioritized our key stakeholders on the basis of their influence on our operations and also our impact on them. We continue our engagement with them

through various mechanisms such as, consultations with local communities, supplier/ vendor meets, customer/ employee satisfaction surveys, investor forums, etc.

As a responsible business, we work closely with our communities to understand their needs and build synergies. In the past years, we carried out a detailed community needs assessment of villages around our Valia and Ambernath manufacturing plants with the help of a third-party agency.

We invited an external agency to carry out the assessment. The team followed a three-step approach, where they connected with Factory and Corporate Offices held extensive field-based assessments, backed by thorough secondary research to validate key facts and add on additional information available from official sources. The result is a comprehensive report of the community, their needs, gaps in the system and our way forward.

We have aligned our initiatives with the UN's Sustainable Development Goals, Government of India's social development programmes, and the needs of our local communities to deliver high-impact programmes.



This year, all our efforts were directed towards COVID-19 response in communities around our manufacturing plants and offices.

### COVID-19 response initiatives

We work closely with our communities around Valia and Ambernath manufacturing plants. Here are the initiatives we supported in FY 20-21 as part of COVID-19 response.

**Valia:** We work closely with our neighboring villages at our flagship plant in Valia, Gujarat. In April 2020, we provided ration kits to workers in the villages. Keeping in mind the need for hygiene, we distributed soaps to villagers. We also donated to local trusts and foundations who were on the frontline and provided food and meals to the underprivileged.

In May 2020, we provided medical supplies to frontline workers. In June 2020, we provided food and ration kits to families in Valia, Naldhari, Desal, Pansoli and Dedyapada villages. In July 2020, we gave portable hand sanitisers to the Valia police station.

**Ambernath:** At our Ambernath plant in Maharashtra, we made a donation to the Additional Ambarnath Manufacture's Association in April 2020. The Association provided hot meals to the migrant workers living around the nearby villages.

### Volunteering initiatives

#### Godrej Global Volunteering Day

This is our annual day of community service. In 2020, 1,320 Godrejites volunteered from their homes. We tweaked our volunteering week to focus on tiny tasks on sustainable living, hosted on the Aimeo app that could be done from anywhere and at any time. This was the first time we experimented with hosting volunteering week online and the response was enthusiastic and truly inspiring. We had gamified our volunteering to rank the teams who had completed the most volunteering activities. Our Ambernath team was ranked first.

Across the Group, of the 56 tasks we hosted on the app, each volunteer on average completed 28 tasks. In this week, we helped save 67,560 litres of water, 13,658 kWh of electricity, and 2,735 kg of waste. We also got healthier, as we burned 177,500 calories and took time off for self-care.

#### World Environment Day

We celebrated the World Environment Week online during the week of June 5, 2020. We got together and explored the theme of biodiversity. We hosted a webinar on how individuals can connect with the nature around us and hosted a photography, and quiz contest. Over 800 Godrejites participated over the week.

#### Brighter Giving

These are one-time volunteering opportunities to help make a meaningful impact with your skills. We partner with Goodera to scope relevant volunteering opportunities and connect with our team members. Our volunteers provide career counselling, academic mentoring, take an online fitness class and help record an audiobook among other activities. In FY20-21, 100 of our team members across the Group volunteered for a range of activities.

#### Godrej Corona Quilt Project

We partnered with the Corona Quilt Project that collates people's experience of the pandemic on digital squares. These squares are weaved together in a massive quilt and showcased publicly across Mumbai. Over 292 Godrejites have shared their experience of the pandemic in the form of an artwork and attended the webinar. We've also got over 700 submissions from our NGO partners and together our squares will be displayed at our headquarters in Godrej One, Mumbai after they're back from the public showcase.



#### Daan Utsav and Payroll Giving

Our 72 Godrejites participated in Daan Utsav through one-time donations, buying hand-made products from our NGO partner, participating in awareness session webinar, volunteering and signing up for Workplace Giving and supporting our NGO partners with a fixed monthly donation.

## **Principle 5: Businesses should respect and promote human rights**

Godrej Industries respects and promotes human rights for all individuals. We have a human rights policy which encapsulates our approach to human rights and action towards any violations. Our Code of Conduct covers aspects like Diversity, Anti-Discrimination, equal opportunity, compliance with the law and integrity which all contribute to respecting and promoting human rights. We also have policies like Whistleblower, Prevention of Sexual Harassment that encourage respect and promotion of human rights. Any violation of the Code of Conduct can result in stern disciplinary action including termination of employment and / or other appropriate actions as permissible under the law. The Company encourages its Business Partners to follow the policy.

No violations in this regard have occurred.

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

Godrej as a group believes in conserving the various resources of mother earth. As part of its Good & Green vision we're committed to create a Greener world. The details of our strategy is available at: <https://godrejindustries.com/sustainability/green-supply-chain>

We focus on five major areas related to environment i.e.

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

We've setup a dedicated 'Good & Green' team to identify the risks and opportunities for individual manufacturing facilities respectively. After identifying the risks and opportunities, the team proposes necessary action to be taken. Several measures proposed by the team have been implemented which yielded excellent benefits.

Our business has undertaken various initiatives towards:

- Reducing specific energy consumption,
- Increasing our renewable energy portfolio,

- Becoming carbon neutral and water positive,
- Reducing waste to landfills.

## **Reducing specific energy consumption**

Our efforts for energy conservation have resulted in reducing our specific energy consumption. In the last ten years, we reduced our specific energy by 27% from baseline of FY11 against a target of 30% reduction. We could achieve this due to various initiatives taken to reduce overall energy consumption.

Our Valia and Ambernath plants have adopted various energy conservation technologies and implemented short-term and long-term projects to achieve our targets. Some of the major initiatives we undertook during FY 2020-21 are:

Valia:

1. Installation of water jet vacuum system in fatty acid fractionation plant.
2. Utilization of cooling tower water instead of chilled water in one of the operations in sulfonation plant resulted in stoppage of chiller for those products and allowed utilization of existing cooling tower capacity.
3. After detailed study of load, use of lower capacity vacuum pump instead of existing bigger capacity pump resulted in saving of energy.
4. Commissioning of briquette boiler for thermic fluid heating instead of natural gas heating.

Ambernath:

1. Commissioning of briquette boiler for fatty acid distillation plant to use renewable energy instead of fossil fuel.
2. Installation of evaporative condenser on two of our chillers. Evaporative condenser permits a condensing temperature substantially closer to design wet-bulb temperature, and consequently, minimum compressor energy input.
3. Installation of mechanical vapor recompressor (MVR) along multi effect evaporator (MEE) to ensure zero liquid discharge in plant resulted in steam saving in MEE section.

## **Increasing our renewable energy portfolio**

Our renewable energy usage as a percentage of overall energy used has increased substantially over the years. In FY 2020-21, around 49% of the

total energy we consumed was from renewable sources against a target of 30%. We achieved this through use of biomass briquettes, solar energy consumption and other such initiatives.



We have increased the use of briquette (renewable resource) as fuel in place of natural gas at our manufacturing locations. We continue to use of solar energy in the form of solar roof top and use of fatty acid distillation bottom (pitch) as fuel in place of furnace oil.

We also have our own windmills in the state of Maharashtra. Until October 2020, the wind energy was sold to Maharashtra State Electricity Distribution Company. This year, our agreement on wind energy with Maharashtra State Electricity Distribution Company ended and from month of October, we have started wheeling our wind energy for our Ambernath plant. We'll receive an estimated 42 lakhs units of electricity / annum which will replace close to 30% of the plant's electric power consumption. This will further push the plant's total renewable energy portfolio up by 4%.

### **Becoming carbon neutral and water positive**

#### **Reducing carbon footprint through manufacturing processes**

Our specific GHG emission has reduced substantially by 45% from our baseline of FY11 against a target to becoming carbon neutral. We achieved this through various environment friendly projects such as replacing of fossil fuel with biomass for boilers, installing solar roof tops etc.

This year, we have also started monitoring our scope 3 emissions which include emissions from our raw material manufacturing, downstream and upstream transportation, employee commute and waste generation. We are making our road map to reduce the overall emissions including scope 3.

#### **Water Conservation through wastewater treatment plant**

Since FY11, we have reduced our specific water consumption by 41% against a target to becoming water positive. We treat wastewater in our water treatment plants and reuse the same in our process. We have also reduced our dependency on raw water consumption by installing condensate recovery systems that recovers the condensate and reuses it in the process.



### **Reducing waste to landfill**

Our specific waste to landfill has reduced by 86% from our baseline in FY11 against a target of zero waste to landfill. We segregate biological and chemical sludge from ETP. This has reduced the amount of waste going to landfill substantially.

Further, we have drastically reduced our ETP sludge quantity by reducing quantity of effluent generation by various in-house initiatives.

We have also installed Paddle Dryer in Ambernath Plant and Poly house in Valia Plant to reduce waste to landfill.



Global HR Excellence Award 2021

### Awards & Accolades

Godrej Industries Limited was awarded the prestigious Global HR Excellence Award 2021. The award was conferred upon us in the category 'Organization with Best Employee Relations Practices' at the 29<sup>th</sup> edition of the World HRD Congress 2021.

Our efforts were recently recognized by BW Business world when we were ranked 11<sup>th</sup> among the top 200 most sustainable companies in India with an A+ rating.

GIL Chemicals has been rated "B" by Carbon disclosure project (CDP), the rating is above than the average score of C in the Chemicals sector and the global average for Climate Change. Also, for the first time we applied for Water Security at CDP Platform and have secured a rating of B which is same as the global average.



Our Valia unit has successfully completed 5S and ISO 50001:2018 (Energy Management System) certification. We have been winning recognition

at national and international level for our 5S implementation and most recently, we won the Platinum Award at the International Convention on Quality Control Circles. The plant also received an award for Excellence in the Category of Pollution Management & Sustainable Practices -2020 in 16th FGI Awards (Federation of Gujarat Industries) and GreenCo Star Performer Award by CII.

Ambarnath plant has drastically improved their score in Ecovadis rating which assess suppliers on Ethical, Social front and achieved "Silver" rating. The plant has also received the prestigious - Most Environment Friendly Award from FICCI and Energy Efficient Unit by CII.

### Green Conference

At Godrej, we organized our third Green Conference virtually in the month of March 2021. We invited all the Green champions and conducted trainings on various environmental related topics. We also recognized green champions for the projects they have identified during Energy Conservation Week celebrated in December. A key highlight of the event was the cross-business learning among all our Group companies.



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

For any policy advocacy, Godrej Industries ensures that it does so with the highest degree of responsible and ethical behaviour and also works with collective platforms such as trade and industry chambers and associations. Such associations and partnerships will provide strong foundation to develop the business, share knowledge, gather new ideas for innovations and also establish resilience to key industry issues while gaining an understanding of competition.

We work closely with our industry associations not just to tackle economic, environmental and social challenges but also to adopt new best practices. We ensure that policy advocacy is done with the highest degree of integrity, responsibility and credibility. The following are the list of our industry associations:

Indian Chemical Council (ICC)

We have established a long-term partnership with ICC by participating in all the events conducted by them. They are the apex industry body representing the chemical industry in India, and also pursue the “Responsible Care Programme”. It is a global initiative through International Council of Chemical Associations (ICCA) since about 2003.

Today, 53 industry groups hold Responsible Care (RC) logo in the country, while a total of 147 industries are signatories to the programme, pursuing implementation of codes of management practice. ICC considers six codes of management practice for evaluation to award RC logo to the member industries. These include:

1. Product stewardship code
2. Process safety code
3. Employee health & safety code
4. Pollution prevention code
5. Emergency response and communication code
6. Distribution code.

ICC has introduced ‘Security Code’ as voluntary for the year 2019. Our Ambernath plant has started its journey to implement Responsible Care guiding principle and process codes this year. We have

received the RC manual, started the internal training and implementation according to the manual guidelines. We are in the process of completing the audit and receiving the logo.

CII (Confederation of Indian Industries) National Council & CII Western Region

We work closely with CII to mitigate Climate Change. We have signed an agreement with CII in supporting the mission of sustainable growth and CII-ASSOCHAM code of conduct.

The CII - Sohrabji Godrej Green Business centre works closely with the stakeholders on promoting green practices in the industry and offers advisory services on the conservation of natural resources. One of the major step taken by CII towards this direction is the development of ‘Green Company Rating system’ (GreenCo rating) for companies.

GreenCo rating is a holistic framework that evaluates companies on the environmental friendliness of their activities using life cycle approach. GreenCo rating provides leadership and guidance to companies on how to make products, services and operations greener. Industry personnel are trained and facilitated to implement better systems and global best practices in sustainability.

Our Valia plant started its GreenCo journey in 2014. We got first Green Co- Silver rating in 2015. We improved our rating this year and got Gold certification in 2019. We are now in process of implementing best practices to achieve GreenCo Platinum rating.

IFCCI-Indo French Chamber of Commerce

Being one of the founding members of the bilateral chamber between India and France, provided us with an opportunity to make partnership with the chamber and always actively participate in all the events conducted by them.

**SEA Conclave - Mission Mustard 2025 – Moving towards Atma-Nirbhar Bharat**

Mission Mustard 2025 is an initiative of the Govt. of India, Ministry of Agriculture and the Industry Body – Solvent Extraction Association (of which Godrej is a member)]



*Now don't you find it rather strange  
Though India produces the widest range  
Of oil-bearing plants of any nation  
There is a steady escalation  
Of oil imports year after year.  
Alas! We are nowhere near  
Achieving self-sufficiency.  
Dependency is what we see.  
Now Atmanirbhar is the call.  
For oils this goal looks very tall.  
Where there's a will, there's a way  
So, let us take a pledge today.  
The past gives us cause to fear  
But the way ahead should be clear.  
Our yields are low, landholdings small,  
Climate change affects rainfall.  
No doubt the challenges are there.  
But what I would now like to share  
Is that in challenges we should see  
An obvious opportunity.  
The solution lies most clearly  
In the use of technology.  
In India we have surplus meal  
But oil is short and so I feel  
The species where oil yields are high  
Are the ones that we should try.  
The Oil Palm truly fits the bill.  
We need persistence and steady will.  
This tree takes several years to grow.  
It takes some time for oil to flow.  
While of course we should persist  
No opportunity should be missed.  
In annual crops, one, takes the lead  
And that of course, is mustard seed.*

*The test of time, it has stood  
Oil content's high, it's yield is good.  
Now other oils are mild as custard  
For a real zing you need mustard.  
A simple fact I'd like to share.  
The glucosinolate that are there.  
Have a special attribute  
They are the ones that contribute  
The spicy taste of Sarson ka Saag  
And Kohlu oil with extra zhaag.  
It's claimed to have the ability  
To increase virility.  
This oil when used to cook a dish  
Could fulfil a lascivious wish.  
We humans love that special zing.  
For chickens it's a different thing.  
Alas! They just can't tolerate  
A lot of glucosinolate.  
But Indians love this potent oil.  
Why it is claimed that it can foil  
The microbes that can spread disease.  
Corona as well, if you please!  
Nowadays the demand is high  
And prices have reached the sky.  
For consumers this is a pain  
But it could prove to be a gain.  
It's an incentive and that's for sure.  
In future years let's plant much more.  
But with technology in the field  
Let's enhance both oil and yield.  
There are many benefits that we see  
With agricultural IOT.  
Moisture, nutrients can be tested  
Traditional yields can be bested.  
A data based informed decision  
Can be made with great precision.  
Good practices can be spread  
Our farmers can forge ahead.  
High yielding seeds can be supplied.  
Oil enhancement can be tried.  
On Atmanirbhar the government's bent*



*In oil imports, let's make a dent.  
Make in India's the only way  
That we can together save the day.  
Of course, all oils can contribute  
But anyone who is astute  
Will very quickly realise  
That mustard is the biggest prize.  
In order to meet the national goal  
The Government has a major role.  
The farmer has his part to play  
But Industry can show the way.  
For industry to join the loop  
SEA stands as the ideal group.  
And SEA took the wise decision  
To quickly launch a mustard mission.  
No decision could have been better  
I commend the President and Shri Mehta!  
They provided heart and mind  
But also managed to quickly find  
CSR funds to foot the bill  
I'm sure that the study will  
Help the farmers and the nation  
And now is the time for escalation.  
All the donors deserve applause  
For supporting this worthy cause.  
Vijay Solvex, Khandelia, Adani, Godrej  
All your managements are sage.  
Keep up the good work for sure!  
Let's include many more.  
And I for one am very glad  
We involved Solidaridad  
Thanks to their solidarity  
Our farmers now have clarity.  
The simple lessons, they learned well.  
For the complicated, time will tell.  
Yields improved by forty percent  
With savings in the money spent!  
What did the farmers learn  
That enables them to earn?  
One strategy, that is winning,  
Is wider spacing along with thinning.*

*As even more imbibe this learning  
That much more, they will be earning.  
The lodging of plants should be stopped  
This can be done if they are topped.  
For yield and cost, what's truly great  
Is the recommended low seed rate.  
This trial of course was rather small  
But the conclusions stand very tall.  
Perhaps it's time that we unseat  
Unneeded water-guzzling wheat.  
Oil seed crops can get a lift  
If some area would now shift.  
With more hectares in the field,  
As well as superior oil and yield,  
Rape and mustard can fill the breach.  
Atmanirbhar we can reach.  
Palm Oil can also play a role  
In getting to our noble goal!  
With technology and toil  
We can produce our own oil.  
The Mustard mission will lead the way  
Until we reach that glorious day,  
Where yellow flowers cover the land  
Grown by farmers who understand  
That higher yield and efficiency  
Give profits and self-sufficiency!*



**Principle 8: Businesses should support inclusive growth and equitable development**

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

We work in collaboration with NGOs and social enterprises to design and run a number of employability training programme across Godrej Industries Limited and Associate Companies. The focus of these activities is to improve the earning potential of the trainees through skill building. We also provide support to them to start their entrepreneurial journey or get suitable employment.

Since FY 2011, the Godrej Group has trained close to 540,000 people in skills that enhance their earning potential. We also published an impact assessment report of our skill training programme, basis a two-and-half year study by a third party. The study helped us in shaping the approach and is a direction to build more impactful programme that resulted in a sustainable outcome. You can explore the Group's CSR programmes here and the impact report here.

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

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

Our Valia Factory which operates on Distributed Control System is ISO 9001, ISO 14001 & ISO 45001 certified and has been Kosher certified for manufacturing Fatty Acids, Fatty Alcohols and Glycerin and is well equipped to deliver the products of superior quality, in time and at competitive price.

GIL displays adequate information to enable safe and effective usage of its products. Godrej is a member of the fatty alcohol consortium which was formed as per ECHA/REACH guidelines.

REACH stands for Registration, Evaluation, Authorization (or Restriction) of Chemicals entering into Europe. As per REACH and GHS requirement we have developed MSDS where all the characteristics of the product are clearly stated with instructions how to handle and use the product safely. Almost all of our existing products are already registered in EU Reach and we have started working on UK Reach, Korea Reach, Eurasia Reach, Vietnamese Reach.



We are passionate about creating a more sustainable future and as part of our Good & Green vision; we as a Group aspire to create more employable Indian workforce, a greener India and innovate for good and green products.

## Form No MR – 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,  
The Members,  
Godrej Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godrej Industries Limited (hereinafter called the ‘Company’). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company as well as the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner reported and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) wherever applicable:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

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

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

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

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

**We report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the above laws applicable specifically to the Company.

**We further report that**

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All the decisions were passed by majority in the meetings of the Board and there were no dissenting views from the Board members.

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

**We further report that** during the audit period the Company has:

1. issued shares upon exercise of options under Employee Stock Grant Scheme, 2011.
2. passed special resolution for approval for investment upto ₹ 1,500.10 Crore (Rupees One Thousand Five Hundred Crore and Ten Lakh only) in Pyxis Holdings Limited (formerly known as Pyxis Developers Private Limited / Pyxis Holdings Private Limited).
3. passed Special Resolution for approval for increase in borrowings powers of the Company under Section 180 (1)(c) of the Companies Act, 2013.
4. passed Special Resolution for approval for raising of funds by way of issuance of unsecured Non-Convertible Debentures (NCDs) / Bonds / other instruments aggregating to ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore) and to delegate the powers to the Management Committee in this regard.
5. received approval from NCLT for scheme of arrangement (demerger) between Ensemble Holdings and Finance Limited and the company.
6. approved enhancement of limit for issuing commercial papers to ₹ 1,500 Crore.
7. Issued and listed commercial papers and Unsecured Non-Convertible Debentures with National Stock Exchange of India Limited.

**For A. N. Ramani & Co.,  
Company Secretaries  
UNIQUE CODE - P2003MH000900**

**Place: - Thane**

**Date: - May 21, 2021**

**Mital D. Pawar  
Partner  
ACS - 57478, COP – 23424  
UDIN: A057478C000352124**

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



## **'Annexure A'**

To,  
The Members,  
Godrej Industries Limited

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

1. Maintenance of Statutory and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of Accounts of the company. We have relied on the report of the Statutory Auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.
4. In view of lockdown due to COVID 19, we have conducted our audit on the basis of details / documents provided by company through email and/or other digital mode.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Company is following a system of obtaining reports from various departments to ensure compliance with applicable laws. The Company is following an electronic compliance management system for compliance management to ensure compliance with applicable laws, rules, regulations and guidelines.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
8. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For A. N. Ramani & Co.,  
Company Secretaries  
UNIQUE CODE - P2003MH000900**

**Place: - Thane  
Date: - May 21, 2021**

**Mital D. Pawar  
Partner  
ACS - 57478, COP – 23424  
UDIN: A057478C000352124**

# Annexure “E”

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Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo for the Financial Year 2020-21

## A. Conservation of Energy and Water

### I. Steps taken or impact on conservation of energy and water:

#### Valia:

1. Installation of water jet vacuum system in fatty acid fractionation plant.
2. Utilization of cooling tower water instead of chilled water in one of the operations in sulfonation plant resulted in stoppage of chiller for those products and allowed utilization of existing cooling tower capacity.
3. After detailed study of load, use of lower capacity vacuum pump instead of existing bigger capacity pump in one of the plant resulted in saving of energy.
4. Commissioning of briquette boiler for thermic fluid heating instead of natural gas heating helps in increase of renewable portfolio.

#### Ambernath:

1. Commissioning of briquette boiler for fatty acid distillation plant to use renewable energy instead of fossil fuel.
2. Installation of evaporative condenser on two of our chillers. Evaporative condenser permits a condensing temperature substantially closer to design wet-bulb temperature, and consequently, minimum compressor energy input.
3. Installation of mechanical vapor recompressor (MVR) along multi effect evaporator (MEE) to ensure zero liquid discharge in plant resulted in steam saving in MEE section.

#### Wadala:

1. Boiler water feed pump replaced by energy efficient pump motor of 7.5 HP earlier 15 HP.
2. Refined Oil filling pump replaced by energy efficient pump motor of 3 HP earlier 7.5 HP.
3. Using 100% soft pitch in all boilers for steam generation. Use of furnace oil totally eliminated.

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

Your Company has increased the use of briquette (renewable resource) as fuel in place of natural gas at its manufacturing locations. Use of Solar energy in the form of solar roof top and use of pitch as fuel in place of furnace oil continues.

We also have our own windmills in the state of Maharashtra. Until October 2020, the wind energy was sold to Maharashtra State Electricity Distribution Company. This year, our agreement on wind energy with Maharashtra State Electricity Distribution Company ended and from month of October 2020, we have started wheeling our wind energy for our Ambernath plant. We'll receive an estimated 42 lakhs units of electricity / annum which will replace close to 30% of the plant's electric power consumption. This will further push the plant's total renewable energy portfolio up by 4%.

### **III. Capital Investment on Energy Conservation Equipments**

Your Company made capital investments amounting to approx. ₹ 43.89 Crore during the Financial Year 2020-21 on energy conservation equipments.

## **B. Technology Absorption**

### **I. Efforts made towards Technology absorption / Specific areas in which R&D carried out by the Company:**

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

- Vegetable Oils
- Fatty Acids
- Fatty Alcohols
- Surfactants & Bio-surfactants
- Glycerin
- Derivatives of Fatty acids and Fatty alcohols, designed for Personal and Home care industries,
- Derivatives of Fatty acids and Glycerine for animal nutrition , Refining and Lube industry
- Customer centric support for Home, Personal and Oral Care Products, as well as Oilfield Chemicals
- Formulations and Performance Evaluation for new products marketed and performance evaluation support for the existing product range

Vegoils has done lot of in-house experiments and worked on reducing TFA (Trans Fatty Acids) < 5% in Vanaspati as required by FSSAI, and managed to keep it much below 1%. This enabled availability of Healthier Vanaspati for its consumers & remaining ahead of competition.

### **II. Benefits derived like product improvement, cost reduction, product development or import substitution**

#### **Benefits derived as a result of the above R&D:**

- Premium quality fatty acids and fatty alcohols from alternate raw materials.
- Understanding the impact of raw material quality and manufacturing process on the quality of the finished goods.
- Value added fatty alcohol and fatty acid derivatives commensurate to the newer market trends, so as to enter niche markets and wider applications including the animal nutrition.

- Manufacture of high value, fractionated fatty acids and fatty alcohols, specifically for the lubricant, oilfield, paper and polymer industries.

### III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

The Company has not imported any technology during the last 3 (three) years.

### IV. Future Plan of Action:

- Tailor-made value-added fatty alcohols and fatty acids for low volume, high value markets.
- Value-added chemicals, derived from Glycerin, Fatty Acids and Fatty Alcohols so as to enter niche markets in the field of Animal feed, Pharmaceuticals, Personal Care, agri products, Petro refining, Metal working Fluids and Lubricants, and other industrial applications.
- Further enhancing our knowledge base of product applications and formulations, through customer engagement and market scouting.
- More and more green ingredients and formulations in the Home, Personal care and Feed applications.

### V. Expenditure on R&D:

(₹ Crore)

Particulars	2020-21	2019-20
(a) Capital	0.16	-
(b) Recurring	3.92	4.76
Total	4.08	4.76
Total R&D expenditure as a percentage of total sales turnover	0.21	0.24

### C. Foreign Exchange Earnings and Outgo:

The Chemicals Division's exports were ₹ 452 Crore in the current year as compared to ₹ 473 Crore in the previous year. The Company continues to export fatty alcohol, fatty acid and other chemicals to over 64 countries including U.S.A., Japan, South Korea, Mexico, Brazil, China, France, Russian Federation, South Africa, U.A.E., & other countries.

(₹ Crore)

Particulars	2020-21	2019-20
Foreign Exchange used	483.87	454.13
Foreign Exchange earned	430.36	458.08

## Annexure “F”

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

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

#### 1. Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the Financial Year 2020-21:

Sr. No.	Name of Director	Ratio
1	Mr. Nadir Godrej, Managing Director	105:1
2	Ms. Tanya Dubash, Whole Time Director	83:1
3	Mr. Nitin Nabar, Whole Time Director	92:1

Note: None of the other Directors of the Company were in receipt of any remuneration other than sitting fees during the Financial Year 2020-21.

#### 2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2020-21:

The percentage increase in the remuneration of Directors and Key Managerial Personnel(s) receiving remuneration during the Financial Year 2020-21 was as stated hereunder:

Name	Remuneration during FY 2019-20 (in ₹ )	Remuneration during FY 2020-21 (in ₹ )	% change in remuneration in FY 2020-21 Increase / (Decrease)
Mr. Nadir Godrej Managing Director	7,10,68,142	7,28,96,685	2.6%
Ms. Tanya Dubash Whole Time Director	6,06,11,528	6,96,47,700	14.91%
Mr. Nitin Nabar Whole Time Director	7,04,68,682	4,79,01,898	(32.02%)
Mr. Clement Pinto CFO	2,63,39,728	1,89,26,402	(28.15%)
Ms. Tejal Jariwala CS	15,19,264	16,84,504	10.88%

#### 3. The percentage increase in the median remuneration of employees in the Financial Year 2020-21 was 1.7%.

4. The number of permanent employees on the rolls of Company as on March 31, 2021 was 1,070.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in salary of Company's employees other than the managerial personnel was 1% in the last Financial Year. On the other hand, managerial remuneration increased by 7.4%. The total managerial remuneration comprises of remuneration of the Managing Director and Executive Directors. The remuneration to Managerial personnel is as approved by the Members under the provisions of Companies Act, 2013 and necessary approvals are being obtained, wherever necessary.

6. Remuneration paid to Directors, Key Managerial Personnel and other Employees during the Financial Year 2020-21 was as per the Nomination and Remuneration policy of the Company.



REPORT ON  
**CORPORATE  
GOVERNANCE**

# Report on Corporate Governance

In accordance with the provisions of Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Directors of Godrej Industries Limited (“the Company”) have pleasure in presenting the Company’s Report on Corporate Governance for the Financial Year 2020-21.

## 1. THE COMPANY’S PHILOSOPHY

The Company is a part of the Godrej Group which has an established reputation of honesty, integrity and sound governance over the years. The Company is, therefore, committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, employees, regulators, customers, suppliers, lenders and other Stakeholders. The Company’s philosophy of corporate governance is to achieve business excellence by enhancing the long-term welfare of all its Stakeholders. The Company believes that corporate governance is about creating organisations that succeed in the marketplace with the right approach and values. This will enhance the value for all its Stakeholders.

## 2. BOARD OF DIRECTORS

### a) Board Structure

The Board of Directors is the apex body constituted by the Shareholders for overseeing the Company’s overall functioning. The Board provides and evaluates the Company’s strategic directions, management policies and their effectiveness, and ensures that Shareholders’ long-term interests are being served.

The Company has an optimal combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board from the management, which is in conformity with the requirement of Section 149(4) of the Companies Act, 2013 (“the Act”) and Regulation 17 of the Listing Regulations. The Board of Directors of the Company comprised of 12 (Twelve) Directors as on March 31, 2021, which includes the Managing Director and 2 (Two) Whole-time Executive Directors. The remaining 9 (Nine) are Non-Executive Directors, of which 6 (Six) were Independent Directors. Since the Chairman of the Company, a Non-Executive Director is a Promoter of the Company, half of the Board of Directors comprised of Independent Directors. Below is the composition of the Board of Directors as on March 31, 2021:

Category	Name of Director	Director Identification Number (DIN)
<b>Non-Executive Director and Chairman:</b>	Mr. Adi Godrej	00065964
<b>Executive Directors:</b> Managing Director Executive Director and Chief Brand Officer Executive Director and President (Chemicals)	Mr. Nadir Godrej Ms. Tanya Dubash Mr. Nitin Nabar	00066195 00026028 06521655
<b>Non-Executive Non-Independent Directors:</b>	Mr. Jamshyd Godrej Mr. Vijay Crishna	00076250 00066267



Category	Name of Director	Director Identification Number (DIN)
<b>Non-Executive Independent Directors:</b>	Mr. Kavas Petigara*	00066162
	Mr. Mathew Eipe	00027780
	Dr. Ganapati Yadav	02235661
	Ms. Monaz Noble	03086192
	Ms. Shweta Bhatia	03164394
	Mr. Sandeep Murthy	00591165

**Note:**

1. Mr. Aspy Cooper, Non-Executive Independent Director retired from the Company w.e.f. October 27, 2020 and the Board of Directors of the Company have appointed Ms. Shweta Bhatia as the Additional Director (Non-Executive Independent Director) with effect from October 28, 2020.
2. Mr. Keki Elavia, Non-Executive Independent Director had resigned from the position of the Director of the Company with effect from February 11, 2021, due to which, casual vacancy was created and the Board of Directors of the Company have appointed Mr. Sandeep Murthy as the Additional Director (Non-Executive Independent Director) with effect from March 1, 2021 in due compliance with provisions of the Act and Listing Regulations.

\*Mr. Kavas Petigara, Non-Executive Independent Director has resigned from the position of the Director of the Company with effect from April 1, 2021

None of the Directors of the Company is:

- (a) a Director in more than 10 (ten) public limited companies - As per Section 165 of the Act;
- (b) an Independent Director in more than 7 (seven) listed companies OR 3 (three) listed companies (in case he / she serves as a Whole Time Director in any listed Company) - As per Regulation 25 of the Listing Regulations;
- (c) a Member of more than 10 (ten) Committees and Chairman / Chairperson of more than 5 (five) Committees across all the Indian public limited companies in which he / she is a Director - As per Regulation 26 of the Listing Regulations.

*Inter se relationship amongst Directors*

No Director is related to any other Director on the Board in terms of the definition of “relative” given under the Act, except:

- (1) Mr. Adi Godrej and Mr. Nadir Godrej, who are brothers and
- (2) Ms. Tanya Dubash who is the daughter of Mr. Adi Godrej.

**b) Board meetings held and Directors’ attendance record**

The Board meets at least once in a quarter to consider among other businesses, quarterly performance of the Company and Financial Results. To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information is made available to the Board. The maximum time gap between any 2 (two) Meetings of the Board is not more than 120 (One Hundred and Twenty) days. The agenda of the Board is circulated in advance and contains all the relevant information. The Board periodically reviews compliance reports of all laws applicable to the Company. During the Financial Year 2020-21, 4 (Four) Board Meetings were held (i.e. on May 22, 2020, August 13, 2020, November 11, 2020 and February 12, 2021). The Board had accepted all the recommendations made by the Committees of the Board of Directors during the Financial Year 2020-21.

The names and categories of the Directors on the Board, number of Board Meetings held during the Financial Year under review and their attendance at Board Meetings and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee positions held by them in other companies as on March 31, 2021 are given hereunder:

Names of Director	Category	Board Meetings held/ attended during the year	Attendance at last AGM held on August 13, 2020	Directorships held in other public companies incorporated in India as at the year-end <sup>s</sup>	Number of Chairmanship/ Membership in Board Committees in other public companies as at the year-end <sup>@</sup>	
					Chairmanship	Membership
Mr. Adi Godrej	Chairman , Non-Executive, Promoter	4/4	Yes	2(1)	-	1
Mr. Jamshyd Godrej	Non-Executive, Promoter	4/3	No	4(3)	-	1
Mr. Nadir Godrej	Managing Director, Promoter	4/3	Yes	7(4)	2	-
Mr. Vijay Krishna	Non-Executive	4/1	Yes	2(1)	-	1
Mr. Aspy Cooper*	Non-Executive, Independent	2/2	Yes	1(0)	-	2
Mr. Keki Elavia <sup>^</sup>	Non-Executive, Independent	3/2	Yes	9(6)	4	6
Mr. Kavay Petigara	Non-Executive, Independent	4/4	Yes	3(1)	2	2
Mr. Mathew Eipe	Non-Executive, Independent	4/4	Yes	1(0)	-	-
Dr. Ganapati Yadav	Non-Executive, Independent	4/4	No	3(3)	-	3
Ms. Monaz Noble <sup>#</sup>	Non-Executive, Independent	4/4	Yes	2(1)	1	1
Ms. Shweta Bhatia <sup>#</sup>	Non-Executive, Independent	2/2	N.A	Nil	-	-
Mr. Sandeep Murthy <sup>#</sup>	Non-Executive, Independent	N.A	N.A	1(0)	-	-
Ms. Tanya Dubash	Whole-time	4/4	Yes	7(4)	-	-
Mr. Nitin Nabar	Whole-time	4/4	Yes	1(0)	-	-

#### Notes:

- <sup>s</sup>Alternate Directorships and Directorships in private companies, Section 8 companies, foreign companies are excluded.
- Figures in ( ) denote listed companies.
- <sup>@</sup> Represents Chairmanships / Memberships of Audit Committee and Stakeholders' Relationship Committee of Indian companies.
- \* Mr. Aspy Cooper retired as Director of the Company upon completion of his tenure of independent directorship w.e.f close of business hours on October 27, 2020.
- <sup>^</sup> Mr. Keki Elavia resigned from the position of the Independent Director of the Company with effect from close of business hours on February 11, 2021.
- <sup>#</sup> Ms. Monaz Noble, Ms. Shweta Bhatia and Mr. Sandeep Murthy were appointed as Directors of the Company with effect from May 1, 2020, October 28, 2020 and March 1, 2021 respectively.
- Mr. Nadir Godrej, Managing Director, is not an Independent Director of any other listed company, Ms. Tanya Dubash, Executive Director is an Independent Director of 2 (two) listed companies and Mr. Nitin Nabar, Executive Director is not an Independent Director of any other listed company.

**c) Details of Directors holding Directorship in other Listed Entities and the category of their Directorship as on March 31, 2021:**

Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
Mr. Adi Godrej	Godrej Consumer Products Limited	Executive Chairman Emeritus
Mr. Jamshyd Godrej	Godrej Consumer Products Limited	Non-Executive, Non Independent
	Godrej Properties Limited	Non-Executive, Non Independent
	Godrej Agrovet Limited	Non-Executive, Non Independent
Mr. Nadir Godrej	Godrej Consumer Products Limited	Non-Executive, Non Independent
	Godrej Properties Limited	Non-Executive, Non Independent
	Godrej Agrovet Limited	Non-Executive, Non Independent
	Astec LifeSciences Limited	Non-Executive, Non Independent
Mr. Vijay Crishna	Godrej Agrovet Limited	Non-Executive, Non Independent
Mr. Kavas Petigara@	Godrej Agrovet Limited	Non-Executive, Independent
Dr. Ganapati Yadav	Aarti Industries Limited	Non-Executive, Independent
	Meghmani Organics Limited	Non-Executive, Independent
	Bhageria Industries Limited	Non-Executive, Independent
Ms. Monaz Noble	Novartis India Limited	Non-Executive, Independent
Ms. Tanya Dubash	Godrej Consumer Products Limited	Non-Executive, Non Independent
	Godrej Agrovet Limited	Non-Executive, Non Independent
	Britannia Industries Limited	Non-Executive, Independent
	Escorts Limited	Non-Executive, Independent

*Note: Mr. Mathew Eipe, Ms. Shweta Bhatia, Mr. Sandeep Murthy and Mr. Nitin Nabar, Directors of the Company were not holding the position of Director in any other Listed Entity during the Financial Year 2020-21.*

*@Mr. Kavas Petigara resigned as Independent Director of the Company w.e.f. April 1, 2021. He also resigned from Godrej Agrovet Limited w.e.f. April 1, 2021.*

**d) Chart / Matrix of Skills / Expertise / Competence of the Board of Directors in context to Company's business and sector:**

We recognize the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse points of view. This helps us create an effective and well-rounded Board. The capabilities and experiences sought in the Board of Directors of our Company are outlined as below:

Skills / Expertise / Competence
<b>Strategy &amp; Business</b> – Is or has been the Chief Executive Officer, Chief Operating Officer or held any other leadership position in an organization leading to significant experience in strategy or business management. Brings ability to identify and assess strategic opportunities and threats in the context of the business.
<b>Industry Expertise</b> – Expertise with respect to the sector the organization operates in. Has an understanding of the ‘big picture’ in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.
<b>Market Expertise</b> – Expertise with respect to the geography the organization operates in. Understands the macro-economic environment, the nuances of the business, consumers and trade in the geography, and has the knowledge of the regulations & legislations of the market/(s) the business operates in.
<b>Technology &amp; Future Readiness Perspective</b> – Expertise with respect to business specific technologies such as in the field of R&D, Operations etc. Has experience and adds perspective on the future ready skills required by the organization such as Digital, Sustainability etc.
<b>People &amp; Talent Understanding</b> - Experience in human resource management such that they bring in a considered approach to the effective management of people in an organization.
<b>Governance, Finance &amp; Risk</b> – Has an understanding of the law and application of corporate governance principles in a commercial enterprise of similar scale. Capability to provide inputs for strategic financial planning, assess financial statements and oversee budgets for the efficient use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.
<b>Diversity of Perspective</b> – Provides a diversity of views to the board that is valuable to manage our customer, consumer, employee, key stakeholder or shareholders.

#### Name of the Director possessing the skills / expertise / competence:

Director Names / Skills	Strategy & Expertise	Industry Expertise	Market Expertise	Technology Perspective	People & Talent Understanding	Governance, Finance & Risk	Diversity of Perspective
Mr. Adi Godrej	✓	✓	✓			✓	
Mr. Jamshyd Godrej	✓		✓			✓	✓
Mr. Nadir Godrej	✓	✓	✓	✓		✓	
Mr. Vijay Krishna	✓		✓			✓	✓
Ms. Tanya Dubash	✓		✓			✓	✓
Mr. Nitin Nabar	✓	✓	✓		✓	✓	
Mr. Mathew Epie	✓	✓	✓		✓	✓	
Dr. Ganapati Yadav	✓	✓		✓		✓	✓
Ms. Monaz Noble	✓		✓			✓	✓
Ms. Shweta Bhatia	✓		✓			✓	✓
Mr. Sandeep Murthy	✓		✓			✓	✓

#### e) Independent Directors

A separate meeting of Independent Directors was held on March 19, 2021, which was attended by all the Independent Directors of the Company.

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. The Board of Directors of the Company hereby confirms that in their opinion, all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

All Independent Directors of the Company have been appointed as per the provisions of the Act. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

During the Financial Year 2020-21, Mr. Keki Elavia (DIN: 00003940), Independent Director had tendered his resignation from the position of the “Non-Executive Independent Director” of the Company with effect from close of business hours on February 11, 2021. The Company has received confirmation from Mr. Keki Elavia that there are no material reasons for his resignation other than those mentioned in his resignation letter dated February 11, 2021. The necessary disclosures in this regard have been submitted to the Stock Exchanges and the same is also available on the Company's website, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

### **Familiarisation Programmes for Independent Directors**

The Company has conducted the familiarisation program for Independent Directors during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatise them with the processes, businesses and functionaries of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

### **f) Information supplied to the Board**

Among others matters, this includes:

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

### 3. COMMITTEES OF THE BOARD

#### (A) AUDIT COMMITTEE

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee of the Board of Directors, as on March 31, 2021, comprised of 4 (Four) Directors. The Committee was re-constituted with effect from April 1, 2021, as stated below. The details of composition of the Audit Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of the Directors	Category	No. of Meetings attended
Mr. Kavas Petigara, Chairman@	Non-Executive, Independent	4
Mr. Aspy Cooper, Member*		2
Mr. Mathew Eipe, Chairman@		4
Ms. Monaz Noble, Member#		2
Dr. Ganapati Yadav, Member#		Not Applicable
Mr. Sandeep Murthy, Member#		Not Applicable
Mr. Nitin Nabar, Member	Executive	4

\* Mr. Aspy Cooper retired as Director of the Company upon completion of his tenure of independent directorship w.e.f close of business hours on October 27, 2020.

@Mr. Kavas Petigara resigned from the Directorship of the Company w.e.f April 1, 2021 and in his place Mr. Mathew Eipe was appointed as the Chairman of the Audit Committee w.e.f April 1, 2021.

# Ms. Monaz Noble was inducted as the Member of the Audit Committee w.e.f. October 28, 2020 and Dr. Ganapati Yadav and Mr. Sandeep Murthy were inducted as the Members of the Audit Committee w.e.f April 1, 2021.

All the Members of the Audit Committee possess the requisite qualification for appointment as Members on the Committee and also possess sound knowledge of finance, accounting practices and internal controls.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its Meetings. The representatives of the Statutory Auditors and Internal Auditors are invited to attend the Audit Committee Meetings. They have attended all the Meetings during the Financial Year and have shared their observations to the Audit Committee.

Ms. Tejal Jariwala, Company Secretary & Compliance Officer acts as the Secretary for the Audit Committee Meetings.

There were 4 (Four) Audit Committee Meetings held during the Financial Year 2020-21 (i.e. on May 22, 2020, August 13, 2020, November 11, 2020 and February 12, 2021) and the gap between 2 (two) Meetings did not exceed 120 (One Hundred and Twenty) days. The necessary quorum was present for all the Meetings.

In terms of the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Audit and Auditors) Rules, 2014, the Company has maintained cost records in its books of accounts for the Financial Year 2020-21. The Cost Audit Report issued by the Cost Auditor of the Company is placed for review to the Audit Committee and the same is recommended to the Board of Directors for approval.

The terms of reference of the Audit Committee are as follows:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) To recommend the appointment, remuneration and terms of appointment of Auditors of the Company as may be applicable;
- c) To approve payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- d) To review and monitor the Auditors' independence and performance, and effectiveness of audit process;
- e) To examine / review the financial statement and the Auditors' Report thereon with the Management, before submission to the board of directors for approval, with particular reference to:
  - i. matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act;
  - ii. changes, if any, in accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. significant adjustments made in the financial statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to financial statements;
  - vi. disclosure of any related party transactions; and
  - vii. modified opinion(s) in the draft audit report
- f) Reviewing, with the Management, the quarterly financial statements before submission to the Board of Directors for approval;
- g) To grant approval for or any subsequent modification of transactions of the Company with related parties;
- h) To scrutinize inter-corporate loans and investments;
- i) To consider valuation of undertakings or assets of the Company, wherever it is necessary;
- j) To evaluate internal financial controls and risk management systems;
- k) Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the

report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors to take up steps in this matter;

- l) To monitor the end use of funds raised through public offers and related matters;
- m) Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- n) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- o) Discussion with Internal Auditors of any significant findings and follow up there on;
- p) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
- q) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- s) To review the functioning of the whistle blower mechanism;
- t) To approve of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- u) To investigate into any above matter or referred to it by the Board of Directors and for this purpose, it to have full access to information contained in the records of the Company and external professional advice, if necessary;
- v) To mandatorily review the following information:
  - Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal Audit Reports relating to internal control weaknesses;
  - Review of the appointment, removal and terms of remuneration of the Chief Internal Auditor;
  - Statements of deviations:
    - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and
    - (b) annual statement of funds utilized for purposes other than those stated in the document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.
- w) To perform such other functions and duties as may be required to be performed by the Audit Committee under the applicable provisions of the Companies Act and/or the Rules made thereunder and/or the Listing Regulations, including any amendment(s) thereto as may be made from time to time.



## (B) NOMINATION AND REMUNERATION COMMITTEE

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, as on March 31, 2021, comprised of 3 (Three) Directors. The Committee was re-constituted with effect from April 1, 2021, as stated below. The details of composition of the Nomination and Remuneration Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of the Directors	Category of Directors	No. of Meetings attended
Mr. Kavas Petigara, Chairman@	Non-Executive, Independent	1
Mr. Mathew Eipe, Chairman@		1
Mr. Aspy Cooper, Member*		1
Ms. Monaz Noble, Member#		Not Applicable
Ms. Shweta Bhatia, Member#		Not Applicable
Mr. Sandeep Murthy, Member #		Not Applicable

\* Mr. Aspy Cooper retired as Director of the Company upon completion of his tenure of independent directorship w.e.f close of business hours on October 27, 2020.

@Mr. Kavas Petigara resigned from the Directorship of the Company w.e.f April 1, 2021 and in his place Mr. Mathew Eipe was appointed as the Chairman of the Nomination and Remuneration Committee w.e.f April 1, 2021.

# Ms. Monaz Noble was inducted as the Member of the Nomination and Remuneration w.e.f. October 28, 2020 and Ms. Shweta Bhatia and Mr. Sandeep Murthy were inducted as the Members of the Committee w.e.f April 1, 2021.

This Committee looks at all matters pertaining to the appointment and remuneration of the Managing Director, Executive Directors, Key Managerial Personnel and Senior Management Personnel and administration of the Employee Stock Option Scheme of the Company, i.e. Godrej Industries Limited- Employee Stock Grant Scheme, 2011 (ESGS 2011).

Ms. Tejal Jariwala, Company Secretary & Compliance Officer acts as the Secretary for the Nomination and Remuneration Committee Meetings.

There was 1 (One) Nomination and Remuneration Committee Meetings held during the Financial Year 2020-21 (i.e. on May 22, 2020). The necessary quorum was present at the Meeting.

The terms of reference of the Nomination and Remuneration Committee are as follows:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- b) To identify persons who are qualified to become directors and persons who may be appointed in Senior Management Position including Key Managerial Personnel in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

- c) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- d) To recommend to the Board of Directors, qualifications, appointment, remuneration and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration policy.
- e) To devise a policy on diversity of Board of Directors.
- f) To carry out performance evaluation of every Director in accordance with the Nomination and Remuneration policy.
- g) To consider grant of stock options to eligible Directors, to formulate detailed terms and conditions of Employee Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOS.
- h) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.
- i) recommend to the board, all remuneration, in whatever form, payable to senior management.

The Committee is also responsible for recommending to the Board a policy relating to the appointment of the Directors, Key Managerial Personnel, Senior Management and their remuneration. In line with this requirement, the Board has adopted the 'Board Appointment Policy', 'Total Rewards Philosophy of Godrej Industries Limited' and the 'Nomination and Remuneration Policy'. These Policies outline the appointment criteria and qualifications, the term/tenure of the Directors on the Board of Godrej Industries Limited and the matters related to remuneration of the Directors, KMPs and Senior Management. The Nomination and Remuneration Policy has been put up on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

Details of Sitting Fees paid to Non-Executive Directors during the Financial Year 2020-21:

Names of Directors	Sitting fees (Amount in ₹)
Mr. Adi Godrej	6,40,000
Mr. Jamshyd Godrej	3,00,000
Mr. Vijay Crishna	1,00,000
Mr. Aspy Cooper <sup>@</sup>	4,00,000
Mr. Keki Elavia <sup>^</sup>	2,00,000
Mr. Kavas Petigara <sup>#</sup>	5,20,000
Mr. Mathew Eipe	5,80,000
Dr. Ganapati Yadav	4,00,000
Ms. Monaz Noble <sup>*</sup>	4,40,000
Ms. Shweta Bhatia <sup>\$</sup>	2,00,000
Mr. Sandeep Murthy <sup>!</sup>	Not Applicable

<sup>@</sup> Retired w.e.f. October 27, 2020

<sup>#</sup> Resigned w.e.f. April 1, 2021

<sup>\$</sup> Appointed w.e.f. October 28, 2020

<sup>^</sup> Resigned w.e.f. February 11, 2021

<sup>\*</sup> Appointed w.e.f. May 1, 2020

<sup>!</sup> Appointed w.e.f. March 1, 2021

No Commission was paid to any Director of the Company during the Financial Year 2020-21.

## Remuneration to Executive Directors

The remuneration of the Managing Director and Executive Directors is in consensus with the Company's size, industry practice and overall performance of the Company. The Nomination and Remuneration Committee submits its recommendation to the Board, which after considering the recommendation takes decision on the remuneration payable to the Managing Directors and Executive Directors (which also includes annual increments and performance bonus) in accordance with the provisions of the Companies Act, 2013, subject to approval of the Members, wherever required.

The details of remuneration packages of the Executive Directors is given herein below:

Names of Directors	Designation	Salary and Allowances (₹)	Perquisites (₹)	Retirement Benefits (₹)	Total (₹)
Mr. Nadir Godrej	Managing Director	6,56,44,491	39,74,244	32,77,950	<b>7,28,96,685</b>
Ms. Tanya Dubash	Executive Director & Chief Brand Officer	6,27,44,615	45,66,495	23,36,590	<b>6,96,47,700</b>
Mr. Nitin Nabar	Executive Director & President (Chemicals)	4,51,33,053	17,43,435	10,25,410	<b>4,79,01,898</b>

### Notes:

The service contract of Mr. Nadir Godrej is for a period of 3 (Three) years from April 1, 2020 upto March 31, 2023. The service contracts of Ms. Tanya Dubash and Mr. Nitin Nabar are for a period of 3 (Three) years beginning from April 1, 2019 upto March 31, 2022. The Agreements may be terminated by either party giving to the other party 3 (Three) months' notice in writing. There is no separate provision for payment of severance fees.

### Directors with materially significant Related Party Transactions, pecuniary or business relationship with the Company

Except for drawing remuneration by the Managing Director and the Executive Directors and payment of Sitting Fees to Non-Executive Directors, none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company. Attention of the Members is drawn to the disclosures of transactions with Related Parties as set out in Note No.40 to the Standalone Financial Statement forming a part of the Annual Report.

In preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements.

**Number of shares and convertible instruments held by Non-Executive Directors as on March 31, 2021 is given below:**

Names of Non-Executive Directors	Equity Shares	Convertible Instruments
Mr. Adi Godrej*	6,07,692	Nil
Mr. Jamshyd Godrej*	1,90,838	Nil
Mr. Vijay Krishna*	3,878	Nil
Mr. Kavas Petigara <sup>§</sup>	Nil	Nil
Mr. Mathew Eipe	82,434	Nil
Dr. Ganapati Yadav	Nil	Nil
Ms. Monaz Noble	300	Nil
Ms. Shweta Bhatia	Nil	Nil
Mr. Sandeep Murthy	Nil	Nil

\*The shareholding does not include shares held through Trusts.

<sup>§</sup>Resigned w.e.f. April 1, 2021

### **Stock Options to Directors**

The Company has not granted any Stock Options to any of its Promoter Directors / Independent Directors during the Financial Year 2020-21.

Mr. Nitin Nabar, Executive Director & President (Chemicals) was allotted 12,186 Equity Shares under Godrej Industries Limited- Employee Stock Grant Scheme, 2011 (ESGS 2011) during the Financial Year 2020-21.

### **Performance Evaluation Criteria for Independent Directors**

Performance evaluation of Directors is carried out through a structured questionnaire which was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

In particular, an Independent Director shall be a person who shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising his duties;
- iii. exercise his responsibilities in a bona fide manner in the interest of the Company;
- iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making;
- vi. not abuse his position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vii. refrain from any action that would lead to loss of his independence;

- viii. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- ix. assist the Company in implementing the best corporate governance practices.

### (C) STAKEHOLDERS' RELATIONSHIP COMMITTEE

In terms of Regulation 20 of the Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee, as on March 31, 2021, comprised of 5 (Five) Directors. The Committee was re-constituted with effect from May 21, 2021, as stated below. The details of composition of the Stakeholders' Relationship Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of the Directors	Category	No. of Meetings attended
Mr. Adi Godrej, Chairman	Non-Executive Director	9
Mr. Nadir Godrej, Member	Executive Director	9
Ms. Tanya Dubash, Member		7
Mr. Nitin Nabar, Member		9
Mr. Aspy Cooper, Member @	Non-Executive, Independent Director	7
Mr. Mathew Eipe, Member @		2
Ms. Shweta Bhatia, Member*		Not Applicable

@ Mr. Aspy Cooper retired as Director of the Company upon completion of his tenure of independent directorship w.e.f close of business hours on October 27, 2020 and Mr. Mathew Eipe was inducted as the Member of Stakeholders' Relationship Committee w.e.f October, 28, 2020.

\*Ms. Shweta Bhatia has been appointed as the Member of the Stakeholders' Relationship Committee w.e.f. May 21, 2021.

The functioning and the terms of reference of the Committee are as prescribed and in due compliance with Regulation 20 read with Part D of Schedule II to the Listing Regulations and Section 178 of the Act, as applicable, and include reviewing existing investor redressal system, redressing Shareholder complaints like delay in transfer of shares, non-receipt of Annual Report, non-receipt of dividend warrants, complaints from debenture holders etc. and suggesting improvements in investors' relations.

There were 9 (Nine) Stakeholders' Relationship Committee Meetings held during the Financial Year 2020-21 (i.e. on April 17, 2020, May 22, 2020, June 17, 2020, July 28, 2020, August 31, 2020, September 25, 2020, October 26, 2020, November 11, 2020 and February 12, 2021). The necessary quorum was present for all the Meetings.

#### **Name and designation of Compliance Officer:**

Ms. Tejal Jariwala, Company Secretary is the Compliance Officer of the Company.

**Details of Shareholder’s complaints received and disposed off during the Financial Year 2020-21:**

Complaints outstanding as on April 1, 2020	Nil
Complaints received during the year ended March 31, 2021	25
Complaints resolved during the year ended March 31, 2021	25
Complaints outstanding as on March 31, 2021	Nil

The terms of reference of the Stakeholders’ Relationship Committee are as follows:-

- To specifically look into various aspects of interest of shareholders, debenture holders and other security holders.
- Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review the measures taken for effective exercise of voting rights by shareholders.
- Review the adherence to the service standards adopted by the Company in respect of various services being rendered by its Registrar & Share Transfer Agent.
- Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Consider any other duties or obligations as may be referred to it by the Board of Directors.

**(D) RISK MANAGEMENT COMMITTEE**

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee, as on March 31, 2021, comprised of 3 (Three) Directors. The Committee was re-constituted with effect from April 1, 2021 and May 21, 2021, as stated below. The details of composition of the Risk Management Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of Directors	Category	No. of Meetings attended
Mr. Nadir Godrej, Chairman	Executive Directors	3
Ms. Tanya Dubash, Member		2
Mr. Nitin Nabar, Member		3
Mr. Mathew Eipe, Member@	Non Executive, Independent	Not Applicable
Dr. Ganapati Yadav, Member*		Not Applicable
Mr. Clement Pinto, Member*	Chief Financial Officer	Not Applicable

@ Mr. Mathew Eipe was appointed as the Member of the Risk Management Committee w.e.f April 1, 2021.

\*Dr. Ganapati Yadav and Mr. Clement Pinto have been appointed as Members of the Risk Management Committee w.e.f. May 21, 2021.

There were 3 (Three) Risk Management Committee Meetings held during the Financial Year 2020-21 (i.e. on June 11, 2020, October 30, 2020 and January 8, 2021). The necessary quorum was present for all the Meetings.

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

- a) This Committee is responsible to monitor and review the risk management plan of the Company and the existing Forex Committee and the Business Risk Committee of the Company shall report to this Committee.
- b) Committee reviews and monitors cyber security of the Company.
- c) Risk Policy and its periodic review.
- d) Ensuring that appropriate risk management systems and controls are in place and its evaluation and review.
- e) Risk assessment and risk minimisation procedures.

## **(E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

In terms of Section 135 of the Act, the Corporate Social Responsibility (CSR) Committee, as on March 31, 2021, comprised of 4 (Four) Directors. The Committee was re-constituted with effect from April 1, 2021, as stated below. The details of composition of the Corporate Social Responsibility Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of Directors	Category	No. of Meetings attended
Mr. Nadir Godrej, Chairman	Executive Directors	1
Ms. Tanya Dubash, Member		1
Mr. Nitin Nabar, Member		1
Mr. Kavas Petigara, Member @	Non-Executive, Independent Director	1
Mr. Mathew Eipe, Member @		Not Applicable

@Mr. Kavas Petigara resigned from the Directorship of the Company w.e.f April 1, 2021 and in his place Mr. Mathew Eipe was inducted as the Member of the CSR Committee w.e.f April 1, 2021.

The CSR Committee met once during the Financial Year 2020-21, on February 12, 2021.

Pursuant to the provisions of Section 135 of the Act, CSR Committee has been constituted by the Board of Directors. The Committee's prime responsibilities are as under:

- To assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy', to observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary.
- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor implementation of such activities.

#### 4. GENERAL BODY MEETINGS

##### (a) Details of last 3 (Three) Annual General Meetings (AGMs):

The date, time and venue of Annual General Meetings held during the preceding 3 (Three) Financial Years and the Special Resolutions passed thereat were as follows:

Year	Venue	Date	Time	Special Resolutions passed
2017-18	Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079	August 13, 2018	2.30 P.M.	<ol style="list-style-type: none"> <li>1. Reappointment of and remuneration payable to Ms. Tanya Dubash as Whole-time Director;</li> <li>2. Reappointment of and remuneration payable to Mr. Nitin Nabar as Whole-time Director;</li> <li>3. Creation of charges pursuant to Section 180(1) (a) of the Companies Act, 2013 upto ₹ 300 Crore (Rupees Three Hundred Crore).</li> </ol>
2018-19		August 13, 2019	4.00 P.M.	<ol style="list-style-type: none"> <li>1. Approval for waiver of excess managerial remuneration paid to Ms. Tanya Dubash as Whole-time Director for the Financial Year 2018-19;</li> <li>2. Approval for waiver of excess managerial remuneration paid to Mr. Nitin Nabar as Whole-time Director for the Financial Year 2018-19;</li> <li>3. Approval for re-appointment of Mr. Keki Elavia as the Independent Director of the Company;</li> <li>4. Approval for re-appointment of Mr. Kavasa Petigara as the Independent Director of the Company.</li> </ol>
2019-20	Meeting was conducted through Video Conferencing / Other Audio Visual Means by availing services of Central Depository Services (India) Limited (“CDSL”)	August 13, 2020	3.00 P.M.	None

##### (b) Details of Special Resolutions passed at the Extraordinary General Meetings (EGM) during the Financial Year 2020-21:

No Extraordinary General Meeting was held during the Financial year 2020-21.



**(c) Postal Ballot:**

- i) During the Financial Year 2020-21, 1 (One) Postal Ballot was conducted and the following resolutions were passed by requisite majority.

**Postal Ballot Notice dated February 12, 2021 and the date of passing of the Resolution was March 24, 2021**

Resolution	Type of Resolution	Votes in favour of resolution		Votes against the resolution	
		No. of votes	% to total votes	No. of votes	% to total votes
Approval for investment up to ₹ 1500 Crore 10 Lakh (Rupees One Thousand Five Hundred Crore and Ten Lakh Only) in Pyxis Holdings Limited	Special	29,19,99,153	98.58	42,05,777	1.42
Approval for increase in borrowing powers of the Company under Section 180 (1)(c) of the Companies Act, 2013	Special	30,92,49,981	99.99	661	0.01
To approve raising of funds by way of issuance of Unsecured Non-Convertible Debentures (NCDs) / Bonds / Other Instruments aggregating to ₹ 1,500 Crore and to delegate the powers to the Management Committee in this regard	Special	30,92,50,214	99.99	428	0.01

**(ii) Person who conducted the Postal Ballot exercise**

Mr. Kalidas Vanjpe, Practicing Company Secretary had conducted the Postal Ballot exercise for the Postal Ballot Notice dated February 12, 2021.

**(d) Procedure adopted for Postal Ballot:**

1 (One) Postal Ballot was conducted during the Financial Year 2020-21 and the following procedure was adopted by the Company:-

- (i) The Board of Directors, at its Meeting, approved the items to be passed through Postal Ballot and authorized one of the functional Directors and the Company Secretary to be responsible for the entire process of Postal Ballot.
- (ii) A professional such as a Chartered Accountant / Company Secretary, who was not in the employment of the Company, was appointed as the Scrutinizer for the postal ballot process.

- (iii) Notice of Postal Ballot, along with the ballot papers, are sent to the Shareholders through email. E-voting facility was also offered to eligible Shareholders to enable them to cast their votes electronically.
- (iv) An advertisement was published in a national newspaper and a vernacular newspaper about the dispatch of Postal Ballot Notice alongwith ballot papers.
- (v) The Scrutinizer gave his report to the Chairman.
- (vi) The Chairman announced the results of the Postal Ballot on receipt of the Scrutinizer's Report.
- (vii) The results were intimated to the Stock Exchange(s) and are also hosted on the Company's website, [www.godrejindustries.com](http://www.godrejindustries.com).

**(e) Whether any Special Resolution is proposed to be conducted through Postal Ballot:**

No Special Resolution is proposed to be conducted through Postal Ballot.

## **5. DISCLOSURES**

### **a) Related Party Transactions**

All transactions entered into with Related Parties as defined under the Act and the Listing Regulations during the Financial Year 2020-21 were in the ordinary course of business and on the basis of arm's length price. There were no material significant transactions with Related Parties during the Financial Year 2020-21 which were in conflict with the interest of the Company.

In preparation of the Financial Statements for the Financial Year 2020-21, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements. Attention of the Shareholders is drawn to the disclosure of transactions with Related Parties as set out for the Financial Year 2020-21 in Note No. 40 of the Standalone Financial Statement, forming a part of the Annual Report.

None of the transactions with any of the Related Parties were in conflict with the Company's interest. All Related Party Transactions are on arm's length basis and are intended to further the Company's interests.

Your Company has formulated a Policy on materiality and dealing with Related Party Transactions which specify the manner of dealing with Related Party Transactions. This Policy has been put up on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

## **b) Whistle Blower Policy / Vigil Mechanism**

Your Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal, unethical behavior and actual or suspected fraud or violations of Company's Code of Conduct. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to the Whistle Blowing Officer of the Company. No personnel / employee of the Company has been denied access to the Audit Committee of the Company. The confidentiality of the reported violations, if any, is maintained and the employees reporting violations are not subjected to any discriminatory practice. Vigil Mechanism / Whistle Blower Policy is posted on the website of your Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com).

## **c) Policy for prevention of Sexual Harassment at the workplace**

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the Godrej group. Your Company has formed an Internal Complaints Committee pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the said Act") - one for the Head Office, factories in Maharashtra and branches in India and the other for the factory at Valia, Gujarat. Ms. Shefali Kohli is the Presiding Officer for both the Committees. While the Act is applicable only to the women employees, our Company's policy covers all employees. The Company has not received any complaints during the Financial Year 2020-21.

## **d) Details of Non-compliance on matters related to Capital Markets**

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

## **e) Disclosure of Commodity Price Risk / Foreign Exchange Risk and Hedging Activities**

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

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

In terms of the SEBI Circular dated November 15, 2018, please see below Annexure giving disclosures regarding commodity risks:

## Annexure

### 1. Risk Management Policy of the Company with respect to commodities including through hedging:

The Company has in place Risk Management Policy which takes into consideration total exposure, towards commodities, commodity risks faced by the entity, hedged exposures, etc. The Risk Management Policy of the Company is uploaded on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

### 2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

**A. Total exposure of the listed entity to commodities in INR: ₹ 232.28 Crore**

**B. Exposure of the listed entity to various commodities:**

Commodity Name	Exposure in INR towards the particular commodity (₹ in Crore)	Exposure in Quantity terms towards the particular commodity (MT)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Derivatives of Palm Oil	-	-	-	-	-	-	-
Rapeseed Oil	28.34	5270	-	5.8%	-	-	5.8%

### C. Commodity risks faced by the listed entity during the year and how they have been managed.

The Company is exposed to commodity risks mainly due to price volatility in Palm oil derivatives and Rapeseed Oil. We enter into fixed price contracts with suppliers and in certain cases, enter into back to back sale contract with customers. We periodically review the open exposure of Raw material regularly. We also hedge the risk on commodities exchange.

In respect of Commodities which are imported at a contracted fixed price, there is a foreign exchange currency risk and the mitigation of the same is managed by the FOREX Committee of the Company. The Committee periodically meets and reviews the overall foreign exchange currency exposure and enters into forward contracts to hedge the currency risk. Details of hedged and unhedged positions for foreign currency exposures are available in the Notes to Financial Statement of the Annual Report.

#### **f) Code of Conduct**

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com). The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended March 31, 2021, is annexed to this Report on Corporate Governance.

#### **g) Disclosures by Management to the Board of Directors**

Your Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2020-21.

#### **h) Public, Rights and Other Issues / Utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations**

There were no Public, Rights and Other Issues during the Financial Year 2020-21 except allotment of 59,082 (Fifty Nine Thousand and Eighty Two) Equity Shares to the Employees under Godrej Industries Limited- Employee Stock Grant Scheme, 2011 (ESGS 2011). Further, the Company had not raised any funds through Preferential Allotment or Qualified Institutions Placement in terms of the Listing Regulations.

#### **i) CEO and CFO Certification**

Mr. Nadir Godrej, Managing Director and Mr. Clement Pinto, Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Annual Financial Statements for the Financial Year ended March 31, 2021.

#### **j) Management Discussion and Analysis Report**

Management Discussion and Analysis Report forms a part of this Annual Report.

#### **k) Disclosure of Accounting Treatment in preparation of Financial Statements**

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India and comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.

### **6. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

As prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of the Listing Regulations the certificate issued by M/s. A. N. Ramani & Co., Practising Company Secretaries regarding compliance of conditions of corporate governance is annexed to this Report on Corporate Governance.

## 7. MEANS OF COMMUNICATION

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

The Company files the quarterly results, Corporate Governance report, Shareholding pattern etc. electronically with BSE Limited and National Stock Exchange of India Limited, through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS), respectively.

## 8. GENERAL SHAREHOLDER INFORMATION

### a) Registered Office:

Godrej Industries Limited  
(CIN: L24241MH1988PLC097781)  
Godrej One, Pirojshanagar,  
Eastern Express Highway,  
Vikhroli (East), Mumbai – 400079.  
Tel: 022-25188010, Fax:022-25188066

### b) Annual General Meeting to be held via video conferencing:

Date : Friday, August 13, 2021  
Time : 3.30 p.m. (IST)  
Deemed Venue : Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400079.

### c) Financial Year :

Financial Year : April 1, 2020 to March 31, 2021

For the Financial Year ended March 31, 2021, results were announced on:

- August 13, 2020 : First quarter
- November 11, 2020 : Half year
- February 12, 2021 : Third quarter
- May 21, 2021 : Annual

### d) Book Closure Dates:

The Book Closure dates as fixed by the Board of Directors are from Friday, August 6, 2021 to Friday, August 13, 2021 (both days inclusive).

**e) Listing information:**

**EQUITY SHARES:**

The Company's Equity Shares are listed on the following Stock Exchanges:

Name of Stock Exchange and address	Stock Code	ISIN
BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	500164	INE233A01035
National Stock Exchange of India Limited (NSE) 'Exchange Plaza', Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.	GODREJIND	

**NON CONVERTIBLE DEBENTURES:**

The Company's privately placed Non-Convertible Debentures of ₹ 1,500 Crore (in two tranches of ₹ 750 Crore each) as on March 31, 2021 are listed on the Debt Segment of National Stock Exchange of India Limited (NSE) as below:

Stock Exchange Listing	ISIN	Principal Amount (₹ in Crore)	Yield to Maturity / Coupon Rate (%)	Date of issue	Date of Maturity
NSE	INE233A08022	750	6.24%	July 16, 2020	July 14, 2023
NSE	INE233A08030	750	6.43%	October 28, 2020	April 26, 2024

**Payment of Depository Fees:**

Annual Custody / Issuer fee for the Financial Year 2021-22 has been paid by the Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**Payment of Listing Fees:**

The Company has paid the requisite Annual Listing Fees to BSE and NSE for Financial Year 2021-22. The securities have not been suspended from trading.

The Company has also paid Annual Listing Fees for Debt Securities to NSE for Financial Year 2021-22.

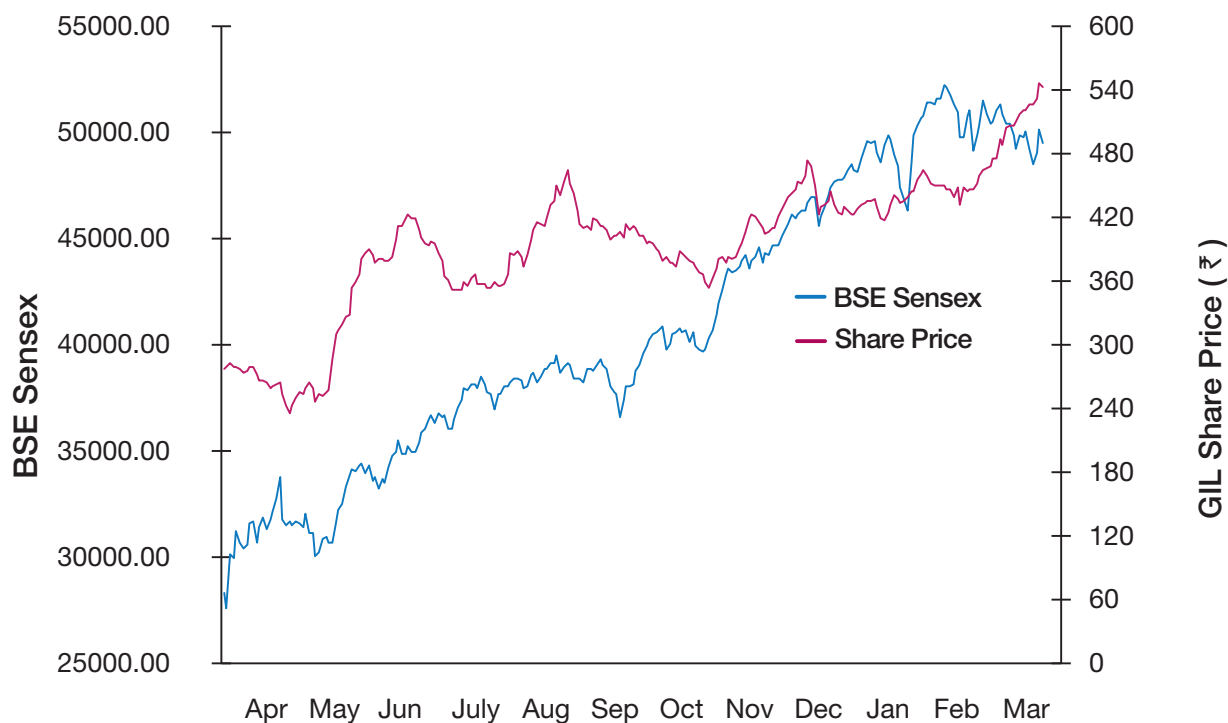
**f) Market Information**

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

Stock Exchange	BSE			NSE		
	HIGH (₹)	LOW (₹)	VOLUME (No. of shares)	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)
April 2020	299.85	257.20	5,94,605	300.00	257.00	68,80,357
May 2020	320.95	234.00	18,49,347	320.60	233.40	1,30,77,557
June 2020	428.00	320.25	3,83,406	429.00	320.00	63,93,233
July 2020	423.05	345.00	3,36,969	422.70	345.00	26,47,538
Aug 2020	455.00	350.50	3,22,098	455.70	350.10	48,86,909
Sept 2020	478.20	381.00	9,42,409	479.00	380.00	27,07,495
Oct 2020	415.15	364.55	85,146	415.95	365.00	14,06,781
Nov 2020	425.50	351.90	7,72,447	426.00	352.00	38,38,484
Dec 2020	483.00	405.00	23,31,919	483.35	375.00	50,30,266
Jan 2021	453.35	413.05	3,93,332	453.00	413.05	89,43,292
Feb 2021	468.60	426.60	3,97,968	468.60	426.25	55,67,205
Mar 2021	554.80	446.00	13,59,103	554.50	445.00	1,41,14,005

The Company's share performance compared to the BSE Sensex for FY 2020-21

Godrej Industries Share Performance compared to the BSE Sensex for F.Y. 2020-21





g) Distribution of shareholding:

Number of shares	Number of shareholders	Shareholders (%)	Number of shares held	Shareholding (%)
1 – 500	81,092	92.83%	71,32,385	2.12%
501 – 1000	3,488	3.99%	25,79,756	0.77%
1001 – 2000	1,422	1.63%	20,23,574	0.60%
2001 – 3000	468	0.54%	11,28,828	0.34%
3001 – 4000	209	0.24%	7,21,924	0.21%
4001 – 5000	124	0.14%	5,55,152	0.16%
5001 – 10000	238	0.27%	16,45,713	0.49%
10001 & above	318	0.36%	32,07,37,766	95.31%
<b>Total</b>	<b>87,359</b>	<b>100.00%</b>	<b>33,65,25,098</b>	<b>100.00%</b>

Distribution of shareholding by ownership as on March 31, 2021 was as under:

Category (as being reported to Stock Exchange)	No. of Equity Shares	Percentage of shareholding (%)
<b>PROMOTER'S HOLDING</b>		
Promoters		
-Indian Promoters	22,61,26,774	67.19
-Foreign Promoters	13	0.00
Persons acting in Concert	0	0.00
<b>Sub-Total</b>	<b>22,61,26,787</b>	<b>67.19</b>
<b>NON-PROMOTER'S HOLDING</b>		
<b>Institutional Investors</b>		
Mutual Funds & UTI	11,50,848	0.34
Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-Government Institutions)	1,59,04,562	4.73
Foreign Portfolio Investors/Foreign Institutional Investors	2,62,02,949	7.79
<b>Sub-Total</b>	<b>4,32,58,359</b>	<b>12.86</b>
<b>Others</b>		
Private Corporate Bodies	22,69,388	0.67
Indian Public	1,85,92,124	5.52
NRIs/OCBs	11,68,236	0.35
Trust	4,50,14,972	13.38
Director or Director's Relative	95,232	0.03
<b>Sub-Total</b>	<b>6,71,39,952</b>	<b>19.95</b>
<b>Total</b>	<b>33,65,25,098</b>	<b>100</b>

#### h) Shares held in physical and dematerialised form:

As on March 31, 2021, 99.89% of the Company's Equity Shares were held in dematerialized form and the remaining 0.11 % in physical form. The break up is listed below:

Mode	No. of Equity Shares	Percentage (%)
Demat Shares with NSDL	30,63,21,818	91.02
Demat Shares with CDSL	2,98,40,079	8.87
Physical Shares	3,63,201	0.11
<b>Total</b>	<b>33,65,25,098</b>	<b>100.00</b>

#### i) Liquidity:

Higher trading activity was witnessed on NSE. Relevant data for the daily turnover on Stock Exchange(s) for the Financial Year 2020-21 is given below:

Particulars	BSE	NSE	Total
Shares (nos.)	97,68,749	7,54,93,122	8,52,61,871
Value (in ₹)	3,90,01,66,661	29,74,01,36,112.35	33,64,03,02,773.35

[Source: This information is compiled from the data available from the websites of BSE and NSE]

#### j) Corporate benefits to Investors:

Details of Dividend declared by your Company for the last 5 (five) years is as under:

Financial Year	Date of Dividend Declaration	Dividend Per Share (in ₹)
2015-16	*08.03.2016	1.75
2016-17	11.08.2017	1.75
2017-18	13.08.2018	1.75
2018-19	13.08.2019	1.15
2019-20	-	Nil

\*Interim Dividend

#### k) Reconciliation of Share Capital Audit Report:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every Quarter and Report thereon is submitted to the Stock Exchange(s) where the Company's shares are listed. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and the total number of shares in physical form.

#### l) Outstanding GDRs/ADRs/Warrants/Convertible instruments and their impact on equity:

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

#### m) Debenture Trustee:

Pursuant to Regulation 53 of the Listing Regulations, the name and contact details of the Debenture Trustee for the privately placed Non-Convertible Debentures (NCDs) is given below:

**Catalyst Trusteeship Limited**

Windsor, 6<sup>th</sup> Floor, Office No.604, C.S.T. Road, Kalina,

Santacruz (East), Mumbai - 400098

Tel.: 022-49220555

E-Mail: [ComplianceCTL-Mumbai@ctltrustee.com](mailto:ComplianceCTL-Mumbai@ctltrustee.com)

Website: [www.catalysttrustee.com](http://www.catalysttrustee.com)

**n) Registrar and Share Transfer Agents:**

Investor correspondence should be addressed to:

For Equity Shares:-

**Computech Sharecap Limited**

147, Mahatma Gandhi Road, Opp. Jehangir Art Gallery, Fort, Mumbai - 400 001.

Tel: 022-22635000 / 22635001; Fax: 022-22635001

Email: [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)

For Non- Convertible Debentures (NCDs):-

**Bigshare Services Private Limited**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,

Marol, Andheri (East), Mumbai – 400 059, Maharashtra, India

Phone: 022-62638200

E-Mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com), Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**o) Share Transfer Systems:**

Share transfer is effected within a maximum period of 30 (thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's shares to the Authorised Representatives of Computech Sharecap Limited, Registrar and Share Transfer Agent ("Computech"), which is registered with the SEBI as a Category 1 Registrar. The Company obtains from a Company Secretary in Practice, a Half Yearly Certificate to the effect that all certificates have been issued within 30 (thirty) days of the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed.

**p) Plant locations:**

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

**q) Address for Correspondence:**

**Mr. Clement Pinto**

**Chief Financial Officer**

Godrej One, Pirojshanagar, Eastern Express Highway,

Vikhroli (East), Mumbai – 400 079, Maharashtra

Phone: 022 – 2518 8010, Fax: 022 – 2518 8066

Email id: [cg.pinto@godrejinds.com](mailto:cg.pinto@godrejinds.com), Website: [www.godrejindustries.com](http://www.godrejindustries.com)

**Ms. Tejal Jariwala**

**Company Secretary & Compliance Officer**

Godrej One, Pirojshanagar, Eastern Express Highway,

Vikhroli (East), Mumbai – 400 079, Maharashtra

Phone: 022 – 2518 8010, Fax: 022 - 2518 8066

Email id: [tejal.jariwala@godrejinds.com](mailto:tejal.jariwala@godrejinds.com), Website: [www.godrejindustries.com](http://www.godrejindustries.com)

**Investor Correspondence should be addressed to:**

**Computech Sharecap Limited**

147, M.G. Road, Opp. Jehangir Art Gallery, Fort, Mumbai 400 001.

Tel: 022-22635000 / 22635001; Fax: 022-22635001

Email: [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)

**Exclusive E-Mail ID for Investors / Shareholders**

Your Company has designated an e-mail id to enable the Shareholders and Investors to correspond with the Company. The e-mail id is [investor@godrejinds.com](mailto:investor@godrejinds.com).

**r) SEBI Complaints Redress System (SCORES):**

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are as stated under:

1. Centralised database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

**s) Material Subsidiary Companies:**

Your Company does not have material non-listed Subsidiary Company whose turnover or net worth (i.e. Paid-up capital and free reserves) exceeds 10% (ten per cent) of the consolidated turnover or net worth respectively of the Company and its subsidiary in the immediate preceding accounting year. The Consolidated Financial Statements are tabled at the Board Meetings. Copies of the Minutes of the Board Meetings of unlisted Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings. Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has been put up on the website of the Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com). Your Company has 2 (two) Material Listed Subsidiaries as on March 31, 2021, viz. Godrej Properties Limited and Godrej Agrovet Limited.

**t) Non-compliance of any requirement of Corporate Governance Report of sub-paras (2 to (10) of Para C to Schedule V of the Listing Regulations:**

The Company has complied with all the requirements in this regard, to the extent applicable.

**u) Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:**

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

Corporate Governance Report for the whole of Financial Year is given in table below:

**I. Disclosure on website in terms of Listing Regulations:**

Particulars	Compliance status (Yes / No / NA)
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Not Applicable
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	Not Applicable
New name and the old name of the listed entity	Not Applicable
Advertisements as per Regulation 47 (1)	Yes
Credit rating or revision in credit rating obtained	Yes
Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant Financial Year	Yes
Whether Company has provided information under separate section on its website as per Regulation 46(2)	Yes
Materiality Policy as per Regulation 30	Yes
Dividend Distribution policy as per Regulation 43A (as applicable)	Yes
It is certified that these contents on the website of the listed entity are correct	Yes

## II. Annual Affirmations:

Particulars	Regulation Number	Compliance status (Yes / No / NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board Meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination and Remuneration committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Meeting of Stakeholders Relationship Committee	20(3A)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	Yes
Meeting of Risk Management Committee	21(3A)	Yes
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2)& (3)	Yes
Approval for material Related Party Transactions	23(4)	Yes
Disclosure of related party transactions on consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted Material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	Not Applicable
Maximum Tenure	25(1) & (2)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Declaration from Independent Directors	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	Yes

Particulars	Regulation Number	Compliance status (Yes / No / NA)
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of Directors and Senior Management	26(2) &(5)	Yes

**v) Transfer of Unpaid / Unclaimed amounts of Dividend to Investor Education and Protection Fund:**

During the year under review, the Company had transferred an amount of ₹ 7,95,241/- (Rupees Seven Lakh Ninety Five Thousand Two Hundred Forty One Only) lying in the unpaid / unclaimed dividend account for the Financial Year 2012-13, to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Further, Equity Shares in respect of which dividend will remain unclaimed progressively for 7 (seven) consecutive years, will be reviewed for transfer to the IEPF as required by law. The Company will transfer the said Equity Shares, if any, after sending an intimation of such proposed transfer in advance to the concerned Shareholders, as well as, publish a public notice in this regard. Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on August 13, 2020 (date of last Annual General Meeting) on the Company's website, viz., [www.godrejindustries.com](http://www.godrejindustries.com) and on the website of the Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in).

**w) Details of compliance with Non-Mandatory requirements:**

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

- (a) **Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the Shareholders.
- (b) **Audit Qualifications:** The Company's financial statements for Financial Year 2020-21 do not contain any audit qualification.
- (c) **Reporting of Internal Auditor:** The Internal Auditors give their quarterly report to the Audit Committee and the same is taken for review at the time of the Meetings of the Audit Committee.

#### x) Credit Ratings:

The details of Credit Ratings held by the Company as on March 31, 2021 are as under:

##### Ratings from ICRA:

Instrument	Amount (₹ in Crore)	ICRA Rating
Long Term Loans	1,200	[ICRA] AA (stable)
Long Term Fund Based Limits	90	[ICRA] AA (stable)
Long Term Non-Fund Based Limits	50	[ICRA] AA (stable)
Short Term Loans	200	[ICRA] A1+
Short Term Non-Fund Based Limits	600	[ICRA] A1+
Commercial Paper Programme	1,500	[ICRA] A1+
Non-Convertible Debenture	3,000	[ICRA] AA (stable)

##### Ratings from CRISIL:

Instrument	Amount in (₹ in Crore)	CRISIL Rating
Commercial Paper Programme	1,500	CRISIL A1+
Non-Convertible Debenture	3,000	CRISIL AA/stable

There have been no revisions / changes in the Credit Ratings held by the Company during the Financial Year 2020-21.

#### y) Certificate regarding no-disqualification of Directors:

A certificate from M/s. A. N. Ramani & Co., Practicing Company Secretaries has been obtained stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed to this Report on Corporate Governance.

#### z) Fees paid to Statutory Auditors:

Total fees of ₹ 4.71 Crore (Rupees Four Crore Seventy One Lakh) for the Financial Year 2020-21, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.



**DECLARATION BY MANAGING DIRECTOR WITH RESPECT TO COMPLIANCE  
WITH CODE OF CONDUCT OF THE COMPANY**

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As provided under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said regulations, this is to confirm that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2021.

**For Godrej Industries Limited**

**Nadir Godrej  
Managing Director**

**Date: April 23, 2021  
Place: Mumbai**

## **CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON COMPLIANCE WITH CORPORATE GOVERNANCE**

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To,  
The Members,  
**Godrej Industries Limited**

We have examined the compliance of conditions of corporate governance by Godrej Industries Limited (“the Company”) for the Financial Year ended on March 31, 2021, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

### **Management Responsibility**

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

### **PCS’ Responsibility**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations as applicable during the Financial Year ended March 31, 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

### **Restriction on use**

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For M/s. A. N. Ramani & Co.,**  
**Company Secretaries**  
**UNIQUE CODE - P2003MH000900**

**Mital D. Pawar**  
**Partner**  
**ACS – 57478, COP – 23424**  
**UDIN: A057478C000352201**

**Date: May 21, 2021**  
**Place: Thane**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**Godrej Industries Limited**  
Godrej One, Pirojshanagar,  
Eastern Express Highway, Vikhroli East,  
Mumbai - 400079

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Godrej Industries Limited having CIN - L24241MH1988PLC097781 and having registered office at Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400079 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.


Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Adi Godrej	00065964	March 7, 1988
2	Mr. Nadir Godrej	00066195	March 7, 1988
3	Mr. Jamshyd Godrej	00076250	March 7, 1988
4	Mr. Vijay Crishna	00066267	January 3, 1995
5	Mr. Kavasa Petigara	00066162	January 30, 2002
6	Mr. Mathew Eipe	00027780	May 13, 2019
7	Dr. Ganapati Yadav	02235661	May 13, 2019
8	Ms. Monaz Noble	03086192	May 1, 2020
9	Ms. Shweta Bhatia	03164394	October 28, 2020
10	Mr. Sandeep Murthy	00591165	March 1, 2021
11	Ms. Tanya Dubash	00026028	August 1, 1996
12	Mr. Nitin Nabar	06521655	May 1, 2013

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

**For M/s. A. N. Ramani & Co.,**  
**Company Secretaries**  
**UNIQUE CODE - P2003MH000900**

**Mital D. Pawar**  
**Partner**  
**ACS - 57478, COP - 23424**  
**UDIN: A057478C000352234**

**Date: May 21, 2021**  
**Place: Thane**



**CONSOLIDATED  
FINANCIAL  
STATEMENTS**

# Independent Auditors' Report

To the Members of Godrej Industries Limited

Report on the Audit of Consolidated Financial Statements

## Opinion

We have audited the consolidated financial statements of Godrej Industries Limited (hereinafter referred to as 'the "Holding Company"') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, 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, associates and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and its joint ventures as at 31 March 2021, of its consolidated profit and other comprehensive loss, 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, its associates and its joint ventures 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.

## Emphasis of matter

1. We draw attention to Note 54 of the consolidated financial statements which describes the accounting for the Scheme of Amalgamation between Godrej Properties Limited (a subsidiary of Godrej Industries Limited) and Wonder Space Properties Private Limited, a wholly owned subsidiary of Godrej Properties Limited ('the Scheme' or 'the business combination'). The Scheme has been approved by the National Company Law Tribunal ('NCLT') vide its order dated 14 September 2020 and a certified copy has been filed by Godrej Properties Limited with the Registrar of Companies, Mumbai, Maharashtra, on 26 October 2020.

The appointed date as per the NCLT approved Scheme is 5 April 2019 and as per the requirements of Appendix C to Ind AS 103 "Business Combinations", the business combination has been accounted for as if it had occurred from the date of acquisition of control i.e. 5 April 2019. Accordingly, the amounts relating to the financial year ended 31 March 2020 include the impact of the business combination and the corresponding amount for the year ended 31 March 2020 have been restated after recognizing the effect of the amalgamation as above. The aforesaid note (Note 54) also describes in detail the impact of the business combination on the consolidated financial statements.

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

2. We draw attention to Note 33(2) of the consolidated financial statements, relating to remuneration paid / payable to the Managing Director & CEO of one of the subsidiary companies for the financial year ended 31 March 2021, being in excess of the limits prescribed under Section 197 of the Act by ₹37.94 crores, which is subject to the approval of the shareholders.

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

## 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.

## Independent Auditors' Report

### Key Audit Matters (Continued)

#### Description of Key Audit Matter

#### Revenue recognition from sale of goods

(refer note 29 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
<p>Revenue is recognized when the control of the products being sold has been transferred to the customer.</p> <p>We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. Also, there is a risk of revenue being fraudulently overstated through manipulation on the timing of transfer of control arising from pressure to achieve performance targets and meeting external expectations at the year end.</p> <p>Revenue is measured at the fair value of the consideration received or receivable, after deduction of estimated sales returns and discounts (i.e. trade discounts, volume rebates and other incentives).</p> <p>Revenue recognition from sale of products for certain subsidiaries involves estimation and significant judgment for accounting of accruals for sales returns, mainly in the crop protection segment.</p>	<p>Our audit procedures to assess revenue recognition from sale of goods included the following:</p> <ul style="list-style-type: none"> <li>• Assessing the compliance of the revenue recognition accounting policies by comparing with Ind AS 115 "Revenue from Contracts with Customers";</li> <li>• Testing the design, implementation and operating effectiveness of key manual application controls and general IT application controls and key IT application controls over the Company's/Group's systems for revenue recognition, by involving our IT specialists;</li> <li>• Testing the design, implementation and operating effectiveness of key internal controls over the development of assumptions of expected returns based on accumulated experience and level of customer wise claims for discounts and related accruals;</li> <li>• Performing substantive cut-off testing by selecting statistical samples of revenue transactions recorded during and after year end and agreeing to the underlying documents, which included sales invoices/contracts and shipping documents ;</li> <li>• Evaluating the design and testing the implementation and operating effectiveness of the internal controls over accrual for sales returns, in crop protection segment;</li> <li>• Checking completeness and accuracy of the data used by the Group for accrual of sales returns in crop protection segment;</li> <li>• Examining historical trend of sales returns claims to assess the assumptions and judgements used in accrual of sales returns in crop protection segment. Comparing historically recorded accruals to the actual amount of sales returns;</li> <li>• Examining sample manual journal entries (using statistical sampling) posted to revenue and for sales returns to verify any unusual or irregular items;</li> <li>• Evaluating adequacy of disclosures given in Consolidated financial statements.</li> </ul>

#### Revenue recognition from sale of residential and commercial units

(refer notes 29 and 56 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
<p>Certain of the Holding Company's subsidiaries' most significant revenue streams involve sale of residential and commercial units.</p> <p>Revenue is recognized post transfer of control of residential and commercial units to customers for the amount / consideration which the subsidiaries expect to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable. The subsidiaries record revenue, over time till the actual possession to the customers, or on actual possession to the customers, as determined by the terms of contract with customers.</p> <p>The risk for revenue being recognized in an incorrect period presents a key audit matter due to the financial significance and geographical spread of the subsidiaries' projects across different regions in India.</p>	<p>Our audit procedures on Revenue recognition from sale of residential and commercial units included the following:</p> <ul style="list-style-type: none"> <li>• Evaluating the design and implementation and testing operating effectiveness of key internal controls over revenue recognition;</li> <li>• Evaluating the accounting policies adopted by the subsidiaries for revenue recognition to check those are in line with the applicable accounting standards and their consistent application to the significant sales contracts;</li> <li>• Scrutinizing the revenue journal entries raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation;</li> <li>• Testing timeliness of revenue recognition by comparing individual sample sales transactions to underlying contracts;</li> <li>• Conducting site visits during the year for selected projects to understand the scope, nature and progress of the projects;</li> <li>• Considering the adequacy of the disclosures in the consolidated financial statements in respect of the judgments taken in recognising revenue for residential and commercial property units in accordance with Ind AS 115,</li> </ul>

## Independent Auditors' Report

### Key Audit Matters (Continued)

#### Description of Key Audit Matter (Continued)

#### Revenue recognition from sale of residential and commercial units (Continued)

(refer notes 29 and 56 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
<p><b>Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete</b></p> <p>Revenue recognition for certain subsidiaries involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on the subsidiaries' assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.</p> <p>Considering the significant estimate involved in measurement of revenue, we have considered measurement of revenue as a key audit matter.</p>	<p><b>Revenue recognition prior to receipt of Occupancy Certificate/ similar approval and intimation to the customer</b></p> <ul style="list-style-type: none"> <li>• Obtaining and understanding revenue recognition process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer;</li> <li>• Evaluating revenue overstatement or understatement by assessing subsidiaries' key judgments in interpreting contractual terms. Determining the point in time at which the control is transferred by evaluating subsidiaries' in-house legal interpretations of the underlying agreements i.e. when contract becomes non-cancellable;</li> <li>• Identifying and testing operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers;</li> <li>• Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers;</li> <li>• Requesting confirmations, on a sample basis, from major customers for selected projects and reconciling them with revenue recognised. In case of non-receipt of confirmations, we have performed alternative procedures by comparing details with contracts, collection details and other underlying project related documentation.</li> </ul> <p><b>Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete</b></p> <ul style="list-style-type: none"> <li>• Identifying and testing operating effectiveness of key controls over recording of project costs;</li> <li>• Assessing the costs incurred and accrued to date on the balance sheet by examining underlying invoices and signed agreements on a sample basis. Assessing contract costs to check that no costs of revenue nature are incorrectly recorded in the balance sheet;</li> <li>• Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts. Also, checked that the related revenue had been recognised in accordance with the subsidiaries' revenue recognition policies;</li> <li>• Comparing the costs to complete workings with the budgeted costs and inquiring for variance.</li> <li>• Sighting subsidiaries' internal approvals, on sample basis, for changes in budgeted costs along with the rationale for the changes.</li> </ul>

## Independent Auditors' Report

### Key Audit Matters (Continued)

#### Description of Key Audit Matter (Continued)

#### Inventories (refer note 10 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
<p>Inventories held by certain of the Holding Company's subsidiaries comprising finished goods and construction work in progress may be held for long periods of time before sale making it vulnerable to reduction in net realizable value (NRV). This could result in an overstatement of the value of inventory when the carrying value is higher than the NRV.</p> <p><i>Assessing NRV</i></p> <p>NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale and estimated costs of completion (in case of construction work-in-progress). The inventory of finished goods and construction work-in-progress is not written down below cost when completed flats/ under-construction flats /properties are expected to be sold at or above cost.</p> <p>For NRV assessment, the estimated selling price is determined for a phase, sometimes comprising multiple units. The assessment and application of write-down of inventory to NRV are subject to significant judgement by subsidiaries.</p> <p>As such inappropriate assumptions in these judgements can impact the assessment of the carrying value of inventories.</p> <p>Considering the Group's judgement associated with long dated estimation of future market and economic conditions and materiality in the context of total assets of subsidiaries, we have considered assessment of net realizable value of inventory as a key audit matter.</p>	<p>Our audit procedures to assess the net realizable value (NRV) of inventories included the following:</p> <ul style="list-style-type: none"> <li>• Understanding from subsidiaries the basis of estimated selling price for the unsold units and units under construction;</li> <li>• Evaluating the design and testing operating effectiveness of controls over preparation and update of NRV workings by designated personnel. Testing controls related to subsidiaries' review of key estimates, including estimated future selling prices and costs of completion for property development projects;</li> <li>• Evaluating the subsidiaries' judgement with regards to application of write-down of inventory units by auditing the key estimates, data inputs and assumptions adopted in the valuations. Comparing expected future average selling prices with available market conditions such as price range available under industry reports published by reputed consultants and the sales budget plans maintained by the subsidiaries;</li> <li>• Comparing the estimated construction costs to complete each project with the subsidiaries' updated budgets. Re-computing the NRV, on a sample basis, to test that inventory units are held at the lower of cost and NRV.</li> </ul>

#### Deferred Tax Assets (refer notes 8 and 44 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
<p><b>Recognition and measurement of deferred tax assets</b></p> <p>Certain of the Holding Company's subsidiaries are required to reassess recognition of deferred tax assets at each reporting date. The subsidiaries have deferred tax assets in respect of brought forward losses and other temporary differences.</p> <p>The subsidiaries' deferred tax assets in respect of brought forward business losses are based on the projected profitability. This is determined on the basis of approved business plans demonstrating availability of sufficient taxable income to utilize such brought forward business loss.</p> <p>We have identified recognition of deferred tax assets as a key audit matter because of the related complexity and subjectivity of the assessment process. The assessment process is based on assumptions affected by expected future market or economic conditions.</p>	<p>Our audit procedures to assess recognition and measurement of deferred tax assets included:</p> <ul style="list-style-type: none"> <li>• Obtaining the approved business plans, projected profitability statements for the existing ongoing projects;</li> <li>• Evaluating the design and testing the operating effectiveness of controls over quarterly assessment of deferred tax balances and underlying data;</li> <li>• Evaluating the projections of future taxable profits. Testing the underlying data and assumptions used in the profitability projections and performing sensitivity analysis;</li> <li>• Checking other convincing evidence like definitive agreements for land / development rights and verifying the project plans in respect of new projects and review of contractual agreements with customers and estimates on unsold inventory for existing projects;</li> <li>• Assessing the recoverability of deferred tax assets by evaluating profitability, subsidiaries' forecasts and fiscal developments;</li> <li>• Assessing the adequacy of the disclosures in the consolidated financial statements on deferred tax and assumptions used.</li> </ul>



## Independent Auditors' Report

### Key Audit Matters (Continued)

#### Description of Key Audit Matter (Continued)

#### Investments in joint ventures and an associate and loans to joint ventures

(refer notes 4(a) and 14 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
<p><b>Recoverability of investments in joint ventures and an associate</b></p> <p>Certain of the Holding Company's subsidiaries' have investments in joint ventures which are carried at cost less impairment provision. The investments are assessed for impairment at each reporting date. The impairment assessment involves the use of estimates and judgements. The identification of an impairment event and the determination of an impairment charge also require the application of significant judgement by the subsidiaries. The judgement, in particular, is with respect to the timing, quantity and estimation of projected cash flows of the real estate projects in these underlying entities.</p> <p>In view of the significance of these investment and above involved, we consider valuation / impairment of investments by subsidiaries in joint ventures and an associate to be a key audit matter.</p> <p><b>Recoverability of loans to joint ventures</b></p> <p>The subsidiaries have given loans to joint ventures. These are assessed for recoverability at each period end.</p> <p>Due to the nature of the business in the real estate industry, the subsidiaries are exposed to heightened risk in respect of the recoverability of the loans granted to its joint ventures. In addition to nature of business, there is also significant judgment involved as to the recoverability of the working capital and project specific loans. This depends on property developments projects being completed over the time period specified in agreements.</p> <p>We have identified measurement of loans to joint ventures as a key audit matter because recoverability assessment involves subsidiaries' significant judgement and estimate.</p>	<p>Our audit procedures to assess recoverability of investments in joint ventures and an associate included the following:</p> <ul style="list-style-type: none"> <li>• Evaluating design and implementation and testing operating effectiveness of controls over subsidiaries' process of impairment assessment and approval of forecasts;</li> <li>• Assessing the valuation methods used, financial position of the joint ventures and an associate to identify excess of their net assets over their carrying amount of investment by the subsidiaries and assessing profit history of those joint ventures and an associate;</li> <li>• For the investments where the carrying amount exceeded the net assets value, understanding from the subsidiaries and testing the basis and assumptions used for the projected profitability;</li> <li>• Verifying the inputs used in the projected profitability;</li> <li>• Testing the assumptions and understanding the forecasted cashflows of the joint ventures and associates based on our knowledge of the of those joint ventures and associates and the markets in which they operate;</li> <li>• Assessing the comparability of the forecasts with historical information;</li> <li>• Analyzing the possible indications of impairment and understanding subsidiaries assessment of those indications.</li> <li>• Considering the adequacy of disclosures in respect of the investment in joint venture and an associates.</li> </ul> <p>Our audit procedures to assess recoverability of loans to joint ventures included the following:</p> <ul style="list-style-type: none"> <li>• Evaluating the design and implementation and testing operating effectiveness of key internal controls placed around the impairment assessment process of the recoverability of the loans;</li> <li>• Assessing the net worth of joint ventures on the basis of latest available financial statements;</li> <li>• Assessing the controls for grant of new loans and sighting the Board approvals obtained. We have tested subsidiaries' assessment of the recoverability of the loans, which includes cash flow projections over the duration of the loans. These projections are based on underlying property development appraisals;</li> <li>• Tracing loans advanced / repaid during the year to bank statements;</li> <li>• Obtaining independent confirmations to assess completeness and existence of loans and advances given to joint ventures as on 31 March 2021.</li> </ul>

## Independent Auditors' Report

### Key Audit Matters (Continued)

#### Description of Key Audit Matter (Continued)

#### Loss allowance on trade receivables (refer note 12 to the Consolidated Financial Statements)

The key audit matter	How the matter was addressed in our audit
<p><b>Loss allowance on trade receivables – crop protection segment</b></p> <p>Certain of the Holding Company's subsidiaries have Trade receivables of crop protection segment which consist of individual / small customers in different jurisdictions within India.</p> <p>Accordingly, there are significant large number of customers subject to different business risk, climate risk, political risk and interest rate risk. The loss allowance for trade receivables of crop protection segment represents those subsidiaries' best estimate at the balance sheet date of expected credit losses (ECL) under Ind AS 109 Financial instruments.</p> <p>Subsidiaries assess the ECL allowance for these individual / small customers resulting from all possible defaults over the expected life of the receivables. These are generally expected to be recognized before a trade receivable becomes past due. ECL is assessed at each reporting date on collective basis using provision matrix.</p> <p>The measurement of ECL involves significant judgements and assumptions, primarily including:</p> <ul style="list-style-type: none"> <li>- Loss rate in provision matrix depending on days past due;</li> <li>- credit risk of customers and</li> <li>- historical experience adjusted for future economic conditions.</li> </ul> <p>For measuring ECL, the Group adopted provision matrix, employed numerous parameters and applied significant estimates and judgements. In addition, the exposures of the trade receivables of crop protection segment and the ECL involve significant amounts. In view of the estimates and judgements involved, we identified the assessment of ECL on trade receivables of crop protection segment as a key audit matter.</p>	<p>Our audit procedures to assess the ECL on trade receivables of crop protection segment included the following:</p> <ul style="list-style-type: none"> <li>• Testing the design, implementation and operating effectiveness of key controls over measurement of ECL on trade receivables in crop protection segment;</li> <li>• Evaluating the processes of credit control, collection of trade receivables;</li> <li>• Assessing the subsidiaries' accounting policy for ECL on trade receivables with applicable accounting standards;</li> <li>• Involving our IT specialists to assess and obtain comfort over ageing report. Assessing the classification of trade receivables based on such ageing report generated from the systems;</li> <li>• Challenging the ECL estimates by examining the information used to form such estimates;</li> <li>• Checking completeness and accuracy of the data used by those subsidiaries for computation of assumptions used for computing ECL on trade receivables. Assessing assumptions such as the basis of segmentation of trade receivables, historical default rate and other related factors;</li> <li>• Obtaining independent customers' confirmations on the outstanding invoices on sample (using statistical sampling) basis. Verifying balances obtained from customers with balance in the books along with applicable reconciling items. Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to closing trade receivable balances when confirmations are not received;</li> <li>• Examining data inputs to provisioning matrix;</li> <li>• Examining sample manual journal entries (using statistical sampling) for loss allowances to identify any unusual or irregular items.</li> </ul>

## Independent Auditors' Report

### Key Audit Matters (Continued)

#### Description of Key Audit Matter (Continued)

#### Impairment of Goodwill and Intangible assets (refer notes 3c and 43 to the Consolidated Financial Statements)

The key audit matter	How the matter was addressed in our audit
<p>Certain of the Holding Company's subsidiaries' test goodwill and intangible assets with indefinite life for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.</p> <p>The goodwill and intangible assets are attributable to cash generating units and is reviewed for impairment using a value in use model. We consider the impairment evaluation of Goodwill by management to involve significant estimates and judgement, due to the inherent uncertainty involved in forecasting and discounting future Cash flow</p> <p>We accordingly consider the impairment evaluation of goodwill and intangible assets by these subsidiaries as a key audit matter.</p>	<p>Our audit procedures in respect of impairment of goodwill and intangible assets included the following:</p> <ul style="list-style-type: none"> <li>• Testing the appropriateness of management's basis to identify relevant CGUs for which Goodwill and intangible assets being tested;</li> <li>• Obtained and assessed the valuation working prepared by the management for its impairment assessment;</li> <li>• Involving our valuation specialists to assist in the evaluation of assumptions and methodologies used by the subsidiaries;</li> <li>• Evaluated the underlying key assumptions such as discount rate, growth rate etc. in estimating projections including cash flows;</li> <li>• Assessing the sensitivity of the outcome of impairment assessment. This is tested to changes in key assumptions; and</li> <li>• Assessing the adequacy of disclosures in respect of goodwill and intangible assets in accordance with the accounting standards.</li> </ul>

#### 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'/Designated Partners' 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 terms 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 including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies/Designated Partners of limited liability partnerships included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/limited liability partnership 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.

## Independent Auditors' Report

### Management's and Board of Directors'/Designated Partners' Responsibilities for the Consolidated Financial Statements (Continued)

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies/Designated Partners of limited liability partnerships included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company/limited liability partnership 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/ Designated Partners of limited liability partnerships either intends to liquidate the company/limited liability partnership or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/Designated Partners of limited liability partnerships included in the Group and of its associates and joint ventures is responsible for overseeing the financial reporting process of each company/limited liability partnerships.

### 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 associates and joint ventures 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 associates and joint ventures 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

## Independent Auditors' Report

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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 five subsidiaries, whose financial statements/ financial information reflect total assets of ₹ 359.15 crores (before consolidation adjustments) as at 31 March 2021, total revenues of ₹ 532.71 crores (before consolidation adjustments) and net cash outflows of ₹ 66.54 crores for the year ended on that date, as considered in the consolidated financial statements . The consolidated financial statements also include the Group's share of net profit after tax (and other comprehensive income) (before consolidation adjustments) of ₹ 41.31 crores for the year ended 31 March 2021, in respect of one joint venture, whose financial statements/ financial information has not been audited by us . 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 joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the audit reports of the other auditors.
- (b) The financial statements/financial information of two subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of ₹ Nil crores as at 31 March 2021, total revenue (before consolidation adjustments) of ₹ Nil crores and net cash inflows of ₹ Nil crores for the year ended on that date, 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 profit after tax (and other comprehensive income) (before consolidation adjustments) of ₹ 4.28 crores for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of one associate and one joint venture 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 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, associate and joint venture and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associate and joint venture, 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 management, these financial statements / financial information are not material to the Group.

## Independent Auditors' Report

### Other Matters (Continued)

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

### Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures 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 and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India 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, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, 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, its associates and joint ventures. Refer Note 38 to the consolidated financial statements.
  - ii. The Group, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.
  - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2021.
  - 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:
- We draw attention to Note 33(2) of the consolidated financial statements, relating to remuneration paid / payable to the Managing Director & CEO of one of the subsidiary companies incorporated in India for the financial year ended 31 March 2021,

## Independent Auditors' Report

### Report on Other Legal and Regulatory Requirements (Continued)

being in excess of the limits prescribed under Section 197 of the Act by ₹37.94 crores, which is subject to the approval of the shareholders. Our opinion is not modified in respect of this matter.

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act, except as stated above. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India is not in excess of the limit laid down under Section 197 of the Act, except as stated above. 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

ICAI UDIN: 21046476AAAADH2499

Mumbai  
21 May 2021

## Independent Auditors' Report

**Annexure A to the Independent Auditors' report on the Consolidated Financial Statements of Godrej Industries 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 Industries Limited (hereinafter referred to as "the Holding Company" or "the 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 and such companies incorporated in India under the Companies Act, 2013 ("the Act") which are its subsidiary companies, its associate companies and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and its joint venture companies have, 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 such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's Responsibility for Internal Financial Controls

The respective 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 respective 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### 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 and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.



## Independent Auditors' Report

### Annexure A to the Independent Auditors' report on the Consolidated Financial Statements of Godrej Industries Limited for the year ended 31 March 2021 (Continued)

#### Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A 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 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 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 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 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.

#### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**Vijay Mathur**

Partner

Membership No. 046476

ICAI UDIN: 21046476AAAADH2499

Mumbai  
21 May 2021

## Consolidated Balance Sheet as at March 31, 2021

Amount ₹ in Crore

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020 (Restated)
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	3	3,059.16	2,986.99
Capital Work in Progress	3a	438.85	329.29
Rights of use of Assets	45	195.93	117.17
Investment Property	3b	512.81	192.35
Goodwill	43	683.34	683.34
Other Intangible Assets	3c	68.74	69.28
Intangible Assets Under Development	3d	4.76	4.79
Biological Assets other than bearer plants	3e	17.66	21.95
Equity accounted investees	4a	4,189.03	3,831.36
<b>Financial Assets</b>			
Investments	4b	724.35	701.27
Trade Receivables	5	71.71	89.83
Loans	6	60.25	55.52
Other Financial Assets	7	757.45	8.12
Deferred Tax Assets (Net)	8	401.38	499.16
Other tax assets (net)		126.85	201.67
Other Non Current Assets	9	75.58	83.91
<b>Current Assets</b>			
Biological Assets other than bearer plants	3e	61.55	57.74
Inventories	10	6,187.42	3,187.56
<b>Financial Assets</b>			
Investments	11	5,038.60	2,061.57
Trade Receivables	12	1,510.67	1,551.72
Cash and cash equivalents	13a	394.36	590.41
Other Bank balances	13b	457.79	388.05
Loans	14	2,499.23	1,635.18
Other Financial Assets	15	857.51	548.37
Current Tax Assets (Net)		0.04	0.06
Other Current Assets	16	610.00	552.63
<b>TOTAL ASSETS</b>		<b>29,005.02</b>	<b>20,449.29</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	17	33.66	33.65
Other Equity	18	7,519.58	5,754.68
Equity attributable to owners of the Company		7,553.24	5,788.33
Non-controlling interest		5,817.04	3,562.34
<b>TOTAL EQUITY</b>		<b>13,370.28</b>	<b>9,350.67</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	19	3,110.60	612.63
Lease Liabilities	45	77.99	28.42
Other Financial Liabilities	20	121.84	1.35
Provisions	21	39.08	34.07
Deferred Tax Liabilities (Net)	22	222.34	242.55
Other Non Current Liabilities	23	18.06	22.21
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	24	6,647.61	6,037.42
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	25	56.90	30.97
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,263.84	2,149.43
Other Financial Liabilities (includes Lease Liabilities)	26	950.27	1,348.42
Other Current Liabilities	27	994.89	449.92
Provisions	28	98.99	70.89
Current Tax Liabilities (Net)		32.33	70.34
<b>TOTAL LIABILITIES</b>		<b>15,634.74</b>	<b>11,098.62</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>29,005.02</b>	<b>20,449.29</b>
Significant Accounting Policies	2		

The accompanying notes form an integral part of consolidated financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors of  
**Godrej Industries Limited**  
CIN No.: L24241MH1988PLC097781For **B S R & Co. LLP**  
Chartered Accountants  
Firm Regn. No. : 101248W / W-100022**A. B. Godrej**  
Chairman  
DIN : 00065964**N. B. Godrej**  
Managing Director  
DIN: 00066195**N. S. Nabar**  
Executive Director &  
President (Chemicals)  
DIN : 06521655**Vijay Mathur**  
Partner  
M.No. : 046476**Clement Pinto**  
Chief Financial Officer**Tejal Jariwala**  
Company Secretary

Mumbai, May 21, 2021

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

Amount ₹ in Crore

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Revenue from Operations	29	9,333.51	11,290.75
Other Income	30	661.26	571.61
Total Income		9,994.77	11,862.36
<b>Expenses</b>			
Cost of Materials Consumed	31a	5,713.16	6,304.58
Cost of Property Development	31b	3,014.96	1,487.81
Purchases of Stock in Trade		752.49	527.51
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	32	(2,618.42)	35.72
Employee Benefits Expenses	33	806.96	678.87
Finance Costs	34	468.93	490.92
Depreciation and Amortisation Expenses	35a	242.34	233.84
Other Expenses	35b	1,350.88	1,445.05
<b>Total Expenses</b>		9,731.30	11,204.30
Profit Before Exceptional Items, Share of Profit of Equity Accounted Investees and Tax		263.47	658.06
Exceptional Items	36	-	(9.92)
Profit Before Share of Profit of Equity Accounted Investees and Tax		263.47	648.14
Share of Profit (net) of Equity Accounted Investees (net of Income Tax)		352.46	261.15
Profit before Tax		615.93	909.29
<b>Tax Expense</b>			
Current Tax			
- for the year	44	148.39	155.36
- for Prior Period	44	4.06	1.22
Deferred Tax	44	73.83	114.86
<b>Total Tax Expenses</b>		226.28	271.44
<b>Profit for the Year from continuing operations</b>		389.65	637.85
Profit / (Loss) from discontinued operations	55	-	(27.27)
Exceptional Items - Gain on sale of discontinued operations	55	1.27	200.94
<b>Profit / (Loss) for the Year from discontinued operations</b>		1.27	173.67
<b>Profit for the Year</b>		390.92	811.52
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit or Loss</b>			
a) Remeasurements of defined benefit plans		0.60	(8.21)
b) Equity accounted investees' share of other comprehensive income		3.12	0.12
<b>Income Tax related to Items that will not be reclassified to Profit or Loss</b>		(0.71)	1.68
<b>Items that will be reclassified to Profit or Loss</b>			
a) Exchange differences on translation of financial statements of foreign operations		1.10	(0.93)
b) Equity accounted investees' share of other comprehensive income		(39.89)	53.93
<b>Income Tax related to Items that will be reclassified to Profit or Loss</b>		-	-
<b>Total Other Comprehensive Income / (Loss)</b>		(35.78)	46.59
<b>Total Comprehensive Income for the Year</b>		355.14	858.11
<b>Profit Attributable to :</b>			
a) Owners of the Company		334.57	553.81
b) Non-Controlling Interest		56.35	257.71
<b>Other Comprehensive Income Attributable to :</b>			
a) Owners of the Company		(36.33)	48.61
b) Non-Controlling Interest		0.55	(2.02)
<b>Total Comprehensive Income Attributable to :</b>			
a) Owners of the Company		298.24	602.42
b) Non-Controlling Interest		56.90	255.69
<b>Total Comprehensive Income Attributable to owners arising from:</b>			
Continuing operations		296.97	428.75
Discontinued operations		1.27	173.67
Earnings Per Equity share for continuing operations (Face Value of ₹ 1 each)	37		
Basic		9.90	11.30
Diluted		9.90	11.30
Earnings Per Equity share for discontinued operations (Face Value of ₹ 1 each)	37		
Basic		0.04	5.16
Diluted		0.04	5.16
Earnings Per Equity share for continuing and discontinued operations (Face Value of ₹ 1 each)	37		
Basic		9.94	16.46
Diluted		9.94	16.46
Significant Accounting Policies	2		

The accompanying notes form an integral part of consolidated financial statements  
As per our Report of even date attached

For and on behalf of the Board of Directors of  
**Godrej Industries Limited**  
CIN No.: L24241MH1988PLC097781

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

**A. B. Godrej**  
Chairman  
DIN : 00065964

**N. B. Godrej**  
Managing Director  
DIN: 00066195

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

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

**Clement Pinto**  
Chief Financial Officer

**Tejal Jariwala**  
Company Secretary

Mumbai, May 21, 2021

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

### A. Equity Share Capital (refer note 17)

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount ₹ in Crore	No. of Shares	Amount ₹ in Crore
Balance at the beginning of the year	33,64,86,016	33.65	33,63,84,367	33.64
Changes in equity share capital during the year	59,082	0.01	81,649	0.01
Balance at the end of the year	33,65,25,098	33.66	33,64,86,016	33.65

### B. Other Equity (refer note 18)

Particulars	Other Equity (Restated)										Total Before Non Controlling Interest	Non Controlling Interest	Total		
	Retained Earnings	Non Controlling Interest Reserve	General Reserve	Capital Redemption Reserve	Security Premium	Capital Reserve	Special Reserve	Employee Stock Grant Outstanding	Debt Redemption Reserve	Gain on sale of subsidiary without losing control				Items of Other Comprehensive Income	Total Controlling Interest
Balance at April 01, 2019	1,788.16	1,224.95	64.24	31.46	912.76	28.45	0.81	3.98	10.09	56.13	(3.21)	14.31	4,312.80	2,212.14	6,524.94
Transition impact on adoption of Ind AS 116 (Refer note 45.6)	(8.79)	-	-	-	-	-	-	-	-	-	-	-	(8.79)	-	(8.79)
Balance at April 01, 2019 (Restated)	1,779.37	1,224.95	64.24	31.46	912.76	28.45	0.81	3.98	10.09	56.13	(3.21)	14.31	4,304.01	2,212.14	6,516.15
Profit for the year (Restated) (Refer note 54)	553.81	-	-	-	-	-	-	-	-	-	-	-	553.81	257.71	811.52
Other Comprehensive Income (net of tax)	(4.39)	-	-	-	-	-	-	-	-	-	(4.41)	57.41	48.61	(2.02)	46.59
Transfer from Employee Stock Option Grant	-	4.46	-	-	3.87	-	-	(8.33)	-	-	-	-	-	-	-
Transfer from Surplus	(0.05)	-	-	-	-	-	-	0.05	-	-	-	-	-	-	-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	-	-	-	8.74	-	-	-	-	8.74	8.74
Adjustment for Ind AS Put option Liability	43.91	-	-	-	-	-	0.37	-	-	-	-	-	43.91	-	43.91
Additions during the year	-	2,050.88	-	-	-	-	-	-	-	-	-	4.62	2,055.87	-	2,055.87
<b>Transactions with the owners of the Company, recorded directly in equity</b>															
Final Dividend	(74.86)	-	-	-	-	-	-	-	-	-	-	-	(74.86)	-	(74.86)
Dividend Distribution Tax (DDT)	(17.75)	-	-	-	-	-	-	-	-	-	-	-	(17.75)	-	(17.75)
Adjustment arising on acquisition / Deletion and Non Controlling Interest	9.62	(1,188.32)	-	-	-	0.36	19.16	(1.02)	(1.02)	(6.84)	-	0.38	(1,167.66)	1,094.51	(73.14)
Balance at March 31, 2020 (Restated)	2,289.66	2,090.97	64.24	31.46	916.63	28.81	20.34	4.03	9.48	49.29	(7.62)	76.72	5,754.68	3,582.34	9,337.02
Profit for the year	334.57	-	-	-	-	-	-	-	-	-	-	-	334.57	56.35	390.92
Other Comprehensive Income (net of tax)	2.46	-	-	-	-	-	-	-	-	-	4.98	(43.78)	(36.33)	0.55	(35.78)
Transfer from Employee Stock Option Grant	-	-	-	-	3.18	-	-	(8.87)	-	-	-	-	-	-	-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	-	-	-	7.53	-	-	-	7.53	-	7.53
Adjustment for Ind AS Put option Liability	(5.41)	-	-	-	-	-	-	-	-	-	-	-	(5.41)	-	(5.41)
<b>Transactions with the owners of the Company, recorded directly in equity</b>															
Final Dividend	(43.02)	-	-	-	-	-	-	-	-	-	-	-	(43.02)	-	(43.02)
Additions during the year	-	3,676.85	-	-	-	-	-	-	-	-	-	-	(43.02)	-	3,676.85
Transfer of debenture redemption reserve	-	-	100.00	-	-	-	-	-	-	(100.00)	-	-	-	-	-
Transfer of debenture redemption reserve	-	-	-	-	-	-	8.90	-	-	-	-	-	8.90	-	8.90
On Amalgamation (refer note 54 - II (c) and III (c))	-	-	-	-	-	-	(11.76)	-	0.08	50.71	-	0.37	(2,178.19)	2,197.80	19.61
Adjustment arising on acquisition / Deletion and Non Controlling Interest	141.22	(2,301.61)	(57.19)	-	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2021	2,719.48	3,471.90	107.05	31.46	919.81	28.81	17.48	4.03	8.22	-	(2.64)	33.31	7,519.58	5,817.04	13,336.62

Refer Note 18 for Nature and Purpose of Reserves. The accompanying notes form an integral part of consolidated financial statements.

As per our Report of even date attached

For and on behalf of the Board of Directors of  
**Godrej Industries Limited**  
CIN No.: L24241MH19888PLC097781

**For B S R & Co. LLP**

Chartered Accountants

Firm Regn. No. : 101248W / W-100022

**A. B. Godrej**

Chairman

DIN : 00065964

**N. B. Godrej**

Managing Director

DIN: 00066195

**N. S. Nabar**

Executive Director &

President (Chemicals)

DIN : 06521655

**Vijay Mathur**

Partner

M.No. : 046476

Mumbai, May 21, 2021

**Clement Pinto**

Chief Financial Officer

**Tejal Jarwala**

Company Secretary

## Consolidated Cash Flow Statement for the year ended March 31, 2021

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
<b>A. Cash Flow From Operating Activities:</b>		
Profit Before Tax from Continuing Operations	615.93	909.29
Profit/(Loss) Before Tax from Discontinued Operations	1.27	173.67
Adjustments for:		
Depreciation and Amortisation	242.34	233.84
Unrealised Foreign Exchange revaluation	(12.32)	15.92
Profit on Sale of Investments (net)	(38.08)	(98.13)
Loss / (Profit) on Sale, Write off and Provision of Property Plant and Equipment (net)	0.27	2.99
Grant amortisation	(1.15)	(1.43)
Impairment of Goodwill	-	0.06
Expenses on Amalgamation	1.50	0.35
Interest Income	(510.06)	(358.79)
Interest & Finance Charges	468.93	490.92
Employee Stock Grant Scheme	7.53	8.74
Income from Investment measured at FVTPL	(47.70)	(25.42)
Bad Debts written off	33.18	22.85
Write down of inventories	130.67	33.32
Share of profit of Equity accounted investees (net of tax)	(352.46)	(261.15)
Provision for Doubtful Debts and Sundry Balances (net)	61.72	31.25
Liabilities no longer required written back	(8.63)	(6.88)
Profit on sale of Subsidiary	(1.52)	(200.94)
Exceptional items - Expense / (Income)	-	9.92
Change in fair value of Biological Assets	0.90	0.59
Entitlement of Transferable Development Rights	(195.20)	-
Dividend Income	(0.05)	-
Write Off of Investments	10.42	-
Lease rent from investment property	(0.14)	(0.66)
<b>Operating Profit Before Working Capital Changes</b>	<b>407.35</b>	<b>980.31</b>
Adjustments for :		
Increase / (Decrease) in Non-financial Liabilities	371.91	(1,090.47)
Increase in Financial Liabilities	1,061.18	431.52
(Increase) / Decrease in Inventories	(2,456.02)	226.71
(Increase) in Biological assets other than bearer plants	0.78	(16.28)
(Increase) in Non-financial Assets	(36.71)	(19.69)
Decrease in Financial Assets	96.97	9.45
<b>Cash (used in) / Generated from Operations</b>	<b>(554.56)</b>	<b>521.55</b>
Direct Taxes Paid (net of refunds)	(109.02)	(129.54)
<b>Net Cash (used in) / generated from Operating Activities</b>	<b>(663.58)</b>	<b>392.01</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Property, Plant and Equipment	(745.61)	(387.92)
Proceeds from Sale of Property, Plant and Equipment	9.93	6.86
(Investment) in joint ventures and associate (net)	(277.60)	(151.75)
Proceeds from sale of discontinued operations (net)	1.27	174.38
(Purchase) of Investment (net)	(3,587.58)	(932.50)
Acquisition of subsidiaries (refer note 54)	-	(4.15)
Purchase of Investments in Subsidiaries	(61.06)	(111.43)
(Repayment) to joint ventures, others (net)	(633.46)	(530.89)
Investment in debentures of joint ventures	(73.44)	(188.81)
Proceeds from redemption of debentures of joint ventures	15.00	162.74
Expenses on Amalgamation	(1.50)	(0.35)
Interest Received	133.76	88.78
Dividend Received	59.52	0.07
Lease rent from investment property	0.14	0.66
<b>Net Cash (used) in Investing Activities</b>	<b>(5,160.63)</b>	<b>(1,874.31)</b>
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from issue of Equity shares	0.59	1.35
Transactions with non-controlling interests	3,630.02	1,917.58
Proceeds from Non Current Borrowings	2,659.51	15.46
Repayment of Non Current Borrowings	(583.12)	(351.42)
Payment of lease liabilities	(37.57)	(56.53)
Proceeds from Current Borrowings (net)	758.46	482.02
Interest & Finance Charges Paid	(606.04)	(563.08)
Dividend Paid	(49.58)	(77.70)
Payment of unclaimed fixed deposits	(0.04)	(0.14)
Tax on Distributed Profits	-	(18.35)
<b>Net Cash generated from Financing Activities</b>	<b>5,772.23</b>	<b>1,349.19</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	<b>(51.98)</b>	<b>(133.11)</b>
Cash and Cash Equivalents (Opening Balance)	441.57	574.44
Acquisition of Cash pursuant to acquisition of subsidiaries (refer note 54)	4.84	0.06
Effect of exchange rate fluctuations on cash held	(0.07)	0.18
Cash and Cash Equivalents (Closing Balance)	394.36	441.57

## Consolidated Cash Flow Statement for the year ended March 31, 2021

Notes :

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

2 **Cash and Cash Equivalents** (Amount ₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Balances with Banks		
Current Accounts	111.67	461.76
Deposits having maturity less than 3 months	267.37	113.21
Cheques, Drafts on Hand	12.18	11.30
Cash on Hand	3.14	4.15
<b>Cash and Cash Equivalents</b>	<b>394.36</b>	<b>590.41</b>
Bank Overdraft repayable on Demand	-	(148.84)
<b>Cash and Cash Equivalents</b>	<b>394.36</b>	<b>441.57</b>

3 **Effect of disposal of subsidiary on the financial position of the Group**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Current Financial Assets	-	226.72
Cash and cash equivalents	-	8.04
Current Financial Liabilities	-	235.16
Current Non-Financial Liabilities	-	0.00
<b>Assets net of Liabilities</b>	<b>-</b>	<b>(0.40)</b>

4 **Effect of acquisition of full control in Joint Venture on the financial position of the Group**

Property, plant and equipment	2.60	-
Deferred tax assets (Net)	(3.81)	0.35
Income tax assets (Net)	5.56	2.92
Inventories	135.49	93.21
Current financial assets	1.17	119.01
Cash and cash equivalents	4.85	0.02
Current non-financial assets	14.25	-
Current financial liabilities	(56.06)	(212.24)
Current non-financial liabilities	(96.32)	(0.17)
Assets net of liabilities	7.73	3.10
Consideration paid, satisfied in cash	0.00	4.14
Cash and cash equivalents acquired	4.84	0.02
<b>Net cash (Inflows) / outflows</b>	<b>(4.84)</b>	<b>4.12</b>

5 **Reconciliation of liabilities arising from financing activities** (Amount ₹ in Crore)

Particulars	As at April 01, 2020	Cash Flow	Non Cash Changes	As at March 31, 2021
Non Current Borrowings (including current maturities of long term debt)	1,187.00	2,076.39	(6.48)	<b>3,256.91</b>
Current Borrowings	5,885.85	758.46	(0.36)	<b>6,643.95</b>
<b>Total Borrowings</b>	<b>7072.85*</b>	<b>2,834.85</b>	<b>(6.84)</b>	<b>9900.86**</b>

\*This amount excludes Interest Accrued of ₹ 2.72 Crore and Bank Overdraft of ₹ 148.84 Crore.

\*\*This amount excludes Interest Accrued of ₹ 3.64 Crore and Bank Overdraft of ₹ Nil.

(Amount ₹ in Crore)

Particulars	As at April 01, 2019	Cash Flow	Non Cash Changes	As at March 31, 2020
Non Current Borrowings (including current maturities of long term debt)	1,511.45	(335.96)	11.50	1,187.00
Current Borrowings	5,394.01	482.02	9.82	5,885.85
<b>Total Borrowings</b>	<b>6905.46*</b>	<b>146.06</b>	<b>21.32</b>	<b>7072.85**</b>

\*This amount excludes Interest Accrued of ₹ 4.20 Crore and Bank Overdraft of ₹ 176.03 Crore.

\*\*This amount excludes Interest Accrued of ₹ 2.72 Crore and Bank Overdraft of ₹ 148.84 Crore.

The accompanying notes form an integral part of consolidated financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors of

**Godrej Industries Limited**

CIN No.: L24241MH1988PLC097781

**For B S R & Co. LLP**Chartered Accountants  
Firm Regn. No. : 101248W / W-100022**A. B. Godrej**Chairman  
DIN : 00065964**N. B. Godrej**Managing Director  
DIN: 00066195**N. S. Nabar**Executive Director &  
President (Chemicals)  
DIN : 06521655**Vijay Mathur**Partner  
M.No. : 046476**Clement Pinto**

Chief Financial Officer

**Tejal Jariwala**

Company Secretary

Mumbai, May 21, 2021

## Notes to Consolidated Financial Statements

### Note 1 : General Information

#### 1. Group Overview

Godrej Industries Limited ("the Company") including its Subsidiaries, and interests in Joint Ventures, Associates and, Limited Liability Partnerships (collectively referred to as "the Group"), is engaged in the business of Chemicals, Agri Inputs, Estate and Property Development, Vegetable Oil, Finance and Investments, Dairy, Animal Feeds, and other related activities. The Company is domiciled and incorporated in the Republic of India with its registered address situated at Godrej One, Pirojshanagar, Vikhroli (East), Mumbai - 400079 and is listed on BSE Limited and The National Stock Exchange of India Limited (NSE).

#### 2. Basis of preparation

The Consolidated Financial Statements of the Group have been prepared on an accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles in India, under the historical cost convention except for the following :

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments).
- asset held for sale and biological assets – measured at fair value less cost to sell;
- defined benefit plans- plan assets measured at fair value less present value of defined benefit obligation; and
- share based payments measured at fair value.

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

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

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

The consolidated financial statements of the Group for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on May 21, 2021.

#### 3. Functional and presentation currency

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

#### 4. Key estimates and assumptions

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

Information about critical judgments in applying accounting policies that have the most significant effect on the carrying amounts of assets and liabilities, are as follows:

- Evaluation of satisfaction of performance obligation at a point in time for the purpose of revenue recognition

Determination of revenue under the satisfaction of performance obligations at a point in time necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs

## Notes to Consolidated Financial Statements

### Note 1 : General Information (Continued)

to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the consolidated financial statements for the period in which such changes are determined.

- Determination of the estimated useful lives of property plant and equipments and intangible assets and the assessment as to which components of the cost may be capitalized (Refer note 2.1).
- Impairment of Property, Plant and Equipment, Financial assets (Refer note 2.6) and Other Non-Financial Assets (Refer note 7.ii below)
- Recognition and measurement of defined benefit obligations (Refer note 46)
- Recognition of deferred tax assets (Refer note 2.26, 44 IV)
- Fair valuation of employee share options (Refer note 46)
- Recognition and measurement of other provisions
- Rebate and Sales Incentives (Refer note 2.18)
- Fair value of financial instruments (Refer note 49)
- Provisions and Contingent Liabilities (Refer note 2.17 and 38)
- Evaluation of Control
- Leases (Refer note 45)

### 5. Standards issued but 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 April 1, 2021.

### 6. Measurement of fair values

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

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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



## Notes to Consolidated Financial Statements

### Note 1 : General Information (Continued)

#### 7. Basis of Consolidation

##### (i) Subsidiaries

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

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

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

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

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

- (a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
- (b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

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

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

##### (ii) Associates and joint ventures (equity accounted investees)

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies.

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

## Notes to Consolidated Financial Statements

### Note 1 : General Information (Continued)

venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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

#### (iii) Acquisition of non-controlling interests

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

#### (iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

### 8. Business Combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

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

Business combinations arising from transfer of interests in entities that are under common control are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values. The identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is transferred to capital reserve, which is shown separately from other capital reserves.

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies

#### 1. Property, Plant and Equipment (PPE)

##### (i) Recognition and measurement

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

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

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.

Property, Plant and Equipment are de-recognised from consolidated financial statements on disposal and gains or losses arising from disposal are recognised in the consolidated Statement of Profit and Loss in the year of occurrence.

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

##### (ii) Subsequent expenditure

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

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

##### (iii) Depreciation

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

Category	Useful life
Leasehold Land	: Amortised over the primary lease period.
Plant and Equipments	: 7.5 to 30 years
Vehicles	: 3 to 13 years
Computer Hardware	: Depreciated over the estimated useful life of 4 years
Leasehold Improvements	: Lower of the useful life or Lease Period

Depreciation on Property, Plant and Equipment of one of the Subsidiaries has been provided as per the written down value method based on the useful lives specified in Schedule II to the Companies Act, 2013.

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

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

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### 2. Investment Property

##### (i) Recognition and measurement

Investment Property comprise of Freehold Land and Building.

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

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

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

##### (ii) Depreciation

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

#### 3. Intangible Assets

##### (i) Recognition and measurement

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

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortization (other than goodwill and indefinite life intangibles ) and any accumulated impairment losses.

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

##### (ii) Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method. The useful life of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Indefinite life intangibles are not amortised but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired..

Intangible assets are amortised as follows

Category	Useful life
Trademark	: 10 to 20 years
Product Registration	: 6 years
Computer Software	: 3 to 10 years

Intangible assets with indefinite useful life are not amortised but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired. An intangible asset that is not being amortised shall be reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### 4. Research and Development Expenditure

Revenue expenditure on Research & Development is charged to the Consolidated Statement of Profit and Loss of the year in which it is incurred. Capital expenditure incurred during the year on Research & Development is included under additions to Property, Plant and Equipment and is depreciated on the same basis as other property, plant and equipment.

#### 5. Biological Assets

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

#### 6. Impairment of non-financial assets

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

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

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

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

#### 7. Inventories

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

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

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

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

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

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

#### 8. Cash and Cash equivalents

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

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

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### 9. Grants and Subsidies

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

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

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

#### 10. Assets held for Sale

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

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

#### 11. Financial Assets

##### (i) Initial recognition and measurement

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

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

##### (ii) Classification and subsequent measurement

Financial assets are subsequently classified as measured at

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

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

##### (iii) Trade Receivables and Loans:

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

##### (iv) Debt Instruments

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

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

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

- (b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Consolidated Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Consolidated Statement of Profit and Loss.
- (c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Consolidated Statement of Profit and Loss.

#### (v) Equity Instruments

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

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

#### (vi) Derecognition

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

#### (vii) Impairment of Financial Assets for other than Property Development Business

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

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

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

Impairment of financial assets for Property Development business

The Group applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

## 12. Financial Liabilities

### (i) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are recognised initially at fair value, in the case of Loans and Borrowings and payables, net of directly attributable transaction costs.

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### (ii) Classification and subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method or are measured at fair value through profit and loss with changes in fair value being recognised in the Statement of Profit and Loss.

#### (iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. 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 recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

### 13. Financial guarantee contracts

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

### 14. Offsetting of financial instruments

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

### 15. Derivative financial instruments

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

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

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in the Consolidated Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Consolidated Statement of Profit and Loss in the periods when the hedged item affects profit or loss.

### 16. Share Capital

#### (i) Ordinary equity shares

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

### 17. Provisions and Contingent Liabilities

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



## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

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

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

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

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

Capital Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

### 18. Revenue Recognition

#### *Revenue from contracts with customers*

Revenue from operations comprise sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Group includes trade discounts, volume rebates and other incentives given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue from sales is recognised when goods are supplied and control over the Goods sold is transferred to the buyer which is on dispatch / delivery as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. This is considered the appropriate point where the performance obligations in the contracts are satisfied as the Group no longer has control over the inventory. Sales are presented net of returns, trade discounts, rebates and sales taxes / Goods and Service Tax (GST).

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

#### *Other Operating revenues*

Rental Income arising from operating leases on investment properties is accounted for on a straight line basis over the lease term and is included in revenue in the Consolidated Statement of Profit and Loss due to its operating nature.

Dividend income, including share of profit in LLP, is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

Export Incentives are accrued when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with such incentives.

#### *Other Income*

Income on assets given on operating lease is recognised on a straight line basis over the lease term in the Consolidated Statement of Profit and Loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Consolidated Statement of Profit and Loss.

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### 19. Revenue Recognition for Property Development

The Group also derives revenues from sale of properties comprising of both commercial and residential units.

The Group recognises revenue when it determines the satisfaction of performance obligations at a point in time. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products.

In arrangements for sale of units the Group has applied the guidance in Ind AS 115, Revenue from contracts with customers, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

For sale of units the Group recognises revenue when its performance obligations are satisfied and customer obtains control of the asset.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liability is recognised when there is billing in excess of revenue and advance received from customers.

The Group has been entering into Development and Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

The Group receives maintenance amount from the customers and utilises the same towards the maintenance of the respective projects. Revenue is recognised to the extent of maintenance expenses incurred by the Group towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

#### 20. Loyalty Program

Sales is allocated between the loyalty programme and the other components of the transaction. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the points under the programme will be redeemed.

#### 21. Employee Benefits

##### (i) Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short Term benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the employee renders the related service.

The Group has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Economic Value Added (EVA) or Profit Before Tax (PBT). The PLVR amount is related to actual improvement made in EVA or PBT over the previous year when compared with expected improvements.

##### (ii) Post-Employment Benefits

###### (a) Defined Contribution Plans

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

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### (b) Defined Benefit Plans

##### Gratuity Fund

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Consolidated Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Consolidated Statement of Profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

##### Provident Fund

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Group 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 Group.

##### Pension

Pension plan for eligible employees are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet.

#### (iii) Other Long-Term Employee Benefits

The Group's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods are provided on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Re-measurement are recognized in Consolidated Statement of Profit and Loss in the period in which they arise.

#### (iv) Termination Benefits

All terminal benefits are recognized as an expense in the period in which they are incurred.

### 22. Share-Based Payments

Employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

When the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

### 23. 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, Group assesses whether the contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

- (i) Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- (ii) If the supplier has a substantive substitution right, then the asset is not identified.
- (iii) Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.
- (iv) Group has the right to direct the use of the asset.
- (v) 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, 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:

GIL 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 Group at the end of the lease term or the cost of the right-of-use asset reflects 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 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 as a separate category under "Non-current assets" and lease liabilities are presented under "Financial liabilities" in the balance sheet.

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

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, 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.

### 24. Borrowing Costs

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognized as an expense in the period in which they are incurred.

### 25. Foreign Exchange Transactions

- (i) Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').
- (ii) Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Consolidated Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- (iii) The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 01, 2016 and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset / liability, by recognition as income or expense but not beyond March 31, 2020.
- (iv) Realised gains or losses on cancellation of forward exchange contracts are recognised in the Consolidated Statement of Profit and Loss of the period in which they are cancelled.
- (v) In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/ (loss) and presented within equity as part of 'Exchange differences on translation of financial statements of foreign operations'(FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the Consolidated Statement of Profit and Loss.

## Notes to Consolidated Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### 26. Taxes on Income

Income tax expense comprises current and deferred tax. It is recognized in Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

##### (i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

##### (ii) Minimum Alternate Tax (MAT)

MAT credit is recognised as a deferred tax assets only when and to the extent there is convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

##### (iii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred tax liability is recognized in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealized profit on inventory etc.).

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

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

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred Tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

#### 27. Earnings Per Share

Basic Earnings per share is calculated by dividing the profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### 28. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

#### 29. 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 in the consolidated statement of profit and loss and disclosed in the notes accompanying the Consolidated Financial Statements.

## Notes to Consolidated Financial Statements

## Note 3 : Property, Plant and Equipment

Amount ₹ in Crore

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Computer Hardware	Office Equipments	Leasehold Improvements	Livestock used for R&D	Research Centre	Total
Gross Carrying Amount												
Balance as at April 01, 2019	361.97	82.58	1,175.91	1,667.25	49.30	76.43	27.39	69.06	12.02	0.35	0.97	3,523.22
Additions	3.19	-	58.99	146.93	6.90	11.74	4.98	11.68	5.37	0.23	-	250.01
Disposals (refer note 6)	-	59.51	0.46	4.40	0.98	9.26	1.08	0.55	-	0.02	-	76.26
Balance as at March 31, 2020	365.16	23.07	1,234.44	1,809.78	55.21	78.91	31.29	80.19	17.39	0.55	0.97	3,696.97
Additions	13.24	-	66.21	166.91	31.66	5.77	4.16	21.43	4.20	0.03	0.16	313.77
Acquisition through business Combination	0.02	-	-	9.63	0.14	-	0.03	0.12	-	-	-	9.94
Disposals / Adjustments (refer note 6)	1.36	-	35.66	10.96	0.73	5.52	0.85	0.56	-	0.01	-	55.66
Balance as at March 31, 2021	377.05	23.07	1,264.99	1,975.35	86.28	79.15	34.63	101.19	21.59	0.57	1.13	3,965.02
Accumulated Depreciation												
Balance as at April 01, 2019	-	2.47	109.68	302.56	18.78	31.19	20.29	31.32	6.81	0.09	0.32	523.50
Additions	-	0.27	38.33	124.47	5.48	7.27	4.54	11.30	2.55	0.06	0.13	194.40
Disposals	-	1.38	1.45	1.41	0.67	1.40	1.07	0.53	-	0.01	-	7.92
Balance as at March 31, 2020	-	1.36	146.56	425.62	23.59	37.06	23.76	42.09	9.37	0.14	0.45	709.98
Additions	-	0.27	38.97	131.46	5.72	9.23	4.27	9.63	2.58	0.05	0.14	202.32
Acquisition through business Combination	-	-	-	7.13	0.10	-	0.01	0.10	-	-	-	7.34
Disposals	-	-	3.70	5.40	0.46	3.07	0.78	0.37	-	-	-	13.78
Balance as at March 31, 2021	-	1.63	181.84	558.81	28.94	43.22	27.26	51.45	11.94	0.19	0.59	905.86
Net Carrying Amount												
Balance as at April 01, 2019	361.97	80.11	1,066.23	1,364.69	30.52	45.24	7.10	37.74	5.21	0.26	0.65	2,999.72
Balance as at March 31, 2020	365.16	21.71	1,087.88	1,384.16	31.62	41.85	7.53	38.10	8.02	0.41	0.51	2,986.99
Balance as at March 31, 2021	377.05	21.44	1,083.15	1,416.53	57.34	35.93	7.38	49.74	9.65	0.38	0.53	3,059.16

Notes :

- Refer Note No 39 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.
- Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Ariyalur & Varanasi (as part of the merger of Cauvery Oil Palm Limited), and Dahej are being complied with. Stamp duty payable thereon is not presently determinable.
- Of the above, a Building carrying value ₹ 51.11 Crore (Previous Year: ₹ 51.11 Crore) is subject to first charge for secured bank loans (Refer Note 19).
- Additions to Property, Plant and Equipments includes NIL (previous year ₹13.30 crore) on account of Exchange Differences arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets.
- Addition to Accumulated Depreciation for Plant & Machinery includes provision for impairment of ₹ 0.27 crore (previous year 0.27 crore)
- The Group has adopted Ind AS 116 effective 1<sup>st</sup> April 2019. Consequently, leasehold land of one of the subsidiary has been reclassified from 'Property, Plant & Equipment' to 'Right of Use assets'.
- Refer to note 19 and note 24 for information on property, plant and equipment pledged as security by the Group.

## Notes to Consolidated Financial Statements

## Note 3a : Capital Work In Progress

Amount ₹ in Crore

Particulars	Property, Plant and Equipments	Investment Property	Total
<b>Balance as at April 01, 2019</b>	<b>199.47</b>	<b>0.14</b>	<b>199.61</b>
Additions during the year	347.25	1.64	348.89
Less : Capitalised during the year	228.97	-	228.97
Transferred from Inventories	-	9.76	9.76
<b>Balance as at March 31, 2020</b>	<b>317.75</b>	<b>11.54</b>	<b>329.29</b>
Additions during the year	354.39	8.04	362.43
Less: Capitalised during the year	241.49	13.88	255.37
Transferred from Inventories	-	2.50	2.50
<b>Balance as at March 31, 2021</b>	<b>430.65</b>	<b>8.20</b>	<b>438.85</b>

1. Additions to Capital Work in Progress includes ₹1.05 crore (previous year ₹ Nil) on account of Capitalisation of borrowing cost on eligible project.

## Note 3b : Investment Property

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Gross Carrying Amount			
<b>Balance as at April 01, 2019</b>	<b>0.38</b>	<b>170.70</b>	<b>171.08</b>
Additions	-	32.95	32.95
Disposals	-	1.08	1.08
<b>Balance as at March 31, 2020</b>	<b>0.38</b>	<b>204.73</b>	<b>205.11</b>
Additions	-	329.51	329.51
Disposals	-	(0.92)	(0.92)
<b>Balance as at March 31, 2021</b>	<b>0.38</b>	<b>533.32</b>	<b>533.70</b>
Accumulated Depreciation			
<b>Balance as at April 01, 2019</b>	<b>-</b>	<b>10.18</b>	<b>10.18</b>
Additions	-	2.60	2.60
Disposals	-	0.02	0.02
<b>Balance as at March 31, 2020</b>	<b>-</b>	<b>12.76</b>	<b>12.76</b>
Additions	-	4.86	4.86
Disposals	-	3.27	3.27
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>20.89</b>	<b>20.89</b>
Net Carrying Amount			
Balance as at April 01, 2019	0.38	160.52	160.90
Balance as at March 31, 2020	0.38	191.97	192.35
Balance as at March 31, 2021	0.38	512.43	512.81
Fair Value			
As at April 01, 2019	4.15	195.96	200.11
As at March 31, 2020	4.15	233.41	237.56
As at March 31, 2021	4.15	548.14	552.29

1. Information regarding income and expenditure of Investment Property

Amount ₹ in Crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rental income derived from investment properties	<b>11.68</b>	8.35
Direct operating expenses	<b>3.91</b>	3.36
Profits arising from investment properties before depreciation	<b>7.77</b>	4.98
Less - Depreciation	<b>4.86</b>	2.60
Profits arising from investment properties	<b>2.91</b>	2.38



## Notes to Consolidated Financial Statements

### Note 3b : Investment Property (Continued)

- The management has determined that the investment property consists of two class of assets - Freehold Land and Buildings - based on the nature, characteristics and risks of each property.
- The Company has no restriction on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- The fair valuation is based on current prices in the active market for similar properties. The main input used are quantum, area, location, demand, age of building and trend of fair market rent in the location of the property.
- The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.
- Reconciliation of Fair Value

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Opening balance as at April 01, 2019	4.15	195.96	200.11
Fair value changes	-	(5.15)	(5.15)
Purchases	-	42.60	42.60
Opening balance as at April 01, 2020	4.15	233.41	237.56
Fair value changes	-	(14.78)	(14.78)
Purchases/ transfer from Property Plant and Equipment	-	329.51	329.51
<b>Closing balance as at March 31, 2021</b>	<b>4.15</b>	<b>548.14</b>	<b>552.29</b>

### Note 3c : Other Intangible Assets

Amount ₹ in Crore

Particulars	Trademark	Brand	Product Registration	Computer Software	Total
<b>Gross Carrying Amount</b>					
<b>Balance as at April 01, 2019</b>	<b>16.52</b>	<b>54.77</b>	<b>2.71</b>	<b>32.52</b>	<b>106.52</b>
Additions	-	-	-	5.95	5.95
Disposals	-	-	-	0.16	0.16
<b>Balance as at March 31, 2020</b>	<b>16.52</b>	<b>54.77</b>	<b>2.71</b>	<b>38.31</b>	<b>112.31</b>
Additions	-	-	-	5.72	5.72
Disposals	-	-	-	(0.06)	(0.06)
<b>Balance as at March 31, 2021</b>	<b>16.52</b>	<b>54.77</b>	<b>2.71</b>	<b>43.97</b>	<b>117.97</b>
<b>Accumulated Depreciation</b>					
<b>Balance as at April 01, 2019</b>	<b>16.52</b>	<b>-</b>	<b>2.71</b>	<b>17.89</b>	<b>37.12</b>
Additions	-	0.83	-	5.21	6.04
Disposals	-	-	-	0.14	0.14
<b>Balance as at March 31, 2020</b>	<b>16.52</b>	<b>0.83</b>	<b>2.71</b>	<b>22.96</b>	<b>43.02</b>
Additions	-	0.83	-	5.45	6.28
Disposals	-	-	-	(0.06)	(0.06)
<b>Balance as at March 31, 2021</b>	<b>16.52</b>	<b>1.66</b>	<b>2.71</b>	<b>28.34</b>	<b>49.23</b>
<b>Net Carrying Amount</b>					
Balance as at April 01, 2019	-	54.77	-	14.63	69.39
Balance as at March 31, 2020	-	53.94	-	15.35	69.28
Balance as at March 31, 2021	-	53.11	-	15.63	68.74

#### Notes:

- To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account. (Refer Note No. 18 IV (i))
- Brands amounting to ₹ 38.22 crore have an indefinite life and are tested for impairment at every year end. Accordingly, no impairment charge was required for the current financial year.

## Notes to Consolidated Financial Statements

## Note 3d : Intangible Assets Under Development

Particulars	Amount ₹ in Crore
As at March 31, 2019	2.24
As at March 31, 2020	4.79
As at March 31, 2021	4.76

## Note 3e: Biological Assets other than bearer plants

## A. Reconciliation of carrying amount

Particulars	Amount ₹ in Crore					Total
	Oil palm saplings		Cattle		PS Birds / Hatching eggs /Broilers	
	Qty.	Amount	Qty.	Amount	Amount	
Balance as April 1, 2019	672,953	4.68	554.00	4.14	63.16	71.98
Add:						
Purchases	715,500	3.07	63.00	0.42	45.70	49.18
Production/ Cost of Development		2.35	221.00	1.52	262.08	265.94
Less:						
Sales / Disposals	(580,206)	(4.06)	(57)	(0.00)	(295.87)	(299.93)
Change in fair value less cost to sell:	-	0.23	-	(0.82)	(6.91)	(7.50)
Realised	-	(0.38)	-	(0.31)	(25.12)	(25.81)
Unrealised	-	0.61	-	(0.51)	18.21	18.31
<b>Balance as at March 31, 2020</b>	<b>808,247</b>	<b>6.27</b>	<b>781</b>	<b>5.26</b>	<b>68.16</b>	<b>79.69</b>
Add:						
Purchases	687,500	3.30	6	0.04	76.37	79.71
Production/ Cost of Development		1.81	388	2.53	232.05	236.39
Less:						
Sales / Disposals	(688,580)	(5.61)	(210)	(0.54)	(311.23)	(317.38)
Change in fair value less cost to sell:	-	(0.08)	-	(0.82)	1.72	0.81
Realised	-	(0.40)	-	(0.51)	(18.21)	(19.12)
Unrealised	-	0.32	-	(0.31)	19.92	19.93
<b>Balance as at March 31, 2021</b>	<b>807,167</b>	<b>5.68</b>	<b>965</b>	<b>6.46</b>	<b>67.07</b>	<b>79.21</b>
<b>As at March 31, 2020</b>						
Non Current		6.27		5.26	10.42	21.95
Current		-		-	57.74	57.74
<b>As at March 31, 2021</b>						
Non Current		5.68		6.46	5.52	17.66
Current		-		-	61.55	61.55

The group has trading operations in oil palm business whereby the group purchases the saplings and sells the saplings once it has achieved the desired growth. During the year ended March 31, 2021, the group purchased 6,87,500 (Previous year: 7,15,500) number of saplings, out of which 6,87,500 (Previous year: 7,15,500) were still under cultivation.

## Notes to Consolidated Financial Statements

### Note 3e: Biological Assets other than bearer plants (Continued)

#### B. Measurement of Fair value

##### i. Fair Value hierarchy

The fair value measurements for oil palm saplings, cattles and PS Birds /Hatching eggs /Broilers have been categorised as Level 3 fair values based on the inputs to valuation technique used.

##### ii. Level 3 Fair values

The following table shows a break down of the total gains (losses) recognised in respect of Level 3 fair values-

Particulars	Amount ₹ in Crore			
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Oil palm saplings/Cattles	Oil palm saplings/Cattles	PS Birds / Hatching eggs / Broilers	PS Birds / Hatching eggs / Broilers
Gain/(loss) included in 'other operating revenue'	(0.90)	(0.59)	1.71	(6.91)
Change in fair value (realised)	(0.91)	(0.69)	(18.21)	(25.12)
Change in fair value (unrealised)	0.01	0.10	19.92	18.21

##### iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹51.28 to ₹ 111.09 per sapling	The estimated fair valuation would increase/ (decrease) if - Estimated cost to complete was lower (higher)
Biological assets - it comprises of: PS Bird; Hatching eggs; and Contract farm- Broilers	Discounted cash flows	Estimated price of each component - PS birds - ₹ 20.59 per Hatching eggs (Previous year ₹21.00), - Hatching eggs - ₹ 34.49 per Day Old Chicks (Previous year ₹ 27) , - Contract farms- Broilers - ₹ 105 per kg for live bird (Previous year ₹64.00)	The estimated fair valuation would increase/ (decrease) if - Estimated price of each component of poultry stock was higher/(lower) - discounting is done for the expected cash flows
Cattles	Market approach with the help of Valuation certificate	Estimated price impact on age, breed and yield of the Cattle	The estimated fair valuation would increase/ (decrease) if - Estimated yield of the cattle is increased or decreased

#### C. Risk Management strategies related to agricultural activities

The group is exposed to the following risks relating to its plantations, Cattles and PS Bird /Hatching egg /Broiler

##### i. Regulatory and environmental risks

The group is subject to laws and regulations in the country in which it operates. It has established various environmental policies and procedures aimed at compliance with the local environmental and other laws.

##### ii. Supply and demand risks

The Group is exposed to risks arising from fluctuations in the price and sales volume of plants and milk. For oil palm plants, when possible, the group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing. For milk, the Group manage this risk by effective marketing tie up for sale of milk.

The Group is exposed to the risk arising from the fluctuations in the price of Hatching eggs, commercial day old chicks and live birds. when the price goes down the management possibly manage this risk by diverting more live birds for processing and when prices goes up the management sells more Hatching eggs, Day old Chicks and Live Birds.

## Notes to Consolidated Financial Statements

## Note 3e: Biological Assets other than bearer plants (Continued)

## iii. Climate and other risks

The Group's oil palm plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The group has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

The Group is exposed to risks arising from fluctuations in yield and health of the Cattle. Group manages this risk by effective sourcing and maintenance of cattle.

The Group's Live stock are exposed to the extreme climatic changes in summer and winter season. However, the Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspections of Live Stock and adopting Industry best practices by professional qualified veterinarian doctors.

A reasonably possible change of 10% in Estimated cost of completing the stock under cultivation and cattles at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

	Profit or (loss) for the year ended March 31, 2021		Profit or (loss) for the year ended March 31, 2020	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost (Oil palm saplings)	(0.13)	0.14	(0.08)	0.09
Estimated change in valuation- Cattle	0.65	(0.65)	0.52	(0.52)
Estimated change in valuation- Poultry (PS Birds / Hatching eggs /Broilers)	7.77	(7.77)	6.99	(6.99)
<b>Cash flow sensitivity (net)</b>	<b>8.29</b>	<b>(8.28)</b>	<b>7.43</b>	<b>(7.43)</b>

## Note 4a : Equity accounted investees

(Refer Note No 1 sub note 7 ii for Accounting Policy on Equity accounted investees)

Particulars	Note	Face Value (₹ unless stated otherwise)	Amount ₹ in Crore			
			As at March 31, 2021		As at March 31, 2020 (Restated)	
			Number	Value	Number	Value
(l) Investment in Equity Instruments (Fully Paid up unless stated otherwise)						
(a) Quoted Investment						
(i) Associates						
Godrej Consumer Products Ltd.	1		242,812,860	3,244.65	242,812,860	2,880.26
(b) Unquoted Investment						
(i) Associates						
Personalitree Academy Ltd.	1	10	389,269	1.10	389,269	1.10
Share Application Money				0.03		0.03
Less: Provision for Diminution in value of Investments				(1.13)		(1.13)
(ii) Joint Ventures						
ACI Godrej Agrovet Private Limited	100		1,850,000	84.99	1,850,000	102.11
Joint Ventures and Associates of Property Business						
Godrej Realty Private Limited (Classified as subsidiary w.e.f. March 31, 2021)	10		-	-	884,850	4.72
Omnivore India Capital Trust	100,000		244,437	35.16	244,437	26.23
Wonder Space Properties Private Limited (merged with Godrej Properties Limited w.e.f April 01, 2019 wide NCLT order dated September 14, 2020)	10		-	-	-	-
Wonder City Buildcon Private Limited	10		810,420	-	810,420	-
Godrej Home Constructions Private Limited	10		1,071,770	-	1,071,770	-
Wonder Projects Development Private Limited	10		1,070,060	-	1,070,060	-
Munjal Hospitality Private Limited (w.e.f June 29, 2019)	13.41		60,961,200	83.47	60,961,200	84.32

## Notes to Consolidated Financial Statements

## Note 4a : Equity accounted investees (Continued)

Particulars	Note	Face Value (₹ unless stated otherwise)	As at March 31, 2021		As at March 31, 2020 (Restated)	
			Number	Value	Number	Value
			Amount ₹ in Crore			
Yujya Developers Private Limited (w.e.f June 29, 2019)	10	7,912,201	3.79	7,241,360	6.83	
Vivrut Developers Private Limited (w.e.f. February 10, 2020)	10	1,840,000	15.96	700,000	0.65	
Godrej Real View Developers Private Limited	10	2,140,000	-	2,140,000	-	
Pearlite Real Properties Private Limited	10	3,871,000	2.62	3,871,000	2.39	
Godrej Greenview Housing Private Limited	10	1,264,560	-	1,264,560	-	
Godrej Green Homes Private Limited	10	360,813	184.14	360,813	202.28	
Godrej Skyline Developers Private Limited	10	260,000	-	260,000	-	
Godrej Redevelopers (Mumbai) Private Limited	10	28,567	1.03	28,567	0.62	
(II) Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Amortised Cost)						
(i) Investment in Joint Ventures						
Godrej Skyline Developers Private Limited	10	13,000,000	-	13,000,000	-	
(III) Investment In Limited Liability Partnerships						
Mosaic Landmarks LLP			0.11		10.54	
Oxford Realty LLP			5.27		6.29	
Dream World Landmarks LLP			3.69		4.70	
M S Ramaiah Ventures LLP			0.51		0.75	
Godrej Housing Projects LLP			5.24		-	
Mahalunge Township Developers LLP			179.05		199.72	
Manjari Housing Projects LLP			187.25		203.95	
Maan-Hinge Township Developers LLP			104.85		95.00	
Godrej Vestamark LLP (Classified as Joint Venture w.e.f. May 03, 2019)			47.25		-	
A R Landcraft LLP			-		-	
Caroa Properties LLP			-		-	
Godrej Developers & Properties LLP			-		-	
Oasis Landmarks LLP			-		-	
Godrej SSPDL Green Acres LLP			-		-	
Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)			-		-	
Godrej Construction Projects LLP (Classified as Subsidiary w.e.f. March 21, 2021)			-		-	
Bavdhan Realty @ Pune 21 LLP			-		-	
Godrej Projects North Star LLP			-		-	
Prakhhyat Dwellings LLP			-		-	
Godrej Highview LLP			-		-	
Godrej Irismark LLP			-		-	
Godrej Reserve LLP			-		-	
Godrej Property Developers LLP			-		-	
Suncity Infrastructures (Mumbai) LLP			-		-	
Roseberry Estate LLP			-		-	
Universal Metro Properties LLP (w.e.f December 02, 2019)			-		-	
Godrej Odyssey LLP (w.e.f September 26, 2019)			-		-	
Embellish Houses LLP (Classified as Joint Venture w.e.f. May 11, 2020)			-		-	
Manyata Industrial Parks LLP (w.e.f. April 22, 2019)			-		-	
			4,189.03		3,831.36	
Aggregate Amount of Quoted Investments			3,244.65		2,880.26	
Aggregate Amount of Unquoted Investments			945.51		952.23	
Aggregate Provision for Diminution in the Value of Investments			(1.13)		(1.13)	
Market Value of Quoted Investments			17,694.99		12,646.91	

## Note

1 Includes ₹ 0.03 crore paid towards share application money to Personalitree Academy Limited which is considered Doubtful.

## Notes to Consolidated Financial Statements

## Note 4b : Non Current Financial Assets - Investments

Amount ₹ in Crore

Name	Note	Face Value	As at March 31, 2021		As at March 31, 2020 (Restated)	
			Number	Amount	Number	Amount
(l) Investment in Equity Instruments (Fully Paid up unless stated otherwise)						
At Fair Value Through Profit and Loss						
(a) Quoted Investment						
Zicom Electronics Security System Ltd.		10	173,918	0.03	173,918	0.02
Ruchi Soya Industries Ltd.*		2	35	0.00	35	0.00
Agro Tech Foods Ltd.*		10	1	0.00	1	0.00
Colgate Palmolive India Ltd.*		1	2	0.00	2	0.00
Dabur India Ltd.*		1	6	0.00	6	0.00
Gillette India Ltd.*		10	1	0.00	1	0.00
Hindustan Unilever Ltd.		1	751	0.18	751	0.17
Marico Ltd.*		1	80	0.00	80	0.00
Bajaj Finance Ltd.		2	450	0.23	450	0.10
Procter & Gamble Hygiene & Health Care Ltd.*		10	1	0.00	1	0.00
Cera Sanitaryware Ltd.		5	1,189	0.46	1,189	0.26
HDFC Bank Ltd.		2	444	0.07	444	0.04
Infosys Ltd.		5	610	0.08	610	0.04
Venkys India Ltd.*		10	1	0.00	1	0.00
Just Dial Ltd		10	82	0.01	82	0.00
Advanced Enzyme Technologies Ltd.		2	3,000	0.10	3,000	0.04
Vadilal Industries Ltd.		10	2,000	0.18	2,000	0.09
DCM Ltd.		10	5,000	0.01	10,000	0.02
Maruti Suzuki India Ltd.		5	50	0.03	50	0.02
KSE Limited		10	65,467	15.06	65,467	7.19
Ujjivan Financial Services Ltd.		10	12,204	0.26	12,204	0.17
Bharat Petroleum		10	2,000	0.09	2,000	0.06
Wockhardt Ltd.		5	1,000	0.04	1,000	0.02
Whirlpool of India Ltd.		10	500	0.11	500	0.09
Alacrity Housing Limited*		10	-	-	-	-
Ansal Buildwell Limited*		10	100	0.00	100	0.00
Ansal Housing Limited*			300	0.00	300	0.00
Ansal Properties and Infrastructure Limited*		5	600	0.00	600	0.00
Unitech Limited*		2	13,000	0.00	13,000	0.00
The Great Eastern Shipping Company Limited*		10	72	0.00	72	0.00
Radhe Developers (India) Limited*		10	100	0.00	100	0.00
DCM Nouvelle Limited		10	5,000	0.04	-	-
United Textiles Limited*		10	23,700	0.00	23,700	0.00
(b) Unquoted Investment						
Bharuch Eco-Aqua Infrastructure Ltd.		10	440,000	0.44	440,000	0.44
Less : Provision for Diminution in the Value of Investment				(0.44)		(0.44)
				-		-

## Notes to Consolidated Financial Statements

## Note 4b : Non Current Financial Assets - Investments (Continued)

Name	Note	Face Value	Amount ₹ in Crore			
			As at March 31, 2021		As at March 31, 2020 (Restated)	
			Number	Amount	Number	Amount
Avesthagen Ltd.		7	469,399	12.43	469,399	12.43
Less : Provision for Diminution in the Value of Investment				(12.43)		(12.43)
				-		-
CBay Infotech Ventures Pvt. Ltd.		10	112,579	2.33	112,579	2.33
Less : Provision for Diminution in the Value of Investment				(2.33)		(2.33)
				-		-
Gharda Chemicals Ltd.	1	100	114	0.12	114	0.12
Less : Provision for Diminution in the Value of Investment				(0.12)		(0.12)
				-		-
HyCa Technologies Pvt. Ltd.		10	12,436	1.24	12,436	1.24
Less : Provision for Diminution in the Value of Investment				(1.24)		(1.24)
				-		-
Tahir Properties Ltd (Partly paid) *	2	100	25	0.00	25	0.00
Less: Forfeited				0.00		0.00
Boston Analytics Inc.		\$1	1,354,129	6.91	1,354,129	6.91
Less : Provision for Diminution in the Value of Investment				(6.91)		(6.91)
				-		-
The Saraswat Co-op Bank Ltd. *		10	2,000	0.02	2,000	0.02
Sachin Industrial Co-operative Society Ltd. *				0.00		0.00
Isprava Vesta Pvt. Ltd. (formerly known as Isprava Technologies Ltd..)		10	231,171	0.04	231,171	0.03
Isprava Hospitality Pvt. Ltd.		10		0.04		0.04
Clean Max Enviro Energy Solution Pvt Ltd .		10	3,133	1.01	3,133	1.01
AB Corp Limited*		10	25,000	0.00	25,000	0.00
Lok Housing and Construction Limited*		10	100	0.00	100	0.00
Global Infrastructure & Technologies Limited*		10	100	0.00	100	0.00
Premier Energy and Infrastructure Limited*		10	100	0.00	100	0.00
D.S. Kulkarni Developers Limited*		10	100	0.00	100	0.00
GOL Offshore Limited *		10	18	0.00	18	0.00
Modella Textiles Private Limited		100	2	0.00	2	0.00
Lotus Green Construction Private Limited*		100	1	0.00	1	0.00
Alacrity Housing Limited*		10	100	0.00	100	0.00
Brookings Institution India Centre*		100	125	0.00	125	0.00
Shamrao Vithal Co-operative Bank Ltd				0.01		0.01
(II) Investment in Debentures or Bonds						
At Fair Value Through Profit and Loss						
(a) Unquoted Investment						
(i) Joint Ventures						
Godrej Realty Private Limited (Classified as subsidiary w.e.f. March 31, 2021)		10	-	-	2,989,095	2.99
Godrej Green Homes Limited		1000	3,318,000	331.80	3,318,000	331.80
Godrej Skyline Developers Private Limited		100	5,304,000	54.04	5,304,000	52.90
Yujya Developers Private Limited		100	2,397,348	23.94	2,172,348	21.72
Vivrut Developers Private Limited		100	552,000	55.20	21,000	2.10
Munjaj Hospitality Private Limited		100	2,010,000	20.09	960,000	9.56

## Notes to Consolidated Financial Statements

## Note 4b : Non Current Financial Assets - Investments (Continued)

Name	Note	Face Value	Amount ₹ in Crore			
			As at March 31, 2021		As at March 31, 2020 (Restated)	
			Number	Amount	Number	Amount
At Fair Value Through Other Comprehensive Income						
(a) Quoted Investment						
KSE Limited		10	15,554	3.56	7,467	0.82
At Amortised Cost						
(a) Unquoted Investment						
(i) Joint Ventures						
Wonder City Buildcon Private Limited		1000	307,833	-	307,833	12.05
Godrej Home Constructions Private Limited		1000	413,949	15.10	413,949	23.58
Wonder Projects Development Private Limited		1000	277,500	18.75	277,500	27.68
Pearlite Real Properties Private Limited		1000	-	-	73,500	10.45
Godrej Real View Developers Private Limited		1000	461,700	45.07	461,700	46.41
Godrej Greenview Housing Private Limited		1000	260,946	6.91	260,946	26.99
Godrej Redevelopers (Mumbai) Private Limited		1000	843,736	84.08	843,736	84.48
Godrej Mackbricks Private Limited (formerly known as Ashank Macbricks Private Limited)		1000	437,000	43.95	437,000	44.50
(III) Investment in Partnership Firms						
View Group LP *	3			0.00		0.00
Less : Provision for Diminution in the Value of Investment				(0.00)		(0.00)
				-		-
(IV) Other Investment						
Investment in Units of Venture Capital Fund						
Indian Fund for Sustainable Energy (Infuse Capital)		100	299,900	3.74	339,959	4.26
Omnivore India Capital Trust		100000	-	-	-	-
Less: Provision for expected credit loss on investments				-		(10.50)
				724.35		701.27
Aggregate Amount of Quoted Investments				17.00		8.35
Aggregate Amount of Unquoted Investments				730.81		726.89
Aggregate Provision for Diminution in the Value of Investments				(23.47)		(33.97)
Market Value of Quoted Investments				17.00		8.35

\* Amount less than ₹ 0.01 crore.

## Notes:

- The said shares have been refused for registration by the investee company.
- Uncalled Liability on partly paid shares  
- Tahir Properties Ltd. - Equity - ₹ 80 per share (Previous year 2020 - ₹ 80 per share).
- View Group LP has been dissolved on December 14, 2012, however, the Company has still not received an approval from RBI for writing-off the investment.

## Note 5 : Non Current Financial Assets - Trade Receivables

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Unsecured and Considered Good	71.71	89.83
	71.71	89.83



## Notes to Consolidated Financial Statements

### Note 6 : Non Current Financial Assets- Loans

Amount ₹ in Crore

Particulars	As at March 31, 2021		As at March 31, 2020 (Restated)	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
(I) Security Deposit				
(a) Secured and Considered Good (Refer Note 1 below)		29.00		25.25
(b) Unsecured and Considered Good		29.98		28.95
(c) Unsecured and Considered Doubtful (credit impaired)		1.20		1.18
Less : Allowance for Bad and Doubtful Deposit		(1.20)		(1.18)
		-		-
(II) Other Loans				
(a) Secured and Considered Doubtful (credit impaired) (refer note 2 and 3 below)		10.33		10.33
Less : Allowance for Bad and Doubtful Loans		(10.33)		(10.33)
		-		-
(b) Unsecured and Considered Good				
Loans to employees		1.27		1.32
		60.25		55.52

There are no loans which have significant increase in credit risk.

#### Notes:

- Secured Deposits - Projects, are Secured against Terms of Development Agreement.
- The Company had advanced an amount of ₹ 10.33 crore to certain individuals who also pledged certain equity shares as security against the said advance. The Company has enforced its security and lodged the shares for transfer in its name. The said transfer application was rejected and Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company had filed an appeal before the Honorable High Court against the order of the Company Law Board under section 10 F of the Companies Act, which was disposed of with the direction to keep the transfer of shares in abeyance till the arbitration proceedings between the parties are on. The Honorable Bombay High Court passed an interim order dated September 18, 2012, restraining the Company from interalia, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company had filed a Special Leave Petition (SLP) before the Supreme Court against this interim order of the Honorable Bombay High Court which the Supreme Court has dismissed and the matter is presently before the Arbitrator. Single Arbitrator, Justice (Retired), A.P. Shah on 29<sup>th</sup> June 2019 passed an Award ruling that Godrej Industries Ltd shall return all the pledged shares along with the original loan –cum- pledge agreements and the Power of Attorneys executed by the said individuals in favor of Godrej Industries Ltd to the said individuals upon the said Individuals repaying an amount of ₹10.33 crores to Godrej Industries Ltd.

The Company, challenged this Award before the Hon'ble High Court of Bombay by way of Section 34 petition under the Arbitration & Conciliation Act, 1996. Hon'ble Bombay High Court by its Order dated 13/09/2019 has now stayed the operation of the said Award dated 29<sup>th</sup> June 2019 till the said Section 34 Petition is finally disposed of. The matter is now pending before the Bombay High Court.

The Management is confident of recovery of this amount as underlying value of the said shares is substantially greater than the amount of loan and interest thereon. However, on a conservative basis, the Company has provided for the entire amount of ₹ 10.33 crore in the books of account.

- Details of Loans under section 186 (4) of Companies Act, 2013.

Amount ₹ in Crore

Particulars	As at March 31, 2021		As at March 31, 2020 (Restated)	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
1 Loans where there is no repayment schedule				
(i) Federal & Rashmikant	5.83	5.83	5.83	5.83
(ii) M/s Dhruv & Co. (Regd.)	4.18	4.18	4.18	4.18
(iii) D. R. Kavasmaneck & Dr. P. R. Kavasmaneck	0.32	0.32	0.32	0.32
2 Loans to Employees (as per Policy of the Company)	0.78	0.78	0.79	0.79

## Notes to Consolidated Financial Statements

## Note 7 : Non Current Financial Assets- Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Bank Deposit with more than 12 months maturity (Refer Note 1 below)	754.80	3.34
(II) Secured		
(a) Interest Accrued on Loans (Refer Note 2 below)	3.15	3.15
Provision for Doubtful Loans	(3.15)	(3.15)
	-	-
(III) Unsecured		
(a) Interest Accrued on Loans	1.03	1.03
Provision for Doubtful Loans	(1.03)	(1.03)
	-	-
(IV) Others		
(a) Balances with Statutory authorities	0.36	2.59
(b) Claim Receivable	1.90	1.80
(c) Deposit	0.39	0.39
	757.45	8.12

## Notes:

Bank Deposit with more than 12 months maturity includes.

- 1
  - a) Fixed Deposits of ₹ 0.12 crore (Previous year ₹ 0.12 crore ) are pledged with government authorities. Further Fixed deposits with scheduled banks of ₹ 0.01 crores (Previous Year ₹ 0.01 crore) held as margin money towards sales tax registration and fixed deposit of ₹ 0.01 crores (Previous Year ₹ 0.01 crore) are kept as earnest money deposits.
  - b) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to ₹ 2.91 crore (Previous Year: ₹ 2.91 crore).
- 2 Interest on loan referred to in sub note (2) under Note 6 - Non Current Loans, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.

## Note 8 : Deferred Tax Assets (Net of Liabilities)

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Deferred tax liabilities arising on account of:		
(a) Property, plant and equipment & Intangible assets	176.23	201.24
(b) Investments	4.14	4.56
(c) Biological Assets	6.90	6.30
	187.27	212.10
(II) Deferred tax assets arising on account of:		
(a) Provision for Retirement Benefits	50.34	9.69
(b) Indexation benefit on land and shares	1.06	0.99
(c) Investments	14.95	-
(d) Inventories	-	25.74
(e) Equity-settled share-based payments	1.28	2.09
(f) MAT Credit Entitlement	6.26	29.52
(g) Provision for Doubtful Debts / Advances	32.90	35.84
(h) Brought forward Losses	111.37	194.29
(i) Unabsorbed Depreciation	158.91	182.54
(j) Other Provisions	211.57	230.53
(k) Leases	0.01	0.03
	588.65	711.26
Deferred Tax Assets (Net of Liabilities) (Refer note 44)	401.38	499.16

## Notes to Consolidated Financial Statements

### Note 9 : Other Non Current Assets

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Capital Advances		
Considered Good	44.92	59.39
(II) Other Advances		
(a) Balance with Government Authorities	24.60	17.09
(b) Prepaid Expense	0.69	0.73
(c) Others	5.37	6.70
Considered Doubtful	1.13	0.46
Provision for Doubtful Advance	(1.13)	(0.46)
	75.58	83.91

### Note 10 : Inventories

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Raw Materials	846.29	669.81
(II) Packing Material	4.24	2.99
(III) Work in Progress	181.97	126.71
(IV) Construction Work in Progress (Refer note 2 below)	4,171.10	1,554.93
(V) Project in Progress (Refer note 3 below)	5.72	12.08
(VI) Finished Goods	649.62	715.10
(VII) Transferable Development Rights	195.20	-
(VIII) Stock in Trading	85.82	63.56
(IX) Stores and Spares	47.46	42.38
	6,187.42	3,187.56

#### Notes:

- Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of GST Input Tax Credit.
- The write-down of inventories to net realisable value during the year amounted to ₹ 130.67 Crore (Previous Year: ₹ 33.32 Crore).
- The write-down / (reversal) of inventories to net realisable value and other provisions / losses during the year amounted to ₹ 8.61 crore (31 March 2020: ₹ 14.48 crore). The write-downs/ provisions are debited to Profit and Loss Account and included in cost of materials consumed.
- Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks.

## Notes to Consolidated Financial Statements

## Note 11 : Current Financial Assets - Investments

				Amount ₹ in Crore	
Name	Note	Face Value	As at March 31, 2021	As at March 31, 2020 (Restated)	
(I) (a) Quoted investment in Mutual Funds (At Fair Value Through Profit and Loss)			<b>1,319.21</b>	-	
(b) Unquoted investment in Mutual Funds (At Fair Value Through Profit and Loss)			<b>3,719.39</b>	2,061.57	
(II) Other Investment					
At Fair Value Through Profit and Loss					
(a) Unquoted Investment					
Optionally Convertible Loan Notes/Promissory Notes					
Boston Analytics Inc. (15%)	1	\$ 750,000	<b>3.00</b>	3.00	
Less : Provision for Diminution in the Value of Investment			<b>(3.00)</b>	(3.00)	
			-	-	
Boston Analytics Inc. (20%)	1	\$ 15,50,000	<b>6.73</b>	6.73	
Less : Provision for Diminution in the Value of Investment			<b>(6.73)</b>	(6.73)	
			-	-	
Boston Analytics Inc. (12%)	2	\$ 950,000	<b>4.69</b>	4.69	
Less : Provision for Diminution in the Value of Investment			<b>(4.69)</b>	(4.69)	
			-	-	
(III) Investment in equity of associates					
(a) Unquoted					
Al Rahaba International Trading Limited Liability Company		1500	-	-	
			<b>5,038.60</b>	2,061.57	
Aggregate Amount of Quoted Investments			<b>1,319.21</b>	-	
Aggregate Amount of Unquoted Investments			<b>3,733.81</b>	2,075.99	
Aggregate Provision for Diminution in the Value of Investments			<b>(14.42)</b>	(14.42)	
Market Value of Quoted Investments			<b>1,319.21</b>	-	

## Notes:

- The Optionally Convertible Promissory Notes (15%) of Boston Analytics Inc. in respect of which the Company did not exercise the conversion option and Boston Analytics Inc. promissory notes (20%) where there was a partial conversion option which the Company did not exercise, were due for redemption on June 30, 2009 and August 21, 2009, respectively. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
- 12% promissory notes were repayable on or before December 31, 2011, along with interest on maturity. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.

## Notes to Consolidated Financial Statements

### Note 12 : Current Financial Assets - Trade Receivables

Amount ₹ in Crore

	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Secured and Considered Good (Refer Note 1 below)	117.96	135.64
(II) Unsecured and Considered Good	1,392.71	1,416.08
(III) Unsecured and Considered Doubtful (credit impaired)	120.10	100.40
Less : Allowance for Bad and Doubtful Debt	(120.10)	(100.40)
Net Unsecured and Considered Doubtful	-	-
(IV) Trade receivables having significant increase in credit risk	-	-
	1,510.67	1,551.72

#### Notes:

- 1 Secured by Security Deposits collected from Customers, Letter of Credit or Bank Guarantees held against them.
- 2 Refer note 24 for information on trade receivables pledged as security by the Group.
- 3 Refer note 50 for information on Credit Risk.

### Note 13a :Cash and Cash Equivalents

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Balances with Banks		
(a) Current Accounts	111.67	461.76
(b) Deposits having maturity less than 3 months	267.37	113.21
(II) Cheques, Drafts on Hand	12.18	11.30
(III) Cash on Hand	3.14	4.15
	394.36	590.41

### Note 13b : Current Financial Assets - Other Bank Balances

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Deposits with more than 3 months but less than 12 months maturity (Refer Note 1 below)	456.18	361.26
(II) Other Bank Balances (Refer Note 2 to 3)	1.61	26.79
	457.79	388.05

#### Notes:

- 1 Deposits with more than 3 months but less than 12 months maturity includes
  - (i) ₹70.10 Crore (March 31 2020: ₹46.56 Crore) received from flat buyers and held in trust on their behalf in a corpus fund.
  - (ii) Deposits held as Deposit Repayment Reserve amounting to ₹0.20 Crore (March 31 2020: ₹0.10 Crore).
  - (iii) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to ₹0.29 Crore (March 31 2020: ₹ 0.29 Crore)
  - (iv) Fixed Deposits of ₹ NIL (Previous year ₹ 1.11 crores ) are pledged with Banks for Guarantees issued. Further fixed deposits of ₹ 0.08 (Previous year ₹0.06 crore ) are kept as earnest money deposit.
- 2 Balances with Banks in current accounts ₹ 0.50 Crore (March 31 2020: ₹ 0.50 Crore) is on account of earmarked balance for unclaimed dividend.
- 3 Balances with Banks in current accounts ₹ 2.56 Crore (March 31, 2020: ₹ 0.82 Crore) is amount received from buyers towards maintenance charges.

## Notes to Consolidated Financial Statements

## Note 14 : Current Financial Assets - Loans

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Security Deposit		
(a) Secured and Considered Good (Refer Note 1 below)	194.99	200.13
(II) Loans to Related Parties		
(a) Unsecured and Considered Good	2,160.86	1,338.44
(III) Other Loans		
(a) Unsecured and Considered Good		
Loans to employees	0.82	1.22
Other Loans & Advances	142.56	95.39
(b) Unsecured and Considered Doubtful		
Inter Corporate Deposit	5.77	5.77
Less : Allowance for Bad and Doubtful Deposit	(5.77)	(5.77)
	-	-
Doubtful Loan	0.13	0.13
Less : Allowance for Bad and Doubtful Deposit	(0.13)	(0.13)
	-	-
	2,499.23	1,635.18

## Notes:

- Deposits - Projects are Secured against Terms of Development Agreements.
- Details of Loans given under section 186 (4) of Companies Act, 2013.

Amount ₹ in Crore

Particulars	As at March 31, 2021		As at March 31, 2020 (Restated)	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
(a) Loans to Employees (as per Policy of the Company)	0.24	0.24	0.26	0.26
(b) Inter Corporate Deposit				
Tricom India Limited	5.77	5.77	5.77	5.77

## Note 15 : Current Financial Assets- Others

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
I Other Receivables (refer note 1 below)	127.46	78.12
II Fair Value of Derivative Contracts	0.10	3.41
III Deposits - Others	86.94	58.23
IV Interest Accrued on Loans and Deposits	642.69	408.35
V Export Benefits Receivables	0.32	0.26
	857.51	548.37

- Other Receivables includes expenses recoverable.

## Notes to Consolidated Financial Statements

### Note 16 : Other Current Assets

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(l) Advances other than Capital Advance		
(a) Security Deposit		
Statutory Deposits	126.60	109.77
Other Deposits	2.85	3.09
	129.45	112.86
(b) Other Advances		
Advance to Suppliers - Considered Good (refer note 1)	74.08	60.94
Advance to Suppliers - Considered Doubtful	1.02	1.19
Provision for Doubtful Advance	(1.02)	(1.19)
	74.08	60.94
Other Receivables - Considered Good	156.34	64.13
Other Receivables - Considered Doubtful	0.36	-
Provision for Doubtful Other Receivable	(0.36)	-
Advance for Land, Development Rights and Flats	174.00	145.64
Export Benefit	2.78	4.46
Unbilled Revenue (refer note 2)	43.60	142.41
Employee Advance	0.01	0.01
Prepaid Expenses	29.74	22.18
	610.00	552.63

#### Notes:

- Advance to Suppliers and Contractors includes advances amounting to ₹ 3.02 Crore (Previous Year: ₹ 1.39 Crore) secured against bank guarantees.
- Includes amount unbilled to a director ₹ Nil (Previous Year: ₹ 0.98 Crore) and entities where directors are interested, viz. Godrej Redevelopers (Mumbai) Private Limited ₹ 0.19 Crore (Previous Year: ₹ Nil).

## Notes to Consolidated Financial Statements

## Note 17 : Equity

Particulars	As at March 31, 2021		As at March 31, 2020 (Restated)	
	Nos	Amount ₹ in Crore	Nos	Amount ₹ in Crore
1 Authorised Share Capital				
(a) Equity shares of Re. 1 each	80,00,00,000	80.00	80,00,00,000	80.00
(b) Unclassified Shares of ₹ 10 each	10,00,00,000	100.00	10,00,00,000	100.00
		180.00		180.00
2 Issued, Subscribed and Paid up Share Capital				
Equity Shares of Re. 1 each fully paid up	33,65,25,098	33.66	33,64,66,016	33.65
Par Value of Equity Share is Re. 1 each				
Par Value of Unclassified Share is ₹ 10 each				
3 Reconciliation of number of Shares				
Equity Shares				
Number of Shares outstanding at the beginning of the year	33,64,66,016	33.65	33,63,84,367	33.64
Issued during the year	59,082	0.01	81,649	0.01
Number of Shares outstanding at the end of the year	33,65,25,098	33.66	33,64,66,016	33.65
4 Rights, Preferences And Restrictions attached to Shares				
Equity Shares : The Company has one class of equity shares. Each equity share entitles the holder to one vote. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.				
5 Share Holding Information				
a) Shareholders holding more than 5% of Equity Shares in the Company:				
Rishad Kaikhushru Naoroji and others (Partners of RKN Enterprises)- 12.65% (previous year 12.66%)	4,25,83,272	4.26	4,25,83,272	4.26
Godrej Foundation - 13.38% (previous year 13.38%)	4,50,14,972	4.50	4,50,14,972	4.50
6 Equity Shares Reserved for Issue Under Employee Stock Grant (Re. 1 each)				
Employee Stock Grant for which vesting date shall be such date as may be decided by the Compensation Committee (*)				
(a) Employee Stock Grant vesting on 13/05/20	1,246	0.00	19,063	0.00
(b) Employee Stock Grant vesting on 31/05/20	2,761	0.00	42,251	0.00
(c) Employee Stock Grant vesting on 13/05/21	18,214	0.00	19,063	0.00
(d) Employee Stock Grant vesting on 31/05/21	15,514	0.00	16,341	0.00
(e) Employee Stock Grant vesting on 13/05/22	18,214	0.00	19,063	0.00
(f) Employee Stock Grant vesting on 30/06/21	20,725	0.00	-	-
(g) Employee Stock Grant vesting on 30/09/21	755	0.00	-	-
(h) Employee Stock Grant vesting on 30/06/22	21,480	0.00	-	-
(i) Employee Stock Grant vesting on 30/06/23	21,480	0.00	-	-

The exercise period in respect of the stock grants mentioned above is one month.

7 During the period of five years immediately preceding the date as at which the Balance Sheet is prepared :

Pursuant to the Scheme of Amalgamation of Vora Soaps Limited (VSL) with the Company 19,39,04,681 equity shares allotted as fully paid up to the Equity and Preference Shareholders of VSL.

Pursuant to the Scheme of Amalgamation of Wadala Commodities Limited (WCL) with the Company :

(i) 2,00,243 equity shares allotted as fully paid up to the Equity Shareholders of WCL and 10 equity shares allotted as fully paid up to the Preference Shareholders of WCL, without payment being received in cash.

(ii) 67,627 equity shares have been allotted as fully paid up bonus shares to the non-promoter shareholders of the Company.

8 There are no calls unpaid.

9 There are no forfeited shares.

\* Amounts less than Rs 0.01 crore



## Notes to Consolidated Financial Statements

### Note 18 : Other Equity

Refer Statement of Changes in Equity for detailed movement in Equity balance

#### I Summary of Other Equity Balance

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
I Capital Reserve on Account of Amalgamation	17.48	20.34
II Capital Redemption Reserve	31.46	31.46
III Securities Premium	919.81	916.63
IV Capital Reserve	28.81	28.81
V Special Reserve	4.03	4.03
VI Items of Other Comprehensive Income	30.67	69.10
VII Employee Stock Grants Outstanding	8.22	9.48
VIII General Reserve	107.05	64.24
IX Debenture Redemption Reserve	-	49.29
X Gain on sale of subsidiary without losing control	180.67	180.67
XI Non Controlling Interest Reserve	3,471.90	2,090.97
XII Retained Earnings	2,719.48	2,289.66
	7,519.58	5,754.68

Refer statement of changes in equity for detailed movement in Other Equity balances.

#### II Nature and purpose of reserve

- a Capital Reserve on Account of Amalgamation : During amalgamation, the excess of net assets taken over the cost of consideration paid is treated as Capital Reserve on account of Amalgamation.
- b Capital Redemption Reserve : The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings.
- c Securities Premium : The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.
- d Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve and also created on Sale of treasury Shares, also profit on sale of treasury shares held by the ESOP Trust is recognised in Capital Reserve. The utilisation will be as per the requirements of the Companies Act, 2013.
- e Special Reserve : Reserve created under section 45IC of RBI Act, 1934.
- f Foreign Currency Translation Reserve : The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.
- g Employee Stock Grants Outstanding : The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Grants Outstanding Account.
- h Reserve for Employee Compensation Expense : The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for employee compensation expense as per court Scheme
- i 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.

## Notes to Consolidated Financial Statements

## Note 18 : Other Equity (Contd.)

- j Debenture Redemption Reserve : The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.
- k Gain on sale of subsidiary without losing control : The Company participated in the IPO of Godrej Agrovet Limited (GAVL) as a promoter shareholder and sold part of its stake and realised a gain in the Standalone financial statements. Since the Company continues to hold controlling stake in GAVL, the resultant gain is not considered as a part of Consolidated net profits, but is included in Reserves as per the accounting treatment prescribed under IND AS 110 (Consolidated Financial Statements).
- l Non- controlling Interest Reserve : It represents the difference between the consideration paid and the carrying value of non-controlling interest acquired in subsidiaries.
- m Retained Earnings : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

## III Other Comprehensive Income accumulated in Other Equity, net of tax

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Opening Balance	69.10	9.56
Exchange Difference in translating financial statements of foreign operations	(43.41)	57.79
Cash flow hedges	4.98	1.75
	30.67	69.10

## Note 19 : Non Current Financial Liabilities - Borrowings

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Secured Borrowings		
(a) Bonds and Debentures (Refer Note 1.i)	1,000.00	-
(b) Term Loans		
(i) From Banks (Refer Note 1.ii)	6.28	7.35
(II) Unsecured Borrowings		
(a) Bonds and Debentures (Refer Note 2 )	1,494.04	-
(b) Term Loans		
(i) From Banks (Refer Note 3 below)	610.28	603.73
(b) Deferred Payment Liabilities (Refer Note 4 and 5 below)	-	1.55
	3,110.60	612.63

## Notes:

## Note 1.

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
i) 7.50% 10,000 (Previous Year: Nil) redeemable non-convertible debentures ("NCD") of face Value INR 1,000,000 each (Single Repayment at the end of the Term on July 31, 2023)	1,000.00	-
ii) Loans at the interest rate of 1.1% to 1.6% p.a.(previous year 1.5% to 1.8% p.a.) The interest bearing loan is denominated in Singapore dollar.	6.28	7.35

## Notes to Consolidated Financial Statements

### Note 19 : Non Current Financial Liabilities - Borrowings (Contd.)

Note 2.

During the year, the Company has issued 15,000 Unsecured Redeemable Non Convertible Debentures (NCD) of face value ₹ 10 lac each. The total value of NCD is ₹ 1500 crore. The NCD is listed on National Stock Exchange. The Company will utilise the proceeds to meet its business purposes, investments in body corporate(s), repayment / prepayment of certain loans and for general corporate purposes.

The NCD proceeds have been utilised as under:

Particulars	NCD 6.24%	NCD 6.43%	Total
Amount received from NCD	750.00	750.00	1,500.00
Repayment Terms	7500, Debentures of Face Value of ₹10,00,000 each interest rate fixed for the tenor and single principal to be repaid at the end of the term, 14 <sup>th</sup> July, 2023	7500, Debentures of Face Value of ₹10,00,000 each interest rate fixed for the tenor and single principal to be repaid at the end of the term, 26 <sup>th</sup> Oct, 2024	
Utilisation of Funds till 31 <sup>st</sup> March 2021 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes	480.00	43.45	523.45
Balance unutilised amount temporarily invested in Mutual Fund and Bank Fixed Deposit	270.00	706.55	976.55

### 3 Unsecured Loans from Banks

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Loan carries interest at 1 year MCLR for an original term upto 72 months and repayable starting March 2022 to March 2025	461.54	500.00
Loan carries interest rate of 7.05% p.a repayable in 28 equal quarterly instalments commencing from February 15, 2019.	15.00	19.00
Loan carries interest at Treasury bill rate + 100bps repayable in 16 equal quarterly instalments commencing from 31 December, 2019. Current interest rate of the loan is 6.27% per annum.	4.92	7.73
Loan carries interest rates of T Bill +0.14 to T Bill +0.65 bps and repo rate + 2.30 bps. These loans are repayable on different dates upto 52 months from the date of the Financial Statements.	74.72	-
Loan carries interest rate at 3 month T Bill + 175 bps (Previous year Nil) and is repayable on 15 <sup>th</sup> April, 2022.	40.00	-
Loan is repayable in quarterly instalments commencing from 30 <sup>th</sup> September 2020 and current interest rate of the loan is 6.15% per annum	2.50	-
Loan carries Interest Rates of 3 months T Bill + 175 bps. The loan is repayable in 19 instalments commencing from November 2020. The first 18 installment are of ₹ 0.90 crores and last instalment is of ₹ 0.80 crores.	11.60	-
Loan carries interest at Fixed rate of 8.50% p.a for an original term upto 60 months and repayable starting June 2018 to March 2022.	-	31.25
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting June 2018 to March 2022.	-	22.50
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting July 2018 to April 2022.	-	8.75
Loan carries interest at Treasury bill rate + 75bps repayable in 20 equal quarterly instalments commencing from July, 2020	-	14.50

## Notes to Consolidated Financial Statements

## Note 19 : Non Current Financial Liabilities - Borrowings (Contd.)

- 4 Deferred Loan against acquisition of Lease hold Land is availed at interest rate of 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on a half yearly basis for a period of 6 years from 1<sup>st</sup> July 2016 up to 1<sup>st</sup> Jan 2022. Total loan availed was ₹6.18 crore and outstanding for the year ended March 31, 2021 was ₹ 1.03 crore ( Previous year ₹ 2.58 crore) with current maturity disclosed separately in note no. 27 at ₹ 1.03 crore ( Previous year ₹ 1.03 crore) .
- 5 Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, up to March 2021. Total loan availed was ₹ 4.67 crore and outstanding for the year ended March 31, 2021 was ₹ Nil (Previous year ₹ 1.34 crore) with current maturity disclosed separately in note 27 at ₹ Nil (Previous year ₹ 1.34 crore) .
- 6 The Group does not have any default as on the Balance Sheet date in repayment of loan or interest.
- 7 Refer note 50 (a) for information on Liquidity Risk.

## Note 20 : Non Current Financial Liabilities - Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Employee Benefits Payable (Refer Note 33.1)	121.11	-
(II) Non Trade Payable	0.26	0.86
(III) Security Deposits	0.47	0.49
	121.84	1.35

## Note 21 : Non Current Provisions

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
I Defined Benefit Obligation (Refer Note 46)	26.67	28.38
II Other Long Term Benefit	12.41	5.69
	39.08	34.07

## Note 22 : Deferred Tax Liabilities (Net Of Assets)

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Deferred tax liabilities arising on account of:		
(a) Property, plant and equipment	186.92	182.78
(b) Investments	1.48	0.30
(c) Biological Assets	0.21	0.11
(d) Brought forward Losses	-	0.06
(e) Other provisions	45.33	68.71
	233.94	251.96
(II) Deferred tax assets arising on account of:		
(a) Provision for Retirement Benefits	2.49	2.43
(b) Provision for Doubtful Debts / Advances	8.31	6.23
(c) Leases	0.80	0.75
	11.60	9.41
Deferred Tax Liabilities (Net Of Assets) (refer note 44)	222.34	242.55

## Notes to Consolidated Financial Statements

### Note 23 : Other Non Current Liabilities

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(l) Others		
Deferred Grant	17.05	21.19
Others	1.01	1.02
	18.06	22.21

### Note 24 : Current Financial Liabilities Borrowings

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(l) Secured Borrowings		
(a) Term Loan from Bank (7.1%p.a. repayable by Jun 21)	15.00	-
(b) Loans Repayable on Demand		
(i) From Banks (Refer Note 1 below)	0.86	0.85
(c) Other Loans		
(i) Cash Credit (Refer Note 2 below)	124.15	155.36
(ii) Buyer's Credit (Refer Note 3 below)	-	0.21
(iii) Working Capital Loan (Refer Note 4 below)	942.45	902.73
(ll) Unsecured Borrowings		
(a) Term Loans		
(i) From Banks (Refer Note 5 below)	1,110.00	1,285.07
(b) Loans Repayable on Demand		
(i) From Banks (Refer Note 6 below)	1,224.17	1,387.70
(ii) Bank Overdraft repayable on demand (Refer Note 7 below)	-	148.84
(c) Other Loans		
(i) Commercial Papers (Refer Note 8 below)	3,002.43	1,829.23
(ii) Working Capital Loan (Refer Note 9 below)	227.59	312.61
(iii) Cash Credit (Refer note 2 (i))	0.96	14.55
(iv) Buyer's Credit (Refer Note 3 below)	-	0.27
	6,647.61	6,037.42

#### Notes:

1 Loan repayable on demand includes

Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts, carries interest rate at 3 month MCLR+0.1% repayable by May 2021.

2 (i) Cash Credit from banks / overdrafts are repayable on demand and carries interest at the rate of MCLR + 0.25 and 7.20% to 8.20% per annum (Previous year 1 Year MCLR +0. 25 to 0.55 bps and 8.20% per annum) . The cash credit from Bank is secured against inventories and receivables.

(ii) The Cash Credit (CC) of ₹ 120.99 Crore (Previous Year : ₹ 110.48 Crore) from SBI is secured by a primary charge of hypothecation of Current Assets of Godrej Properties Limited and work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5<sup>th</sup> Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) The Cash Credit (CC) of ₹ 0.16 Crore (Previous Year: NIL) from SBI is secured by a collateral of Mortgage of Immovable property (including all fit-outs therein) of Godrej Properties Limited at Unit No 5C, on the 5<sup>th</sup> Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary).

## Notes to Consolidated Financial Statements

## Note 24 : Current Financial Liabilities Borrowings (Contd.)

3 Buyers credit are at interest rate of Nil (Previous Year were at an interest rate of 3 to 6 month LIBOR + 40 to 120 bps) and were repaid within 6 months.

4 (i) The Working Capital Loan (WCL) of ₹ 715 Crore (Previous Year : ₹ 500 Crore) from SBI is secured by a primary charge of hypothecation of Current Assets of Godrej Properties Limited and work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5<sup>th</sup> Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary)

The WCL of ₹ 210 Crore (Previous Year: 400 Crore) from SBI is secured by a collateral of Mortgage of Immovable property (including all fit-outs therein) of Godrej Properties Limited at Unit No 5C, on the 5<sup>th</sup> Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary).

(ii) Working capital Demand loan from banks carries interest rate of 4.75%, T Bill+ 0.2 bps to T Bill + 0.4 bps, Repo rate + 0 bps and three months MCLR + 0.15 bps (Previous year 4.96% to 9.00% and T Bill +0.06 to T Bill +0.15 bps). These loans are repayable on different dates.

5 Unsecured Loans from Bank

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Loan carries interest rate from 8.0% p.a. to 8.75% p.a. repayable by July 20	-	540.00
Loan carries interest rate from 8.05% p.a. to 8.10% p.a. repayable by July 20	-	100.00
Loan carries interest rate from 7.75% p.a. repayable by June 20	-	100.00
Loan carries interest rate from 7.95% p.a. to 8.00% p.a. repayable by June 20	-	130.00
Loan carries interest rate from 7.00% p.a. to 7.05% p.a. repayable by Sept 20	-	285.00
Loan carries interest rate from 8.00% p.a. to 8.15% p.a. repayable by May 20	-	75.00
Loan carries interest rate from 6.95% p.a. to 7.0% p.a. repayable by July 21	355.00	-
Loan carries interest rate from 6.5% p.a. to 6.6% p.a. repayable by Jun 21	140.00	-
Loan carries interest rate from 6.4% p.a. repayable by Jun 21	100.00	-
Loan carries interest rate from 7.1% p.a. repayable by Aug 21	100.00	-
Loan carries interest rate from 7.1% p.a. repayable by Jun 21	130.00	-
Loan carries interest rate from 6.75% p.a. to 6.95% repayable by Sep 21	285.00	-
Loan carries interest rate from 8.45% p.a. to 8.95 p.a. repayable at 28 equal quarterly installment of ₹ 1.00 crore each from 15 February 2019	-	55.07

6

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Loan carries interest at 4.95% repayable within 6 months	-	100.79
Loan carries interest at 2.6% to 2.9% repayable within 6 months	45.01	-
Loan carries interest at 7% repayable within 6 months	4.54	-
Loans carrying interest rate 4.05%-7.40%	1,174.62	-
Loans carrying interest rate 6.45% to 8.30%	-	1,286.91

7 Overdraft facilities having balance of NIL for current year (March 31, 2020 ₹ 148.84 crore) carried interest rate of 7.85% to 9.00% .

## Notes to Consolidated Financial Statements

### Note 24 : Current Financial Liabilities Borrowings (Contd.)

#### 8 Commercial Papers

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Commercial Papers carries interest at 3.39% p.a. to 3.67% p.a. repayable during the period April to June 2021.	1,165.00	-
Commercial Papers carries interest at 3.95% to 4.30% p.a. repayable within 16 days to 177 days.	1,289.90	-
Commercial Papers carries interest at 3.50% to 4.25% p.a. repayable during the period April to June 2021	547.53	-
Commercial Papers carries interest at 5.25% p.a. to 5.68% p.a. repayable during the period April to June 2020	-	920.00
Commercial Papers carries interest at 5.93% p.a. to 6.75% p.a. repayable during the period April to June 2020	-	761.12
Commercial Papers carries interest at 5.10% p.a. to 7.50% p.a. repayable during the period April to June 2020	-	148.11

9 Working capital Demand loan from banks carries interest rate of 3.41% to 4.75%, T Bill+ 0.2 bps to T Bill + 0.4 bps, Repo rate + 0 bps and three months MCLR + 0.15 bps (Previous year 4.96% to 9.00% and T Bill +0.06 to T Bill +0.15 bps). These loans are repayable on different dates.

10 Refer note 50 (a) for information on Liquidity Risk.

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

### Note 25 : Current Financial Liabilities - Trade Payables

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Trade Payables		
(a) Outstanding dues of Micro and Small Enterprises (Refer Note 1 below)	56.90	30.97
(b) Outstanding dues of creditors other than Micro and Small Enterprises	2,827.38	1,148.63
(II) Acceptances	436.46	1,000.80
	3,320.74	2,180.40

Note:

1 Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2020-21, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSME act)		
a. Principal amount due to micro and small enterprise	56.90	30.97
b. Interest due on above *	-	0.08
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.13	0.19
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Refer note 50 (a) for information on Liquidity Risk.

## Notes to Consolidated Financial Statements

## Note 26 : Current Financial Liabilities- Others

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Current Maturities of Long Term Debts		
(a) Secured		
Term Loan from Others	-	509.49
(b) Unsecured		
Term Loan from Bank	132.09	62.50
Term Loan from Others	12.81	-
	144.90	571.99
(II) Current Maturities of Deferred payment liabilities (refer note 19.4)	1.41	1.03
(III) Current Maturities of Deferred Sales Tax Liability (refer note 19.5)	-	1.34
(IV) Interest Accrued but not due	107.73	29.02
(V) Unpaid Dividends	0.65	0.68
(VI) Unpaid Matured Deposits		
(a) Principal Amount	0.59	0.74
(b) Interest accrued	0.01	0.01
	0.60	0.75
(VII) Others		
(a) Non Trade Payable	132.51	112.33
(b) Advance Share of Profit from Joint Ventures	48.79	47.85
(c) Deposits	100.08	97.48
(d) Derivative Liability	0.21	-
(e) Others (includes payable for development rights, accrual for expenses etc.)	375.56	463.42
	657.15	721.08
(VIII) Current Maturities of Lease Liabilities (refer note 45)	37.83	22.53
	950.27	1,348.42

## Note 27 : Other Current Liabilities

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Other Advances		
(a) Amount received against Sale of Flats / Units	745.13	320.65
(b) Advances from Customers	60.03	44.91
(II) Others		
(a) Other Liabilities (includes advance from customer for maintenance, etc.)	110.76	30.59
(b) Statutory Liabilities	77.71	52.51
(c) Deferred Grant	1.26	1.26
	994.89	449.92



## Notes to Consolidated Financial Statements

### Note 28 : Current Provisions

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(I) Provision for Employee Benefits		
a) Defined Benefit Obligation (Refer Note 46)	8.20	7.59
b) Other Long Term Benefit	5.71	10.85
(II) Others		
a) Provision for Sales Return (Refer note 1 below)	57.09	34.12
b) Provision for tax dues (refer note 2 below)	25.00	15.31
c) Others (refer note 3 below)	2.99	3.02
	<b>98.99</b>	<b>70.89</b>

1.

Amount ₹ in Crore

Movement of provision for sales return	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Opening Provision	34.12	33.75
Add : Provision made for the year	246.39	201.39
Less: Utilised during the year	223.42	200.96
Less:- Reversed during the year	-	0.06
Closing Provision	<b>57.09</b>	<b>34.12</b>

The Group makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

- 2 Provision for tax dues : Utilised: ₹ Nil (Previous Year: ₹ 0.67 Crore) and Accrued - ₹ 9.69 Crore (Previous Year: ₹ 11.32 Crore).
- 3 Others include provision made during the year for Legal Cases. The same is expected to be settled in foreseeable future. (Utilised: ₹ Nil (Previous Year: ₹ Nil), Accrued: ₹ Nil (Previous Year: ₹ 1.02 Crore)).

### Note 29 : Revenue From Operations

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Sale of Products	9,060.46	10,988.04
II Sale of Services	140.83	138.05
III Other Operating Revenue		
(a) Export Incentives	8.84	18.99
(b) Rental Income	24.19	21.74
(c) Processing Charges	0.49	0.24
(d) Sale of Scrap	3.14	2.26
(e) Dividend Income	0.29	0.01
(f) Other Income from Customers of Property Business	68.99	95.73
(g) Others	27.18	26.28
	<b>9,334.41</b>	<b>11,291.34</b>
Fair value of Biological Assets	(0.90)	(0.59)
	<b>9,333.51</b>	<b>11,290.75</b>

## Notes to Consolidated Financial Statements

## Note 29 : Revenue From Operations (Contd.)

## 1 Disaggregation of revenue from contracts with customers

The Company derives revenue from the sale of products and services in the following major segments:

Amount ₹ in Crore

Sale of Products	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Chemicals	1,640.92	1,556.91
Animal Feeds	3,093.16	3,717.72
Veg Oils	1,331.68	1,082.78
Estate and Property Development	694.56	2,337.53
Dairy	1,031.74	1,198.77
Crop Protection	1,123.20	1,084.69
Others	286.03	147.69
	<b>9,201.29</b>	<b>11,126.09</b>

## 2 Reconciliation of revenue from contracts with customers

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Revenue from contracts with customers as per the contract price	9,200.90	11,257.13
Adjustments made to contract price on account of :-		
a) Less: Discounts / Rebates / Incentives	(196.09)	(232.45)
b) Less: Sales Returns /Credits / Reversals	(0.22)	1.32
c) Add: Significant financing component	-	102.11
d) Add: Revenue recognised on entitlement of Transferable Development Rights	195.20	-
e) Any other adjustments	1.50	(2.02)
Revenue from contracts with customers as per the statement of Profit and Loss	<b>9,201.29</b>	<b>11,126.09</b>

## 3 Geographical disaggregation

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Sales in India	7,939.61	10,050.37
Sales outside India	1,261.68	1,075.72

## 4 Refer note 56 (b) for significant changes in contract assets and contract liabilities balances and 56 (c) for note on performance obligation.

## Notes to Consolidated Financial Statements

### Note 30 : Other Income

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Interest Income	510.77	359.24
II Gain on Foreign Exchange Translation	4.07	5.44
III Profit on sale of Property, Plant and Equipment	0.29	0.08
IV Profit on Sale of Current Investments	36.81	98.13
V Changes in fair value of financial assets of FVTPL	47.69	28.30
VI Profit on Sale of Non Current Investments	0.25	-
VII Claims Received	3.85	0.98
VIII Liabilities no longer required written back	4.41	6.88
IX Recovery of Bad Debts written off	1.77	1.08
X Royalty & Technical Knowhow	6.85	5.07
XI Grant amortization	1.15	1.43
XII Miscellaneous Income	43.35	64.98
	661.26	571.61

### Note 31a : Cost of Material Consumed

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Raw Material Consumed		
Inventory at the Commencement of the year	669.81	637.83
Add : Purchases (Net)	5,841.37	6,286.64
	6,511.18	6,924.47
Less : Inventory at the Close of the year	(846.29)	(669.81)
Total Raw Material Consumed	5,664.89	6,254.66
II Packing Material Consumed		
Inventory at the Commencement of the year	2.99	2.91
Add : Purchases (Net)	49.52	50.00
	52.51	52.91
Less : Inventory at the Close of the year	(4.24)	(2.99)
Total Packing Material Consumed	48.27	49.92
Total Material Consumed (I+II)	5,713.16	6,304.58

### Note 31b : Cost of Sale - Property Development

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Land/Development Rights	2,365.97	777.45
Construction, Material & Labour	262.52	423.99
Architect Fees	18.16	13.08
Other Cost	148.12	193.80
Finance Cost	220.19	79.49
Total Cost of Sale - Property Development	3,014.96	1,487.81

## Notes to Consolidated Financial Statements

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

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Inventory at the Commencement of the year		
Finished Goods	715.10	315.29
Stock in Trade	63.56	87.85
Work in Progress	1,681.64	2,261.00
Biological Assets	68.18	-
Total Inventory at the Commencement of the year	2,528.48	2,664.14
Add:		
Transferred on acquisition of control	134.74	230.00
Less :		
Transferred from / (to) Expenses	73.74	(88.20)
Transferred to Investment Property	(4.60)	(15.02)
Transferred on loss of control	-	(226.72)
II Inventory at the End of the year		
Finished Goods	(649.62)	(715.10)
Stock in Trade	(85.82)	(63.56)
Work in Progress	(4,353.07)	(1,681.64)
Transferrable Development Rights	(195.20)	-
Biological Assets	(67.07)	(68.18)
Total Inventory at the End of the year	(5,350.78)	(2,528.48)
Changes in Inventories (I-II)	(2,618.42)	35.72

## Note 33 : Employee Benefit Expense

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Salaries and Wages (refer note 1)	733.35	598.19
II Contribution to Provident and Other Funds	36.98	34.91
III Expenses on Employee Stock Option Scheme	7.53	9.55
IV Staff Welfare Expense	29.10	36.22
	806.96	678.87

## Notes :

- During the year ended March 31, 2021, Employee Benefits expense of Godrej Properties Limited ( a subsidiary of the Company) includes provision for long term incentive amounting to ₹ 121.11 Crore recorded on achievement of certain parameters as at March 31, 2021 and certain parameters expected to be achieved during the financial year 2021-22 and 2022-23, as per the long term incentive scheme in accordance with the accounting standards. This long-term incentive is payable in financial year 2022-23 and 2023-24, subject to fulfilment of all the defined parameters and therefore the provision is recorded at its present value.
- During the current year, the managerial remuneration provided by Godrej Properties Limited (subsidiary of the Company), in relation to its Managing Director & CEO is in excess of the limits laid down under section 197 of the Companies Act, 2013, read with Schedule V to the Act by ₹ 37.94 crore. The subsidiary company has already obtained the shareholder's approval for ₹ 15 crore. The subsidiary company is in process of obtaining approval for making provision of ₹ 40 crore towards long term incentive for financial year 2020-2021 from its shareholders at the forthcoming annual general meeting, which will be payable during the financial year 2022-23 and 2023-24.

## Notes to Consolidated Financial Statements

### Note 34 : Finance Costs

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Interest	599.13	488.91
Less : Transferred to Construction work-in-progress and Capital work-in-progress	(236.00)	(105.69)
Net Interest	363.13	383.22
III Other Borrowing Costs	105.80	107.70
	468.93	490.92

### Note 35 a : Depreciation and Amortisation Expenses

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Depreciation on Property, Plant and Equipment	202.32	194.40
II Depreciation on Investment Property	4.86	2.60
III Amortisation on Intangible Assets	6.28	6.04
IV Depreciation on Rights of Use Assets	33.34	30.80
Less : Transferred to Expense Recoverable	(0.03)	-
Less : Transferred to Construction work-in-progress	(4.43)	-
	242.34	233.84

### Note 35 b : Other Expenses

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Consumption of Stores and Spares	47.13	46.18
II Power and Fuel	209.35	231.41
III Processing Charges	163.19	188.50
IV Rent	15.19	14.29
V Rates & Taxes	19.53	32.21
VI Repairs and Maintenance		
(a) Machinery	32.06	31.82
(b) Buildings	14.41	16.39
(c) Other Assets	77.87	8.25
VII Insurance	13.17	8.90
VIII Freight	125.16	129.29
IX Commission	4.92	6.81
X Advertisement and Publicity	144.25	184.99
XI Selling and Distribution Expenses	11.86	11.53
XII Bad Debts Written Off	33.18	22.85
XIII Provision / (Write back) for Doubtful Debts and Advances	61.72	4.90
XIV Loss on Foreign Exchange Translation	-	10.06
XV Loss on Sale of Property, Plant and Equipment	0.36	0.67
XVI Changes in fair value of financial assets at FVTPL	-	2.88
XVII Research Expense	4.62	4.14
XVIII Legal and Professional fees	56.25	85.52
XIX Miscellaneous Expenses	316.66	403.46
	1,350.88	1,445.05

## Notes to Consolidated Financial Statements

## Note 36 : Exceptional Items

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
I Inventory destroyed and written off to mitigate losses on account of COVID (refer note 1 below)	-	(3.00)
II Fair valuation of biological assets (refer note 1 below)	-	(6.92)
	-	(9.92)

## Notes:

- 1 With the outbreak of COVID-19 pandemic, the business of Godrej Tyson Foods Limited, a sub-subsidiary company was adversely impacted in sales and profitability. The last few weeks of the previous financial year witnessed a sharp drop in prices as well as demand for poultry and related products on account of false rumours linking COVID-19 to poultry consumption.

This necessitated the subsidiary to take certain exceptional measures to mitigate losses on account of which inventory to the tune of ₹ 3 crore had to be destroyed and written off. The crash in prices towards end of March 2020 required the subsidiary to recognise a loss of ₹6.92 crore in respect of fair valuation of biological assets. This total loss disclosed under exceptional item is ₹ 9.92 crores.

## Note 37 : Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
(a) Calculation of weighted average number of equity shares - Basic		
(i) Number of equity shares at the beginning of the year (in units)	33,64,66,016	33,63,84,367
(ii) Number of equity shares issued during the year (in units)	59,082	81,649
(iii) Number of equity shares outstanding at the end of the year (in units)	33,65,25,098	33,64,66,016
(iv) Weighted average number of equity shares outstanding during the year (in units)	33,65,11,573	33,64,45,436
(b) Calculation of weighted average number of equity shares - Diluted		
(i) Number of potential equity shares at the beginning of the year (in units)	33,65,81,797	33,65,45,396
(ii) Number of potential equity shares at the end of the year (in units)	33,66,45,487	33,65,81,797
(iii) Weighted average number of potential equity shares outstanding during the year (in units)	33,66,27,835	33,65,78,913
(c) Net Profit from continuing operations Attributable to Owners of the Company	334.57	553.81
Net Profit Attributable to Owners of the Company from continuing operations	333.30	380.14
Net Profit Attributable to Owners of the Company from discontinued operations	1.27	173.67
Earnings per share for profit from continuing operation attributable to owners of the company		
(i) Basic Earnings Per Share of ₹1 each	9.90	11.30
(ii) Diluted Earnings Per Share of ₹1 each	9.90	11.30
Earnings per share for profit/(loss) from discontinued operation attributable to owners of the company		
(i) Basic Earnings Per Share of ₹1 each	0.04	5.16
(ii) Diluted Earnings Per Share of ₹1 each	0.04	5.16
Earnings per share for profit from continuing and discontinued operation attributable to owners of the company		
(i) Basic Earnings Per Share of ₹1 each	9.94	16.46
(ii) Diluted Earnings Per Share of ₹1 each	9.94	16.46

## Notes to Consolidated Financial Statements

### Note 38 : Contingent Liabilities

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
<b>I Claims against the Group not acknowledged as debts</b>		
(a) Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Group has contested and is in appeal at various levels.	294.87	342.73
(b) Customs Duty demands relating to lower charge, differential duty, classification, etc.	1.56	1.43
(c) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	74.96	66.16
(d) GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	2.88	2.57
(e) Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	0.29	0.29
(f) Stamp duties claimed on certain properties which are under appeal by the Group.	1.82	1.82
(g) Income tax demands relating to disallowance against sec. 14A in respect of exempt income, Depreciation on Land/ rights in Land of Godrej One etc. against which the Group has preferred appeals.	143.88	139.39
(h) Industrial relations matters under appeal.	0.38	0.38
(i) Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Group as advised by our advocates. In the opinion of the management the claims are not sustainable	467.91	258.74
(j) Others.	4.00	5.61
<b>II Surety Bonds</b>		
(a) Surety Bonds given by the Holding Company in respect of refund received from excise authority for exempted units of associate company (Refer Note 1 below)	40.24	38.54
(b) Bonds issued by Group on behalf of related party	1.21	1.21
<b>III Other money for which the Group is Contingently liable</b>		
(a) Case / Claim filed by Processors for claiming various expenses	18.61	4.93
<b>IV Contingent liabilities relating to interest in Associates</b>	<b>401.51</b>	<b>338.44</b>

#### Notes:

- (1) The Corporate surety bond of ₹ 40.24 crore ( previous year ₹ 38.54 crore) is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.
- (2) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.  
  
It is not practicable to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- (3) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. In view of the management, the liability for the period from date of the SC order to 31 March 2019 is not significant and has been provided in the consolidated financial statements. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

## Notes to Consolidated Financial Statements

## Note 39 : Commitments

Amount ₹ in Crore

Particulars	As at	As at
	March 31, 2021	March 31, 2020 (Restated)
I Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	221.95	169.06
II Outstanding Export Obligation under EPCG Scheme	8.72	35.21
III Uncalled liability on partly paid shares / debentures (*)	0.00	0.00
IV Commitments relating to interest in Associates	11.67	8.82

\* Amount less than ₹ 0.01 crore

## Notes:

- One of the Subsidiary Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.
- One of the Subsidiary Company entered into development agreements with owners of land for development of projects. Under the agreements the Group is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

## Note 40 : Information on Subsidiaries, Joint Ventures and Associates

## (a) The subsidiary Companies considered in the Consolidated Financial Statements are :

Amount ₹ in Crore

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2021	As at March 31, 2020 (Restated)
<b>Subsidiaries of Godrej Industries Limited</b>				
1	Godrej Agrovet Limited	India	59.90%	59.28%
2	Godrej Properties Limited (refer note 1 below)	India	44.76%	49.36%
3	Ensemble Holdings & Finance Limited (refer note 54-IV)	India	100%	100%
4	Godrej International Limited	Isle of Man	100%	100%
5	Godrej International Trading & Investments Pte. Ltd.	Singapore	100%	100%
6	Pyxis Holdings Limited (acquired w.e.f March 25, 2021)	India	51.16%	-
7	Godrej One Premises Management Private Limited	India	58%	58%
8	Godrej Industries Limited Employee Stock Option Trust	India	100%	100%
<b>Subsidiaries of Godrej Agrovet Limited</b>				
9	Godvet Agrochem Limited	India	100%	100%
10	Astec Lifesciences Limited	India	62.30%	62.37%
11	Behram Chemicals Private Limited	India	65.63%	65.63%
12	Astec Europe Sprl (upto 31 August 2020)	Belgium	-	50.10%
13	Comercializadora Agricola Agrostrachem Cia Ltda	Columbia	100%	100%
14	Creamline Dairy Products Limited	India	51.91%	51.91%
15	Godrej Maxximilk Private Limited	India	74.90%	74.00%
16	Godrej Tyson Foods Limited	India	51.00%	51.00%
<b>Subsidiaries of Godrej Properties Ltd.</b>				
17	Godrej Projects Development Limited	India	100%	100%
18	Godrej Garden City Properties Private Limited	India	100%	100%
19	Godrej Hillside Properties Private Limited	India	100%	100%
20	Godrej Home Developers Private Limited	India	100%	100%
21	Godrej Prakriti Facilities Private Limited	India	100%	100%



## Notes to Consolidated Financial Statements

### Note 40 : Information on Subsidiaries, Joint Ventures and Associates (Contd.)

Amount ₹ in Crore

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2021	As at March 31, 2020 (Restated)
22	Prakritiplaza Facilities Management Private Limited	India	100%	100%
23	Godrej Highrises Properties Private Limited	India	100%	100%
24	Godrej Genesis Facilities Management Private Limited	India	100%	100%
25	Citystar InfraProjects Limited	India	100%	100%
26	Godrej Residency Private Limited	India	100%	100%
27	Godrej Properties Worldwide Inc., USA	USA	100%	100%
28	Godrej Landmark Redevelopers Private Limited (w.e.f. March 15, 2019)	India	100%	100%
29	Wonder Space Properties Private Limited (merged with subsidiary of Godrej Industries Limited w.e.f April 01, 2019 wide order dated September 14, 2020) (Classified as Subsidiary w.e.f. April 05, 2019 to December 17, 2019)	India	N.A	96.03%
30	Wonder Space Properties Private Limited (merged with subsidiary of Godrej Industries Limited w.e.f April 01, 2019 wide order dated September 14, 2020) (Classified as Wholly Owned Subsidiary w.e.f. December 18, 2019)	India	N.A	100%
31	Ceeear Lifespaces Private Limited (w.e.f. March 20, 2020)	India	100%	100%
32	Godrej Green woods Private Limited (w.e.f. May 26, 2020)	India	100%	N.A
33	Godrej Precast Construction Private Limited (w.e.f. July 19, 2020)	India	100%	N.A
34	Godrej Realty Private Limited (w.e.f. March 30, 2021)	India	100%	N.A
<b>Limited Liability Partnership (LLP) (held through Godrej Properties Limited)</b>				
1	Godrej Highrises Realty LLP	India	100%	100%
2	Godrej Project Developers & Properties LLP	India	100%	100%
3	Godrej Skyview LLP	India	100%	100%
4	Godrej Green Properties LLP	India	100%	100%
5	Godrej Projects (Soma) LLP	India	100%	100%
6	Godrej Projects North LLP	India	100%	100%
7	Godrej Athenmark LLP	India	100%	100%
8	Godrej Vestamark LLP (classified as Joint venture w.e.f May 03, 2019)	India	100%	100%
9	Godrej City Facilities Management LLP	India	100%	100%
10	Embellish Houses LLP (Classified as subsidiary upto May 10, 2020)	India	100%	100%
11	Godrej Florentine LLP (w.e.f. June 21, 2019)	India	100%	100%
12	Godrej Olympia LLP (w.e.f. June 21, 2019)	India	100%	100%
13	Godrej Construction Projects LLP (w.e.f. March 31, 2021)	India	100%	NA
14	Ashank Facility management LLP (w.e.f. July 9, 2019)	India	100%	100%
15	Ashank Realty management LLP (w.e.f. May 30, 2019)	India	100%	100%

#### Note:

- During the year, Godrej Properties Limited has allotted 25,862,068 equity shares (Previous Year: 22,629,310 equity shares) of face value of ₹ 5 each through Qualified Institutions Placement. This has resulted in the dilution of equity holding of the Company from 49.36% to 44.76%. The Company (GIL) has power and de facto control over Godrej Properties Limited (GPL) (even without overall majority of shareholding and voting power). Accordingly, there is no loss of control of GIL over GPL post the QIP and GIL continues to consolidate GPL as a subsidiary.

## Notes to Consolidated Financial Statements

## Note 40 : Information on Subsidiaries, Joint Ventures and Associates (Contd.)

## (b) Interests in Joint Ventures :

Amount ₹ in Crore

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2021	As at March 31, 2020 (Restated)
<b>Companies</b>				
<b>Joint Venture partner of Godrej Agrovet Limited</b>				
1	ACI Godrej Agrovet Private Limited	Bangladesh	50%	50%
<b>Joint Venture partner of Godrej Properties Limited</b>				
1	Godrej Realty Private Limited (Upto March 30, 2020)	India	NA	51%
2	Godrej Redevelopers (Mumbai) Private Limited	India	51%	51%
3	Wonder City Buildcon Private Limited	India	25.10%	25.10%
4	Godrej Home Constructions Private Limited	India	25.10%	25.10%
5	Godrej Greenview Housing Private Limited	India	20%	20%
6	Wonder Projects Development Private Limited	India	20%	20%
7	Godrej Real View Developers Private Limited	India	20%	20%
8	Pearlite Real Properties Private Limited	India	49%	49%
9	Godrej Skyline Developers Private Limited	India	26%	26%
10	Godrej Green Homes Private Limited	India	50%	50%
11	Godrej Mackbricks Private Limited (formerly known as Ashank Macbricks Private Limited)	India	20%	20%
12	Munjaj Hospitality Private Limited (w.e.f. June 29, 2019)	India	12%	12%
13	Yujya Developers Private Limited (w.e.f. December 02, 2019)	India	20%	20%
14	Vivrut Developers Private Limited (w.e.f. February 10, 2019)	India	20%	20%
15	Madhuvan Enterprises Private Limited (w.e.f. January 16, 2020) (joint control through participative rights )	India	N.A.	N.A.
<b>Limited Liability Partnership (LLP)</b>				
1	Godrej Property Developers LLP	India	32%	32%
2	Mosiac Landmarks LLP	India	1%	1%
3	Dream World Landmarks LLP	India	40%	40%
4	Oxford Realty LLP	India	35%	35%
5	Godrej SSPDL Green Acres LLP	India	37%	37%
6	Oasis Landmarks LLP	India	38%	38%
7	M S Ramaiah Ventures LLP	India	49.50%	49.50%
8	Caroa Properties LLP	India	35%	35%
9	Godrej Construction Projects LLP (Upto March 30, 2021)	India	34%	34%
10	Godrej Housing Projects LLP	India	50%	50%
11	Godrej Amitis Developers LLP	India	46%	46%
12	A R Landcraft LLP	India	40%	40%
13	Prakhhyat Dwellings LLP	India	50%	50%
14	Bavdhan Realty @ Pune 21 LLP	India	45%	45%
15	Godrej Highview LLP	India	40%	40%
16	Godrej Irismark LLP	India	50%	50%

## Notes to Consolidated Financial Statements

### Note 40 : Information on Subsidiaries, Joint Ventures and Associates (Contd.)

Amount ₹ in Crore

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2021	As at March 31, 2020 (Restated)
<b>Limited Liability Partnership (LLP)</b>				
17	Godrej Projects North Star LLP	India	55%	55%
18	Godrej Developers & Properties LLP	India	37.50%	37.50%
19	Roseberry Estate LLP	India	49%	49%
20	Suncity Infrastructures (Mumbai) LLP	India	50%	50%
21	Godrej Reserve LLP	India	21.70%	22%
22	Maan-Hinje Township Developers LLP	India	40%	40%
23	Mahalunge Township Developers LLP	India	40%	40%
24	Godrej Vestamark LLP (upto May 03, 2019)	India	NA	NA
25	Manyata Industrial Park LLP (upto April 22, 2019)	India	NA	NA
26	Godrej Odyssey LLP (w.e.f. September 26, 2019 )	India	55%	55%
27	Universal Metro Properties LLP (w.e.f. December 02, 2019)	India	50%	50%
28	Embellish Houses LLP (w.e.f May 11, 2020)	India	50%	NA
29	Manjari Housing Projects LLP	India	40%	40%

### (c) Investment in Associates :

Amount ₹ in Crore

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2021	As at March 31, 2020 (Restated)
1	Godrej Consumer Products Limited	India	23.75%	23.75%
2	Personalitree Academy Limited (Associate of Ensemble Holdings & Finance Limited)	India	25.49%	25.49%
3	Al Rahaba International Trading LLC (Associate of Godrej Agrovet Limited)	U.A.E	24%	24%

### Note 41 : Disclosures of Joint Ventures and Associates

#### 1 Equity accounted investees

Financial information of Joint Ventures and Associates that are material to the Group is provided below:

Amount ₹ in Crore

Name of the entity	Place of business / Country of incorporation	% of ownership interest	Relationship	Accounting method	Carrying Amounts	
					March 31, 2021	March 31, 2020
Godrej Consumer Products Limited	India	23.75%	Associate	Equity method	3,244.65	2,880.26
ACI Godrej Agrovet Private Limited	Bangladesh	50%	Joint Venture	Equity method	84.99	102.11
Al Rahaba International Trading Limited Liability Company	U.A.E	24%	Associate	Equity method	-	-
Personalitree Academy Ltd.	India	25.49%	Associate	Equity method	-	-
Godrej Housing Projects LLP	India	50%	Joint Venture	Equity method	5.24	-

## Notes to Consolidated Financial Statements

## Note 41 : Disclosures of Joint Ventures and Associates (Contd.)

Amount ₹ in Crore

Name of the entity	Place of business / Country of incorporation	% of ownership interest	Relationship	Accounting method	Carrying Amounts	
					March 31, 2021	March 31, 2020
Prakhhyat Dwellings LLP	India	50%	Joint Venture	Equity method	-	-
Godrej Highview LLP	India	40%	Joint Venture	Equity method	-	-
Manjari Housing Projects LLP	India	40%	Joint Venture	Equity method	187.25	-
Godrej Green Homes Ltd.	India	50%	Joint Venture	Equity method	184.15	-
Oxford Realty LLP	India	35%	Joint Venture	Equity method	-	0.02
Wonder City Buildcon Private Limited	India	25.10%	Joint Venture	Equity method	-	5.27
Godrej Redevelopers (Mumbai) Private Limited	India	51%	Joint Venture	Equity method	-	-
Pearlite Real Properties Private Limited	India	49%	Joint Venture	Equity method	-	-
Wonder City Buildcon Private Limited	India	25.10%	Joint Venture	Equity method	-	-
SSPDL Green Acres LLP	India	37%	Joint Venture	Equity method	-	-
<b>Total equity accounted investments</b>					<b>3,706.28</b>	<b>2,987.66</b>
Omnivore India Capital Trust	India		Investment entity	Equity method	35.16	26.23

2 Summary financial information of material Joint Venture and Associates not adjusted for the percentage ownership held by the Company, is as follows:

Amount ₹ in Crore

Particulars	Godrej Consumer Products Limited		ACI Godrej Agrovet Private Limited		Godrej Housing Projects LLP	Prakhhyat Dwellings LLP	Godrej Highview LLP	Godrej Green Homes Ltd.
	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, 2021	As at March 31, 2021	As at March 31, 2021
Ownership	23.75%	23.75%	50%	50%	50%	50%	40%	50%
Cash and cash equivalent	524.13	602.87	8.61	15.48	41.88	20.03	2.17	5.86
Other current assets	3,948.28	4,205.47	283.16	255.31	76.82	462.30	337.23	45.51
Total current assets	4,472.41	4,808.34	291.77	270.79	118.71	482.33	339.40	51.37
Total non-current assets	9,810.41	10,148.67	216.64	220.50	22.38	20.52	1.84	1,389.45
<b>Total assets</b>	<b>14,282.82</b>	<b>14,957.01</b>	<b>508.40</b>	<b>491.29</b>	<b>141.09</b>	<b>502.86</b>	<b>341.24</b>	<b>1,440.83</b>
Current liabilities								
Financial liabilities (excluding trade payables and provisions)	1,769.80	1,877.17	123.20	28.34	11.62	213.27	196.50	46.83
Other liabilities	2,365.89	2,669.39	167.10	255.69	113.82	329.55	196.76	12.80
Total current liabilities	4,135.69	4,546.56	290.30	284.03	125.45	542.83	393.25	59.63
Non Current liabilities								
Financial liabilities (excluding trade payables and provisions)	547.60	2,395.11	48.06	54.73	-	-	-	-
Other liabilities	160.63	116.98	-	-	-	-	-	1,117.65
Total non current liabilities	708.23	2,512.09	48.06	54.73	-	-	-	1,117.65
<b>Total liabilities</b>	<b>4,843.92</b>	<b>7,058.65</b>	<b>338.37</b>	<b>338.76</b>	<b>125.45</b>	<b>542.83</b>	<b>393.25</b>	<b>1,177.28</b>
Net assets	9,438.90	7,898.36	170.04	152.53	15.64	(39.97)	(52.01)	263.55
Groups' share of net assets	2,241.48	1,875.86	85.02	76.26	7.82	(19.86)	(17.91)	68.18
Adjustment on Consolidation	-	-	(0.03)	25.85	(2.58)	19.86	17.91	115.97
Carrying amount of interest in Associate / Joint Venture	3244.65*	2880.26*	84.99	102.11	5.24	-	-	184.15

\*Carrying amount of interest in Associate includes certain investment purchased from open markets, accordingly the same is higher than the Groups' share of net assets.

## Notes to Consolidated Financial Statements

## Note 41 : Disclosures of Joint Ventures and Associates (Contd.)

Amount ₹ in Crore

Particulars	SSPDL Green Acres LLP	Wonder City Buildcon Private Limited	Manjari Housing Projects LLP	Oxford Realty LLP	Wonder City Buildcon Private Limited	Godrej Redevelopers (Mumbai) Private Limited	Pearlite Real Properties Private Limited
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020	As at March 31, 2020	As at March 31, 2020
Ownership	37%	25.10%	40%	35%	25.10%	51%	49%
Cash and cash equivalent	2.86	4.55	26.85	15.22	8.60	75.12	27.91
Other current assets	100.40	195.32	444.92	209.64	411.39	283.23	261.91
Total current assets	103.26	199.87	471.77	224.86	419.99	358.35	289.82
Total non-current assets	0.93	2.48	14.05	8.60	12.04	8.89	5.27
<b>Total assets</b>	<b>104.19</b>	<b>202.35</b>	<b>485.82</b>	<b>233.46</b>	<b>432.03</b>	<b>367.24</b>	<b>295.09</b>
Current liabilities							
Financial liabilities (excluding trade payables and provisions)	76.00	229.36	93.90	-	-	-	-
Other liabilities	59.27	104.37	138.39	137.16	501.11	358.97	271.34
Total current liabilities	135.27	333.73	232.29	137.16	501.11	358.97	271.34
Non Current liabilities							
Financial liabilities (excluding trade payables and provisions)	-	-	-	-	-	-	-
Other liabilities	-	-	-	0.10	-	0.63	0.19
Total non current liabilities	-	-	-	0.10	-	0.63	0.19
<b>Total liabilities</b>	<b>135.27</b>	<b>333.73</b>	<b>232.29</b>	<b>137.25</b>	<b>501.11</b>	<b>359.59</b>	<b>271.53</b>
<b>Net assets</b>	<b>(31.07)</b>	<b>(131.38)</b>	<b>253.53</b>	<b>96.21</b>	<b>(69.08)</b>	<b>7.65</b>	<b>23.56</b>
Groups' share of net assets	(12.99)	(32.98)	191.06	33.67	(17.34)	3.90	11.54
Adjustment on Consolidation	12.99	32.98	(3.81)	33.65	(22.61)	3.90	11.54
Carrying amount of interest in Associate / Joint Venture	-	-	187.25	0.02	5.27	-	-

Amount ₹ in Crore

Particulars	Godrej Consumer Products Limited	ACI Godrej Agrovet Private Limited	Godrej Housing Projects LLP	Prakhyat Dwellings LLP	Godrej Highview LLP	Godrej Green Homes Ltd.
	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, 2021
Revenues	10,936.01	9,826.51	1,251.43	1,027.17	429.14	0.40
Interest income	92.61	84.29	0.30	0.25	-	-
Depreciation and amortisation	203.85	197.28	25.44	21.51	0.09	0.03
Interest expense	126.63	217.41	(8.63)	(6.56)	1.18	9.82
Expenses other than above	-	-	-	-	329.12	15.20
Income tax expense	(359.54)	(263.82)	(16.01)	(9.60)	33.19	(10.76)
<b>Profit / (Loss) for the year</b>	<b>1,720.82</b>	<b>1,496.58</b>	<b>82.62</b>	<b>58.97</b>	<b>65.56</b>	<b>(13.89)</b>
Other comprehensive income	(163.63)	223.20	-	0.21	-	-
<b>Total comprehensive income</b>	<b>1,557.19</b>	<b>1,719.78</b>	<b>82.62</b>	<b>59.18</b>	<b>65.56</b>	<b>(13.89)</b>
Group's share of profit as per JV / Associate Books	408.66	315.54	41.31	29.49	32.78	(10.85)
Add: Adjustments on Consolidation	9.63	18.09	-	-	-	-
Group's share of profit	418.29	333.63	41.31	29.49	32.78	(10.85)
Group's share of Other comprehensive income	(38.85)	13.65	-	0.12	-	-
Group's share of Total comprehensive income	379.44	347.28	41.31	29.61	32.78	(10.85)

## Notes to Consolidated Financial Statements

## Note 41 : Disclosures of Joint Ventures and Associates (Contd.)

Amount ₹ in Crore

Particulars	SSPDL Green Acres LLP	Wonder City Buildcon Private Limited	Manjari Housing Projects LLP	Oxford Realty LLP	Wonder City Buildcon Private Limited	Godrej Redevelopers (Mumbai) Private Limited	Pearlite Real Properties Private Limited
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Revenues	4.25	228.78	0.43	640.66	286.83	1,114.02	532.00
Interest income			-	-	-	-	-
Depreciation and amortisation	0.01	0.14	0.34	0.61	0.16	0.85	0.27
Interest expense	2.81	12.06	2.99	1.12	1.06	5.29	8.83
Expenses other than above	25.80	278.86	20.13	496.73	338.40	1,072.96	466.14
Income tax expense	(0.02)	-	(1.89)	50.05	7.96	22.75	15.70
<b>Profit / (Loss) for the year</b>	<b>(24.35)</b>	<b>(62.28)</b>	<b>(21.14)</b>	<b>92.15</b>	<b>(60.76)</b>	<b>12.19</b>	<b>41.06</b>
Other comprehensive income			-	-	-	-	-
<b>Total comprehensive income</b>	<b>(24.35)</b>	<b>(62.28)</b>	<b>(21.14)</b>	<b>92.15</b>	<b>(60.76)</b>	<b>12.19</b>	<b>41.06</b>
Group's share of profit as per JV / Associate Books	(9.85)	(15.63)	(8.46)	32.25	(15.25)	6.21	20.12
Add: Adjustments on Consolidation	-	-	-	-	-	-	-
Group's share of profit	(9.85)	(15.63)	(8.46)	32.25	(15.25)	6.21	20.12
Group's share of Other comprehensive income	-	-	-	-	-	-	-
Group's share of Total comprehensive income	(9.85)	(15.63)	(8.46)	32.25	(15.25)	6.21	20.12

Aggregate information for those joint ventures and associate that are not material to the Group are as under:

## (i) Investment In Joint Ventures

Amount ₹ in Crore

Sale of Products	Year ended March 31, 2021	Year ended March 31, 2020
Carrying amount of Investment in Joint Ventures	447.60	819.74
Profit For the Year	(217.38)	(352.01)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income	(217.38)	(352.01)
Group's share of total comprehensive income	(79.77)	(128.46)

## (ii) Investment In Associate

Amount ₹ in Crore

Sale of Products	Year ended March 31, 2021	Year ended March 31, 2020
Carrying amount of Investment in Associate	0.00	0.00
Profit For the Year *	0.00	0.00
Other Comprehensive Income for the year	0.00	0.00
Total Comprehensive Income	0.00	0.00
Group's share of total comprehensive income	0.00	0.00

₹ 0.00 represents amount less than ₹ 0.01 crore

## Notes to Consolidated Financial Statements

### Note 42 : Financial Information of subsidiaries that have material non-controlling interests

1 Subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business / country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interest		Principal activities
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	
Godrej Agrovet Limited	India	59.90%	59.28%	40.10%	40.72%	Animal Feeds, Agri Inputs, Vegetable Oil, Dairy, Integrated Poultry business, Cultivation of Seeds
Godrej Properties Limited	India	44.76%	49.36%	55.24%	50.64%	Estate and Property Development

2 The following table summarises Financial Information of subsidiaries that have material non-controlling interests, before any inter-company eliminations

(i) Summarised Statement of Profit and Loss

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Total Income	6,306.27	7,010.86	1,333.09	2,914.59
Profit for the year	347.57	300.58	(189.43)	273.94
Other Comprehensive Income	2.81	(3.98)	(0.63)	(0.50)
Profit allocated to non-controlling interests	161.14	121.54	(104.73)	134.48
OCI allocated to non-controlling interests	0.87	(1.77)	(0.32)	(0.25)
Dividends paid to non-controlling interests	49.57	35.19	-	-

(ii) Summarised Balance Sheet

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Non-current liabilities	365.55	269.20	1,158.88	14.35
Current liabilities	1,972.02	2,210.24	6,769.29	5,268.01
	2,337.57	2,479.44	7,928.17	5,282.36
Non-current assets	2,661.36	2,567.69	3,174.14	2,445.59
Current assets	2,137.57	2,132.35	13,073.52	7,644.56
	4,798.93	4,700.04	16,247.66	10,090.15
Net assets	2,461.36	2,220.60	8,319.49	4,807.79
Net assets attributable to non-controlling interest	1,221.89	1,134.11	4,595.20	2,428.23

(iii) Summarised Cash Flow

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Cash flows from(used in) operating activities	(1.84)	239.78	(671.21)	(231.69)
Cash flows from(used in) investing activities	(187.30)	(255.16)	(3,321.87)	(1,721.18)
Cash flows from(used in) financing activities	189.05	36.36	4,258.98	1,974.18
Net increase /(decrease) in cash and cash equivalents	(0.09)	20.98	265.90	21.31

## Notes to Consolidated Financial Statements

## Note 43 : Goodwill

The Goodwill arises from the Group's Cash Generating Units as follows:

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
CGUs of Godrej Agrovet Limited	480.61	480.61
CGUs of Godrej Properties Limited	193.67	193.67
Others	9.06	9.06
	<b>683.34</b>	<b>683.34</b>

## 1 Godrej Agrovet Limited

The recoverable amount of this CGU is the higher of its fair value less cost to sell and its value in use. The goodwill allocated to Agrovet business pertains to a listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation (level 1 fair value) .

## 2 Godrej Properties Limited

The recoverable amount of this CGU is the higher of its fair value less cost to sell and its value in use. The goodwill allocated to estate & property development pertains to a listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation (level 1 fair value) .

## Note 44 : Income Tax Expense

## I Tax Expense relating to continuing operations recognised in the Consolidated Statement of Profit and Loss

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Current Income Tax	148.39	155.36
Adjustments in respect of earlier years	4.06	1.22
Deferred Income Tax Liability / (Asset), net		
Origination and reversal of temporary differences	59.64	171.63
Change in Tax rate	-	(33.38)
Mat Credit (Utilisation)/Entitlement	25.03	(13.33)
Recognition of previously unrecognised tax losses	(10.84)	(10.06)
Deferred Tax Expense	73.83	114.86
Tax Expense For the Year	<b>226.28</b>	<b>271.44</b>

## II Amounts recognised in other comprehensive income

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Items that will not be reclassified to profit or loss		
Tax on remeasurements of defined benefit liability (asset)	(0.71)	1.68
	<b>(0.71)</b>	<b>1.68</b>



## Notes to Consolidated Financial Statements

### Note 44 : Income Tax Expense (Contd.)

#### III Reconciliation of effective tax rate

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Profit Before Tax from continuing operations	615.93	909.29
Tax using the Company's domestic tax rate	153.56	281.27
Tax effect of		
Tax impact of income not subject to tax	(4.37)	(82.36)
Tax effects of amounts which are not deductible for taxable income	11.08	19.71
Previously unrecognised tax losses and unabsorbed depreciation now recouped to reduce deferred tax expense	(9.24)	(10.06)
Deferred tax assets not recognized because realization is not probable	41.08	79.28
Change in recognised deductible temporary differences	(3.92)	(5.04)
Adjustment for current tax of prior years	4.06	1.22
Tax on share of loss/(profit) of equity accounted investees	(72.29)	5.79
Utilization of MAT credit during the year	-	6.63
MAT credit of previous year reversed in current year	25.03	-
Effect of different tax rate	18.73	16.94
Effect of change in Tax Rate	63.12	(33.38)
Others	(0.56)	(8.56)
	226.28	271.44

#### IV Movement in deferred tax balances

Amount ₹ in Crore

Particulars	Deferred tax asset March 31, 2020	Deferred tax liability March 31, 2020	Net balance March 31, 2020	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Net balance March 31, 2021	Deferred tax asset March 31, 2021	Deferred tax liability March 31, 2021
Deferred tax asset										
Property, plant and equipment	(201.24)	(182.78)	(384.02)	19.88	-	-	0.99	(363.15)	(176.23)	(186.92)
Indexation benefit on land and shares	0.99	-	0.99	0.07	-	-	-	1.06	1.06	-
Investments	(4.56)	(0.30)	(4.86)	(0.31)	(0.45)	-	-	(5.62)	(4.14)	(1.48)
Inventories	25.74	-	25.74	(5.99)	-	(4.80)	-	14.95	14.95	-
Employee benefits	9.69	2.43	12.12	40.30	0.41	-	-	52.83	50.34	2.49
Equity-settled share-based payments	2.09	-	2.10	(0.82)	-	-	-	1.28	1.28	-
MAT Credit Entitlement	29.52	-	29.52	(23.26)	-	-	-	6.26	6.26	-
Biological Assets	(6.30)	(0.11)	(6.41)	(0.69)	-	-	-	(7.10)	(6.90)	(0.21)
Leases	0.03	0.75	0.78	0.03	-	-	-	0.81	0.01	0.80
Provision for Doubtful Debts / Advances	35.84	6.23	42.07	(0.86)	-	-	-	41.21	32.90	8.31
Brought forward Losses	194.29	(0.06)	194.23	(82.86)	-	-	-	111.37	111.37	-
Unabsorbed Depreciation	182.54	-	182.54	(23.63)	-	-	-	158.91	158.91	-
Other provisions	230.53	(68.71)	161.82	4.31	0.12	-	-	166.25	211.57	(45.33)
Net Tax Assets (Liabilities)	499.16	(242.55)	256.60	(73.83)	0.08	(4.80)	0.99	179.04	401.38	(222.34)

## Notes to Consolidated Financial Statements

## Note 44 : Income Tax Expense (Contd.)

## IV Movement in deferred tax balances

Amount ₹ in Crore

Particulars	Deferred tax asset April 01, 2019	Deferred tax liability April 01, 2019	Net balance April 1, 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net balance March 31, 2020	Deferred tax asset March 31, 2020	Deferred tax liability March 31, 2020
Deferred tax asset											
Property, plant and equipment	(170.94)	(219.33)	(390.27)	5.55	-	0.70	-	-	(384.02)	(201.24)	(182.78)
Indexation benefit on land and shares	0.94	-	0.94	0.05	-	-	-	-	0.99	0.99	-
Investments	(14.31)	-	(14.31)	11.64	-	-	(2.19)	-	(4.86)	(4.56)	(0.30)
Inventories	30.96	-	30.96	(5.22)	-	-	-	-	25.74	25.74	-
Employee benefits	8.77	3.00	11.77	(0.01)	0.36	-	-	-	12.12	9.69	2.43
Equity-settled share-based payments	1.85	-	1.85	0.24	-	-	-	-	2.10	2.09	-
MAT Credit Entitlement	26.55	5.23	31.78	(2.26)	-	-	-	-	29.52	29.52	-
Biological Assets	0.07	(8.96)	(8.90)	2.49	-	-	-	-	(6.41)	(6.30)	(0.11)
Leases	-	-	-	(0.32)	-	1.10	-	-	0.78	0.03	0.75
Provision for Doubtful Debts / Advances	30.17	6.81	36.98	5.09	-	-	-	-	42.07	35.84	6.23
Brought forward Losses	400.69	(0.70)	399.99	(206.17)	-	-	0.41	-	194.23	194.29	(0.06)
Unabsorbed Depreciation	164.46	-	164.46	18.08	-	-	-	-	182.54	182.54	-
Other provisions	170.52	(65.85)	104.68	55.98	0.26	-	0.06	0.84	161.82	230.53	(68.71)
Net Tax Assets (Liabilities)	649.73	(279.81)	369.92	(114.86)	0.62	1.80	(1.72)	0.84	256.60	499.16	(242.55)

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

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Details of unused tax losses and unused tax credit is given in note V below.

As the Group does not have any intention to dispose off investments in unlisted subsidiaries and associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

A new section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. Accordingly:

- (i) The Company has elected to exercise the option, and has recognised provision for income tax for the year ended March 31, 2021 and re-measured its deferred tax balances on the basis of the rate prescribed in the said section.
- (ii) Godrej Properties Limited a subsidiary company along with its certain wholly owned step-down subsidiaries have elected to exercise the option for the year ended March 31, 2021. The tax expense for the year ended March 31, 2021 increased by ₹ 81.21 crore due to said change.
- (iii) Godrej Agrovet Limited a subsidiary company elected to exercise this option during the previous financial year ended March 31, 2020.

## Notes to Consolidated Financial Statements

### Note 44 : Income Tax Expense (Contd.)

V Tax losses carried forward

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020
Expiry date		
3/31/2021	-	47.45
3/31/2022	4.63	4.63
3/31/2023	153.69	153.69
3/31/2024	110.09	110.09
3/31/2025	133.22	133.22
3/31/2026	119.43	119.43
3/31/2027	100.02	229.33
3/31/2028	102.94	112.34
3/31/2029	71.21	-
	<b>839.81</b>	910.18
Unabsorbed Depreciation never expires	<b>930.75</b>	821.81

### Note 45 : Leases

#### 1. Cost, Accumulated Depreciation and Carrying Amount

Amount ₹ in Crore

Particulars	Leasehold Buildings	Leasehold Land	Other equipments	Total
<b>Cost</b>				
As at 1 April 2019	98.17	59.51	-	157.68
Additions	4.12	17.26	11.19	32.57
Disposals	(1.62)	-	-	(1.62)
Balance at 31 <sup>st</sup> March 2020	100.68	76.77	11.19	188.64
Balance at 1 <sup>st</sup> April 2020	100.68	76.77	11.19	188.64
Additions	97.03	15.83	-	112.86
Disposals/Other adjustments	(1.12)	-	-	(1.12)
Balance at 31 March 2021	<b>196.58</b>	<b>92.60</b>	<b>11.19</b>	<b>300.38</b>
<b>Accumulated depreciation and impairment</b>				
As at 1 April 2019	39.30	1.39	-	40.69
Depreciation	27.81	0.63	2.36	30.80
Impairment loss	-	-	-	-
Disposals/Other adjustments	(0.03)	-	-	(0.03)
Balance at 31 March 2020	67.08	2.02	2.36	71.46
Balance at 1 <sup>st</sup> April 2020	67.08	2.02	2.36	71.46
Depreciation	29.60	0.88	2.86	33.34
Disposals/Other adjustments	(0.36)	-	-	(0.36)
Balance at 31 March 2021	<b>96.32</b>	<b>2.91</b>	<b>5.22</b>	<b>104.44</b>
<b>Carrying amounts</b>				
Balance at 31 March 2020	33.60	74.74	8.83	117.17
Balance at 31 March 2021	<b>100.26</b>	<b>89.70</b>	<b>5.97</b>	<b>195.93</b>

## Notes to Consolidated Financial Statements

## Note 45 : Leases (Contd.)

## 2. Breakdown of lease expenses

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Short-term lease expense	16.89	14.16
Low value lease expense	0.40	0.13
<b>Total lease expense</b>	<b>17.29</b>	<b>14.29</b>

## 3. Cash outflow on leases

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Repayment of lease liabilities	37.57	56.53
Interest on lease liabilities	9.90	6.07
Short-term lease expense	13.06	11.30
Low value lease expense	0.01	-
Variable lease expenses (other than short term)	2.30	-
<b>Total cash outflow on leases</b>	<b>62.84</b>	<b>48.51</b>

## 4. Maturity analysis (undiscounted amounts)

Amount ₹ in Crore

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Less than one year	37.47	23.59
One to five years	88.25	36.51
More than five years	8.96	5.33
Total undiscounted lease liabilities	134.68	65.43
Lease liabilities included in the statement of financial position	115.82	50.95
Current	37.83	22.53
Non-Current	77.99	28.42
Weighted average effective interest rate %	8%-9%	8%-9%

The above amounts include principal and interest

## As a Lessor

## 5. Undiscounted lease payments to be received for operating leases

Amount ₹ in Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Year 1	38.70	11.90
More than 1 year and less than 5 years	98.23	48.61
Later than 5 years	-	-
<b>Total</b>	<b>136.93</b>	<b>60.51</b>

## 6. Impact on Retained Earnings due to adopting the modified Retrospective Approach

Amount ₹ in Crore

Particulars	As at April 01, 2019
Recognition of Lease Assets	73.66
Recognition of Lease Liabilities	82.45
Net Impact in Retained Earnings	(8.79)

## Notes to Consolidated Financial Statements

### Note 46 : Employee Benefits

#### I DEFINED CONTRIBUTION PLAN

##### Provident Fund :

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contributions.

#### II DEFINED BENEFIT PLAN

##### Gratuity :

The Group participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of ICICI Prudential Life Insurance Co. Ltd, HDFC Standard Life Insurance Co. Ltd. and SBI Life Insurance Co. Ltd, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Group's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

##### Provident Fund :

The Group manages the Provident Fund plan through a Provident Fund Trust for a majority of its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

The Group 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 Group 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.

Particulars	Amount ₹ in Crore	
	March 31, 2021	March 31, 2020
Plan assets at period end, at fair value	261.93	239.07
Provident Fund Corpus	253.88	232.34
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	8.53%-9.32%	8.43%-8.66%
Weighted Average YTM	8.83%-9.25%	8.44%-8.90%
Guaranteed Rate of Interest	8.50%	8.50%-8.65%

##### Pension :

The Group has Pension plan for eligible employees. The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

## Notes to Consolidated Financial Statements

## Note 46 : Employee Benefits (Contd.)

III The amounts recognised in the Group's Consolidated financial statements as at the year end are as under :

Amount ₹ in Crore

	Gratuity		Pension	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>a) Change in Present Value of Obligation</b>				
Present value of the obligation at the beginning of the year	90.68	84.03	0.54	0.54
Current Service Cost	7.83	7.00	-	-
Past Service Cost	-	(0.16)	-	-
Interest Cost	6.04	6.40	-	-
Contribution by Plan Participants	-	-	-	-
Actuarial (Gain) / Loss on Obligation due to demographic assumptions	-	(0.03)	-	-
Actuarial (Gain) / Loss on Obligation due to experience adjustments	0.29	2.65	-	-
Actuarial (Gain) / Loss on Obligation due to financial assumptions	1.58	3.27	0.64	0.15
Effect of Liability Transfer in / out	(1.31)	(1.38)	-	-
Benefits Paid	(10.24)	(11.10)	(0.27)	(0.15)
Acquisitions	-	-	-	-
Present value of the obligation at the end of the year	94.86	90.68	0.91	0.54
<b>b) Change in Plan Assets</b>				
Fair value of Plan Assets at the beginning of the year	54.71	55.78	-	-
Return on Plan Assets	3.51	1.41	-	-
Actuarial (Gain) / Loss on Plan Assets	(0.59)	0.43	-	-
Contributions by the Employer	7.89	5.36	-	-
Interest Cost	2.07	2.19	-	-
Effect of Liability Transfer in / out	0.00	0.00	-	-
Benefits Paid	(8.76)	(9.60)	-	-
Acquisitions	(0.01)	-	-	-
Fair value of Plan Assets at the end of the year	60.00	54.71	-	-
<b>c) Amounts Recognised in the Balance Sheet :</b>				
Present value of Obligation at the end of the year	94.86	90.68	-	-
Fair value of Plan Assets at the end of the year	60.00	54.71	-	-
Net Obligation at the end of the year	34.87	35.97	-	-
<b>d) Amounts Recognised in the statement of Profit and Loss :</b>				
Current Service Cost	7.83	7.00	-	-
Interest cost on Obligation	6.04	6.40	-	-
Return on Plan Assets	(3.51)	(1.41)	-	-
Net Cost Included in Personnel Expenses	10.36	11.99	-	-
<b>e) Amounts Recognised in Other Comprehensive Income (OCI):</b>				
Actuarial (Gain) / Loss on Obligation For the Period	1.87	5.89	-	-
Return on Plan Assets, Excluding Interest Income	(0.59)	0.43	-	-
Net (Income) / Expense For the Period Recognised in OCI	1.28	6.31	-	-
The cumulative amount of actuarial (gains) / losses on obligations recognised in other comprehensive income as at March 31, 2021 is ₹ 0.60 Crore (Previous Year: ₹ (8.21) Crore).				
<b>f) Actual Return on Plan Assets</b>	4.10	0.99	-	-
<b>g) Actuarial Assumptions</b>				
i) Discount Rate	6.19%-6.93% P.A.	6.44-7.79% P.A.	6.86% P.A.	6.86% P.A.
ii) Expected Rate of Return on Plan Assets	6.93% P.A.	6.86% P.A.	-	-
iii) Salary Escalation Rate	6.00%-10.00% P.A.	5.00-8.00% P.A.	-	-
iv) Employee Turnover	1.00-15.00% P.A.	1.00-15.00% P.A.	1.00% P.A.	1.00% P.A.
v) Mortality	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## Notes to Consolidated Financial Statements

### Note 46 : Employee Benefits (Contd.)

#### IV Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Amount ₹ in Crore

Particulars	March 31, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.50)	6.27	(5.10)	5.80
Future salary growth (1% movement)	6.25	(5.58)	5.79	(5.19)
Rate of employee turnover (1% movement)	0.19	(0.27)	0.22	(0.30)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

#### V Plan assets comprise the following

Amount ₹ in Crore

Particulars	March 31, 2021	March 31, 2020
Insurer managed fund (100%)	60.00	54.61

#### VI Expected future benefit payments of Gratuity

Amount ₹ in Crore

1 <sup>st</sup> following year	16.13
2 <sup>nd</sup> following year	7.41
3 <sup>rd</sup> following year	10.28
4 <sup>th</sup> following year	9.01
5 <sup>th</sup> following year	8.07
Thereafter	42.82

### Note 46 : Employee Stock Benefit Plans

#### 1 Employee Stock Grant Scheme of Godrej Industries Limited

- The Company had set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders at their Meeting held on January 17, 2011.
- 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.
- The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Compensation Committee of the respective Company based on the employee's performance, level, grade, etc.
- The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.
- The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3<sup>rd</sup> at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by Compensation Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.
- The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Compensation Committee.

## Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Contd.)

- (g) The Exercise Price of the shares has been fixed at Re. 1 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2021:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Description of the Inputs used
Dividend yield %	0.32%	0.37%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	28%-31%	28%-31%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.60% to 4.50%	6.91% to 7.95%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	393.25	471.20	

- (h) The Status of the above plan is as under:

Particulars	Numbers		Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
	Year ended March 31, 2021	Year ended March 31, 2020		
Options Outstanding at the Beginning of the Year	1,15,781	1,61,029		
Options Granted	64,440	60,372		
Options Vested	59,082	81,649		
Options Exercised	59,082	81,649	1.00	443.75
Options Lapsed / Forfeited	750	23,971		
<b>Total Options Outstanding at the end of the year</b>	<b>1,20,389</b>	<b>1,15,781</b>		

- (i) The weighted average exercise price of the options outstanding as on March 31, 2021 is Re. 1 (previous year Re. 1 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2021 is 0.88 years (previous year 0.73 years)

## 2 Godrej Properties Limited Employee Stock Option Plans & Stock Grant Scheme

### (i) Employee Stock Grant Scheme

- a) The Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, the Shareholders and the Remuneration Committee.

Particulars	No. of Options		Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
	As at March 31, 2021	As at March 31, 2020		
Options Outstanding at the beginning of the year	1,11,077	1,33,913		
Options granted	45,893	50,797		
Options exercised	57,072	70,888	5	626.48
Less : Option lapsed	9,912	2,745		
Options Outstanding at the year end	89,986	1,11,077		



## Notes to Consolidated Financial Statements

### Note 46 : Employee Stock Benefit Plans (Contd.)

- b) The weighted average exercise price of the options outstanding as at March 31, 2021 is ₹ 5 per share (Previous Year: ₹ 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2021 is 0.89 years (Previous Year: 0.74 years)
- c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is ₹ 880.46 (Previous Year: ₹ 756.42). The following table lists the average inputs to the model used for the plan for the year ended March 31, 2021:

Particulars	For the year March 31, 2021	For the year March 31, 2020	Description of the Inputs used
Dividend yield %	-	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	39%-71%	33%-51%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.62%-7.07%	6.37%-7.07%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	₹ 885.19	₹ 760.99	

- d) The expense arising from ESGS scheme during the year is ₹ 3.05 Crore (Previous Year: ₹ 4.38 Crore).

### 3 Godrej Agrovet Limited Employee Stock Option Plans & Stock Grant Scheme

#### (i) Employee Stock Option Plans of Godrej Agrovet Limited

##### Employee Stock Grants

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is Re. 1 per equity share as provided in the scheme. The Company has provided NIL (Previous Year ₹0.81 crore) for the aforesaid eligible employees for the current financial year.

##### Employee Stock Option - Equity Settled

The Company had set up the Employees Stock Grant Scheme 2018 (ESGS) pursuant to the approval by the Shareholders by way of postal ballot, the result of which was declared on June 20, 2018.

The ESGS Scheme is effective from April 1, 2018, (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 2018 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.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty five Lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3<sup>rd</sup> at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

## Notes to Consolidated Financial Statements

### Note 46 : Employee Stock Benefit Plans (Contd.)

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 Nomination and Remuneration Committee.

The Exercise Price of the shares has been fixed at ₹ 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period. The Company has provided ₹ 2.03 crore (Previous Year ₹ 1.96 crore ) for all the eligible employees for current year.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2021:

Particulars	As at March 31, 2021	As at March 31, 2020	Description of the Inputs used
Dividend yield %	1.21%	0.87%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	28% - 29%	28% - 29%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.649% to 4.277%	6.563% to 7.043%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	455.34	515.37	

The Status of the above plan is as under:

Particulars	Numbers		Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
	As at March 31, 2021	As at March 31, 2020		
Options Outstanding at the Beginning of the Year	69,234	42,705		
Options Granted	57,853	53,484		
Options Vested	30,002	13,159		
Options Exercised	30,002	13,159	10.00	455.34
Options Lapsed / Forfeited	7,784	13,796		
Options Lapsed / Forfeited to be re-granted	-	-		
Total Options Outstanding at the end of the year	89,301	69,234		

The weighted average exercise price of the options outstanding as on March 31, 2021 is ₹ 10/- (previous year ₹ 10/- per share)

#### 4 Astec Lifescience Limited Employee Stock Option Plans & Stock Grant Scheme

##### (i) Employee stock option scheme (ESOS,2015)

The Group has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21<sup>st</sup> Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1<sup>st</sup> year, 30% in 2<sup>nd</sup> year, 20% in 3<sup>rd</sup> year and 10% in 4<sup>th</sup> year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Group.

Once vested, the options remains exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

## Notes to Consolidated Financial Statements

### Note 46 : Employee Stock Benefit Plans (Contd.)

#### (ii) Employee stock option plan (ESOP, 2012)

The company has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the company in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1<sup>st</sup> year, 30% in 2<sup>nd</sup> year, 20% in 3<sup>rd</sup> year and 10% in 4<sup>th</sup> year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the company.

Once vested, the options remains exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of ₹ 34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under both the plans:

#### Employee stock option plan (ESOP,2012)

Particulars	March 31, 2021		March 31, 2020	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	34.00	8,800	34.00	18,700
Granted during the period	-	-	-	-
Exercised during the period	34.00	2,000	34.00	9,900
Lapsed during the period	-	-	-	-
Closing balance		6,800		8,800
Vested and exercisable		-		-

#### Employee stock option scheme (ESOS,2015)

Particulars	March 31, 2021		March 31, 2020	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	387.35	29,700	387.35	34,500
Granted during the period	-	-	-	-
Exercised during the period	387.35	17,200	387.35	4,800
Lapsed during the period	-	-	-	-
Closing balance		12,500		29,700
Vested and exercisable		-		-

No options expired during the periods covered in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2021	March 31, 2020
			Share options	Share options
January 31, 2015	January 30, 2023	34.00	-	-
January 31, 2015	January 30, 2024	34.00	-	-
January 31, 2015	January 30, 2025	34.00	1,000	1,000
January 31, 2015	January 30, 2026	34.00	2,800	3,800
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	-	-
May 16, 2015	May 15, 2025	34.00	2,000	2,000
May 16, 2015	May 15, 2026	34.00	1,000	2,000
July 26, 2016	July 25, 2020	387.35	-	8,000
July 26, 2016	July 25, 2021	387.35	1,500	9,700
July 26, 2016	July 25, 2022	387.35	7,000	8,000
July 26, 2016	July 25, 2023	387.35	4,000	4,000
Total			19,300	38,500
Weighted average remaining contractual life of options outstanding at end of period			2.58	2.51

## Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Contd.)

## (i) Fair value of options granted

The fair value of grant date of options granted during the year ended March 31, 2021 is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2021	March 31, 2020
			Share options	Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	-
January 31, 2015	January 30, 2025	109.91	1,000	1,000
January 31, 2015	January 30, 2026	110.49	2,800	3,800
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	-
May 16, 2015	May 15, 2025	119.30	2,000	2,000
May 16, 2015	May 15, 2026	119.67	1,000	2,000
July 26, 2016	July 25, 2020	100.00	-	8,000
July 26, 2016	July 25, 2021	159.00	1,500	9,700
July 26, 2016	July 25, 2022	278.00	7,000	8,000
July 26, 2016	July 25, 2023	297.00	4,000	4,000
<b>Total</b>			<b>19,300</b>	<b>38,500</b>

The model inputs for options granted during the period ended March 31, 2019 included:

## ESOS, 2015 granted on July 26, 2016

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

Particulars	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	₹ 387.35	₹ 387.35	₹ 387.35	₹ 387.35
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	₹ 387.35	₹ 387.35	₹ 387.35	₹ 387.35
Expected price volatility of the company's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted during the year ended March 31, 2016 included:

## ESOP, 2012- Option B granted on May 16, 2015

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	₹ 34/- (March 31, 2016 - ₹ 34/-)	₹ 34/- (March 31, 2016 - ₹ 34/-)	₹ 34/- (March 31, 2016 - ₹ 34/-)	₹ 34/- (March 31, 2016 - ₹ 34/-)
Grant Date	May 16, 2015	May 16, 2015	May 16, 2015	May 16, 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	₹ 138/-	₹ 138/-	₹ 138/-	₹ 138/-
Expected price volatility of the company's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

## Notes to Consolidated Financial Statements

### Note 46 : Employee Stock Benefit Plans (Contd.)

The model inputs for options granted during the year ended March 31, 2015 included:

#### ESOP, 2012- Option A granted on 31 January 2015

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	₹ 34/- (March 31, 2016 - ₹ 34/-)	₹ 34/- (March 31, 2016 - ₹ 34/-)	₹ 34/- (March 31, 2016 - ₹ 34/-)	₹ 34/- (March 31, 2016 - ₹ 34/-)
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-
Expected price volatility of the company's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	Amount ₹ in Crore	
	March 31, 2021	March 31, 2020
Employee stock option plan	0.01	0.06
<b>Total</b>	<b>0.01</b>	<b>0.06</b>

### 5 The Pyxis Employee Stock Option Scheme 2021

The Pyxis Employee Stock Option Scheme 2021 ("ESOP Scheme 2021") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on January 5, 2021. The Scheme is administered by Company's Board of Directors. The Scheme applies to all the Eligible Employees, who are the permanent employees of the Company or any Subsidiary of the Company, on the date of Grant of Options. The Compensation Committee of the Company would decide the entitlement of each employee based on his/her performance, level, grade, seniority and such other parameters as may be decided by the Compensation Committee. The Exercise Price for each Option will be the face value of the Equity Share of the Company. The Options granted would vest after twenty one months but not later than fifty seven months from the date of Grant of Options. Exercise period is 7 (seven) years from the date of Vesting of Options or such other period as may be decided by the Compensation Committee, within which the Employee should exercise his right to apply for transfer of Equity Shares of the Company to him pursuant to the Option Vested in him in accordance with the ESOP Scheme 2021.

#### Description of the share based payment plans:

The expense recognised for employee services received during the year / period is shown in the following table:

Particulars	Amount ₹ in Crore	
	For the year ended March 31, 2021	For the period from September 06, 2019 to March 31, 2020
Expenses arising from equity-settled share-based payment transactions	0.01	-
<b>Total</b>	<b>0.01</b>	<b>-</b>

## Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Contd.)

## Movements during the year/period:

The following table illustrates the number and weighted average exercise price (WAEP) of, and movement in, share options during the year/period:

Particulars	For the year ended March 31, 2021		For the period from September 06, 2019 to March 31, 2020	
	Number	WAEP (₹)	Number	WAEP (₹)
Outstanding at the beginning of the Year / Period	-	-	-	-
Granted during the Year / Period	2,378	10	-	-
Outstanding at the end of the Year / Period	2,378	10	-	-
<b>Exercisable at March 31, 2021 &amp; March 31, 2020</b>	-	-	-	-

The weighted average fair values of the options granted during the year/period was ₹ 4.29 (March 31, 2020: Nil). The weighted average stock price of the options granted during the year/period ended March 31, 2021 is ₹ 10 (March 31, 2020: Nil).

The fair value of each option is estimated on the date of grant using the Black-Scholes model with the following assumptions:

Particulars	For the year ended March 31, 2021	For the period from September 06, 2019 to March 31, 2020
Share price	₹ 10	-
Risk free interest rate	7%	-
Volatility	42.70%	-
Time to Maturity	7 years	-
Exercise price	₹ 10	-

Expected Volatility was determined by calculating the historical volatility of the comparable Company's share price over the effects of non-transferability, exercise restrictions and behavioural considerations.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2021 Share Options	March 31, 2020 Share Options
January 29, 2021	October 28, 2029	10	337.75	-
February 3, 2021	November 2, 2029	10	248.00	-
February 11, 2021	November 10, 2029	10	8.75	-
January 29, 2021	October 28, 2030	10	337.75	-
February 3, 2021	November 2, 2030	10	248.00	-
February 11, 2021	November 10, 2020	10	8.75	-
January 29, 2021	October 28, 2031	10	337.75	-
February 3, 2021	November 2, 2031	10	248.00	-
February 11, 2021	November 10, 2021	10	8.75	-
January 29, 2021	October 28, 2032	10	337.75	-
February 3, 2021	November 2, 2032	10	248.00	-
February 11, 2021	November 10, 2022	10	8.75	-
<b>Total</b>			<b>2,378.00</b>	-
<b>Weighted average remaining contractual life of options outstanding at end of period</b>			<b>10.09</b>	-

## Notes to Consolidated Financial Statements

## Note 47 : Segment Information

## a) Segment information for continuing operations

Information about operating segments	Chemicals		Animal Feed		Veg Oils		Estate & Property Development		Finance & Investments		Dairy		Crop Protection		Others		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	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	Amount ₹ in Crore																	
<b>(I) Revenue</b>																		
External Sales	1,657.24	1,594.71	3,093.16	3,717.72	1,337.94	1,093.84	1,363.86	3,079.70	47.80	26.06	1,032.24	1,065.72	1,140.13	1,096.38	322.39	188.22	9,994.77	11,862.37
Intersegment Sales	8.93	9.02	-	-	-	0.02	30.89	26.99	74.46	258.33	0.45	138.19	-	-	350.95	401.65	465.66	834.19
Total Sales	1,666.17	1,603.73	3,093.16	3,717.72	1,337.94	1,093.86	1,394.74	3,106.68	122.26	284.39	1,032.69	1,203.92	1,140.13	1,096.38	673.34	589.87	10,460.44	12,696.55
Less: Intersegment Sales	(8.93)	(9.02)	-	-	-	(0.02)	(30.89)	(26.99)	(74.46)	(258.33)	(0.45)	(138.19)	-	-	(350.95)	(401.65)	(465.66)	(834.19)
<b>Total Revenue</b>	<b>1,657.24</b>	<b>1,594.71</b>	<b>3,093.16</b>	<b>3,717.72</b>	<b>1,337.94</b>	<b>1,093.84</b>	<b>1,363.86</b>	<b>3,079.70</b>	<b>47.80</b>	<b>26.06</b>	<b>1,032.24</b>	<b>1,065.72</b>	<b>1,140.13</b>	<b>1,096.38</b>	<b>322.39</b>	<b>188.22</b>	<b>9,994.77</b>	<b>11,862.36</b>
<b>(II) Results</b>																		
Segment result before interest and tax	119.11	139.59	195.92	153.17	96.48	98.58	209.35	792.72	47.51	25.89	10.49	(0.18)	248.48	230.95	22.44	(80.14)	949.78	1,360.58
Unallocated expenses																	(217.38)	(221.52)
Finance Costs																	(468.93)	(490.92)
Profit / (Loss) Before Share of Profit of Equity Accounted Investees and Tax from continuing operations																	263.47	648.14
Taxes																	(226.28)	(271.44)
Share of Profit of Equity Accounted Investees (net of Income Tax)																	352.46	261.15
<b>Profit after tax from Continuing Operations</b>																	<b>389.65</b>	<b>637.85</b>
Segment Assets	1,606.58	1,351.98	1,365.12	1,297.36	645.55	556.91	17,000.20	10,489.04	5,083.67	3,361.54	809.11	806.21	1,458.66	1,340.49	554.32	536.39	28,523.21	19,739.92
Unallocated Assets																	481.81	709.37
Total Assets																	29,005.02	20,449.29
Segment Liabilities	664.76	430.41	395.09	961.55	153.38	67.98	7,976.91	5,191.98	1.83	6.54	342.21	334.58	567.25	463.32	251.67	250.60	10,363.10	7,706.96
Unallocated Liabilities																	5,281.64	3,391.66
Total Liabilities																	15,634.74	11,098.62
Cost incurred during the year to acquire segment assets	54.04	28.03	41.04	136.33	31.15	39.64	335.31	107.46	-	0.18	12.04	36.00	128.62	40.92	14.43	18.28	616.63	406.85
Cost incurred on unallocated assets																	9.50	14.31
Total Cost incurred during the year to acquire segment assets																	626.13	421.16
Segment Depreciation	38.78	37.37	44.41	38.19	26.61	28.39	38.52	37.83	1.53	1.54	27.67	30.60	30.52	27.64	21.42	21.33	229.45	222.88
Unallocated Depreciation																	12.89	10.96
Total Depreciation																	242.34	233.84

## Notes to Consolidated Financial Statements

## Note 47 : Segment Information (Contd.)

## Information about Secondary Business Segments

Amount ₹ in Crore

Revenue by Geographical markets	Current Year	Previous Year
India	9,019.40	10,784.42
Outside India	975.37	1,077.94
<b>Total</b>	<b>9,994.77</b>	<b>11,862.36</b>

Amount ₹ in Crore

Carrying Amount of Segment assets	Current Year	Previous Year
India	28,738.88	20,270.34
Outside India	266.14	178.95
Assets held for Discontinued Operations in India	-	-
<b>Total</b>	<b>29,005.02</b>	<b>20,449.29</b>

## Notes :

- The Group has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the different risks and returns, the organisational structure and the internal reporting system.
- Chemicals segment includes the business of production and sale of Oleochemicals and Surfactants such as Fatty Acids, Fatty Alcohols, Esters and Waxes, refined glycerine, Alpha Olefin Sulphonates, Sodium Lauryl Sulphate and Sodium Lauryl Ether Sulphate.
- Animal Feed segment includes the business of production and sale of compound feeds for cattle, poultry, shrimp and fish.
- Veg Oils segment includes the business of processing and bulk trading of refined vegetable oils & vanaspati, international vegetable oil trading and Oil Palm Plantation.
- Estate & property development segment includes the business of development and sale of real estate and leasing and leave and licensing of properties.
- Finance & Investments includes investments in associates companies and other investments.
- Dairy Business includes milk and milk products
- Crop protection business includes agri inputs.
- Others includes seeds business, poultry, cattle breeding and energy generation through windmills.
- Unallocable expenditure includes general and administrative expenses and other expenses incurred on common services at the corporate level and relate to the Group as a whole.
- The geographical segments consists of Sales in India which represent sales to customers located in India and Sales outside India represent sales to customers located outside India.
- Segment Revenue Reconciliation in terms of the measure reported to the Chief Operating Decision Maker:

Amount ₹ in Crore

Particulars	Current Year	Previous Year
Revenue from Operations	9,333.51	11,290.75
Other Income	661.26	571.61
<b>Total Segment Revenue</b>	<b>9,994.77</b>	<b>11,862.36</b>

## b) Segment Information relating to discontinued operations (refer note 55)

Amount ₹ in Crore

Particulars	Current Year	Previous Year
Segment Revenue (including Exceptional Items)	-	289.01
Segment Results (Profit / (Loss) Before Tax)	1.27	173.67

Amount ₹ in Crore

Particulars	Current Year	Previous Year
Segment Assets	-	-
Segment Liabilities	-	-



## Notes to Consolidated Financial Statements

### Note 48 : Related Party Information

#### a) Names of related parties and description of relationship

##### 1 Companies under common ownership

- 1.1 Godrej & Boyce Manufacturing Company Limited

##### 2 Associates / Joint Ventures

- 2.1 Godrej Consumer Products Limited
- 2.2 Bhabhani Blunt Hairdressing Private Limited (Associate)
- 2.3 PT Megasari Makmur
- 2.4 Strength of Nature, LLC
- 2.5 Subinite Pty Ltd
- 2.6 Laboratoria Cuenca S.A.
- 2.7 Godrej Consumer Products International
- 2.8 Godrej Nigeria Limited
- 2.9 Canon Chemicals Limited  
Associates/ Joint Ventures of Godrej Agrovvet Limited
- 2.10 ACI Godrej Agrovvet Private Limited, Bangladesh
- 2.11 Omnivore India Capital Trust
- 2.12 Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)  
Associates/ Joint Ventures of Godrej Properties Limited
- 2.13 Godrej Realty Private Limited (upto March 30, 2021)
- 2.14 Godrej Redevelopers (Mumbai) Private Limited
- 2.15 Godrej Greenview Housing Private Limited
- 2.16 Wonder Space Properties Private Limited (up to April 03, 2019)
- 2.17 Wonder City Buildcon Private Limited
- 2.18 Godrej Home Constructions Private Limited
- 2.19 Wonder Projects Development Private Limited
- 2.20 Godrej Real View Developers Private Limited
- 2.21 Pearlite Real Properties Private Limited
- 2.22 Godrej Skyline Developers Private Limited
- 2.23 Godrej Green Homes Private Limited (Formerly Known as Godrej Green Homes Limited)
- 2.24 Godrej Ashank Macbricks Private Limited (formerly known as Ashank Macbricks Private Limited)
- 2.25 Munjal Hospitality Private Limited (effective May 07, 2019)
- 2.26 Yujya Developers Private Limited (effective December 2, 2019)
- 2.27 Vivrut Developers Private Limited (effective February 10, 2020)
- 2.28 Madhuvan Enterprises Private Limited (effective January 16, 2020)
- 2.29 Mosiac Landmarks LLP
- 2.30 Dream World Landmarks LLP
- 2.31 Oxford Realty LLP
- 2.32 Godrej SSPDL Green Acres LLP
- 2.33 Caroa Properties LLP
- 2.34 M S Ramaiah Ventures LLP
- 2.35 Oasis Landmarks LLP
- 2.36 Godrej Amitis Developers LLP ( formerly known as Amitis Developers LLP)
- 2.37 Godrej Construction Projects LLP (upto March 30, 2021)
- 2.38 Godrej Property Developers LLP
- 2.39 A R Landcraft LLP
- 2.40 Bavdhan Realty @ Pune 21 LLP

## Notes to Consolidated Financial Statements

### Note 48 : Related Party Information (Contd.)

- 2.41 Prakhhyat Dwellings LLP
- 2.42 Godrej Highview LLP
- 2.43 Godrej Projects North Star LLP
- 2.44 Godrej Developers & Properties LLP
- 2.45 Godrej Reserve LLP (formerly known as Sai Srushti Onehub Projects LLP)
- 2.46 Godrej Irismark LLP
- 2.47 Rosebery Estate LLP (effective September 18, 2018)
- 2.48 Suncity Infrastructures (Mumbai) LLP (effective October 10, 2018)
- 2.49 Maan-Hinje Township Developers LLP (Formerly Known as Godrej Projects (Pune) LLP) (effective February 01, 2019)
- 2.50 Godrej Vestamark LLP (w.e.f. May 03, 2019)
- 2.51 Manyata Industrial Parks LLP (effective April 22, 2019)
- 2.52 Godrej Odyssey LLP (w.e.f. September 26, 2019)
- 2.53 Universal Metro Properties LLP. (effective December 02, 2019)
- 2.54 Embellish Houses LLP (w.e.f. May 11, 2020)
- 2.55 Manjari Housing Projects LLP (Formerly Known as Godrej Avamark LLP) (effective (effective February 01, 2019)
- 2.56 Mahalunge Township Developers LLP (Formerly Known as Godrej Land Developers LLP) (effective February 01, 2019)
- 2.57 Godrej Vestamark LLP (effective May 03, 2019)

### 3 Key Management Personnel

- 3.1 Mr. A. B. Godrej - Chairman
- 3.2 Mr. N. B. Godrej - Managing Director
- 3.3 Ms. T. A. Dubash - Executive Director & Chief Brand Officer
- 3.4 Mr. N. S. Nabar - Executive Director & President (Chemicals)
- 3.5 Mr. C. G. Pinto - Chief Financial Officer
- 3.6 Ms. Tejal Jariwala - Company Secretary

### 4 Non-Executive Directors

- 4.1 Mr. J.N. Godrej
- 4.2 Mr. V.M. Crishna
- 4.3 Mr. K.N. Petigara
- 4.4 Mr. K.M. Elavia (up to February 11, 2021)
- 4.5 Mr. A.D. Cooper (up to October 27, 2020)
- 4.6 Mr. Mathew Eipe (effective May 13, 2019)
- 4.7 Dr. Ganapati D. Yadav (effective May 13, 2019)
- 4.8 Ms. Rashmi Joshi (up to March 27, 2020)
- 4.9 Mr. K.K. Dastur (up to August 8, 2019)
- 4.10 Mr. S.A. Ahmadullah (up to August 8, 2019)
- 4.11 Mr. A.B. Choudhury (up to August 8, 2019)
- 4.12 Ms. Monaz Noble (effective May 1, 2020)
- 4.13 Ms. Shweta Bhatia (effective October 28, 2020)
- 4.14 Mr. Sandeep Murthy (effective March 1, 2021)

### 5 Relatives of Key Management Personnel

- 5.1 Ms. N. A. Godrej - Daughter of Mr. A. B. Godrej
- 5.2 Mr. P. A. Godrej - Son of Mr. A. B. Godrej
- 5.3 Ms. R. N. Godrej - Wife of Mr. N. B. Godrej
- 5.4 Mr. B. N. Godrej - Son of Mr. N. B. Godrej

## Notes to Consolidated Financial Statements

### Note 48 : Related Party Information (Contd.)

- 5.5 Mr. S. N. Godrej - Son of Mr. N. B. Godrej
- 5.6 Mr. H. N. Godrej - Son of Mr. N. B. Godrej
- 5.7 Mr. A. D. Dubash - Husband of Ms. Tanya Dubash
- 5.8 Master A. A. Dubash - Son of Ms. Tanya Dubash
- 5.9 Master A. A. Dubash - Son of Ms. Tanya Dubash
- 5.10 Ms. N. N. Nabar - Wife of Mr. N. S. Nabar

#### 6 Enterprises over which key management personnel exercise significant influence

- 6.1 Anamudi Real Estates LLP
- 6.2 Innovia Multiventures Private Limited
- 6.3 Godrej Seeds & Genetics Limited
- 6.4 ABG Family Trust
- 6.5 NBG Family Trust
- 6.6 TAD Family Trust
- 6.7 AREL Enterprise LLP ( w.e.f February 04 2021)
- 6.8 TNP Enterprise LLP (w.e.f.March 02 2021)
- 6.9 ANBG Enterprise LLP (w.e.f. March 08 2021)
- 6.10 Pyxis Holdings Limited (earlier known as Pyxis Developers Private Limited) (became subsidiary w.e.f. March 25, 2021)

#### 7 Enterprises over which relative of key management personnel exercise significant influence

- 7.1 Shata Trading & Finance Private Limited
- 7.2 Shilawati Trading & Finance Private Limited
- 7.3 NG Family Trust
- 7.4 PG Family Trust
- 7.5 BNG Family Trust
- 7.6 SNG Family Trust
- 7.7 HNG Family Trust
- 7.8 Godrej Investment Advisers Private Limited
- 7.9 Godrej Housing Finance Limited
- 7.10 Karukachal Developers Private Limited
- 7.11 Eranthus Developers Private Limited
- 7.12 Praviz Developers Private Limited
- 7.13 Godrej Holdings Private Limited
- 7.14 Ceres Developers Private Limited (effective September 5, 2019)

#### 8 Post Employment Benefit Trust where reporting entity exercises significant influence

- 8.1 Godrej Industries Employees Provident Fund
- 8.2 Godrej Industries Ltd Group Gratuity Trust

## Notes to Consolidated Financial Statements

## Note 48 : Related Party Information (Contd.)

## b) Transactions with Related Parties

Amount ₹ Crore

Nature of Transaction	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Enterprises over which Relative of Key Management Personnel exercise significant influence	Total
Sale of Goods *	74.67	0.35	-	-	-	0.01	75.02
<i>Previous Year</i>	64.84	2.03	-	-	-	0.00	66.87
Loans & Advances given	1,419.90	0.71	-	-	-	-	1,420.61
<i>Previous Year</i>	1,572.02	0.87	-	-	-	-	1,572.89
Investment in Equity/preference shares	18.45	-	-	-	-	-	18.45
<i>Previous Year</i>	-	-	-	-	-	-	-
Purchase of goods	10.49	0.08	-	-	-	-	10.57
<i>Previous Year</i>	9.11	0.51	-	-	-	-	9.62
Purchase of Property, Plants & Equipments, Investment Property	0.00	1.08	-	-	275.00	-	276.08
<i>Previous Year</i>	0.28	1.30	-	-	-	-	1.58
Commission / Royalty received	0.29	-	-	-	-	-	0.29
<i>Previous Year</i>	0.28	-	-	-	-	-	0.28
Licence fees / Service charges / Storage Income	18.13	-	-	-	0.92	0.03	19.08
<i>Previous Year</i>	14.04	-	-	-	-	0.13	14.17
Other Income	6.89	0.08	-	-	0.03	-	7.00
<i>Previous Year</i>	5.73	0.02	-	-	0.00	0.02	5.78
Recovery of establishment & Other Expenses	163.63	7.82	-	-	5.74	0.92	178.11
<i>Previous Year</i>	208.89	10.01	-	-	8.70	1.20	228.80
Rent, Establishment & other expts paid*	15.17	9.92	0.00	1.03	5.76	11.41	43.30
<i>Previous Year</i>	14.35	13.90	-	0.91	6.34	2.02	37.52
Interest received	459.35	-	-	-	-	-	459.35
<i>Previous Year</i>	297.46	-	-	-	-	-	297.46
Dividend Income	59.46	-	-	-	-	-	59.46
<i>Previous Year</i>	-	-	-	-	-	-	-
Dividend paid*	-	-	0.00	-	0.76	3.25	4.01
<i>Previous Year</i>	-	284.41	6.80	10.18	4.35	7.32	313.06
Remuneration to Key Management Personal	-	-	-	-	-	-	-
Short term employee benefit	-	-	19.61	-	-	-	19.61
Post employment benefit	-	-	0.73	-	-	-	0.73
Share based payment	-	-	0.74	-	-	-	0.74
<i>Previous Year</i>	-	-	0.84	-	-	-	0.84
Amount received against Sale of Unit	-	-	-	-	-	-	-
<i>Previous Year</i>	2.07	-	-	-	70.72	-	72.79
Sale of Investments	-	-	-	-	-	-	-
<i>Previous Year</i>	6.46	-	-	-	-	-	6.46
Sale of Units	243.86	-	-	-	-	-	243.86
<i>Previous Year</i>	143.43	-	-	-	89.62	-	233.05
Other Deposits accepted	0.01	-	-	-	-	-	0.01
<i>Previous Year</i>	0.17	0.01	-	-	0.04	-	0.22
Redemption / Sale of Debenture	15.00	-	-	-	-	-	15.00
<i>Previous Year</i>	147.45	-	-	-	-	-	147.45
Investment in equity / preference shares / LLP	65.79	-	-	-	-	-	65.79
<i>Previous Year</i>	233.27	-	-	-	-	-	233.27
Investment in Debenture	-	-	-	-	-	-	-
<i>Previous Year</i>	110.26	-	-	-	-	-	110.26

## Notes to Consolidated Financial Statements

## Note 48 : Related Party Information (Contd.)

Amount ₹ Crore

Nature of Transaction	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Enterprises over which Relative of Key Management Personnel exercise significant influence	Total
Loan repaid	643.03	-	-	-	-	-	643.03
Previous Year	947.03	-	-	-	-	-	947.03
Sale of Services	101.78	5.21	-	-	-	-	106.99
Previous Year	94.31	8.37	-	-	-	-	102.68
Sitting Fees	-	-	0.07	-	-	-	0.07
Previous Year	-	-	0.07	-	-	-	0.07
Income Received from Other Companies	3.68	-	-	-	-	-	3.68
Previous Year	1.65	-	-	-	-	-	1.65
Balance Outstanding as on March 31, 2021							
Receivables	2,722.92	6.49	-	-	0.67	0.10	2,730.18
Previous Year	1,961.26	3.00	0.00	-	0.82	0.12	1,965.20
Payables	0.21	-	-	-	-	5.01	5.22
Previous Year	0.25	5.55	-	-	-	-	5.80
Guarantees outstanding	43.18	-	-	-	-	-	43.18
Previous Year	53.10	-	-	-	-	-	53.10
Debentures Outstanding	698.94	-	-	-	-	-	698.94
Previous Year	697.18	-	-	-	-	-	697.18
Deposits Receivable	-	-	-	-	4.38	-	4.38
Previous Year	-	-	-	-	3.17	-	3.17
Advance received against Share of Profit	48.79	-	-	-	-	-	48.79
Previous Year	47.85	-	-	-	-	-	47.85
Investment in capital account	533.22	-	-	-	-	-	533.22
Previous Year	520.94	-	-	-	-	-	520.94
Investment in Equity/preference shares	291.01	-	-	-	-	-	291.01
Previous Year	301.80	-	-	-	-	-	301.80
Outstanding Capital Advance *	-	0.08	-	-	-	-	0.08
Previous Year	-	0.00	-	-	-	-	0.00
Debenture Interest Outstanding	222.18	-	-	-	-	-	222.18
Previous Year	143.69	-	-	-	-	-	143.69
Unbilled Revenue	12.38	-	-	-	-	-	12.38
Previous Year	-	-	-	-	-	-	-

\* Amount less than ₹ 0.01 crore

Note : All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

## c) Significant Related Party Disclosure

Amount ₹ in Crore

Nature of Transaction	March 31, 2021	March 31, 2020 (restated)
<b>Purchase of Investment Property</b>		
Anamudi Real Estate LLP	275.00	-
<b>Loans and Advances given / (taken)</b>		
Godrej Vestamark LLP	212.29	511.47
AR Landcraft LLP	162.62	73.40
Roseberry Estate LLP	160.86	77.46
<b>Investment made in Capital Account of LLP</b>		
Godrej Vestamark LLP	196.50	-
<b>Amount received against Sale of Unit</b>		
Godrej Vestamark LLP	241.69	-

## Notes to Consolidated Financial Statements

## Note 49 : Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## I Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows.

Amount ₹ in Crore

March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current</b>								
Investments								
Debenture	485.07	-	213.86	698.93	-	485.07	-	485.07
Quoted Equity Shares	17.00	3.56	-	20.57	20.56	-	-	20.56
Unquoted Equity Shares	4.85	-	-	4.85	-	0.01	4.85	4.86
Others	-	-	-	-	-	-	-	-
Trade receivables	-	-	71.71	71.71	-	-	-	-
Loans								
Security Deposits	-	-	29.98	29.98	-	-	-	-
Deposits - Projects	-	-	29.00	29.00	-	-	-	-
Loans to Employees	-	-	1.27	1.27	-	-	-	-
Other financial assets	-	-	757.45	757.45	-	-	-	-
<b>Current</b>								
Current investments	5,038.60	-	-	5,038.60	5,038.60	-	-	5,038.60
Trade receivables	-	-	1,510.67	1,510.67	-	-	-	-
Cash and cash equivalents	-	-	394.36	394.36	-	-	-	-
Other bank balances	-	-	457.79	457.79	-	-	-	-
Loans								
Security Deposits	-	-	38.06	38.06	-	-	-	-
Deposits - Projects	-	-	194.99	194.99	-	-	-	-
Others	-	-	2,266.18	2,266.18	-	-	-	-
Derivative asset	0.10	-	-	0.10	-	0.10	-	0.10
Other Current Financial Assets	-	-	857.39	857.39	-	1.20	-	1.20
	<b>5,545.63</b>	<b>3.56</b>	<b>6,822.71</b>	<b>12,371.90</b>	<b>5,059.16</b>	<b>486.38</b>	<b>4.85</b>	<b>5,550.39</b>
<b>Financial liabilities</b>								
Non Current borrowings - Non Convertible Debentures (NCD)	-	-	2,494.04	2,494.04	-	2,549.84	-	2,549.84
Non Current borrowings - Other than NCD	-	-	616.56	616.56	-	-	-	-
Lease Liabilities	-	-	115.82	115.82	-	-	115.82	115.82
Other Non current financial liabilities	-	-	121.84	121.84	-	-	-	-
Current borrowings	-	-	6,647.61	6,647.61	-	-	-	-
Trade and other payables	-	-	3,320.74	3,320.74	-	-	-	-
Derivative liability	0.21	-	-	0.21	-	0.38	-	0.38
Other Current financial liabilities	-	-	912.23	912.23	-	-	-	-
	<b>0.21</b>	<b>-</b>	<b>14,228.84</b>	<b>14,229.05</b>	<b>-</b>	<b>2,550.22</b>	<b>115.82</b>	<b>2,666.04</b>

## Notes to Consolidated Financial Statements

## Note 49 : Fair Value Measurement (Contd.)

Amount ₹ in Crore

March 31, 2020 (Restated)	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current</b>								
Investments								
Debenture	421.07	-	265.63	686.71	-	421.04	-	421.04
Quoted Equity Shares	8.35	0.82	-	9.17	9.17	-	-	9.17
Unquoted Equity Shares	5.42	-	-	5.42	-	-	5.42	5.42
Trade receivables	-	-	89.83	89.83	-	-	-	-
Loans								
Security Deposits	-	-	28.95	28.95	-	-	-	-
Deposits - Projects	-	-	25.25	25.25	-	-	-	-
Loans to Employees	-	-	1.32	1.32	-	-	-	-
Other financial assets	-	-	8.12	8.12	-	-	-	-
<b>Current</b>								
Current investments	2,061.57	-	-	2,061.57	2,061.57	-	-	2,061.57
Trade receivables	-	-	1,551.72	1,551.72	-	-	-	-
Cash and cash equivalents	-	-	590.41	590.41	-	-	-	-
Other bank balances	-	-	388.05	388.05	-	-	-	-
Loans								
Security Deposits	-	-	16.67	16.67	-	-	-	-
Deposits - Projects	-	-	200.13	200.13	-	-	-	-
Others	-	-	1,418.37	1,418.37	-	-	-	-
Derivative asset	3.41	-	-	3.41	-	3.41	-	3.41
Other Current Financial Assets	-	-	548.37	548.37	-	-	-	-
	<b>2,499.82</b>	<b>0.82</b>	<b>5,132.83</b>	<b>7,633.47</b>	<b>2,070.74</b>	<b>424.45</b>	<b>5.42</b>	<b>2,500.61</b>
<b>Financial liabilities</b>								
Long term borrowings	-	-	612.63	612.63	-	-	-	-
Lease Liabilities	-	-	50.95	50.95	-	-	50.95	50.95
Other Non current financial liabilities	-	-	1.35	1.35	-	-	-	-
Short term borrowings	-	-	6,037.42	6,037.42	-	-	-	-
Trade and other payables	-	-	2,180.40	2,180.40	-	-	-	-
Other Current financial liabilities	-	-	1,325.88	1,325.88	-	500.00	-	500.00
	<b>-</b>	<b>-</b>	<b>10,208.63</b>	<b>10,208.63</b>	<b>-</b>	<b>500.00</b>	<b>50.95</b>	<b>550.95</b>

The Fair value of cash and cash equivalents, other bank balances, trade receivables, deposits, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

**Measurement of fair values**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

## Notes to Consolidated Financial Statements

### Note 49 : Fair Value Measurement (Contd.)

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Fixed rates long term borrowings	The valuation model considers present value of expected payments discounted using an appropriate discounting rate. The fair value of non-convertible debentures is valued using FIMMDA guidelines.
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Lease Liability	Lease liabilities are valued using Level 3 techniques. A change in one or more of the inputs to reasonably possible alternative assumptions would not change the value significantly.
Investments in Mutual Fund	The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

### Note 50 : Financial Risk Management

#### I Financial Risk Management objectives and policies

The Group's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks and Commodity price risk. The respective Company's senior management has the overall responsibility for establishing and governing respective Company's risk management framework. Each Company in the group has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

Respective Company's risk management policies are established to identify and analyse the risks faced by each Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how management monitors compliance with the respective Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the respective Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### II Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances and Bank balances and derivative transactions.

The carrying amount of following financial assets represents the maximum credit exposure:

##### Trade receivables and loans and advances.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the respective Company grants credit terms in the normal course of business.

The Group has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Group's export sales are backed by letters of credit and insured through Export Credit Guarantee Corporation and accordingly no provision has been made on the same. The Group bifurcates the Domestic Customers into Large Corporates, Distributors and others for Credit monitoring. Customer credit risk in property business is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore, substantially eliminating the credit risk in this respect.



## Notes to Consolidated Financial Statements

### Note 50 : Financial Risk Management (Contd.)

The Group maintains adequate security deposits for sales made to its distributors. For other trade receivables, the Group individually monitors the sanctioned credit limits as against the outstanding balances. Cash terms and advance payments are required for customers of lower credit standing. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

Customer credit risk of Property development business is managed by requiring customers to pay advances through progress billings before transfer of ownership and also establishes specific payment period for its customers, therefore substantially eliminating the Group's credit risk in this respect.

The Group's credit risk of Property Development business with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

The Group monitors each loans and advances given and makes any specific provision wherever required.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The ageing of trade receivables that were not impaired was as follows:

Particulars	Amount ₹ in Crore	
	March 31, 2021	March 31, 2020 (Restated)
More than 6 Months	331.62	191.77
Others	1,250.76	1,449.78
	1,582.38	1,641.55

The movement in Provision for Loss Allowance is as follows:

Particulars	Amount ₹ in Crore	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening Provision for Loss Allowance	100.40	83.53
Impairment loss recognised	52.10	39.46
Amounts written off	(32.40)	(22.59)
Closing Provision for Loss Allowance	120.10	100.40

### Bank Balances and derivative transactions

Bank Accounts are maintained / carried out with Banks having high credit ratings

### III Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Group has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other Debt instrument. The Group invests its surplus funds in bank fixed deposits and debt based mutual funds.

## Notes to Consolidated Financial Statements

## Note 50 : Financial Risk Management (Contd.)

## Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

Amount ₹ in Crore

March 31, 2021	Contractual cash flows					
	Carrying amount	Total	within 12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings	9,903.12	10,505.20	6,968.45	479.68	3,052.15	4.93
Lease Liability	115.82	106.47	44.48	19.04	42.95	-
Trade and other payables	3,320.74	3,241.41	2,140.40	72.11	484.44	544.46
Other financial liabilities	811.18	1,029.15	893.65	68.12	67.38	-
<b>Derivative financial liabilities</b>						
Forward exchange contracts used for hedging	0.21	0.21	0.21	-	-	-

Amount ₹ in Crore

March 31, 2020 (Restated)	Contractual cash flows					
	Carrying amount	Total	within 12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings	7,222.04	7,037.41	6,321.71	158.35	552.42	4.93
Lease Liability	50.95	27.27	-	4.27	2.00	21.00
Trade and other payables	2,180.40	2,387.48	2,376.72	7.14	1.81	1.81
Other financial liabilities	726.82	1,204.15	1,201.74	-	2.41	-

## IV Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group's exposure to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

## IV a Currency risk

The Group is exposed to currency risk on account of its borrowings, Receivable for Export and Payables for Import in foreign currency. The functional currency of the Company is Indian Rupee. The Group manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

## Exposure to currency risk (Exposure in different currencies converted to functional currency)

The currency profile of financial assets and financial liabilities as at March 31, 2021 and March 31, 2020 are as below:

March 31, 2021	USD	EURO	GBP
<b>Financial assets</b>			
Trade and other receivables	199.95	4.18	-
Less: Forward Contracts	(7.31)	-	-
	192.64	4.18	-
<b>Financial liabilities</b>			
Long term borrowings	-	-	-
Less: Forward Contracts	-	-	-
Short term borrowings	-	-	-
Trade and other payables	452.29	0.06	0.09
Other Current financial liabilities	-	-	-
Less: Forward Contracts	(147.68)	-	-
	304.61	0.06	0.09

## Notes to Consolidated Financial Statements

### Note 50 : Financial Risk Management (Contd.)

March 31, 2020 (Restated)	USD	EURO	GBP
<b>Financial assets</b>			
Trade and other receivables	187.64	2.89	
Less: Forward Contracts	(11.35)	-	-
	176.29	2.89	-
<b>Financial liabilities</b>			
Long term borrowings	-	-	-
Less: Forward Contracts	-	-	-
Short term borrowings	0.48		
Trade and other payables	368.75	1.29	0.07
Less: Forward Contracts	(141.25)	-	-
	227.98	1.29	0.07

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

₹	Year-end spot rate	
	March 31, 2021	March 31, 2020
USD 1	73.11	75.66
EUR1	85.74	82.84
GBP1	100.63	93.56

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against the foreign currencies at March 31 would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Amount ₹ in Crore

March 31, 2021	Profit or loss and Equity	
	Strengthening	Weakening
USD - 2% Movement	1.61	(1.61)
EUR - 2% Movement	0.12	(0.12)
GBP - 2% Movement*	(0.00)	0.00
	1.73	(1.73)

Amount ₹ in Crore

March 31, 2020	Profit or loss and Equity	
	Strengthening	Weakening
USD - 2% Movement	(1.07)	1.07
EUR - 2% Movement	0.04	(0.04)
GBP - 2% Movement*	(0.00)	0.00
	(1.03)	1.03

\*Amounts less than 0.01 crore

### IV b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

## Notes to Consolidated Financial Statements

### Note 50 : Financial Risk Management (Contd.)

The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

Group's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Group is as follows.

Borrowings	Amount ₹ in Crore	
	March 31, 2021	March 31, 2020 (Restated)
Fixed rate borrowings	8,533.12	6,132.47
Variable rate borrowings	1,369.99	1,089.57
	9,903.12	7,222.04

#### Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group by the amounts indicated in the table below. Given that one of the subsidiary companies' capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the lifecycle of projects to which such interest is capitalised. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Amount ₹ in Crore	
	Profit or (loss)	
	100 bp increase	100 bp decrease
<b>March 31, 2021</b>		
Variable-rate instruments	(13.25)	13.25
Interest rate swaps	-	-
<b>Cash flow sensitivity (net)</b>	<b>(13.25)</b>	<b>13.25</b>
<b>March 31, 2020</b>		
Variable-rate instruments	(11.69)	11.69
Interest rate swaps	-	-
<b>Cash flow sensitivity (net)</b>	<b>(11.69)</b>	<b>11.69</b>

#### 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 Contracts outstanding as at March 31, 2021:

#### Forward Contracts outstanding

	Amount ₹ in Crore	
	March 31, 2021	March 31, 2020 (Restated)
Forward Contract to Purchase (USD)	1.71	0.84
[43 contracts (previous year 31 contracts)]		
Forward Contract to Sell (USD)	0.10	0.15
[1 contracts (previous year 9 contracts)]		

## Notes to Consolidated Financial Statements

### Note 51 : Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves (other than Cash Flow Hedge Reserve). The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances and Current investments.

Particulars	Amount ₹ in Crore	
	As at March 31, 2021	As at March 31, 2020 (Restated)
Non-Current Borrowings	3,110.60	612.63
Current Borrowings	6,647.61	6,037.42
Current maturity of long term debt	144.90	571.99
<b>Gross Debt</b>	<b>9,903.12</b>	<b>7,222.04</b>
Less - Cash and Cash Equivalents	(394.36)	(590.41)
Less - Other Bank Deposits	(457.79)	(388.05)
Less - Current Investments	(5,038.60)	(2,061.57)
<b>Adjusted Net debt</b>	<b>4,012.36</b>	<b>4,182.01</b>
Total equity	7,553.24	5,788.33
Adjusted Net debt to equity ratio	0.53	0.72

### Note 52 : Master netting or similar agreements

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2021 and March 31, 2020.

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>March 31, 2021</b>						
<b>Financial assets</b>						
Derivative instruments	0.20	0.10	0.10	-	-	0.10
<b>March 31, 2020</b>						
<b>Financial assets</b>						
Derivative instruments	0.28	0.17	0.11	-	-	0.11

### Offsetting arrangements

#### Derivatives

The Group enters into derivative contracts for hedging foreign exchange exposures. In general, under such agreements, the amounts owed by each counterparty on a single day in respect of all the transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

## Notes to Consolidated Financial Statements

Note 53 : Additional Information required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries / Limited Liability Partnership / Associates / Joint Ventures

Amount ₹ in Crore

Name of the entity	Net Assets - total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
1	2	3	4	5	6	7	8	9
<b>Parent</b>								
Godrej Industries Limited	11.42%	1,526.30	(32.14%)	(107.54)	(2%)	0.76	(35.80%)	(106.78)
<b>Subsidiaries</b>								
<b>Indian</b>								
Godrej Agrovet Limited	8.57%	1,145.96	63.99%	214.11	(7.45%)	2.71	72.70%	216.81
Godvet Agrochem Limited	0.12%	15.74	0.91%	3.03	0.00%	-	1.02%	3.03
Astec Lifesciences Limited	2.35%	314.42	12.32%	41.21	0.32%	(0.11)	13.78%	41.09
Creamline Dairy Products Limited	2.16%	289.44	1.12%	3.75	0.92%	(0.33)	1.14%	3.41
Godrej Tyson Foods Limited	1.23%	164.14	2.24%	7.49	0.16%	(0.06)	2.49%	7.43
Godrej Maximilk Private Limited	0.01%	1.26	(1.82%)	(6.08)	0.00%	-	(2.04%)	(6.08)
Godrej Properties Limited	65.48%	8,755.49	(12.79%)	(42.79)	1.46%	(0.53)	(14.53%)	(43.32)
Godrej Projects Development Limited	(0.37%)	(60.00)	(15.05%)	(50.37)	0.08%	(0.03)	(16.90%)	(50.40)
Godrej Garden City Properties Private Limited	0.06%	7.83	(0.07%)	(0.22)	0.00%	-	(0.07%)	(0.22)
Godrej Hillside Properties Private Limited	0.00%	(0.63)	(0.02%)	(0.07)	0.00%	-	(0.02%)	(0.07)
Godrej Home Developers Private Limited	0.00%	0.09	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Godrej Prakriti Facilities Private Limited	0.01%	0.94	0.02%	0.05	0.00%	-	0.02%	0.05
Prakritiplaza Facilities Management Private Limited	0.00%	0.04	0.01%	0.02	0.00%	-	0.01%	0.02
Godrej Highrises Properties Private Limited	0.00%	(0.49)	(0.07%)	(0.23)	0.00%	-	(0.08%)	(0.23)
Godrej Genesis Facilities Management Private Limited	0.00%	0.50	0.01%	0.05	0.00%	-	0.02%	0.05
Citystar InfraProjects Limited	0.00%	(0.11)	(0.01%)	(0.04)	0.00%	-	(0.01%)	(0.04)
Godrej Residency Private Limited	0.00%	(0.05)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Highrises Realty LLP	(0.03%)	(3.52)	(0.10%)	(0.34)	0.00%	-	(0.11%)	(0.34)
Godrej Project Developers & Properties LLP	0.00%	(0.26)	(0.07%)	(0.23)	0.00%	-	(0.08%)	(0.23)
Godrej Skyview LLP	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Green Properties LLP	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Projects (Soma) LLP	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Projects North LLP	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Athenmark LLP	0.00%	(0.09)	(0.01%)	(0.03)	0.00%	-	(0.01%)	(0.03)
Godrej Vestamark LLP	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej City Facilities Management LLP	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Embellish Houses LLP (considered as subsidiary till May 10, 2020)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej City Facilities Management LLP (w.e.f. March 18, 2019)	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Embellish Houses LLP (w.e.f. February 13, 2019)	0.00%	(0.02)	(0.01%)	(0.05)	0.00%	-	(0.02%)	(0.05)
Ceeear Lifespaces Private Limited (w.e.f. March 20, 2020)	0.00%	(0.59)	(0.16%)	(0.53)	0.00%	-	(0.18%)	(0.53)
Godrej Olympia LLP (w.e.f. June 21, 2019)	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Florentine LLP (w.e.f. June 21, 2019)	0.00%	0.00	(0.31%)	(1.02)	0.00%	-	(0.34%)	(1.02)
Ashank Facility management LLP (w.e.f. July 09, 2019)	0.00%	0.05	0.01%	0.04	0.00%	-	0.01%	0.04
Ashank Realty management LLP (w.e.f. May 30, 2019)	0.00%	0.19	0.04%	0.12	0.00%	-	0.04%	0.12
Godrej Precast Construction Private Limited (w.e.f. July 19, 2020)	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Green woods Private Limited (w.e.f. May 26, 2020)	0.45%	60.01	(1.19%)	(3.99)	0.00%	-	(1.34%)	(3.99)
Godrej Landmark Redevelopers Private Limited	0.85%	113.84	1.64%	5.47	0.00%	-	1.84%	5.47
Godrej Realty Private Limited (w.e.f. March 31, 2021)	(0.04%)	(5.93)	0.00%	-	0.00%	-	0.00%	0.00
Godrej Construction Projects LLP (w.e.f. March 31, 2021)	(0.05%)	(6.62)	0.00%	-	0.00%	-	0.00%	0.00
Pyxis Holdings Limited	0.00%	(0.09)	(0.04%)	(0.13)	0.00%	-	(0.04%)	(0.13)
Ensemble Holdings and Finance Limited	0.01%	1.72	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Godrej One Premises Management Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	0.00
<b>Foreign</b>								
Godrej International Ltd.	1.00%	133.94	0.75%	2.52	0.00%	-	0.84%	2.52
Godrej Properties Worldwide Inc., USA	0.02%	2.40	0.03%	0.11	0.19%	(0.07)	0.01%	0.04
Godrej International Trading & Investment Pte. Ltd.	0.30%	39.92	2.59%	8.68	0.00%	-	2.91%	8.68
<b>Associates (Investment as per equity method)</b>								
<b>Indian</b>								
Godrej Consumer Products Limited	14.05%	1,878.45	125.02%	418.29	106.94%	(38.85)	127.23%	379.44

## Notes to Consolidated Financial Statements

Note 53 : Additional Information required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries / Limited Liability Partnership / Associates / Joint Ventures (Contd.)

Amount ₹ in Crore

Name of the entity	Net Assets - total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
1	2	3	4	5	6	7	8	9
<b>Foreign</b>								
Al Rahaba International Trading LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Joint Ventures (as per proportionate consolidation / Investment as per equity method)</b>								
<b>Indian</b>								
Omnivore India Capital Trust	0.26%	35.16	2.67%	8.93	0.00%	-	2.99%	8.93
Godrej Realty Private Limited (Upto March 30, 2021)	0.00%	-	(1.26%)	(4.22)	0.00%	-	(1.42%)	(4.22)
Godrej Redevelopers (Mumbai) Private Limited	0.00%	-	(0.53%)	(1.78)	0.00%	-	(0.60%)	(1.78)
Wonder City Buildcon Private Limited	0.00%	-	(4.67%)	(15.63)	0.00%	-	(5.24%)	(15.63)
Godrej Home Constructions Private Limited	0.00%	-	(0.98%)	(3.28)	0.00%	-	(1.10%)	(3.28)
Godrej Greenview Housing Private Limited	0.00%	-	(1.67%)	(5.57)	0.00%	-	(1.87%)	(5.57)
Wonder Projects Development Private Limited	0.00%	-	(0.58%)	(1.92)	0.00%	-	(0.65%)	(1.92)
Godrej Real View Developers Private Limited	0.00%	-	(0.41%)	(1.36)	0.00%	-	(0.46%)	(1.36)
Pearlite Real Properties Private Limited	0.00%	-	0.38%	1.27	0.00%	-	0.42%	1.27
Godrej Skyline Developers Private Limited	0.00%	-	(0.72%)	(2.42)	0.00%	-	(0.81%)	(2.42)
Godrej Green Homes Private Limited	0.00%	-	(4.18%)	(13.99)	0.00%	-	(4.69%)	(13.99)
Munjali Hospitality Private Limited (w.e.f. June 29, 2019)	0.00%	-	0.04%	0.15	0.00%	-	0.05%	0.15
Yujya Developers Private Limited (w.e.f. December 02, 2019)	0.00%	-	(0.66%)	(2.22)	0.00%	-	(0.74%)	(2.22)
Vivrut Developers Private Limited (w.e.f. February 10, 2020)	0.00%	-	(0.14%)	(0.46)	0.00%	-	(0.15%)	(0.46)
Madhuvan Enterprises Private Limited (w.e.f. January 16, 2020)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej Property Developers LLP	0.00%	-	(0.01%)	(0.02)	0.00%	-	(0.01%)	(0.02)
Mosaic Landmarks LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Dream World Landmarks LLP	0.00%	-	(0.49%)	(1.65)	0.00%	-	(0.55%)	(1.65)
Oxford Realty LLP	0.00%	-	0.02%	0.07	0.00%	-	0.02%	0.07
Godrej SSPDL Green Acres LLP	0.00%	-	(2.95%)	(9.85)	0.00%	-	(3.30%)	(9.85)
Oasis Landmarks LLP	0.00%	-	(0.97%)	(3.25)	0.00%	-	(1.09%)	(3.25)
M S Ramaiah Ventures LLP	0.00%	-	(0.07%)	(0.24)	0.00%	-	(0.08%)	(0.24)
Caroa Properties LLP	0.00%	-	(1.73%)	(5.79)	0.00%	-	(1.94%)	(5.79)
Godrej Construction Projects LLP (Upto March 30, 2021)	0.00%	-	1.28%	4.29	0.00%	-	1.44%	4.29
Godrej Housing Projects LLP	0.00%	-	9.80%	32.78	0.00%	-	10.99%	32.78
Godrej Amitis Developers LLP	0.00%	-	(0.89%)	(2.99)	0.00%	-	(1.00%)	(2.99)
A R Landcraft LLP	0.00%	-	(2.32%)	(7.75)	0.00%	-	(2.60%)	(7.75)
Prakhyaat Dwellings LLP	0.00%	-	(3.24%)	(10.85)	0.00%	-	(3.64%)	(10.85)
Bavdhan Realty @ Pune 21 LLP	0.00%	-	(0.52%)	(1.74)	0.00%	-	(0.58%)	(1.74)
Godrej Highview LLP	0.00%	-	(3.08%)	(10.29)	0.00%	-	(3.45%)	(10.29)
Godrej Irismark LLP	0.00%	-	(1.40%)	(4.68)	0.00%	-	(1.57%)	(4.68)
Godrej Projects North Star LLP	0.00%	-	(1.11%)	(3.70)	0.00%	-	(1.24%)	(3.70)
Godrej Developers & Properties LLP	0.00%	-	(2.28%)	(7.64)	0.00%	-	(2.56%)	(7.64)
Godrej Reserve LLP	0.00%	-	2.14%	7.18	0.00%	-	2.41%	7.18
Roseberry Estate LLP	0.00%	-	(0.98%)	(3.26)	0.00%	-	(1.09%)	(3.26)
Maan-Hinje Township Developers LLP	0.00%	-	(0.34%)	(1.12)	0.00%	-	(0.38%)	(1.12)
Godrej Mackbricks Private Limited (formerly known as Ashank Macbricks Private Limited)	0.00%	-	(1.09%)	(3.65)	0.00%	-	(1.23%)	(3.65)
Suncity Infrastructures (Mumbai) LLP	0.00%	-	(0.76%)	(2.54)	0.00%	-	(0.85%)	(2.54)
Mahalunge Township Developers LLP	0.00%	-	(2.36%)	(7.89)	0.00%	-	(2.64%)	(7.89)
Manjari Housing Projects LLP	0.00%	-	(2.53%)	(8.45)	0.00%	-	(2.83%)	(8.45)
Godrej Vestamark LLP (w.e.f. May 03, 2019)	0.00%	-	(2.39%)	(8.00)	0.00%	-	(2.68%)	(8.00)
Manyata Industrial Parks LLP (w.e.f. April 22, 2019)	0.00%	-	(0.02%)	(0.06)	0.00%	-	(0.02%)	(0.06)
Godrej Odyssey LLP (w.e.f. September 26, 2019)	0.00%	-	(0.08%)	(0.28)	0.00%	-	(0.09%)	(0.28)
Universal Metro Properties LLP (w.e.f. December 02, 2019)	0.00%	-	(0.61%)	(2.06)	0.00%	-	(0.69%)	(2.06)
Embellish Houses LLP (w.e.f. May 11, 2020)	0.00%	-	(0.34%)	(1.13)	0.00%	-	(0.38%)	(1.13)
<b>Foreign</b>								
ACI Godrej Agrovet Private Limited	0.64%	84.99	12.35%	41.31	(2.84%)	1.03	14.20%	42.34
<b>Non controlling Interest , Inter-company Elimination &amp; Consolidation Adjustments</b>	(8.48%)	(1,133.98)	(27.14%)	(90.79)	2.30%	(0.84)	(30.72%)	(91.62)
<b>TOTAL</b>	<b>100%</b>	<b>13,370.28</b>	<b>100%</b>	<b>334.57</b>	<b>100%</b>	<b>(36.33)</b>	<b>100%</b>	<b>298.24</b>

## Notes to Consolidated Financial Statements

## Note 54. Business Combinations

## A. During the year the group has made amalgamation as given below

## I Amalgamation of Wonder Space Properties Private Limited (WSPPL) with Godrej Properties Limited (GPL) :

The National Company Law Tribunal at Mumbai Bench has, vide order dated September 14, 2020, sanctioned a Scheme of Arrangement ('the Scheme') of Wonder Space Properties Private Limited (subsidiary of the Godrej Properties Limited with effect from April 05, 2019) with Godrej Properties Limited. The effective date of the Scheme is April 05, 2019. In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103, the consolidated financial statements of the Group in respect of prior periods have been restated from effective date. Increase / (Decrease) in previous periods published numbers are as below:

Particulars	Amount ₹ in Crore
	As at March 31, 2020 (Restated)
<b>Profit before tax for the period / year attributable to</b>	
a) Owners of the Company	0.96
b) Non-Controlling Interest	0.99
<b>Profit after tax for the period / year attributable to</b>	
a) Owners of the Company	1.63
b) Non-Controlling Interest	1.68
Net Worth	1.63
<b>Non Controlling Interest</b>	1.68
<b>Total Assets</b>	(15.83)

## (i) Reconciliation of financial line item as previously reported to post amalgamation

	Amount ₹ in Crore		
	As at March 31, 2020		Post amalgamation (Restated)
	As per Signed Annual report	Adjustments on account of amalgamation	
<b>Assets</b>			
<b>Non-current assets</b>			
Deferred tax assets (net)	514.99	(15.83)	499.16
<b>Equity and liabilities</b>			
<b>Equity</b>			
Other equity			
- Retained earnings	5,753.05	1.63	5,754.68
Non Controlling Interest	3,560.66	1.68	3,562.34
<b>Liabilities</b>			
<b>Current liabilities</b>			
Current tax Liabilities	89.48	(19.14)	70.34

## (ii) Reconciliation of net-worth

Particulars	Amount ₹ in Crore
	As at March 31, 2020 (Restated)
<b>Reconciliation of Equity as reported earlier:</b>	
Net worth as reported	9,347.36
<b>Summary of adjustments on account of Amalgamation:</b>	
Increase in Profit before tax on account of Amalgamation	1.95
Increase in deferred tax (credit) on account of Amalgamation	1.36
<b>Total adjustments on account of Amalgamation</b>	3.31
<b>Net worth post Amalgamation</b>	9,350.67



## Notes to Consolidated Financial Statements

### Note 54. Business Combinations (Contd.)

#### (iii) Reconciliation of Total comprehensive income

Amount ₹ in Crore

Particulars	Year ended March 31, 2020 (Restated)
Total comprehensive income as reported	854.80
<b>Summary of adjustments on account of amalgamation:</b>	
(Decrease) in Finance Cost	(1.95)
Tax effect on account of amalgamation	(1.36)
<b>Total adjustments on account of amalgamation</b>	<b>(3.31)</b>
<b>Total comprehensive income post amalgamation</b>	<b>858.11</b>

#### (iv) Reconciliation of Earnings per share

	Year ended March 31, 2020 (Restated)		
	As per Signed Annual report	Adjustments on account of amalgamation	Post amalgamation
Profit after tax	808.21	3.31	811.52
Earnings Per Equity share for continuing and discontinued operations			
Basic	16.41	0.05	16.46
Diluted	16.41	0.05	16.46

## II Acquisition of Godrej Construction Projects LLP (GCPLL)

On March 31, 2021, Godrej Properties Limited has acquired 66 percent of the voting shares of GCPLL, a LLP engaged primarily in the business of real estate construction, development and other related activities. As a result, Godrej Properties Limited equity interest in GCPLL increased from 34 percent to 100 percent, giving it control of GCPLL.

#### (a) Consideration transferred

The following table summarises the acquisition date fair value of major class of consideration transferred:

Description	Amount
Consideration payable	-
Total consideration	-

#### (b) Identifiable assets acquired and liabilities assumed

The following table summarises the acquisition date fair value of assets acquired, fair value of the consideration transferred.

Description	Amount
Property, plant and equipment	2.58
Deferred tax assets (Net)	(3.81)
Income tax assets (Net)	5.46
Inventories	135.49
Current financial assets	6.03
Other Current Non Financial Assets	14.21
Current financial liabilities	(56.00)
Other Current Non Financial Liabilities	(96.31)
Net Assets	7.65

## Notes to Consolidated Financial Statements

### Note 54. Business Combinations (Contd.)

#### (c) Capital Reserve

Capital Reserve arising from the acquisition has been determined as follows

Description	Amount
Fair value of pre-existing equity interest in GCPLLP	(1.17)
Fair value of net identifiable assets (refer note (c) above)	7.65
<b>Capital reserve</b>	<b>8.82</b>

- (d) From the date of acquisition, GCPLLP contributed ₹ Nil of revenue from operations and ₹ Nil of profit to the Group during the year ended March 31, 2021.

### III Acquisition of Godrej Realty Projects Limited (GRPL)

On March 31, 2021, Godrej Properties Limited has acquired 49 percent of the voting shares of GRPL, a company engaged primarily in the business of real estate construction, development and other related activities. As a result, Godrej Properties Limited's equity interest in GRPL increased from 51 percent to 100 percent, giving it control of GRPL.

#### (a) Consideration transferred

The following table summarises the acquisition date fair value of major class of consideration transferred:

Description	Amount
Consideration paid in cash	0.00
<b>Total consideration</b>	<b>0.00</b>

#### (b) Identifiable assets acquired and liabilities assumed

The following table summarises the acquisition date fair value of assets acquired, fair value of the consideration transferred.

Description	Amount
Property, plant and equipment	0.02
Income tax assets (Net)	0.10
Current financial assets	0.00
Other Current Non Financial Assets	0.03
Current financial liabilities	(0.06)
Other Current Non Financial Liabilities	(0.01)
Net Assets	0.08

#### (d) Capital Reserve

Capital Reserve arising from the acquisition has been determined as follows

Description	Amount
Consideration transferred (refer note (a) above)	0.00
Fair value of net identifiable assets (refer note (c) above)	0.08
<b>Capital reserve</b>	<b>0.08</b>

- (e) From the date of acquisition, GRPL contributed ₹ Nil of revenue from operations and ₹ Nil of profit to the Group during the year ended March 31, 2021.

₹ 0.00 crore represents amounts less than ₹ 0.01 crore

### IV Acquisition of Wonder Space Properties Private Limited (WSPPL) during the year ended March 31, 2020

On April 04, 2019, Godrej Properties Limited had acquired 70.93 percent of the voting shares of WSPPL, a company engaged primarily in the business of real estate construction, development and other related activities. As a result, Godrej Properties Limited's equity interest in WSSPL increased from 25.1 percent to 96.03 percent, giving it control of WSPPL.

## Notes to Consolidated Financial Statements

### Note 54. Business Combinations (Contd.)

#### (a) Consideration transferred

The following table summarises the acquisition date fair value of major class of consideration transferred:

Description	Amount
Consideration paid in cash	4.14
<b>Total consideration</b>	<b>4.14</b>

#### (b) Acquisition-related costs

The Group had incurred acquisition-related costs of ₹ 0.01 Crore on legal fees and due diligence costs. These costs have been included in legal and professional fees under other expenses.

#### (c) Identifiable assets acquired and liabilities assumed

The following table summarises the acquisition date fair value of assets acquired, fair value of the consideration transferred.

Description	Amount
Deferred tax assets (Net)	0.35
Income tax assets (Net)	2.92
Inventories	93.21
Current financial assets	119.03
Other Current Non Financial Assets	1.40
Current financial liabilities	(212.24)
Other Current Non Financial Liabilities	(0.17)
Net Assets	4.50

#### (d) Capital Reserve

Capital Reserve arising from the acquisition has been determined as follows

Description	Amount
Consideration transferred (refer note (a) above)	4.14
Fair value of net identifiable assets (refer note (c) above)	4.50
<b>Capital reserve</b>	<b>0.36</b>

(e) From the date of acquisition, WSPPL contributed ₹ 141.15 Crore of revenue from operations and ₹ 46.66 Crore of profit to the Group during the year ended March 31, 2020.

#### (f) Acquisition of Non-Controlling Interests (NCI)

On December 18, 2019, Godrej Properties Limited subsidiary of the Company had acquired an additional 3.97 percent of the voting shares of WSPPL, a company engaged primarily in the business of real estate construction, development and other related activities. As a result, the Godrej Properties Limited's equity interest in WSPPL increased from 96.03 percent to 100 percent, giving it full control of WSPPL.

Description	Amount
Carrying amount of NCI Acquired	3.42
Consideration paid to NCI	0.26
<b>Capital reserve</b>	<b>3.16</b>

### V Acquisition of Yuja Developers Private Limited

During the Previous Year, the Group has acquired 20% shares in Yuja Developers Private Limited at an investment of ₹ 0.00 Crore.

### VI Acquisition of Vivrut Developers Private Limited

During the Previous Year, the Group has acquired 20% shares in Vivrut Developers Private Limited at an investment of ₹ 0.00 Crore.

## Notes to Consolidated Financial Statements

### Note 54. Business Combinations (Contd.)

#### VII Acquisition of Pyxis Holdings Limited

- a Consideration transferred

Particulars	Amount ₹ in Crore
Consideration paid in cash	0.01
Total Consideration paid	<b>0.01</b>

- b Acquisition-related costs

The Group had incurred acquisition-related costs of ₹ 0.00 Crore on legal fees and due diligence costs. These costs have been included in legal and professional fees under other expenses.

- c Identifiable assets acquired and liabilities assumed

The following table summarises the acquisition date fair value of assets acquired, fair value of the consideration transferred and Capital reserve:

Particulars	Amount ₹ in Crore
Cash and Bank Balances	0.01
Other Current Liabilities *	0.00
	0.01

\* Amount less than ₹ 0.01 crore.

- d Capital Reserve

Particulars	Amount ₹ in Crore
Consideration transferred (refer note (a) above)	0.01
Fair value of net identifiable assets (refer note (c) above)	0.01
Capital Reserve	-

#### VIII Common control transaction

- a) The National Company Law Tribunal ("NCLT"), Mumbai bench vide its Order dated April 22, 2020 had approved the Scheme of Arrangement (Demerger) between Ensemble Holdings and Finance Limited (EHFL) and Godrej Industries Limited (GIL). Consequent to the said Order and filing of the final certified Order with the Registrar of Companies, Maharashtra on May 14, 2020, the Scheme has become effective from the Appointed Date i.e. October 1, 2019. GIL has given effect of the Scheme in its Standalone Financial statements for the previous year ended March 31, 2020 as per guidance set out in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 14 (Issue 4), being a common control transaction. As EHFL is a 100% subsidiary of the Company, this is a common control transaction and hence there is no impact of the Scheme on the Consolidated Financial Statements.
- b) An application has been made to the RBI on April 5, 2021 to seek its approval for change in shareholding and change in Directors of Ensemble Holdings & Finance Limited (a subsidiary of the Company) by virtue of proposed transfer of shares from its existing shareholders (i.e. Godrej Industries Limited and its nominees) to Pyxis Holdings Limited, a subsidiary of the Company. The applications is under process with the RBI.

## Notes to Consolidated Financial Statements

### Note 55. Discontinued Operations

The Company, consequent to the approvals received from the Board of Directors on May 17, 2019 and from the shareholders on June 25, 2019 consummated the sale of Natures Basket Limited (NBL) a wholly owned subsidiary of the Company to Spencer's Retail Limited (SRL) on July 04, 2019.

On completion of Sale Transaction of NBL, considering the provisions of Share Purchase Agreement (SPA) dated 17 May 2019 between the Company, NBL and SRL, the company has recognised net profit of ₹ 1.27 crore on account of recoveries from SRL pursuant to the SPA and had recognised ₹ 200.94 crore as an exceptional item in the consolidated Financial Results during the year ended March 2021 and March 2020 respectively.

Accordingly, NBL had been classified as discontinued operations in the previous year and all the previous comparative statements had been restated.

a) Loss from discontinued operations		Amount ₹ in Crore	
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	
Revenue from operations	-	87.00	
Other Income	-	0.40	
<b>Total Income</b>	-	87.40	
Expenses			
Purchases of Traded Goods	-	66.75	
(Increase)/ decrease in inventories of traded goods	-	3.89	
Employee Benefits Expense	-	12.96	
Finance Costs	-	2.57	
Depreciation And Amortization Expense	-	7.95	
Other Expenses	-	20.55	
<b>Total Expenses</b>	-	114.67	
<b>(Loss) Before Tax</b>	-	(27.27)	
Tax Expense	-	-	
<b>(Loss) after Tax</b>	-	(27.27)	
Exceptional Items - Gain on sale of discontinued operations	-	200.94	
Profit/(Loss) after tax	-	173.67	
<b>Other Comprehensive Income</b>			
<b>Other comprehensive income not to be reclassified to Profit or Loss</b>			
Remeasurements of defined benefit plans	-	-	
Income Tax related to Items that will not be reclassified to Profit or Loss	-	-	
<b>Total Other Comprehensive Income</b>	-	-	
<b>Total Comprehensive Income</b>	-	173.67	
b) Net cash flows attributable to the discontinued operations		Amount ₹ in Crore	
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	
Net Cash generated from Operating Activities	-	(4.06)	
Net Cash (used) in Investing Activities	-	-	
Net Cash generated from Financing Activities	-	-	
<b>Net Cash (outflows)/inflows</b>	-	(4.06)	
c) Gain on disposal of discontinued operations		Amount ₹ in Crore	
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	
Cash Consideration received	1.27	174.38	
Net Assets transferred	-	26.56	
<b>Gain on disposal</b>	1.27	200.94	

## Notes to Consolidated Financial Statements

### Note 56 : IND AS 115 - Revenue from Contracts with Customers for Property Development

- (a) The amount of ₹ 59.60 Crore (Previous Year: ₹ 1,099.35 Crore) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2021.
- (b) Significant changes in contract asset and contract liabilities balances are as follows:

Particulars	Amount ₹ in Crore	
	March 31, 2021	March 31, 2020 (Restated)
<b>Contract asset (refer note 16)</b>		
At the beginning of the reporting period	142.41	75.83
Cumulative catch-up adjustments to revenue affecting contract asset	(100.25)	66.58
Significant change due to business combination	1.44	-
At the end of the reporting period	43.60	142.41
<b>Contract liability (refer note 27)</b>		
At the beginning of the reporting period	320.65	1,484.43
Cumulative catch-up adjustments affecting contract liability	312.98	(1,088.28)
Significant financing component	17.08	(75.50)
Significant change due to business combination	94.42	-
At the end of the reporting period	745.13	320.65

### (c) Performance obligation for Property Development

The Group is also engaged in the business of real estate construction, development and other related activities.

All the Contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on standalone selling prices.

Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable by the parties.

The revenue is measured at the transaction price agreed under the contract. In certain cases, the Group has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group adjusts the transaction price for the effects of a significant financing component.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognises the entire estimated loss in the period the loss becomes known.

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2021 is ₹ 1,857.42 Crore (Previous Year : ₹ 702.45 Crore) out of which 1,439.81 Crore (Previous Year: ₹ 233.03 Crore), which will be recognised as revenue over a period of 1-2 years and ₹ 417.61 Crore (Previous Year: ₹ 469.42 Crore) which will be recognised over a period of 2-4 years.

## Notes to Consolidated Financial Statements

### Note : 57

The year ended March 31, 2021 was an unprecedented period due to the spread of COVID-19 pandemic across the globe, adversely impacting sales performance of the Group. While the operations have resumed for manufacturing locations in compliance with Government directives since April, 2020, the Group continues to closely monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations. As per the Group's current assessment, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and we continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these consolidated financial statements.

As per our Report of even date attached

For and on behalf of the Board of Directors of

**Godrej Industries Limited**

CIN No.: L24241MH1988PLC097781

**For B S R & Co. LLP**

Chartered Accountants  
Firm Regn. No. : 101248W / W-100022

**Vijay Mathur**

Partner  
M.No. : 046476  
Mumbai, May 21, 2021

**A. B. Godrej**

Chairman  
DIN : 00065964

**Clement Pinto**

Chief Financial Officer

**N. B. Godrej**

Managing Director  
DIN: 00066195

**Tejal Jariwala**

Company Secretary

**N. S. Nabar**

Executive Director &  
President (Chemicals)  
DIN : 06521655



**STANDALONE  
FINANCIAL  
STATEMENTS**



## Independent Auditors' Report

To the Board of Directors of Godrej Industries Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of Godrej Industries 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 '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 ('the 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 loss 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.

#### Revenue recognition

Refer note 27 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>Revenue is recognized when the control of the products being sold has been transferred to the customer.</p> <p>We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. Also, there is a risk of revenue being fraudulently overstated through manipulation on the timing of transfer of control arising from pressure to achieve performance targets and meeting external expectations at the year end.</p>	<p>Our audit procedures to assess revenue recognition from sale of goods included the following:</p> <ul style="list-style-type: none"> <li>• Assessing the compliance of the revenue recognition accounting policies by comparing with Ind AS 115 - "Revenue from Contracts with Customers".</li> <li>• Testing the design, implementation and operating effectiveness of the Company's key manual application controls and general Information Technology (IT) controls and key IT application controls over the Company's systems for revenue recognition, by involving our IT specialists.</li> <li>• 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/contracts and shipping documents.</li> <li>• Examining manual journal entries posted to revenue to identify any unusual or irregular items.</li> </ul>

## Independent Auditors' Report

### 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 standalone 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 in the standalone financial statements made by the Management and Board of Directors.

## Independent Auditors' Report

- Conclude on the appropriateness of the Management's 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 25 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.

## Independent Auditors' Report

- 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

ICAI UDIN: 21046476AAAADF8315

Mumbai  
21 May 2021

## Independent Auditors' Report

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

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

- i)
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets (Property, plant and equipment) and investment properties.
  - b) The Company has a regular programme of physical verification of its fixed assets (Property, plant and equipment) and investment properties by which all fixed assets (Property, plant and equipment) and investment properties are verified in a phased manner designed to cover all the items over a period of three years. In accordance with this programme, a portion of the fixed assets (Property, plant and equipment) and investment properties has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the 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 and 3b of the standalone financial statements, are held in the name of the Company.
- ii) The inventory, except goods-in-transit and goods lying with third parties, 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 substantially been 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 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 Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments and guarantees made. The Company has not provided any security to the parties covered under Section 186 of the Act.
- v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. 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 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.
- vii)
  - a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, duty 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, duty of customs, excise duty, 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 Annexure I to this report.
- viii) According to the information and explanations given to us and based on the records examined by us, there has been no default in the repayment of dues to banks or debenture holders. The Company did not have any outstanding dues to financial institutions and Government during the year.
- ix) According to the information and explanations given to us and records examined by us, the term loans obtained by the Company were applied for the purpose for which the loans were obtained. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year.

## Independent Auditors' Report

### Annexure A to the Independent Auditor's Report - 31 March 2021 (Continued)

- x) According to the information and explanations given to us, no 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 of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 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 Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures.
- xiv) According to the information and explanations give 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 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

ICAI UDIN: 21046476AAAADF8315

Mumbai  
21 May 2021

## Independent Auditors' Report

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

### Annexure I

Name of Statute	Nature of Dues	Amount not deposited on account of demand (₹ In crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	0.46	2012-13, 2013-14	Commissioner (Appeals)
Central Excise Act, 1944	Excise duty	0.50	2011-12, 2013-15, 2014-15	Assistant Commissioner
Central Excise Act, 1944	Excise duty	0.50	2008-11, 2009-13, 2010-11, 2013-16, 2020-21	CESTAT
Sales Tax	Sales Tax	11.12	2002-03, 2003-04	Supreme Court
Octroi	Octroi	0.24	1997-2003	Tribunal
Octroi	Octroi	0.03	1997-98	Deputy Commissioner
Octroi	Octroi	0.02	1998-99, 2000-01	Supreme Court
Stamp Duty	Stamp duty	1.82	2000-01	Controlling Revenue Authority
Income-tax Act, 1961	Income tax	42.86	AY 2006-2007, AY 2007-2008, AY 2008 - 2009, AY 2015-2016, AY 2016-2017, AY 2018-2019	Assessing Officer
Income-tax Act, 1961	Income tax	5.86	AY 2009 - 2010 AY 2013-2014 AY 2014-2015	CIT
Income-tax Act, 1961	Income tax	19.96	AY 2010-11 AY 2011-2012, AY 2012-13	ITAT
Income-tax Act, 1961	Income tax	28.65	AY 2009 - 2010 AY 2013-2014 AY 2014-2015	High Court

## Independent Auditors' Report

**Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of Godrej Industries 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 Industries 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.



## Independent Auditors' Report

**Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of Godrej Industries Limited for the year ended 31 March 2021 (Continued)**

### **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

ICAI UDIN: 21046476AAAADF8315

Mumbai  
21 May 2021

## Balance Sheet as at March 31, 2021

₹ In crores

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	3	1,245.99	1,305.05
Capital Work in Progress	3a	72.83	17.95
Right-of-use Assets	37	47.36	9.28
Investment Property	3b	474.19	166.38
Other Intangible Assets	3c	2.15	2.48
<b>Financial Assets</b>			
Investments in Subsidiaries and Associates	4	2,660.62	2,600.17
Other Investments	4a	21.85	13.75
Loans	5	8.13	4.84
Other Financial Assets	6	1.55	2.59
Deferred Tax Assets (Net)	7	0.50	0.44
Other Tax Assets (Net)		46.89	34.97
Other Non Current Assets	8	0.94	9.00
<b>Current Assets</b>			
Inventories	9	410.54	253.84
<b>Financial Assets</b>			
Investments	10	1,315.73	-
Trade Receivables	11	249.72	199.91
Cash and cash equivalents	12a	67.16	317.71
Other Bank balances	12b	50.93	25.87
Loans	13	0.24	0.26
Other Financial Assets	14	17.46	23.67
Current Tax Assets (Net)		-	0.04
Other Current Assets	15	58.47	33.44
<b>TOTAL ASSETS</b>		<b>6,753.25</b>	<b>5,021.64</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	33.66	33.65
Other Equity	17	1,492.64	1,596.99
Total Equity		1,526.30	1,630.64
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	1,955.58	562.50
Lease Liabilities	37	37.32	6.27
Provisions	19	14.82	12.99
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	20	2,339.89	2,250.79
Trade Payables	21		
Outstanding dues of Micro and Small Enterprises		27.30	12.38
Outstanding dues of Creditors other than Micro and Small Enterprises		572.98	373.05
Other Financial Liabilities (Includes Lease Liabilities)	22	245.85	145.86
Other Current Liabilities	23	21.25	15.58
Provisions	24	4.83	4.45
Current Tax Liabilities (Net)		7.13	7.13
<b>Total Liabilities</b>		<b>5,226.95</b>	<b>3,391.00</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>6,753.25</b>	<b>5,021.64</b>
Significant Accounting Policies	2		

The accompanying notes form an integral part of the Standalone financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors of  
**Godrej Industries Limited**  
CIN No.: L24241MH1988PLC097781For B S R & Co. LLP  
Chartered Accountants  
Firm Regn. No. : 101248W / W-100022A. B. Godrej  
Chairman  
DIN : 00065964N. B. Godrej  
Managing Director  
DIN: 00066195N. S. Nabar  
Executive Director &  
President (Chemicals)  
DIN : 06521655Vijay Mathur  
Partner  
M.No. : 046476  
Mumbai, May 21, 2021Clement Pinto  
Chief Financial OfficerTejal Jariwala  
Company Secretary

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

₹ In crores

Particulars	Note No.	Year Ended March 31, 2021	Year Ended March 31, 2020
Revenue from Operations	27	1,855.53	1,968.72
Other Income	28	64.05	60.93
<b>Total Income</b>		<b>1,919.58</b>	<b>2,029.65</b>
<b>Expenses</b>			
Cost of Materials Consumed	29	1,362.68	1,187.66
Purchases of Stock in Trade		0.57	0.97
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	30	(77.24)	6.95
Employee Benefits Expenses	31	136.00	145.74
Finance Costs	32	237.51	228.99
Depreciation and Amortisation Expense	3, 3a, 3b & 37	72.18	68.62
Other Expenses	33	296.75	334.41
<b>Total Expenses</b>		<b>2,028.45</b>	<b>1,973.34</b>
(Loss) / Profit Before Exceptional Items and Tax		(108.87)	56.31
Exceptional Items	34	1.27	(25.62)
(Loss) / Profit Before Tax		(107.60)	30.69
Tax Expense			
Current Tax		-	-
Deferred Tax	36	(0.06)	(0.05)
Tax (credit) / charge of earlier years	36	-	(0.07)
Total Tax Expenses		(0.06)	(0.12)
<b>(Loss) / Profit After Tax for the Year</b>		<b>(107.54)</b>	<b>30.81</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit plans		0.76	(1.96)
Income Tax on Items that will not be reclassified to Profit or Loss		-	-
		0.76	(1.96)
<b>Total Comprehensive (Loss) / Income for the Year</b>		<b>(106.78)</b>	<b>28.85</b>
Earnings Per Equity Share (Face Value Re. 1 each)	35		
Basic		(3.20)	0.92
Diluted		(3.19)	0.92
Significant Accounting Policies	2		

The accompanying notes form an integral part of the Standalone financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors of  
**Godrej Industries Limited**  
CIN No.: L24241MH1988PLC097781For B S R & Co. LLP  
Chartered Accountants  
Firm Regn. No. : 101248W / W-100022A. B. Godrej  
Chairman  
DIN : 00065964N. B. Godrej  
Managing Director  
DIN: 00066195N. S. Nabar  
Executive Director &  
President (Chemicals)  
DIN : 06521655Vijay Mathur  
Partner  
M.No. : 046476  
Mumbai, May 21, 2021Clement Pinto  
Chief Financial OfficerTejal Jariwala  
Company Secretary

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

## Equity Share Capital (Refer Note 16)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount ₹ in Crore	No. of Shares	Amount ₹ in Crore
Balance at the beginning of the year	336,466,016	33.65	336,384,367	33.64
Changes in equity share capital during the year	59,082	0.01	81,649	0.01
Balance at the end of the year	336,525,098	33.66	336,466,016	33.65

## Other Equity (Refer Note 17)

₹ In crores

Particulars	Other Equity						Total
	Retained Earnings	General Reserve	Capital Redemption Reserve	Security Premium Reserve	Capital Reserve	Employee Stock Grant Outstanding	
<b>Balance at April 01, 2019</b>	555.48	52.70	31.46	912.76	46.25	5.69	1,604.34
Profit for the year	30.81						30.81
Other Comprehensive Income (net of tax)	(1.96)						(1.96)
Transfer from Employee Stock Option Grant				3.87		(3.87)	-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)						2.49	2.49
Final Dividend paid	(38.69)						(38.69)
<b>Balance at March 31, 2020</b>	545.64	52.70	31.46	916.63	46.25	4.31	1,596.99
(Loss) for the year	(107.54)						(107.54)
Other Comprehensive Income (net of tax)	0.76						0.76
Transfer from Employee Stock Option Grant				3.18		(3.18)	-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)						2.43	2.43
Final Dividend paid	-						-
<b>Balance at March 31, 2021</b>	438.86	52.70	31.46	919.81	46.25	3.56	1,492.64

A description of the purposes of each Reserve within Equity has been disclosed in the Note 17

The accompanying notes form an integral part of the Standalone financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors of  
**Godrej Industries Limited**

CIN No.: L24241MH1988PLC097781

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

**A. B. Godrej**  
Chairman  
DIN : 00065964

**N. B. Godrej**  
Managing Director  
DIN: 00066195

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

**Vijay Mathur**  
Partner  
M.No. : 046476  
Mumbai, May 21, 2021

**Clement Pinto**  
Chief Financial Officer

**Tejal Jariwala**  
Company Secretary

## Cash Flow Statement for the year ended March 31, 2021

		₹ In crores	
Particulars	Year ended March 31, 2021	Year ended March 31, 2020	
<b>1 Cash Flow From Operating Activities:</b>			
<b>(Loss)/Profit Before Tax</b>	<b>(107.60)</b>	30.69	
Adjustments for:			
Depreciation and Amortisation	72.18	68.62	
Unrealised Foreign Exchange (gain) / Loss	(8.64)	8.72	
Profit on Sale of Investments	(4.77)	(7.31)	
Loss on Sale of Property, Plant & equipments (Net)	0.24	0.11	
(Profit) / Loss on Investments measured at Fair Value through Profit and Loss	(25.44)	2.88	
Write Off of Property, Plant and equipments	-	0.22	
Provision for Impairment of subsidiary / (Profit)/Loss on sale of subsidiary	(1.27)	25.62	
Interest Income	(2.80)	(6.70)	
Interest & Finance Charges	237.51	228.99	
Employee Share based Payments	2.43	2.34	
Provision for Loss Allowance and Sundry Balances (net)	0.69	0.06	
<b>Operating Profit Before Working Capital Changes</b>	<b>162.53</b>	354.24	
Adjustments for :			
Increase / (Decrease) in Non-financial Liabilities	7.88	(19.12)	
Increase in Financial Liabilities	233.08	21.89	
(Increase) / Decrease in Inventories	(156.70)	47.02	
(Increase) / Decrease in Non-financial Assets	(23.04)	30.48	
(Increase) in Financial Assets	(74.13)	(17.02)	
Cash Generated from Operations	149.62	417.49	
Direct Taxes Paid	(11.12)	(6.49)	
<b>Net Cash Generated from Operating Activities</b>	<b>138.50</b>	411.00	
<b>2 Cash Flow from Investing Activities:</b>			
Purchase / Adjustment of Property, Plant & equipments, Investment Property & Intangibles	(361.43)	(48.92)	
Proceeds from Sale of Property, Plant & equipments	0.24	0.78	
Purchase of Investments	(3,240.20)	(3,441.55)	
Purchase of Investments in Subsidiaries	(61.06)	(111.43)	
Proceeds from Sale of Subsidiary	1.27	174.38	
Proceeds from Sale of Investments	1,946.72	3,423.67	
Interest Received	1.93	5.96	
<b>Net Cash Generated from / (used in) Investing Activities</b>	<b>(1,712.53)</b>	2.89	

## Cash Flow Statement for the year ended March 31, 2021

₹ In crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>3 Cash Flow from Financing Activities:</b>		
Proceeds from issue of Equity shares	0.59	1.35
Proceeds from Non Current Borrowings	1,500.00	-
Net Proceeds / (Repayment) from Current Borrowings	89.10	(35.79)
Repayment of Lease Liabilities	(13.91)	(13.93)
(Repayment) of Non Current Borrowings	(62.50)	(297.25)
Interest & Finance Charges Paid	(189.80)	(224.61)
Dividend Paid	-	(38.69)
<b>Net Cash (used in) / Generated from Financing Activities</b>	<b>1,323.48</b>	<b>(608.92)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(250.55)</b>	<b>(195.02)</b>
Cash and Cash Equivalents (Opening Balance)	317.71	512.73
Cash and Cash Equivalents (Closing Balance)	67.16	317.71

Notes :

(₹ In crores)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>1 Cash and Cash Equivalents</b>		
Balances with Banks		
(a) Current Accounts	16.31	317.32
(b) Deposits having maturity less than 3 months	50.40	-
Cash on hand	0.45	0.39
Cash and Cash Equivalents	67.16	317.71

## 2 Reconciliation of Liabilities arising from Financing activities

(₹ In crores)

Particulars	As at March 31, 2020	Cash Flow	Non Cash Changes	As at March 31, 2021
Non Current Borrowings	631.93	1,437.50	0.70	2,070.13
Current Borrowings	2,250.79	89.10	-	2,339.89
<b>Total Borrowings</b>	<b>2,882.72</b>	<b>1,526.60</b>	<b>0.70</b>	<b>4,410.02</b>

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

4 The Scheme of arrangement between the Company and EHFL in the previous year is a non-cash transaction (refer note 4(a)).

5 The accompanying notes form an integral part of the Standalone financial statements.

As per our Report of even date attached

For and on behalf of the Board of Directors of

**Godrej Industries Limited**

CIN No.: L24241MH1988PLC097781

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

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**Vijay Mathur**  
Partner  
M.No. : 046476  
Mumbai, May 21, 2021

**Clement Pinto**  
Chief Financial Officer

**Tejal Jariwala**  
Company Secretary

## Notes to Financial Statements

### Note 1 : General Information

#### 1 Corporate Information

Godrej Industries Limited ("the Company") was incorporated under the Companies Act, 1956 on March 7, 1988 under the name of Gujarat-Godrej Innovative Chemicals Limited. The business and undertaking of the erstwhile Godrej Soaps Limited was transferred to the Company under a Scheme of Amalgamation with effect from April 1, 1994 and the Company's name was changed to Godrej Soaps Limited. Subsequently, under a Scheme of Arrangement the Consumer Products division of the Company was demerged with effect from April 1, 2001 into a separate company, Godrej Consumer Products Limited (GCPL).

The Company's name was changed to Godrej Industries Limited on April 2, 2001. The Vegetable Oils and Processed Foods Manufacturing business of Godrej Foods Limited was transferred to the Company with effect from June 30, 2001. The Foods division (except Wadala factory) was then sold to Godrej Hershey Limited, on March 31, 2006. Swadeshi Detergents Limited, 100% subsidiary of the Company, was amalgamated with the Company effective from April 01, 2013. Wadala Commodities Limited was amalgamated with the Company effective from April 01, 2014. Vora Soaps Limited was amalgamated with the Company effective from December 14, 2017.

The Company is domiciled in India and is listed on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE). The Company's registered office is at Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (east), Mumbai – 400 079. The Company is engaged in the businesses of manufacture and marketing of oleo-chemicals, their precursors and derivatives, bulk edible oils, estate management and investment activities.

#### 2 (a) Basis of preparation

These standalone financial statements have been prepared on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the "Ind As") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles in India.

The financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The 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 21, 2021.

#### (b) Basis of measurement

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

- Certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy 9 regarding financial assets and 10 regarding financial liabilities)
- Defined benefit plans – plan assets/(liability) and share-based payments measured at fair value (Refer Note 38 and 39).

#### 3 Functional and presentation currency

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

#### 4 Key estimates, Judgements and assumptions

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

## Notes to Financial Statements

### Note 1 : General Information (Continued)

Information about critical judgments in applying accounting policies that have the most significant effect on the carrying amounts of assets and liabilities and in respect of assumptions and estimates on uncertainties are as follows:-

- Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. (refer accounting policy 1 regarding Property, plant and equipment)
- Impairment of Property, Plant and Equipments, Investments and Investment Property (Refer Note 3)
- Recognition and measurement of defined benefit obligations (Refer Note 19, 24 and 31)
- Recognition of deferred tax assets (Refer Note 7 and 36)
- Discounting of long-term financial liabilities
- Fair value of financial instruments (Refer Note 41)
- Provisions and Contingent Liabilities (Refer Note 19, 24 and 25)
- Leases (Refer Note 37)

### 5 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. No such standard has been notified which would have been applicable from April 01, 2021.

### 6 Measurement of fair values

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

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

### Note 2 : Significant Accounting Policies

#### 1 Property, Plant and Equipment

##### (i) Recognition and measurement

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



## Notes to Financial Statements

### Note 2 : Significant Accounting Policies (Continued)

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

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.

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

Property, Plant and equipment are derecognised from financial statement on disposal and gains or losses arising from disposal are recognised in the Statement of Profit and Loss in the year of occurrence.

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

#### (ii) Subsequent expenditure

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

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

#### (iii) Depreciation

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

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

The range of useful lives of the property, plant and equipment are as follows:

- a) Plant and Machinery - 7 - 30 years
- b) Furniture and fixtures - 7- 10 years
- c) Office Equipments - 2 - 5 years
- d) Factory Building - 10- 30 years
- e) Non Factory Building - 10- 60 years
- f) Vehicles - 3- 8 years
- g) Leasehold land - Lower of useful life & Lease Period.
- h) Assets costing less than INR 5,000 are depreciated at 100% in the year of acquisition.

## 2 Investment Property

### (i) Recognition and measurement

Investment Property comprises of Freehold Land and Buildings.

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

## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

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

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

#### (ii) Depreciation

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

### 3 Intangible Assets

#### (i) Recognition and measurement

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

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortization (other than goodwill and indefinite life intangibles) and any accumulated impairment losses.

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

#### (ii) Amortisation

Intangible Assets are amortised over the estimated useful life on Straight Line Method (SLM).

The useful lives of Intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Indefinite life intangibles are not amortised but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired.

Computer Software is amortised in a Straight Line basis over a period of 3 years

### 4 Impairment of non-financial assets

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

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

When there is indication that an impairment loss recognised for an asset in earlier accounting periods which no longer exists or may have decreased, such impairment loss is reversed in the Statement of Profit and Loss only, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

### 5 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, associate and jointly controlled entities, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### 6 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using the weighted average method. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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.

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

#### 7 Cash and Cash Equivalents

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

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

#### 8 Assets held for Sale

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

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

#### 9 Financial Assets

##### (i) Initial recognition and measurement

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

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

##### (ii) Classification and Subsequent measurement

Financial assets are subsequently classified and measured at

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

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

##### (iii) Trade Receivables and Loans:

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

## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### (iv) Debt Instruments

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

- (a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.
- (b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.
- (c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss.

#### (v) Equity Instruments

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

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

#### (vi) Derecognition

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

#### (vii) Impairment of Financial Asset

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

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

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

### 10 Financial Liabilities

#### (i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### (ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method or are measured at fair value through profit and loss with changes in fair value being recognised in the Statement of Profit and Loss.

#### (iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. Financial Liability is also derecognised on modification of terms of contract and when cashflows under modified terms are substantially different.

### 11 Offsetting of financial instruments

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

### 12 Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. The Company also uses commodity futures contracts to hedge the exposure to oil price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The subsequent changes in fair value are recorded in Statement of Profit and Loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Company does not follow hedge accounting.

### 13 Provisions and Contingent Liabilities

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

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

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

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

Capital Commitments includes the amount of purchase orders (net of advance) issued to parties for acquisition of assets.

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

### 14 Revenue Recognition

#### Revenue from contracts with customers

Sales are recognised when goods are supplied and control over the Goods sold is transferred to the buyer which is on despatch/ delivery as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales are net of returns, trade discounts, rebates and sales taxes / Goods and Service Tax (GST).

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

## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### Other Operating Revenue

Dividend income is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

Export Incentives are accrued when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with such incentives.

#### Other Income

Income on assets given on operating lease is recognised on a straight line basis over the lease term in the Statement of Profit and Loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

### 15 Employee Benefits

#### (i) Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Economic Value Added (EVA) or Profit Before Tax (PBT) and Cashflow. The PLVR amount is related to actual improvement made in EVA or PBT and Cashflow over the previous year when compared with expected improvements.

#### (ii) Post Employment Benefits

##### (a) Defined Contribution Plans

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

##### (b) Defined Benefit Plans

###### Gratuity Fund

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

###### Provident Fund

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the 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 which is determined on the basis of an actuarial valuation, shall be made good by the Company.

## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### Pension

Pension plan for eligible employees are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet.

#### (iii) Other Long-Term Employee Benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Remeasurement of net obligation are recognised immediately in the Statement of Profit and Loss.

#### (iv) Termination Benefits

All terminal benefits are recognized as an expense in the period in which they are incurred.

### 16 Share-Based Payments

Employees of the Company also receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated on the basis of the Black Scholes model. At the end of each reporting period, apart from the non market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

When the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

### 17 Leases

Effective 1<sup>st</sup> April, 2019, the company adopted IND AS 116 - Leases. Company applied IND AS 116 using modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1<sup>st</sup> April 2019. The comparative information presented is not restated. It is presented as previously reported under IND AS 17.

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.

- (i) Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- (ii) If the supplier has a substantive substitution right, then the asset is not identified.
- (iii) Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.
- (iv) Company has the right to direct the use of the asset.
- (v) 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.

## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

#### As a Lessee:

Company 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 as a separate category under "Non-current assets" and lease liabilities are presented 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.



## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

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

#### 18 Research and Development Expenditure

Revenue expenditure on Research & Development is charged to the Statement of Profit and Loss of the year in which it is incurred. Capital expenditure incurred during the year on Research & Development is included under additions to Property, plant and equipments (PPE).

#### 19 Borrowing Costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

#### 20 Foreign Exchange Transactions

- (i) The standalone financial statements of the Company are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.
- (ii) Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- (iii) The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 01, 2016 and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset / liability, by recognition as income or expense but not beyond March 31, 2020.
- (iv) Realised gains or losses on cancellation of forward exchange contracts are recognised in the Standalone Statement of Profit and Loss of the period in which they are cancelled.

#### 21 Taxes on Income

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

##### (i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

##### (ii) Minimum Alternate Tax (MAT)

MAT credit is recognised as a deferred tax assets only when and to the extent there is convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

##### (iii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

## Notes to Financial Statements

### Note 2: Significant Accounting policies (Continued)

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

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred Tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### 22 Earnings Per Share

Basic Earnings per share is calculated by dividing the profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## Notes to Financial Statements

## Note 3 : Property, Plant and Equipment

₹ In crores

Particulars	Freehold Land	Leasehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles - Own	Computer Hardware	Office Equipments	Research Centre	Total
<b>Gross Carrying Amount</b>											
Balance as at April 01, 2019	0.52	23.07	-	719.22	696.72	21.35	31.61	16.12	21.46	0.97	1,531.04
Additions	2.93	-	4.99	5.63	9.93	0.36	4.06	1.90	0.44	-	30.24
Disposals	-	-	-	(0.44)	(0.34)	(0.23)	(1.76)	(0.36)	(0.05)	-	(3.18)
<b>Balance as at March 31, 2020</b>	<b>3.45</b>	<b>23.07</b>	<b>4.99</b>	<b>724.41</b>	<b>706.31</b>	<b>21.48</b>	<b>33.91</b>	<b>17.66</b>	<b>21.85</b>	<b>0.97</b>	<b>1,564.46</b>
Additions	0.26	-	3.05	1.20	16.17	0.45	0.62	1.22	2.85	0.16	25.98
Disposals / Adjustments (refer note 3(b))	-	-	-	(35.19)	-	-	(1.00)	(0.03)	-	-	(36.22)
<b>Balance as at March 31, 2021</b>	<b>3.71</b>	<b>23.07</b>	<b>8.04</b>	<b>690.42</b>	<b>722.48</b>	<b>21.93</b>	<b>33.53</b>	<b>18.85</b>	<b>24.70</b>	<b>1.13</b>	<b>1,554.22</b>
<b>Accumulated Depreciation</b>											
Balance upto March 31, 2019	-	1.08	-	60.17	93.68	7.67	13.66	12.38	13.62	0.32	202.58
Additions	-	0.27	0.03	16.10	23.58	2.05	4.17	1.74	3.82	0.13	51.90
Disposals	-	-	-	(0.10)	(0.03)	(0.02)	(0.94)	(0.33)	(0.00)	-	(1.42)
<b>Balance upto March 31, 2020</b>	<b>-</b>	<b>1.35</b>	<b>0.03</b>	<b>76.17</b>	<b>117.23</b>	<b>9.70</b>	<b>16.89</b>	<b>13.79</b>	<b>17.44</b>	<b>0.45</b>	<b>255.90</b>
Additions	-	0.27	1.34	16.58	24.96	2.07	4.18	1.65	1.44	0.14	52.63
Disposals / Adjustments	-	-	-	(3.25)	-	(0.02)	(0.51)	(0.03)	(0.01)	-	(3.82)
<b>Balance upto March 31, 2021</b>	<b>-</b>	<b>1.62</b>	<b>1.37</b>	<b>89.50</b>	<b>142.19</b>	<b>11.75</b>	<b>20.56</b>	<b>15.41</b>	<b>18.87</b>	<b>0.59</b>	<b>304.71</b>
<b>Net Carrying Amount</b>											
Balance as at April 01, 2019	0.52	21.99	-	659.05	603.04	13.68	17.95	3.74	7.84	0.65	1,328.46
Balance as at March 31, 2020	3.45	21.72	4.96	648.24	589.07	11.78	17.01	3.87	4.41	0.52	1,305.05
Balance as at March 31, 2021	3.71	21.45	6.67	600.92	580.28	10.18	12.96	3.44	5.83	0.54	1,245.99

## Notes :

- Refer Note No 26 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.
- No Property, Plant and Equipment is pledged as security by the Company.
- Additions to Property, Plant and Equipments includes ₹ Nil crore (previous year ₹13.30 crore) on account of Exchange Differences arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets.
- Addition to Accumulated Depreciation for Plant & Machinery includes provision for impairment of ₹ 0.27 crore (previous year ₹ 0.27 crore)

## Notes to Financial Statements

## Note 3a : Capital Work In Progress

₹ In crores

Particulars	Property, Plant and Equipments	Investment Property	Total
Balance as at April 01, 2019	8.72	-	8.72
Additions during the year	39.47	-	39.47
Capitalised during the year	(30.24)	-	(30.24)
<b>Balance as at March 31, 2020</b>	<b>17.95</b>	<b>-</b>	<b>17.95</b>
Additions during the year	77.95	0.16	78.11
Capitalised during the year	(23.07)	(0.16)	(23.23)
<b>Balance as at March 31, 2021</b>	<b>72.83</b>	<b>-</b>	<b>72.83</b>

1. Additions to Capital Work in Progress includes ₹ 1.05 crore (previous year ₹ Nil) on account of Capitalisation of borrowing cost on eligible project.

## Note 3b : Investment Property

₹ In crores

Particulars	Freehold Land	Buildings	Total
Balance as at April 01, 2019	0.38	162.04	162.42
<b>Additions</b>		<b>17.11</b>	<b>17.11</b>
Disposals		(0.03)	(0.03)
<b>Balance as at March 31, 2020</b>	<b>0.38</b>	<b>179.12</b>	<b>179.50</b>
Additions / Adjustments (refer note 3)	-	315.71	315.71
Disposals / Adjustments	-	-	-
<b>Balance as at March 31, 2021</b>	<b>0.38</b>	<b>494.83</b>	<b>495.21</b>
<b>Accumulated Depreciation</b>			
<b>Balance upto April 01, 2019</b>	<b>-</b>	<b>10.48</b>	<b>10.48</b>
Additions	-	2.64	2.64
Disposals	-	(0.00)	(0.00)
<b>Balance upto March 31, 2020</b>	<b>-</b>	<b>13.12</b>	<b>13.12</b>
Additions / Adjustments	-	7.90	7.90
Disposals / Adjustments	-	-	-
<b>Balance upto March 31, 2021</b>	<b>-</b>	<b>21.02</b>	<b>21.02</b>
<b>Net Carrying Amount</b>			
Balance as at April 01, 2019	0.38	151.56	151.94
Balance as at March 31, 2020	0.38	166.00	166.38
Balance as at March 31, 2021	0.38	473.81	474.19
<b>Fair Value</b>			
As at April 01, 2019	4.15	174.72	178.87
As at March 31, 2020	4.15	186.75	190.90
As at March 31, 2021	4.15	512.60	516.75

## Notes to Financial Statements

### Note 3b : Investment Property (Continued)

Notes:

- Information regarding income and expenditure of Investment Property

₹ In crores

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rental income derived from investment properties	11.54	7.69
Direct operating expenses	3.91	3.36
Gains arising from investment properties before depreciation	7.63	4.32
Less - Depreciation	7.90	2.65
Gains arising from investment properties	(0.27)	1.68

- The Company's investment properties consist of 15 properties in India. The Management has determined that the investment property consists of two classes of assets - Land and Building - based on the nature, characteristics and risks of each property.

The Company has no restriction on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

- The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent in the location of the property.

The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.

- Reconciliation of Fair Value

₹ In crores

Particulars	Freehold Land	Buildings	Total
Opening balance as at April 01, 2019	4.15	174.72	178.87
Fair value changes	-	(5.07)	(5.07)
Purchases	-	17.11	17.11
Opening balance as at April 01, 2020	4.15	186.75	190.90
Fair value changes	-	10.14	10.14
Purchases / Transfer from Property, Plant & Equipments (CWIP)	-	315.71	315.71
<b>Closing balance as at March 31, 2021</b>	<b>4.15</b>	<b>512.60</b>	<b>516.75</b>

### Note 3c : Other Intangible Assets

₹ In crores

Particulars	Computer Software
<b>Gross Carrying Amount</b>	
<b>Balance as at April 01, 2019</b>	<b>4.02</b>
Additions	1.36
Disposals	(0.14)
<b>Balance as at March 31, 2020</b>	<b>5.24</b>
Additions	1.12
Disposals	-
<b>Balance as at March 31, 2021</b>	<b>6.36</b>
<b>Accumulated Depreciation</b>	
<b>Balance upto April 01, 2019</b>	<b>1.65</b>
Additions	1.23
Disposals	(0.12)
<b>Balance upto March 31, 2020</b>	<b>2.76</b>
Additions	1.45
Disposals	-
<b>Balance upto March 31, 2021</b>	<b>4.21</b>
<b>Net Carrying Amount</b>	
Balance as at April 01, 2019	2.37
Balance as at March 31, 2020	2.48
Balance as at March 31, 2021	2.15

## Notes to Financial Statements

## Note 4 : Investments in Subsidiaries and Associates

Particulars	Note	Face Value	As at March 31, 2021		As at March 31, 2020	
			Number	Amount	Number	Amount
Investment in Equity Instruments at cost (Fully Paid up unless stated otherwise)						
<b>(a) Quoted Investments</b>						
(i) Subsidiaries						
Godrej Properties Limited	5		124,409,820	762.36	124,409,820	762.36
Godrej Agrovet Limited	10		115,059,634	512.86	113,851,427	451.90
(ii) Associates						
Godrej Consumer Products Limited	1		242,812,860	1,366.20	242,812,860	1,366.20
<b>(b) Unquoted Investments</b>						
(i) Subsidiaries						
Ensemble Holdings & Finance Limited	a, b	10	-	-	6,574,597	0.52
Godrej International Limited (Isle of Man)		£1	2,105,000	14.76	2,105,000	14.76
Godrej International Trading & Investments Pte. Limited		\$1	1,000,000	4.43	1,000,000	4.43
Godrej International Limited (Labuan) *		\$1	-	0.00	-	0.00
Pyxis Holdings Ltd	c	10	20,000	0.01	-	-
Godrej One Premises Management Private Limited *		10	1,400	0.00	1,400	0.00
(ii) Associates						
Personalitree Academy Ltd.		10	389,269	1.10	389,269	1.10
Share Application Money **				0.03		0.03
Less: Provision for Diminution in value of Investments				(1.13)		(1.13)
				-		-
				2,660.62		2,600.17
Aggregate Amount of Quoted Investments				2,641.42		2,580.46
Aggregate Amount of Unquoted Investments				20.33		20.84
Aggregate Amount of Impairment in Value of Investments				(1.13)		(1.13)
Market Value of Quoted Investments				41,250.55		35,121.70

\* Amount less than ₹ 0.01 crore.

\*\* Includes ₹ 300,000 paid towards share application money to Personalitree Academy Ltd.(an Associate Company) which is considered Doubtful.

## Notes

- a) The National Company Law Tribunal ("NCLT"), Mumbai bench vide its Order dated April 22, 2020 has approved the Scheme of Arrangement (Demerger) between Ensemble Holdings and Finance Limited (EHFL) and the Company. Consequent to the said Order and filing of the final certified Order with the Registrar of Companies, Maharashtra on May 14, 2020, the Scheme has become effective from the Appointed Date i.e. October 1, 2019. The Company has given effect of the Scheme in its Financial Statements for the year ended March 31, 2020 as per guidance set out in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 14 (Issue 4). Accordingly, being a common control transaction, the Financial Statement for the year ended March 31, 2019 have been recast to reflect the impact of the Scheme. The investment in the shares of the Godrej Properties Limited (No. 13,82,310) have been transferred to the Company by the EHFL at the carrying value as appearing in the consolidated financial statement of the company amounting to ₹ 15.36 crores. The carrying value in the investment in equity shares of EHFL held by the company has been reduced by the ₹ 22.67 crore to bring the carrying value equivalent to the net assets to be retained by the EHFL, immediately after the demerger.

## Notes to Financial Statements

### Note 4 : Investments in Subsidiaries and Associates (Continued)

- b) The Board of Directors of the Company in the meeting dated 12.02.2021 has decided to transfer holding of EHFL to Pyxis Holdings Limited. Accordingly Investment in EHFL has been shown as current investment.
- c) On March 25, 2021, Company has completed the acquisition of shares of Pyxis Holdings Limited, consequent to the said acquisition, Pyxis Holdings Limited has become the subsidiary of the Company with effect from March 25, 2021. An application has been made to the RBI on April 5, 2021 to seek its approval for change in shareholding and change in Directors of Ensemble Holdings & Finance Limited (a subsidiary of the Company) by virtue of proposed transfer of shares from its existing shareholders (i.e. Godrej Industries Limited and its nominees) to Pyxis Holdings Limited, a subsidiary of the Company. The applications is under process with the RBI.
- d) Information on Subsidiaries and Associates:

(i) Information on Subsidiaries

S. No.	Name of the Company	Country of Incorporation	31.03.2021	31.03.2020
1	Godrej Properties Limited *	India	44.76%	49.36%
2	Godrej Agrovet Limited	India	59.90%	59.28%
3	Godrej International Limited	Isle of Man	100%	100%
4	Godrej International Trading & Investments Pte. Ltd.	Singapore	100%	100%
5	Pyxis Holdings Limited	India	51.16%	-
6	Godrej One Premises Management Private Limited	India	14%	14%
7	Godrej Industries Limited Employee Stock Option Trust	India	100%	100%
8	Ensemble Holdings & Finance Limited	India	100%	100%

\* The management has evaluated that the Company continues to exercise 'de facto' control over Godrej Properties Limited.

(ii) Information on Associates

S. No.	Name of the Company	Country of Incorporation	31.03.2021	31.03.2020
1	Godrej Consumer Products Limited	India	23.75%	23.75%

## Notes to Financial Statements

## Note 4a : Non Current Financial Assets - Other Investments

₹ In crores

Particulars	Note	Face Value	As at March 31, 2021		As at March 31, 2020	
			Number	Amount	Number	Amount
<b>1 Investment in Equity Instruments (Fully Paid up unless stated otherwise)</b>						
At Fair Value Through Profit and Loss						
(a) Quoted Investments						
Agro Tech Foods Ltd.*		10	1	0.00	1	0.00
Colgate Palmolive India Ltd.*		1	2	0.00	2	0.00
Dabur India Ltd.*		1	6	0.00	6	0.00
Hindustan Unilever Ltd.		1	751	0.18	751	0.17
Gillette India Ltd.*		10	1	0.00	1	0.00
Marico Ltd.*		1	80	0.00	80	0.00
Procter & Gamble Hygiene & Health Care Ltd.*		10	1	0.00	1	0.00
Venkys India Ltd.*		10	1	0.00	1	0.00
Advanced Enzyme Technologies Ltd.		2	3,000	0.10	3,000	0.04
Bajaj Finance Ltd.(F.V. change from ₹10 to ₹2)		2	450	0.23	450	0.10
Cera Sanitaryware Ltd.		5	1,189	0.47	1,189	0.27
DCM Ltd.		10	5,000	0.01	5,000	0.02
DCM NOUVELLE LIMITED Ltd.		10	5,000	0.05	-	-
HDFC Bank Ltd.		2	444	0.07	444	0.04
Infosys Ltd.		5	610	0.08	610	0.04
Just Dial Ltd		10	82	0.01	82	0.00
KSE Limited		10	65,467	15.06	65,467	7.20
Maruti Suzuki India Ltd.		5	50	0.03	50	0.02
Ruchi Soya Ltd*	a	2	35	0.00	35	0.00
Ujivan Financial Services Ltd.		10	12,204	0.26	12,204	0.18
Vadilal Industries Ltd.		10	2,000	0.18	2,000	0.09
Whirlpool of India Ltd.		10	500	0.11	500	0.09
Zicom Electronics Sec. System Ltd.		10	173,918	0.03	173,918	0.02
Bharat Petroleum		10	2,000	0.09	2,000	0.06
Wockhardt Ltd.		5	1,000	0.04	1,000	0.02
				17.00		8.38
(b) Unquoted Investments						
Bharuch Eco-Aqua Infrastructure Ltd.		10	440,000	0.44	440,000	0.44
Less : Provision for Impairment in the Value of Investment				(0.44)		(0.44)
				-		-
Avesthagen Ltd.		7	469,399	12.43	469,399	12.43
Less : Provision for Impairment in the Value of Investment				(12.43)		(12.43)
				-		-
CBay Infotech Ventures Pvt. Ltd.		10	112,579	2.33	112,579	2.33
Less : Provision for Impairment in the Value of Investment				(2.33)		(2.33)
				-		-
Gharda Chemicals Ltd.	b	100	114	0.12	114	0.12
Less : Provision for Impairment in the Value of Investment				(0.12)		(0.12)
				-		-
HyCa Technologies Pvt. Ltd.		10	12,436	1.24	12,436	1.24
Less : Provision for Impairment in the Value of Investment				(1.24)		(1.24)
				-		-



## Notes to Financial Statements

### Note 4a : Non Current Financial Assets - Other Investments (Continued)

₹ In crores

Particulars	Note	Face Value	As at March 31, 2021		As at March 31, 2020	
			Number	Amount	Number	Amount
Tahir Properties Ltd (Partly paid) *	c	100	25	0.00	25	0.00
Boston Analytics Inc.		\$1	1,354,129	6.91	1,354,129	6.91
Less : Provision for Impairment in the Value of Investment				(6.91)		(6.91)
				-		-
The Saraswat Co-op Bank Ltd.		10	1,000	0.02	1,000	0.02
Isprava Vesta Pvt. Ltd. (previously known as Isprava Technologies Ltd.)		10	231,171	0.04	231,171	0.04
Isprava Hospitality Pvt. Ltd.		10	-	0.04	-	0.04
Clean Max Enviro Energy Solution Pvt Ltd.		10	3,133	1.01	3,133	1.01
Brookings Institution India Centre*		100	125	0.00	125	0.00
<b>2 Investment in Preference Shares (Fully Paid up unless stated otherwise)</b>						
At Fair Value Through Profit and Loss						
(a) Unquoted Investment						
Tahir Properties Ltd (Class - A) (partly paid) *		100	25	0.00	25	0.00
Less: Forfeited*				(0.00)		(0.00)
				-		-
<b>3 Investment in Partnership Firms</b>						
At Fair Value Through Profit and Loss						
View Group LP *	d			0.00		0.00
Less : Provision for Impairment in the Value of Investment				(0.00)		(0.00)
				-		-
<b>4 Investment in Units of Venture Capital Fund</b>						
At Fair Value Through Profit and Loss						
Indian Fund for Sustainable Energy (Infuse Capital)		100	299,900	3.74	339,959	4.26
				21.85		13.75
Aggregate Amount of Quoted Investments				17.00		8.38
Aggregate Amount of Unquoted Investments				28.32		28.84
Aggregate Amount of Impairment in Value of Investments				(23.47)		(23.47)
Market Value of Quoted Investments				17.00		8.38

\* Amount less than ₹ 0.01 crore.

#### Notes

- a As per the Resolution Plan approved by Hon'ble NCLT, the issued, subscribed and paid-up equity capital of the Ruchi Soya Ltd stand reduced from ₹ 66,82,01,444/- consisting of 33,41,00,722 equity shares of face value of ₹ 2/- each to ₹ 66,82,014/- consisting of 33,41,007 equity shares of ₹ 2/- each thereby reducing the value of issued, subscribed & paid-up equity share capital of the Company by ₹ 66,15,19,430 divided into 33,07,59,715 equity shares of ₹ 2/- each. Accordingly the number shares of Ruchi Soya Ltd held by GIL has been reduced from 3532 to 35 shares.
- b The said shares have been refused for registration by the investee company.
- c Uncalled Liability on partly paid shares  
- Tahir Properties Ltd. - Equity - ₹ 80 per share (Previous year - ₹ 80 per share).
- d View Group LP has been dissolved on December 14, 2012, however, the Company has still not received an approval from RBI for writing-off the investment.

## Notes to Financial Statements

## Note 5 : Non Current Financial Assets - Loans

₹ In crores

Particulars	As at March 31, 2021		As at March 31, 2020	
<b>1 Security Deposits</b>				
(a) Unsecured and Considered Good		7.35		4.05
(b) Unsecured and Considered Doubtful	0.95		0.95	
Less : Allowance for Bad and Doubtful Deposit	(0.95)		(0.95)	
		-		-
<b>2 Other Loans</b>				
(a) Secured and Considered Doubtful (Refer note 2 below)	10.33		10.33	
Less : Allowance for Bad and Doubtful Loans	(10.33)		(10.33)	
		-		-
(b) Unsecured and Considered Good				
Loans to employees		0.78		0.79
		8.13		4.84

## Notes:

- There are no loans which have significant increase in credit risk.
- The Company had advanced an amount of ₹ 10.33 crore to certain individuals who also pledged certain equity shares as security against the said advance. The Company has enforced its security and lodged the shares for transfer in its name. The said transfer application was rejected and Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company had filed an appeal before the Honorable High Court against the order of the Company Law Board under section 10 F of the Companies Act, which was disposed of with the direction to keep the transfer of shares in abeyance till the arbitration proceedings between the parties are on. The Honorable Bombay High Court passed an interim order dated September 18, 2012, restraining the Company from interalia, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company had filed a Special Leave Petition (SLP) before the Supreme Court against this interim order of the Honorable Bombay High Court which the Supreme Court has dismissed and the matter is presently before the Arbitrator. Single Arbitrator, Justice (Retired), A.P. Shah on 29<sup>th</sup> June 2019 passed an Award ruling that Godrej Industries Ltd shall return all the pledged shares along with the original loan-cum-pledge agreements and the Power of Attorneys executed by the said individuals in favor of Godrej Industries Ltd to the said individuals upon the said Individuals repaying an amount of ₹10.33 crores to Godrej Industries Ltd.  
Godrej Industries Ltd, challenged this Award before the Hon'ble High Court of Bombay by way of Section 34 petition under the Arbitration & Conciliation Act, 1996. Hon'ble Bombay High Court by its Order dated 13/09/2019 has now stayed the operation of the said Award dated 29<sup>th</sup> June 2019 till the said Section 34 Petition is finally disposed of. The matter is now pending before the Bombay High Court.  
The Management is confident of recovery of this amount as underlying value of the said shares is substantially greater than the amount of loan and interest thereon. However, on a conservative basis, the Company has provided for the entire amount of ₹ 10.33 crore in the books of account.
- Details of Loans under section 186 (4) of Companies Act, 2013.

₹ In crores

Particulars	As at March 31, 2021		As at March 31, 2020	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
<b>1 Loans where there is no repayment schedule</b>				
(i) Federal & Rashmikant	5.83	5.83	5.83	5.83
(ii) M/s Dhruv & Co. (Regd.)	4.18	4.18	4.18	4.18
(iii) D. R. Kavasmaneck & Dr. P. R. Kavasmaneck	0.32	0.32	0.32	0.32
<b>2 Loans to Employees</b>	0.78	0.78	0.79	0.79

## Notes to Financial Statements

### Note 6 : Non Current Financial Assets - Others

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Bank Deposit with more than 12 months maturity	1.19	-
2 Secured		
(a) Interest Accrued on Loans (Refer Note 1 below)	3.15	3.15
Provision for Doubtful Interest Accrued	(3.15)	(3.15)
	-	-
3 Unsecured		
(a) Interest Accrued on Loans	1.03	1.03
Provision for Doubtful Interest Accrued	(1.03)	(1.03)
	-	-
4 Balances with Statutory Authorities	0.36	2.59
	1.55	2.59

#### Note:

- 1 Interest on loan referred to in sub note (2) under Note 5 - Non Current Loans, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.

### Note 7 : Deferred Tax Assets (Net)

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
<b>1 Liabilities</b>		
(a) Written Down Value of Assets	177.76	201.87
(b) Others (Related to EHFL Demerger - Refer Note 4(a))	0.58	0.58
<b>2 Assets</b>		
(a) Provision for Employee Benefits	1.35	1.59
(b) Provision for Loss Allowance for Debts/Advances	6.26	8.46
(c) Other Provisions	12.30	10.58
(d) Unabsorbed Depreciation	157.84	181.24
(e) Investments (Acquisition on account of EHFL - Refer Note 4(a))	0.03	0.03
(f) Indexation benefit on Land	1.06	0.99
Deferred Tax Assets (net) - (Refer note 36)	0.50	0.44

### Note 8 : Other Non Current Assets

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
<b>1 Capital Advances</b>		
Considered Good	0.25	8.27
<b>2 Prepaid Expenses</b>	0.69	0.73
	0.94	9.00

## Notes to Financial Statements

## Note 9 : Inventories

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Raw Materials [includes Goods in transit ₹ 54.38 crore (previous year ₹ 21.65 crore)]	175.29	94.47
2 Packing Material	4.24	2.99
3 Work in Progress	129.07	80.23
4 Finished Goods [includes Goods in transit ₹ 28.94 crore, (previous year ₹ 18.23 crore)]	95.58	67.19
5 Stock in Trade	0.08	0.07
6 Stores and Spares	6.28	8.89
	410.54	253.84

## Notes

- Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of GST Input Tax Credit.
- Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks.

## Note 10 : Current Financial Assets - Investments

₹ In crores

Particulars	Note	Face Value	As at March 31, 2021	As at March 31, 2020
<b>1 Investment in Equity Instruments</b>				
(a) Unquoted Investment				
(i) Subsidiaries				
Ensemble Holdings and Finance Limited (no of shares 6,574,597) (refer note 4(b))		10	0.52	-
<b>2 Investment in Mutual Funds (quoted) at fair value through Profit and Loss</b>			1,315.21	-
<b>3 Other Investments</b>				
(a) Unquoted Investment				
Optionally Convertible Loan Notes/Promissory Notes				
Boston Analytics Inc. (15%)	a	\$ 750,000	3.00	3.00
Less : Provision for Impairment in the Value of Investment			(3.00)	(3.00)
			-	-
Boston Analytics Inc. (20%)	a	\$ 15,50,000	6.73	6.73
Less : Provision for Impairment in the Value of Investment			(6.73)	(6.73)
			-	-
Boston Analytics Inc. (12%)	b	\$ 950,000	4.69	4.69
Less : Provision for Impairment in the Value of Investment			(4.69)	(4.69)
			-	-
			1,315.73	-
Aggregate Amount of Quoted Investments			1,315.21	-
Aggregate Amount of Unquoted Investments			14.94	14.42
Aggregate Amount of Impairment in Value of Investments			(14.42)	(14.42)
Market Value of Quoted Investments			1,315.21	-

## Notes:

- The Optionally Convertible Promissory Notes (15%) of Boston Analytics Inc. in respect of which the Company did not exercise the conversion option and Boston Analytics Inc. promissory notes (20%) where there was a partial conversion option which the Company did not exercise, were due for redemption on June 30, 2009 and August 21, 2009, respectively. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
- 12% promissory notes were repayable on or before December 31, 2011, along with interest on maturity. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.

## Notes to Financial Statements

### Note 11 : Current Financial Assets - Trade Receivables

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Secured and Considered Good (Refer Note 1 below)	11.39	8.74
2 Unsecured and Considered Good	238.33	191.17
3 Unsecured and Credit impaired as per Schedule III	3.86	3.17
Less : Loss Allowance for Credit Impaired	(3.86)	(3.17)
	-	-
	249.72	199.91

**Note:**

- 1 Secured by Security Deposits collected from Customers, Letter of Credit or Bank Guarantees held against them.

### Note 12 a : Current Financial Assets - Cash and Cash Equivalents

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Balances with Banks		
(a) Current Accounts	16.31	317.32
(b) Deposits having maturity less than 3 months	50.40	-
2 Cash on Hand	0.45	0.39
	67.16	317.71

### Note 12 b : Current Financial Assets - Other Bank Balances

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Deposits with more than 3 months but less than 12 months maturity	50.36	25.50
2 Other Bank Balances (Refer Note 1 below)	0.57	0.37
	50.93	25.87

**Note:**

Other Bank Balances include :

- 1 Balance of ₹ 0.44 crore (previous year ₹ 0.37 crore) unclaimed dividends.

### Note 13 : Current Financial Assets - Loans

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured Loans		
(a) Inter Corporate Deposit		
Considered Doubtful	5.77	5.77
Provision for Doubtful Deposit	(5.77)	(5.77)
	-	-
(b) Current Maturity of Long term Loans		
Considered Good	0.24	0.26
Considered Doubtful *	0.00	0.00
Provision for Doubtful Loan *	0.00	0.00
	0.24	0.26
	0.24	0.26

\* Amount less than ₹ 0.01 crore.

## Notes to Financial Statements

## Note 13 : Current Financial Assets - Loans (Continued)

## Note:

Details of Loans as per section 186 (4) of Companies Act, 2013.

₹ In crores

Particulars	As at March 31, 2021		As at March 31, 2020	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
1 Loans to Employees	0.24	0.24	0.26	0.26
2 Inter Corporate Deposit				
Tricom India Limited	5.77	5.77	5.77	5.77

## Note 14 : Current Financial Assets - Others

₹ In crores

Particulars	As at	As at
	March 31, 2021	March 31, 2020
1 Other Receivables - Expense Recoveries	16.17	21.06
2 Fair Value of Derivative Contracts/ Forward Contracts	0.10	0.11
3 Interest Accrued on Loans and Deposits	0.87	0.78
4 Export Benefits Receivables	0.32	0.26
5 Others (Margin Money) (Refer Note 1 below)	-	1.46
	17.46	23.67

## Notes:

Others (Margin Money) include :

- Fixed Deposit of ₹ Nil (previous year ₹ 1.46 crore) held by the bank as security against guarantees issued.

## Note 15 : Other Current Assets

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
	1 Deposits	
(a) Deposits with Statutory Authorities	11.20	1.68
(b) Other Deposits	2.85	3.09
	14.05	4.77
2 Other Advances		
(a) Advance to Suppliers		
Considered Good	6.07	4.20
Considered Doubtful	0.74	0.74
Provision for Doubtful Advances	(0.74)	(0.74)
	6.07	4.20
(b) Employee Advance	0.01	0.01
(c) Prepaid Expenses	23.38	10.66
(d) Other Advances	12.18	9.34
3 Export Benefits Receivables	2.78	4.46
	58.47	33.44

## Notes to Financial Statements

## Note 16 : Equity

₹ In crores

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos	Amount ₹ in Crore	Nos	Amount ₹ in Crore
1 Authorised Share Capital				
(a) Equity shares of ₹ 1 each	800,000,000	80.00	800,000,000	80.00
(b) Unclassified Shares of ₹ 10 each	100,000,000	100.00	100,000,000	100.00
		180.00		180.00
2 Issued, Subscribed and Paid up Share Capital				
Equity Shares of ₹ 1 each fully paid up	336,525,098	33.66	336,466,016	33.65
Par Value of Equity Share is ₹ 1 each				
Par Value of Unclassified Share is ₹ 10 each				
3 Reconciliation of number of Shares				
Equity Shares				
Number of Shares outstanding at the beginning of the year	336,466,016	33.65	336,384,367	33.64
Issued during the year	59,082	0.01	81,649	0.01
Number of Shares outstanding at the end of the year	336,525,098	33.66	336,466,016	33.65
4 Rights, Preferences And Restrictions attached to Shares				
Equity Shares : The Company has one class of equity shares. Each equity share entitles the holder to one vote. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.				
5 Share Holding Information				
(a) Shareholders holding more than 5% of Equity Shares in the Company:				
Rishad Kaikhushru Naoroji (As a Partner of RKN Enterprises) - 12.65% (previous year 12.66%)	42,583,272	4.26	42,583,272	4.26
Godrej Foundation - 13.38% (previous year 13.38%)	45,014,972	4.50	45,014,972	4.50
6 Equity Shares Reserved for Issue Under Employee Stock Grant (₹ 1 each)				
Employee Stock Grant for which vesting date shall be such date as may be decided by the Compensation Committee (*)				
(a) Employee Stock Grant vesting on 31/05/21	1,246	0.00	19,063	0.00
(b) Employee Stock Grant vesting on 31/05/21	2,761	0.00	42,251	0.00
(c) Employee Stock Grant vesting on 13/05/21	18,214	0.00	19,063	0.00
(d) Employee Stock Grant vesting on 31/05/21	15,514	0.00	16,341	0.00
(e) Employee Stock Grant vesting on 13/05/22	18,214	0.00	19,063	0.00
(f) Employee Stock Grant vesting on 30/06/21	20,725	0.00	-	-
(g) Employee Stock Grant vesting on 30/09/21	755	0.00	-	-
(h) Employee Stock Grant vesting on 30/06/22	21,480	0.00	-	-
(i) Employee Stock Grant vesting on 30/06/23	21,480	0.00	-	-

The exercise period in respect of the stock grants mentioned above is one month.

- 7 During the period of five years immediately preceeding the date as at which the Balance Sheet is prepared :
- Pursuant to the Scheme of Amalgamation of Vora Soaps Limited (VSL) with the Company 19,39,04,681 equity shares allotted as fully paid up to the Equity and Preference Shareholders of VSL.
- Pursuant to the Scheme of Amalgamation of Wadala Commodities Limited (WCL) with the Company :
- (i) 2,00,243 equity shares allotted as fully paid up to the Equity Shareholders of WCL and 10 equity shares allotted as fully paid up to the Preference Shareholders of WCL, without payment being received in cash.
- (ii) 67,627 equity shares have been allotted as fully paid up bonus shares to the non-promoter shareholders of the Company.

8 There are no calls unpaid.

9 There are no forfeited shares.

(\*) Amount less than ₹ 0.01 crore.

## Notes to Financial Statements

### Note 17 : Other Equity

#### A Summary of Other Equity Balances

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Capital Redemption Reserve	31.46	31.46
2 Securities Premium Account	919.81	916.63
3 Capital Reserve	46.25	46.25
4 Employee Stock Grants Reserve	3.56	4.31
5 General Reserve	52.70	52.70
6 Retained Earnings	438.86	545.64
	<b>1,492.64</b>	1,596.99

Refer Statement of Changes in Equity for detailed movement in Other Equity balances

#### B Nature and purpose of reserve

- 1 Capital Redemption Reserve : The Company recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings.
- 2 Securities Premium Account : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This Reserve can be used only for the purposes specified in the Companies Act, 2013.
- 3 Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.
- 4 Employee Stock Grants Outstanding : The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.
- 5 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.
- 6 Retained Earnings : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



## Notes to Financial Statements

### Note 18 : Non Current Financial Liabilities - Borrowings

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured Borrowings</b>		
(a) Bonds and Debentures (Refer Note 1, 2 & 3 below)		
Non Convertible Debentures	1,494.04	-
(b) Term Loans		
(i) From Banks (Refer Note 1 & 2 below)	461.54	562.50
	<b>1,955.58</b>	562.50

#### Notes:

- 1 Unsecured Loans from Banks

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
Loan carries interest at Fixed rate of 8.50% p.a for an original term upto 60 months and repayable starting June 2018 to March 2022.	-	31.25
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting June 2018 to March 2022.	-	22.50
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting July 2018 to April 2022.	-	8.75
Loan carries interest at 1 year MCLR for an original term upto 72 months and repayable starting March 2022 to March 2025	461.54	500.00

- 2 The Company does not have any default as on the Balance Sheet date in repayment of loan or interest.
- 3 During the year, the Company has issued 15,000 Unsecured Redeemable Non Convertible Debentures (NCD) of face value ₹ 10 lac each. The total value of NCD is ₹ 1500 crore. The NCD is listed on National Stock Exchange. The Company will utilise the proceeds to meet its business purposes, investments in body corporate(s), repayment / prepayment of certain loans and for general corporate purposes. The particulars of NCDs and the utilisation of proceeds is as under:-

₹ In crores

Particulars	NCD 6.24%	NCD 6.43%	Total
Amount received from NCD ((7500 NCDs of Face value of ₹ 10,00,000 each)	750.00	750.00	1,500.00
Repayment Terms	Single principal to be repaid at the end of the term, 14 <sup>th</sup> July, 2023	Single principal to be repaid at the end of the term, 26 <sup>th</sup> Oct, 2024	
Utilisation of Funds till 31 <sup>st</sup> March 2021 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes	480.00	43.45	523.45
Balance unutilised amount temporarily invested in Mutual Fund and Bank Fixed Deposit	270.00	706.55	976.55

### Note 19 : Non Current Provisions

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for Employee Benefits</b>		
(a) Provision for Gratuity (Refer Note 38)	9.68	8.32
(b) Provision for Compensated absences	3.40	2.78
(c) Provision for Pension (Refer Note 38)	0.91	1.23
(d) Provision for other Benefits	0.83	0.66
	<b>14.82</b>	12.99

## Notes to Financial Statements

## Note 20 : Current Financial Liabilities - Borrowings

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Secured Borrowings		
(a) Loans Repayable on Demand		
(i) From Banks	0.34	-
(b) Short Term Loans (Refer Note 1 & 2 below)	15.00	-
2 Unsecured Borrowings		
(a) Loans Repayable on Demand		
(i) From Banks (Refer Note 2 below)	49.55	100.79
(b) Short Term Loans		
(i) From Banks (Refer Note 2 below)	1,110.00	1,230.00
(c) Other Loans		
(i) Commercial Papers (Refer Note 3 below)	1,165.00	920.00
	2,339.89	2,250.79

## Notes:

- Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.
- Unsecured Loans from Bank

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
Loan carries interest rate from 8.0%p.a. to 8.75%p.a. repayable by July 20	-	540.00
Loan carries interest rate from 8.05%p.a. to 8.10%p.a. repayable by July 20	-	100.00
Loan carries interest rate from 7.75%p.a. repayable by June 20	-	100.00
Loan carries interest rate from 7.95%p.a. to 8.00%p.a. repayable by June 20	-	130.00
Loan carries interest rate from 7.00%p.a. to 7.05%p.a. repayable by Sept 20	-	285.00
Loan carries interest rate from 8.00%p.a. to 8.15%p.a. repayable by May 20	-	75.00
Loan carries interest at 4.95% repayable by Sept 2020.	-	100.79
Loan carries interest rate from 6.95%p.a. to 7.0%p.a. repayable by July 21	355.00	-
Loan carries interest rate from 6.5%p.a. to 6.6%p.a. repayable by Jun 21	140.00	-
Loan carries interest rate from 6.4%p.a. repayable by Jun 21	100.00	-
Loan carries interest rate from 7.1%p.a. repayable by Aug 21	100.00	-
Loan carries interest rate from 7.1%p.a. repayable by Jun 21	130.00	-
Loan carries interest rate from 6.75%p.a. to 6.95%.. repayable by Sep 21	285.00	-
Loan carries interest at 2.6% to 2.9% repayable within 6 months	45.01	-
Loan carries interest at 7% repayable within 6 months	4.54	-
Loan carries interest rate from 6.8%p.a. repayable by May 21	15.00	-

## 3 Commercial Papers

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
Commercial Papers carries interest at 3.39% p.a. to 3.67% p.a. repayable during the period April to June 2021.	1,165.00	-
Commercial Papers carries interest at 5.25% p.a. to 5.68% p.a. repayable during the period April to June 2020.	-	920.00

- The Company does not have any default as on the Balance Sheet date in repayment of loan or Interest.

## Notes to Financial Statements

### Note 21 : Current Financial Liabilities - Trade Payables

₹ In crores

Particulars		As at March 31, 2021	As at March 31, 2020
1	Trade Payables		
	(a) Total Outstanding dues of Micro and Small Enterprises (Refer Note 1 below)	27.30	12.38
	(b) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	404.05	253.14
2	Acceptances	168.93	119.91
		600.28	385.43

#### Note

- 1 Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2020-21, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

₹ In crores

S. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSME act)		
	a. Principal amount due to micro and small enterprise	27.30	12.38
	b. Interest due on above *	0.00	0.00
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

\* Amount less than 0.01 crore

## Notes to Financial Statements

## Note 22 : Current Financial Liabilities - Others

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Current Maturities of Long Term Debts (refer note 18)		
Unsecured		
(a) Term Loan from Bank	100.96	62.50
2 Current Maturities of Lease Liabilities (refer Note 37)	13.59	6.93
3 Interest Accrued but not Due on Borrowings	57.59	8.83
4 Unclaimed Dividends	0.44	0.37
5 Unclaimed Matured Deposits		
(a) Principal Amount	0.25	0.36
(b) Interest accrued Thereon	0.01	0.01
	0.26	0.37
6 Others		
(a) Other Creditors	61.64	57.23
(b) Deposits	11.31	9.55
(c) Other Payables	0.06	0.08
	73.01	66.86
	245.85	145.86

## Note

- 1 There are no amounts due for payments to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

## Note 23 : Other Current Liabilities

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
1 Advance received from Customers	9.59	6.85
2 Statutory Liabilities	10.76	8.04
3 Other Liabilities	0.90	0.69
	21.25	15.58

## Note 24 : Current Provisions

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
(a) Provision for Gratuity (Refer Note 38)	3.49	3.33
(b) Provision for Compensated absences	1.17	0.97
(c) Provision for Pension (Refer Note 38)	0.12	0.05
(d) Provision for other Benefits	0.05	0.10
	4.83	4.45

## Notes to Financial Statements

### Note 25 : Contingent Liabilities

₹ In crores

Particulars	As at	As at
	March 31, 2021	March 31, 2020
1 Claims against the Company not acknowledged as debts		
(a) Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Company has contested and is in appeal at various levels.	1.46	1.43
(b) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	40.01	38.01
(c) Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	0.29	0.29
(d) Stamp duties claimed on certain properties which are under appeal by the Company.	1.82	1.82
(e) Income tax demands relating to disallowance against sec. 14A in respect of exempt income , Depreciation on Land/ rights in Land of Godrej One etc. against which the Group has preferred appeals.	97.33	96.75
(f) Industrial relations matters under appeal.	0.38	0.38
(g) Others	4.00	5.61
2 Surety Bonds		
Surety Bonds given by the Company in respect of refund received from excise authority for exempted units of associate company - refer note 1 below.	40.24	38.54

#### Notes

- Detail of Guarantee given covered under section 186 (4) of the Companies Act, 2013 :  
The Corporate surety bond of ₹ 40.24 crore ( previous year ₹ 38.54 crore) is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.
- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.
- It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. In view of the management, the liability for the period from date of the SC order to 31 March 2019 is not significant. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

### Note 26 : Commitments

₹ In crores

Particulars	As at	As at
	March 31, 2021	March 31, 2020
1 Estimated amount of contracts remaining to be executed on capital account and not provided for, [Net of Advances amounting to ₹ 0.25 crore (previous year - ₹ 8.21 crore)]	3.56	44.78
2 Uncalled liability on partly paid shares / debentures (*)	0.00	0.00

\* Amount less than ₹ 0.01 crore

## Notes to Financial Statements

## Note 27 : Revenue From Operations

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
1 Sale of Products (Refer Note 2 and 3 below)	1,754.90	1,684.00
2 Other Operating Revenues		
(a) Export Incentives	5.04	12.93
(b) Sale of Scrap	3.14	2.26
(c) Dividend Income (Refer Note 1 below)	62.86	244.51
(d) Rental Income	29.59	25.02
	1,855.53	1,968.72

## Notes:

- Dividend Income has been disclosed under Revenue from Operations since Finance and Investments is an Operating Business Segment for the Company.
- Disaggregation of revenue from contracts with customers  
The Company derives revenue from the sale of products in the following major segments:

₹ In crores

Sale of Products	Year Ended March 31, 2021	Year Ended March 31, 2020
1 Chemicals Segment		
Domestic Sale	1,197.87	1,096.53
Export Sale	451.98	471.99
2 Vegoils Segment		
Domestic Sale	103.61	113.01
3 Other Segment - Wind Energy		
Domestic Sale	1.44	2.47
	1,754.90	1,684.00

- Reconciliation of revenue from contract with customer

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Revenue from contract with customer as per the contract price	1,758.41	1,690.70
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	(4.78)	(6.00)
b) Sales Returns /Credits / Reversals	(0.22)	1.32
c) Any other adjustments	1.49	(2.02)
Revenue from contract with customer as per the statement of Profit and Loss	1,754.90	1,684.00

## Notes to Financial Statements

### Note 28 : Other Income

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
1 Interest Income	2.80	6.70
2 Gain on Foreign Exchange Translation	1.25	-
3 Profit on Sale of Current Investments	4.77	7.31
4 Income from Investment measured at FVTPL	25.44	-
5 Business Support Service	27.15	31.48
6 Miscellaneous Income	2.64	15.44
	<b>64.05</b>	<b>60.93</b>

### Note 29 : Cost of Materials Consumed

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>1 Raw Materials Consumed</b>		
Inventory at the Commencement of the Year	94.47	134.50
Add : Purchases (Net)	1,395.23	1,097.71
	<b>1,489.70</b>	<b>1,232.21</b>
Less : Inventory at the Close of the Year (1)	175.29	94.47
	<b>1,314.41</b>	<b>1,137.74</b>
<b>2 Packing Materials Consumed</b>		
Inventory at the Commencement of the Year	2.99	2.91
Add : Purchases (Net)	49.52	50.00
	<b>52.51</b>	<b>52.91</b>
Less : Inventory at the Close of the Year (2)	4.24	2.99
	<b>48.27</b>	<b>49.92</b>
<b>Total Material Consumed (1+2)</b>	<b>1,362.68</b>	<b>1,187.66</b>

### Note 30 : Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>1 Inventory at the Commencement of the Year</b>		
Finished Goods	67.19	78.24
Stock in Trade	0.07	0.32
Work in Progress	80.23	75.88
	<b>147.49</b>	<b>154.44</b>
<b>2 Inventory at the End of the Year</b>		
Finished Goods	95.58	67.19
Stock in Trade	0.08	0.07
Work in Progress	129.07	80.23
	<b>224.73</b>	<b>147.49</b>
Changes in Inventories (1-2)	<b>(77.24)</b>	<b>6.95</b>

### Note 31 : Employee Benefits Expenses

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
1 Salaries and Wages (Net)	116.21	126.49
2 Contribution to Provident and Other Funds (Refer Note 38)	9.09	9.26
3 Employee Share based payments (Refer Note 39)	2.43	2.49
4 Staff Welfare Expense	8.27	7.50
	<b>136.00</b>	<b>145.74</b>

## Notes to Financial Statements

## Note 32 : Finance Costs

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>1 Interest Expense</b>		
Gross Interest	224.72	212.09
Less : Capitalised to Capital Work in Process	(1.05)	(0.01)
Net Interest	223.67	212.08
<b>2 Other Borrowing Costs</b>		
a) Discounting Charges	9.32	14.07
b) Others	4.52	2.84
	237.51	228.99

## Note 33 : Other Expenses

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
1 Consumption of Stores and Spares	13.53	11.02
2 Power and Fuel	89.38	96.20
3 Processing Charges	7.72	6.94
4 Rent	0.87	0.93
5 Rates and Taxes	5.47	14.53
6 Repairs and Maintenance		
(a) Machinery	13.00	12.15
(b) Buildings	8.15	9.32
(c) Other Assets	0.21	0.93
7 Insurance	3.64	2.10
8 Freight	52.60	47.10
9 Commission	4.92	6.81
10 Advertisement and Publicity	1.13	7.40
11 Selling and Distribution Expenses	11.86	11.53
12 Provision for Doubtful Debts and Advances	0.69	0.06
13 Loss on Foreign Exchange Translation	-	9.46
14 Loss on Sale of Fixed Assets	0.24	0.11
15 Research Expense	1.64	1.43
16 Legal and Professional fees	22.86	32.48
17 Fair Value Loss on Investments measured at FVTPL	-	2.88
18 Auditor's Remuneration (Refer Note 1 below)	0.89	0.72
19 Miscellaneous Expenses	57.95	60.31
	296.75	334.41

## Notes :

1 Auditor's Remuneration

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
(a) Auditors - Limited Review and Statutory Audit Fees	0.84	0.65
(b) For other services - Certification Fees	0.05	0.07
	0.89	0.72



## Notes to Financial Statements

### Note 34 : Exceptional Item

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
1 Profit / (Loss) on sale of Non Current Investments (Refer Note1)	1.27	(25.62)
	1.27	(25.62)

#### Note :

- 1 The Company, consequent to the approvals received from the Board of Directors on May 17, 2019 and from the shareholders on June 25, 2019 consummated the sale of Natures Basket Limited (NBL) a wholly owned subsidiary of the Company to Spencer's Retail Limited (SRL) on July 04, 2019 and received a sale consideration of ₹ 174.38 crore. Consequently, considering the provisions of Share Purchase Agreement (SPA) dated 17 May 2019 between the Company, NBL and SRL, exceptional gain of ₹ 1.27 crore is recorded due to recoveries from SRL pursuant to the SPA are recorded in the standalone financial statement for the year ended March 2021.

### Note 35 : Earnings Per Share

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
1 Calculation of weighted average number of equity shares - Basic		
(a) Number of equity shares at the beginning of the year (in units)	336,466,016	336,384,367
(b) Number of equity shares issued during the year (in units)	59,082	81,649
(c) Number of equity shares outstanding at the end of the year (in units)	336,525,098	336,466,016
(d) Weighted average number of equity shares outstanding during the year (in units)	336,511,573	336,445,436
2 Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year (in units)	336,581,797	336,545,396
(b) Number of potential equity shares at the end of the year (in units)	336,645,487	336,581,797
(c) Weighted average number of potential equity shares outstanding during the year (in units)	336,627,835	336,578,913
3 Profit / (Loss) for the Year (₹ In crores)	(107.54)	30.81
(a) Basic Earnings Per Share of ₹ 1 each	(3.20)	0.92
(b) Diluted Earnings Per Share of ₹ 1 each	(3.19)	0.92

## Notes to Financial Statements

## Note 36 : Income Tax Expense

1 Tax Expense recognised in the Statement of Profit and Loss		₹ In crores	
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	
Deferred Income Tax Liability / (Asset), net			
Origination and reversal of temporary differences	10.79	10.01	
Recognition of previously unrecognised tax losses	(10.85)	(10.06)	
Deferred Tax Expense - (credit)	(0.06)	(0.05)	
Tax Liability of earlier years	-	(0.07)	
Tax Expense For the Year	(0.06)	(0.12)	
2 Amounts recognised in Other Comprehensive Income		₹ In crores	
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	
Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit liability (asset)	-	-	
	-	-	
3 Reconciliation of effective tax rate		₹ In crores	
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	
Profit / (Loss) Before Tax	(107.60)	30.69	
Tax using the Company's statutory tax rate	(27.08)	10.72	
Tax effect of			
Income not subject to tax	(4.43)	(81.96)	
Amounts which are not deductible for taxable income	1.22	2.01	
Previously unrecognised tax losses and unabsorbed depreciation now recouped to reduce deferred tax expense	(10.85)	(10.06)	
Deferred tax assets not recognized because realization is not probable	41.08	79.28	
Current Tax pertaining to prior years	-	(0.07)	
Others	-	(0.05)	
	(0.06)	(0.12)	

The applicable statutory tax rate for the years ended March 31, 2021 is 25.168% (PY 34.95%). The Company has not recognised Deferred tax assets on unused tax losses and unused tax credits (refer note 5 below) as there is no reasonable certainty of availing the same in future years against normal taxes.

The effective tax rate for the year ended March 31, 2021 is lower primarily on account of reduction in existing Income tax rate and remeasuring the deferred taxes liabilities basis the reduced tax rate from previous year.

In the current year, the Company has opted to adopt the new Concessional tax rate under section 115BAA of the Income Tax Act which was inserted in the Income Tax Act, 1961, by the Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 with all the provisions/conditions stated therein.

## Notes to Financial Statements

### Note 36 : Income Tax Expense (Continued)

#### 4 Movement in deferred tax balances

₹ In crores

Particulars	Net balance April 1, 2020	Recognised in Statement of Profit and Loss	Net balance March 31, 2021	Deferred tax asset March 31, 2021	Deferred tax liability March 31, 2021
<b>Deferred tax asset</b>					
Property, Plant and Equipment	(201.87)	24.11	(177.76)	-	(177.76)
Indexation benefit on land and shares	0.99	0.07	1.06	1.06	-
Employee benefits	1.59	(0.24)	1.35	1.35	-
Provision for Doubtful Debts / Advances	8.46	(2.20)	6.26	6.26	-
Unabsorbed Depreciation	181.24	(23.40)	157.84	157.84	-
Other provisions	10.58	1.72	12.30	12.30	-
Others (Related to EHFL Demerger)	(0.58)	-	(0.58)	-	(0.58)
Investments (Acquisition on account of EHFL)	0.03	-	0.03	0.03	-
Tax assets (Liabilities)	0.44	0.06	0.50	178.84	(178.34)
Net tax assets	0.44	0.06	0.50	178.84	(178.34)

Particulars	Net balance April 1, 2019	Recognised in Statement of Profit and Loss	Net balance March 31, 2020	Deferred tax asset March 31, 2020	Deferred tax liability March 31, 2020
<b>Deferred tax asset</b>					
Property, Plant and Equipment	(177.98)	(23.89)	(201.87)	-	(201.87)
Indexation benefit on land and shares	0.94	0.05	0.99	0.99	-
Employee benefits	1.60	(0.01)	1.59	1.59	-
Provision for Doubtful Debts / Advances	8.43	0.03	8.46	8.46	-
Unabsorbed Depreciation	158.19	23.05	181.24	181.24	-
Other provisions	9.76	0.82	10.58	10.58	-
Others (Related to EHFL Demerger)	(0.58)	-	(0.58)	-	(0.58)
Investments (Acquisition on account of EHFL)	0.03	-	0.03	0.03	-
Tax assets (Liabilities)	0.39	0.05	0.44	202.89	(202.45)
Net tax assets	0.39	0.05	0.44	202.89	(202.45)

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

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

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Details of unused tax losses and unused tax credit is given in note 5 & 6 below.

As the Company does not have any intention to dispose off investments in unlisted subsidiaries and associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

The Company is not reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.

## Notes to Financial Statements

## 5 Tax losses carried forward

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
Expiry date		
31/3/2021	-	47.45
31/3/2022	4.63	4.63
31/3/2023	153.69	153.69
31/3/2024	110.09	110.09
31/3/2025	133.22	133.22
31/3/2026	119.43	119.43
31/3/2027	100.02	229.33
31/3/2028	102.94	112.34
31/3/2029	71.21	-
	795.23	910.18
Unabsorbed Depreciation never expires	930.75	821.81

## Note 37 : Leases

## 1. Cost, Accumulated Depreciation and Carrying Amount

₹ In crores

Particulars	Land and Buildings	Total
<b>Cost</b>		
As at 1 April 2019	59.75	59.75
Additions	1.67	1.67
Balance at 31 March 2020	61.42	61.42
Additions	51.55	51.55
Balance at 31 March 2021	112.97	112.97
<b>Accumulated depreciation and impairment</b>		
As at 1 April 2019	39.30	39.30
Depreciation	12.84	12.84
Balance at 31 March 2020	52.14	52.14
Depreciation	13.47	13.47
Balance at 31 March 2021	65.61	65.61
<b>Carrying amounts</b>		
As at 1 April 2020	9.28	9.28
Balance at 31 March 2021	47.36	47.36

## 2. Breakdown of lease expenses

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Short-term lease expense	0.86	0.93
Low value lease expense*	0.02	0.00
Total lease expense	0.87	0.93

\* Amount less than 0.01 crore

## Notes to Financial Statements

### Note 37 : Leases (Continued)

#### 3. Cash outflow on leases

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Repayment of lease liabilities	13.91	13.93
Interest on lease liabilities	3.98	1.86
Short-term lease expense	0.70	0.50
Low value lease expense	0.01	-
Total cash outflow on leases	18.59	16.28

#### 4 (a) Maturity analysis (Undiscounted amounts)

₹ In crores

Particulars	Total	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Weighted average effective interest rate %
<b>As at 31 March 2021</b>						
Lease liabilities						
Principal Repayment	50.91	13.59	11.03	26.29	-	8.90%
Interest Repayment	8.63	3.61	2.59	2.43	-	8.90%
	59.54	17.20	13.62	28.72	-	
<b>As at 31 March 2020</b>						
Lease liabilities						
Principal Repayment	13.20	6.93	4.27	2.00	-	8.90%
Interest Repayment	1.44	0.86	0.39	0.19	-	8.90%
	14.64	7.79	4.66	2.19		

#### 4 (b) Maturity analysis (Discounted amounts)

₹ In crores

Particulars	Total	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Weighted average effective interest rate %
<b>As at 31 March 2021</b>						
Lease liabilities						
Principal Repayment	50.91	13.59	11.03	26.29	-	8.90%
<b>As at 31 March 2020</b>						
Lease liabilities						
Principal Repayment	13.20	6.93	4.27	2.00	-	8.90%

#### 5. As a Lessor

Undiscounted lease payments to be received for operating leases

₹ In crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Year 1	37.46	8.93
More than 1 year and less than 5 years	95.06	36.35
Total	132.52	45.28

## Notes to Financial Statements

### Note 38 : Employee Benefits

#### 1 DEFINED CONTRIBUTION PLAN

##### Provident Fund :

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

#### 2 DEFINED BENEFIT PLAN

##### Gratuity :

The Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of ICICI Prudential Life Insurance Co. Ltd, HDFC Standard Life Insurance Co. Ltd. and SBI Life Insurance Co. Ltd, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

##### Provident Fund :

The Company manages the Provident Fund plan through a Provident Fund Trust for a majority of its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

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.

₹ In crores

Particulars	As at March 31, 2021	As at March 31, 2020
Plan assets at period end, at fair value	107.26	107.31
Provident Fund Corpus	102.79	104.06

Valuation assumptions under Deterministic Approach:

Weighted Average Yield	8.53%
Weighted Average YTM	8.83%
Guaranteed Rate of Interest	8.50%

##### Pension :

The Company has Pension plan for eligible employees. The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

#### 3 Basis Used to Determine Expected Rate of Return on Assets :

The expected return on plan assets of 6.93% p.a. has been considered based on the current investment pattern in Government securities.

## Notes to Financial Statements

### Note 38 : Employee Benefits (Continued)

#### 4 Amounts Recognised as Expense :

##### i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to ₹ 3.56 crore (previous year ₹ 3.86 crore) has been included in Note 31 Employee Benefits Expenses

##### ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 2.28 crore (previous year ₹ 1.99 crore) has been included in Note 31 Employee Benefits Expenses.

Employer's Contribution to Provident Fund amounting to ₹ 1.14 crore (previous year ₹ 1.16 crore) has been included in Note 31 Employee Benefits Expenses.

Pension cost amounting to ₹ 0.09 crore (previous year ₹ 0.11 crore) has been included in Note 31 Employee Benefits Expenses.

#### 5 The amounts recognised in the Company's financial statements as at the year end are as under :

₹ In crores

Particulars	Gratuity		Pension	
	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>1 Change in Present Value of Obligation</b>				
Present value of the obligation at the beginning of the year	35.49	35.06	0.54	0.54
Current Service Cost	1.48	1.38	-	-
Interest Cost	2.43	2.73	-	-
Contribution by Plan Participants	-	-	-	-
Actuarial (Gain) / Loss on Obligation due to change in financial assumptions	(0.13)	1.59	0.64	0.15
Actuarial (Gain) / Loss on Obligation due to experience adjustments	(0.04)	(0.05)	-	-
Benefits Paid	(4.29)	(5.22)	(0.27)	(0.15)
<b>Present value of the obligation at the end of the year</b>	<b>34.94</b>	<b>35.49</b>	<b>0.91</b>	<b>0.54</b>
<b>2 Change in Plan Assets</b>				
Fair value of Plan Assets at the beginning of the year	23.84	27.32	-	-
Expected return on Plan Assets	1.62	2.14	-	-
Actuarial Gain / (Loss) on Plan Assets	0.59	(0.43)	-	-
Contributions by the Employer	-	0.03	-	-
Benefits Paid	(4.29)	(5.22)	-	-
<b>Fair value of Plan Assets at the end of the year</b>	<b>21.76</b>	<b>23.84</b>	<b>-</b>	<b>-</b>
<b>3 Amounts Recognised in the Balance Sheet :</b>				
Present value of Obligation at the end of the year	34.94	35.49	-	-
Fair value of Plan Assets at the end of the year	21.76	23.84	-	-
<b>Net Obligation at the end of the year</b>	<b>13.17</b>	<b>11.65</b>	<b>-</b>	<b>-</b>

## Notes to Financial Statements

## Note 38 : Employee Benefits (Continued)

₹ In crores

Particulars	Gratuity		Pension	
	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>4 Amounts Recognised in the statement of Profit and Loss :</b>				
Current Service Cost	1.48	1.38	-	-
Interest cost on Obligation	2.43	2.73	-	-
Expected return on Plan Assets	(1.62)	(2.13)	-	-
<b>Net Cost Included in Personnel Expenses</b>	<b>2.29</b>	<b>1.98</b>	<b>-</b>	<b>-</b>
<b>5 Amounts Recognised in Other Comprehensive Income (OCI):</b>				
Actuarial Loss on Obligation For the Year	(0.17)	1.53	-	-
Actuarial (Gain) / Loss on Plan Assets	(0.59)	0.43	-	-
<b>Net Expense For the Period Recognised in OCI</b>	<b>(0.76)</b>	<b>1.96</b>	<b>-</b>	<b>-</b>
<b>6 Actual Return on Plan Assets</b>	<b>1.02</b>	<b>1.70</b>	<b>-</b>	<b>-</b>
<b>7 Estimated Contribution to be made in Next Financial Year</b>	<b>3.49</b>	<b>3.32</b>	<b>-</b>	<b>-</b>
<b>8 Actuarial Assumptions</b>				
i) Discount Rate	6.93% P.A.	6.86% P.A.	6.93% P.A.	6.86% P.A.
ii) Expected Rate of Return on Plan Assets	6.93% P.A.	6.86% P.A.	-	-
iii) Salary Escalation Rate	6.00% P.A.	6.00% P.A.	-	-
iv) Employee Turnover	1.00% P.A.	1.00% P.A.	1.00% P.A.	1.00% P.A.
v) Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

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.

**6 Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

₹ In crores

Particulars	Year Ended March 31, 2021		Year Ended March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.75)	1.99	(1.70)	1.92
Future salary growth (1% movement)	1.99	(1.78)	1.91	(1.73)
Rate of employee turnover (1% movement)	0.10	(0.11)	0.09	(0.10)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.



## Notes to Financial Statements

### 7 Expected future benefit payments of Gratuity

₹ In crores

	Year Ended March 31, 2021	Year Ended March 31, 2020
1 <sup>st</sup> following year	8.90	9.04
2 <sup>nd</sup> following year	1.88	2.80
3 <sup>rd</sup> following year	4.19	2.84
4 <sup>th</sup> following year	2.03	4.09
5 <sup>th</sup> following year	2.88	2.02
Thereafter	15.12	15.68

### 8 Details of Plan Assets

₹ In crores

	Year Ended March 31, 2021	Year Ended March 31, 2020
ICICI Prudential Life Insurance	0.69	0.82
HDFC Standard Life Insurance	5.97	5.01
SBI Life Insurance	15.10	18.01
<b>Total</b>	<b>21.76</b>	<b>23.84</b>

### Note 39 : Employee Stock Benefit Plans

#### 1 Employee Stock Grant Scheme

- The Company had set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders at their Meeting held on January 17, 2011.
- 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.
- The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Compensation Committee of the respective Company based on the employee's performance, level, grade, etc.
- The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.
- The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3<sup>rd</sup> at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by Compensation Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.
- 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.
- The Exercise Price of the shares has been fixed at ₹1 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

## Notes to Financial Statements

### Note 39 : Employee Stock Benefit Plans (Continued)

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2021:

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Description of the Inputs used
Dividend yield %	0.32%	0.37%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	28%-31%	28%-31%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.60% to 4.50%	6.91% to 7.95%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options (₹)	393.25	471.20	

(h) The Status of the above plan is as under:

Particulars	Numbers		Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
	Year Ended March 31, 2021	Year Ended March 31, 2020		
Options Outstanding at the Beginning of the Year	115,781	161,029	1.00	443.75
Options Granted	64,440	60,372		
Options Vested	59,082	81,649		
Options Exercised	59,082	81,649		
Options Lapsed / Forfeited	750	23,971		
<b>Total Options Outstanding at the end of the year</b>	<b>120,389</b>	<b>115,781</b>		

(i) The weighted average exercise price of the options outstanding as on March 31, 2021 is Re. 1 (previous year Re. 1 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2021 is 0.88 years (previous year 0.73 years).

## Notes to Financial Statements

### Note 40 : Related Party Information

a) Names of related parties and description of relationship	
<b>Parties where control exists</b>	
<b>1</b>	<b>Godrej Agrovet Limited - Subsidiary Company</b>
1.1	Godvet Agrochem Limited
1.2	Astec LifeSciences Limited (including its following subsidiaries)
1.2.1	Behram Chemicals Private Limited
1.2.2	Astec Europe Sprl (upto September 1, 2020)
1.2.3	Comercializadora Agricola Agrostrachem Cia Ltda
1.3	Creamline Dairy Products Limited
1.3.1	Nagavalli Milkline Private Limited (merged with Creamline Dairy Products Limited effective October 31, 2019)
1.4	Godrej Tyson Foods Limited (effective March 27, 2019)
1.5	Godrej Maxximilk Private Limited (effective March 27, 2019)
<b>Joint Venture</b>	
1.6	ACI Godrej Agrovet Private Limited, Bangladesh
1.7	Omnivore India Capital Trust
<b>Associates</b>	
1.8	Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
<b>2</b>	<b>Godrej Properties Limited - Subsidiary Company</b>
2.1	Godrej Garden City Properties Private Limited
2.2	Prakritiplaza Facilities Management Private Limited
2.3	Godrej Prakriti Facilities Private Limited
2.4	Godrej Genesis Facilities Management Private Limited
2.5	Godrej Hill Side Properties Private Limited
2.6	Godrej Highrises Properties Private Limited
2.7	City Star Infraprojects Limited
2.8	Godrej Residency Private Limited
2.9	Godrej Home Developers Private Limited
2.10	Godrej Projects Development Limited
2.11	Godrej Project Developers & Properties LLP
2.12	Godrej Projects (Soma) LLP
2.13	Godrej City Facilities Management LLP
2.14	Godrej Constructions Projects LLP
2.15	Godrej Highrises Realty LLP
2.16	Godrej Green Properties LLP
2.17	Godrej Skyview LLP
2.18	Godrej Projects North LLP
2.19	Godrej Athenmark LLP
2.20	Ashank Realty Management LLP
2.21	Godrej Olympia LLP
2.22	Ashank Facility Management LLP (effective July 09, 2019)
2.23	Godrej Green Woods Private Limited (w.e.f. May 26, 2020)
2.24	Godrej Precast Construction Private Limited (w.e.f. 19 July 2020)
2.25	Godrej Landmark Redevelopers Private Limited
2.26	Godrej Properties Worldwide Inc., USA
2.27	Ceeer Lifespaces Private Limited (w.e.f March 20, 2020)
2.28	Godrej Realty Private Limited
2.29	Godrej Florentine LLP
2.30	Godrej Housing Projects LLP
<b>Joint Venture</b>	
2.31	Godrej Realty Private Limited (upto March 30, 2021)
2.32	Godrej Redevelopers (Mumbai) Private Limited

## Notes to Financial Statements

### Note 40 : Related Party Information (Continued)

a)	Names of related parties and description of relationship
2.33	Godrej Greenview Housing Private Limited
2.34	Wonder Space Properties Private Limited (up to April 03, 2019)
2.35	Wonder City Buildcon Private Limited
2.36	Godrej Home Constructions Private Limited
2.37	Wonder Projects Development Private Limited
2.38	Godrej Real View Developers Private Limited
2.39	Pearlite Real Properties Private Limited
2.40	Godrej Skyline Developers Private Limited
2.41	Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited)
2.42	Godrej Ashank Macbricks Private Limited (formerly known as Ashank Macbricks Private Limited)
2.43	Munjal Hospitality Private Limited (effective May 07, 2019)
2.44	Yujya Developers Private Limited (effective December 2, 2019)
2.45	Vivrut Developers Private Limited (effective February 10, 2020)
2.46	Madhuvan Enterprises Private Limited (effective January 16, 2020)
2.47	Mosiac Landmarks LLP
2.48	Dream World Landmarks LLP
2.49	Oxford Realty LLP
2.50	Godrej SSPDL Green Acres LLP
2.51	Caroa Properties LLP
2.52	M S Ramaiah Ventures LLP
2.53	Oasis Landmarks LLP
2.54	Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)
2.55	Godrej Construction Projects LLP (upto March 30, 2021)
2.56	Godrej Property Developers LLP
2.57	A R Landcraft LLP
2.80	Bavdhan Realty @ Pune 21 LLP
2.59	Prakhhyat Dwellings LLP
2.60	Godrej Highview LLP
2.61	Godrej Projects North Star LLP
2.62	Godrej Developers & Properties LLP
2.63	Godrej Reserve LLP (formerly known as Sai Srushti Onehub Projects LLP)
2.64	Godrej Irismark LLP
2.65	Rosebery Estate LLP (effective September 18, 2018)
2.66	Suncity Infrastructures (Mumbai) LLP (effective October 10, 2018)
2.67	Maan-Hinje Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (effective February 01, 2019)
2.68	Godrej Vestamark LLP (w.e.f. May 03, 2019)
2.69	Manyata Industrial Parks LLP (effective April 22, 2019)
2.70	Godrej Odyssey LLP (w.e.f. September 26, 2019)
2.71	Universal Metro Properties LLP. (effective December 02, 2019)
2.72	Embellish Houses LLP (w.e.f. May 11, 2020)
2.73	Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (effective February 01, 2019)
2.74	Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (effective February 01, 2019)
2.75	Embellish Houses LLP
2.76	'Godrej Vestamark LLP (effective May 03, 2019)
2.77	Godrej Odyssey LLP (effective September 26, 2019)
3	Natures Basket Limited - Subsidiary Company (up to July 4, 2019)
4	Godrej International Limited - Subsidiary Company
5	Godrej International Trading & Investments Pte Limited - Subsidiary Company
6	Ensemble Holdings & Finance Limited - Subsidiary Company

## Notes to Financial Statements

### Note 40 : Related Party Information (Continued)

<b>a)</b>	<b>Names of related parties and description of relationship</b>
7	Godrej One Premises Management Private Limited - Subsidiary Company
8	Godrej Industries Limited Employee Stock Option Trust - Subsidiary Company
9	Pyxis Holdings Limited (w.e.f. March 25, 2021) - Subsidiary Company
	<b>Associates</b>
<b>10</b>	<b>Godrej Consumer Products Limited and its stepdown subsidiaries and Associates (Names of only direct subsidiaries has been given)</b>
10.1	Bhabhani Blunt Hairdressing Private Limited (Associate)
10.2	PT Megasari Makmur
10.3	Strength of Nature, LLC
10.4	Subinite Pty Ltd
10.5	Laboratoria Cuenca S.A.
10.6	Godrej Consumer Products International
10.7	Godrej Nigeria Limited
10.8	Canon Chemicals Limited
<b>11</b>	<b>Companies under common ownership</b>
11.1	Godrej & Boyce Manufacturing Company Limited
<b>12</b>	<b>Key Management Personnel</b>
12.1	Mr. A. B. Godrej - Chairman
12.2	Mr. N. B. Godrej - Managing Director
12.3	Ms. T. A. Dubash - Executive Director & Chief Brand Officer
12.4	Mr. N. S. Nabar - Executive Director & President (Chemicals)
12.5	Mr. C. G. Pinto - Chief Financial Officer
12.6	Ms. Tejal Jariwala - Company Secretary
<b>13</b>	<b>Non-Executive Directors</b>
13.1	Mr. J.N. Godrej
13.2	Mr. V.M. Crishna
13.3	Mr. K.M. Elavia (upto February 11, 2021)
13.4	Mr. K.N. Petigara
13.5	Mr. A.D. Cooper (upto October 27, 2020)
13.6	Mr. Mathew Eipe (effective May 13, 2019)
13.7	Dr. Ganapati D. Yadav (effective May 13, 2019)
13.8	Ms. Rashmi Joshi (up to March 27, 2020)
13.9	Mr. K.K. Dastur (up to August 8, 2019)
13.10	Mr. S.A. Ahmadullah (up to August 8, 2019)
13.11	Mr. A.B. Choudhury (up to August 8, 2019)
13.12	Ms. Monaz Noble (effective May 1, 2020)
13.13	Ms. Shweta Bhatia (effective October 28, 2020)
13.14	Mr. Sandeep Murthy (effective March 1, 2021)
<b>14</b>	<b>Relatives of Key Management Personnel</b>
14.1	Ms. N. A. Godrej - Daughter of Mr. A. B. Godrej
14.2	Mr. P. A. Godrej - Son of Mr. A. B. Godrej
14.3	Ms. R. N. Godrej - Wife of Mr. N. B. Godrej
14.4	Mr. B. N. Godrej - Son of Mr. N. B. Godrej
14.5	Mr. S. N. Godrej - Son of Mr. N. B. Godrej
14.6	Mr. H. N. Godrej - Son of Mr. N. B. Godrej
14.7	Mr. A. D. Dubash - Husband of Ms. Tanya Dubash
14.8	Master A. A. Dubash - Son of Ms. Tanya Dubash
14.9	Master A. A. Dubash - Son of Ms. Tanya Dubash
14.10	Ms. N. N. Nabar - Wife of Mr. N. S. Nabar

## Notes to Financial Statements

## Note 40 : Related Party Information (Continued)

a) Names of related parties and description of relationship	
<b>15</b>	<b>Enterprises over which key management personnel exercise significant influence</b>
15.1	Anamudi Real Estates LLP
15.2	Innovia Multiventures Private Limited
15.3	Godrej Seeds & Genetics Limited
15.4	ABG Family Trust
15.5	NBG Family Trust
15.6	TAD Family Trust
15.7	AREL Enterprise LLP ( w.e.f February 04 2021)
15.8	TNP Enterprise LLP (w.e.f.March 02 2021)
15.9	ANBG Enterprise LLP (w.e.f. March 08 2021)
15.10	Pyxis Holdings Limited (earlier known as Pyxis Developers Private Limited) (became subsidiary w.e.f. March 25, 2021)
<b>16</b>	<b>Enterprises over which relative of key management personnel exercise significant influence</b>
16.1	Shata Trading & Finance Private Limited
16.2	Shilawati Trading & Finance Private Limited
16.3	NG Family Trust
16.4	PG Family Trust
16.5	BNG Family Trust
16.6	SNG Family Trust
16.7	HNG Family Trust
16.8	Godrej Investment Advisers Private Limited
16.9	Godrej Housing Finance Limited
16.10	Karukachal Developers Private Limited
16.11	Eranthus Developers Private Limited
16.12	Praviz Developers Private Limited
16.13	Godrej Holdings Private Limited
16.14	Ceres Developers Private Limited (effective September 5, 2019)
<b>17</b>	<b>Post Employment Benefit Trust where reporting entity exercises significant influence</b>
17.1	Godrej Industries Employees Provident Fund
17.2	Godrej Industries Ltd Group Gratuity Trust

## b) Transactions with Related Parties

Amount in ₹ Crore

Nature of Transaction	Subsidiary Companies	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Enterprises over which Relative of Key Management Personnel exercise significant influence	Post Employment Benefit Trust	Total
Sale of Goods	5.17	68.90	0.21	-	-	-	-	-	74.28
<i>Previous Year</i>	5.75	61.20	0.58	-	-	-	0.00	-	67.53
Purchase of goods	0.45	10.24	-	-	-	-	-	-	10.69
<i>Previous Year</i>	3.26	8.73	-	-	-	-	-	-	11.99
Purchase of Property, Plants & Equipments	-	0.00	0.37	-	-	275.00	-	-	275.37
<i>Previous Year</i>	1.99	-	0.26	-	-	-	-	-	2.25
Commission / Royalty received	-	0.29	-	-	-	-	-	-	0.29
<i>Previous Year</i>	-	0.28	-	-	-	-	-	-	0.28
Licence fees / Service charges / Storage Income	5.74	18.13	-	-	-	0.92	0.03	-	24.82
<i>Previous Year</i>	5.08	14.04	-	-	-	-	0.13	-	19.25
Other Income	0.17	0.03	0.08	-	-	0.03	-	-	0.31
<i>Previous Year</i>	0.82	0.64	0.02	-	-	0.00	0.02	-	1.50

## Notes to Financial Statements

## Note 40 : Related Party Information (Continued)

Amount in ₹ Crore

Nature of Transaction	Subsidiary Companies	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Enterprises over which Relative of Key Management Personnel exercise significant influence	Post Employment Benefit Trust	Total
Recovery of establishment & Other Expenses	15.47	17.95	5.31	-	-	0.71	0.02	-	39.46
<i>Previous Year</i>	20.24	25.16	6.68	-	-	1.35	0.06	-	53.49
Rent, Establishment & other exps paid *	8.76	12.25	4.90	0.00	1.03	0.04	1.93	-	28.92
<i>Previous Year</i>	9.63	11.06	4.68	-	0.91	0.00	2.02	-	28.30
Dividend income	62.62	-	-	-	-	-	-	-	62.62
<i>Previous Year</i>	50.25	194.25	-	-	-	-	-	-	244.50
Dividend paid	-	-	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	0.22	1.63	3.73	4.21	-	9.79
Remuneration to Key Management Personnel									
Personal									
Short term employee benefit	-	-	-	19.61	-	-	-	-	19.61
Post employment benefit	-	-	-	0.73	-	-	-	-	0.73
Share based payment	-	-	-	0.74	-	-	-	-	0.74
<i>Previous Year</i>									
Short term employee benefit	-	-	-	22.16	-	-	-	-	22.16
Post employment benefit	-	-	-	0.73	-	-	-	-	0.73
Share based payment	-	-	-	0.84	-	-	-	-	0.84
Other Deposits accepted	0.25	-	-	-	-	-	-	-	0.25
<i>Previous Year</i>	0.14	0.16	-	-	-	-	-	-	0.30
Other Deposits refunded	-	-	-	-	-	-	-	-	-
<i>Previous Year</i>	0.10	-	-	-	-	-	-	-	0.10
Other Deposits - Advanced during the year	-	-	-	-	-	-	-	-	-
<i>Previous Year</i>	0.21	-	-	-	-	-	-	-	0.21
Directors Fees	-	-	-	0.07	-	-	-	-	0.07
<i>Previous Year</i>	-	-	-	0.07	-	-	-	-	0.07
Balance Outstanding as on March 31, 2021									
Receivables	3.50	10.21	4.20	-	-	0.27	-	-	18.18
<i>Previous Year *</i>	5.06	16.75	1.81	0.00	-	0.10	0.00	-	23.72
Payables	0.02	0.06	-	-	-	-	0.11	-	0.19
<i>Previous Year</i>		0.03	-	-	-	-	-	-	0.03
Guarantees outstanding	-	40.24	-	-	-	-	-	-	40.24
<i>Previous Year</i>	-	38.54	-	-	-	-	-	-	38.54

\* Amount less than ₹ 0.01 crores

## c) Significant Related Party Disclosure

Amount in ₹ Crore

Nature of Transaction	Company Name	March 2021
Sale of Goods	Godrej Consumer Products Limited	68.90
Purchase of Goods	Godrej Consumer Products Limited	10.24
Purchase of Property Plant and Equipment	Anamudi Real Estate LLP	275.00
Commission / Royalty received	Godrej Consumer Products Limited	0.29
Licence fees / Service charges / Storage Income	Godrej Consumer Products Limited	18.13
Recovery of establishment & other Expenses	Godrej Consumer Products Limited	17.95
Recovery of establishment & other Expenses	Godrej Agrovet Limited	5.36
Recovery of establishment & other Expenses	Godrej Properties Limited	7.37
Rent, Establishment & other expenses paid	Godrej Consumer Products Limited	12.25
Rent, Establishment & other expenses paid	Godrej Properties Limited	0.51
Rent, Establishment & other expenses paid	Godrej & Boyce Manufacturing Company Limited	4.9
Dividend income	Godrej Agrovet Limited	62.62
Other Deposits accepted	Godrej Properties Limited	0.12
Other Deposits accepted	Godrej Agrovet Limited	0.13

## Notes to Financial Statements

## Note 41 : Fair Value Measurement

Refer Note 2 sub note 9 & 10 for accounting policy on Financial Instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## 1 Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows.

₹ In crores

As at Mar 31, 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-Current</b>								
Investments								
Other Investments*	21.85	-	-	21.85	17.00	-	4.85	21.85
Loans								
Security Deposits	-	-	7.35	7.35	-	-	-	-
Loans to Employees	-	-	0.78	0.78	-	-	-	-
Other financial assets	-	-	1.55	1.55	-	-	-	-
<b>Current</b>								
Current investments	1,315.21	-	0.52	1,315.73	1,315.21	-	-	1,315.21
Trade receivables	-	-	249.72	249.72	-	-	-	-
Cash and cash equivalents	-	-	67.16	67.16	-	-	-	-
Other bank balances	-	-	50.93	50.93	-	-	-	-
Others	-	-	0.24	0.24	-	-	-	-
Derivative asset	0.10	-	-	0.10	-	0.10	-	0.10
Other Current Financial Assets	-	-	17.36	17.36	-	-	-	-
	1,337.16	-	395.61	1,732.77	1,332.21	0.10	4.85	1,337.16
<b>Financial liabilities</b>								
<b>Non-Current</b>								
Borrowings - Non Convertible Debentures	-	-	1,494.04	1,494.04	-	1,510.65	-	1,510.65
Borrowings - Term Loans from Banks	-	-	461.54	461.54	-	-	-	-
Lease Liabilities	-	-	37.32	37.32	-	-	-	-
<b>Current</b>								
Borrowings	-	-	2,339.89	2,339.89	-	-	-	-
Trade and other payables	-	-	600.28	600.28	-	-	-	-
Other financial liabilities (include lease liabilities)	-	-	245.85	245.85	-	-	-	-
	-	-	5,178.92	5,178.92	-	1,510.65	-	1,510.65

₹ In crores

As at Mar 31, 2020	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-Current</b>								
Investments								
Other Investments*	13.75	-	-	13.75	8.38	-	5.37	13.75
Loans								
Security Deposits	-	-	4.05	4.05	-	-	-	-
Loans to Employees	-	-	0.79	0.79	-	-	-	-
Other financial assets	-	-	2.59	2.59	-	-	-	-



## Notes to Financial Statements

### Note 41 : Fair Value Measurement (Continued)

₹ In crores

As at Mar 31, 2020	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Current</b>								
Trade receivables	-	-	199.91	199.91	-	-	-	-
Cash and cash equivalents	-	-	317.71	317.71	-	-	-	-
Other bank balances	-	-	25.87	25.87	-	-	-	-
Loans								
Others	-	-	0.26	0.26	-	-	-	-
Derivative asset	0.11	-	-	0.11	-	0.11	-	0.11
Other Current Financial Assets	-	-	23.56	23.56	-	-	-	-
	<b>13.86</b>	<b>-</b>	<b>574.74</b>	<b>588.60</b>	<b>8.38</b>	<b>0.11</b>	<b>5.37</b>	<b>13.86</b>
<b>Financial liabilities</b>								
<b>Non-Current</b>								
Borrowings	-	-	562.50	562.50	-	-	-	-
Lease Liabilities	-	-	6.27	6.27	-	-	-	-
<b>Current</b>								
Borrowings	-	-	2,250.79	2,250.79	-	-	-	-
Trade and other payables	-	-	385.43	385.43	-	-	-	-
Other financial liabilities (include lease liabilities)	-	-	145.86	145.86	-	-	-	-
	<b>-</b>	<b>-</b>	<b>3,350.85</b>	<b>3,350.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at net book value as per the latest audited financial statements available.

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

#### 2. Measurement of fair values

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- The Company uses the Discounted Cash Flow valuation technique (in relation to financial assets measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined for financial asset measured at fair value through profit and loss are classified as Level 2.
- The Company uses the discounted cash flow valuation technique (in relation to financial liabilities measured at amortised cost) which involves determination of the present value of expected payments, discounted using bank rate. The fair value of non-convertible debentures is valued using FIMMDA guidelines.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.

## Notes to Financial Statements

### Note 42 : Financial Risk Management

#### 1 Financial Risk Management objectives and policies

The Company's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks and Commodity price risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### 2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances and Bank balances and derivative transactions.

The carrying amount of following financial assets represents the maximum credit exposure:

##### Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Company's export sales are backed by letters of credit and insured through Export Credit Guarantee Corporation. The Company bifurcates the Domestic Customers into Large Corporates, Distributors and others for Credit monitoring.

The Company maintains adequate security deposits for sales made to its distributors. For other trade receivables, the Company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

₹ In crores

Particulars	As at	As at
	March 31, 2021	March 31, 2020
More than 6 Months	2.30	1.41
Others	247.42	198.50
	249.72	199.91

The movement in Provision for Loss Allowance is as follows:

₹ In crores

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Opening Provision for Loss Allowance	3.17	3.11
Impairment loss recognised	0.69	0.06
Closing Provision for Loss Allowance	3.86	3.17

#### Bank Balances and derivative transactions

Bank Accounts / derivative transactions are maintained / carried out with Banks having high credit ratings

## Notes to Financial Statements

### Note 42 : Financial Risk Management (Continued)

#### 3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other Debt instrument. The Company invests its surplus funds in bank fixed deposits and debt based mutual funds.

#### Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities as at Balance Sheet Dates:

₹ In crores

As at March 31, 2021	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Non Current Borrowings	1,955.58	2,359.84	63.92	65.26	278.61	1,952.05	-
Non Current Lease Liabilities	37.32	37.32	-	-	11.03	26.29	-
Current Borrowings	2,339.89	2,354.18	2,354.18	-	-	-	-
Current maturities of long term borrowings	100.96	107.03	34.97	72.06	-	-	-
Trade and other payables	600.28	600.28	600.28	-	-	-	-
Other financial liabilities	245.85	245.85	245.85	-	-	-	-

₹ In crores

As at March 31, 2020	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Non Current Borrowings	562.50	712.91	23.02	22.78	144.74	522.37	-
Non Current Lease Liabilities	6.27	6.27	-	-	4.27	2.00	-
Current Borrowings	2,250.79	2,262.92	2,262.92	-	-	-	-
Current maturities of long term borrowings	62.50	65.77	33.57	32.20	-	-	-
Trade and other payables	385.43	385.43	377.09	8.34	-	-	-
Other financial liabilities	74.53	74.53	74.53	-	-	-	-

#### 4 Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company's exposure to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### 4(i) Currency risk

The Company is exposed to currency risk on account of its borrowings, Receivables for Exports and Payables for Imports in foreign currency. The functional currency of the Company is Indian Rupee. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

**Exposure to currency risk** (Exposure in different currencies converted to functional currency)

## Notes to Financial Statements

## Note 42 : Financial Risk Management (Continued)

The currency profile of financial assets and financial liabilities as at Balance Sheet dates are as below:

₹ In crores

As at March 31, 2021	USD	EURO
<b>Financial assets</b>		
<b>Current</b>		
Trade Receivables	109.96	4.18
Less : Forward Contracts for Trade Receivables	(7.31)	-
	<b>102.65</b>	<b>4.18</b>
<b>Financial liabilities</b>		
<b>Current</b>		
Trade and other payables	341.05	0.06
Other financial liabilities	-	-
Less: Forward contracts for Trade Payables	(125.24)	-
	<b>215.81</b>	<b>0.06</b>

₹ In crores

As at March 31, 2020	USD	EURO
<b>Financial assets</b>		
<b>Current</b>		
Trade Receivables	96.17	2.89
Less : Forward Contracts for Trade Receivables	(11.35)	-
	<b>84.82</b>	<b>2.89</b>
<b>Financial liabilities</b>		
<b>Current</b>		
Trade and other payables	203.94	0.25
Other financial liabilities	-	-
Less: Forward contracts for Trade Payables	(63.56)	-
	<b>140.38</b>	<b>0.25</b>

Uncovered Foreign Exchange Exposure on Long Term Borrowings as at balance sheet dates includes External Commercial Borrowings (ECB) and Foreign Currency Term Loan (FCTL) taken for Capital Expenditure. Impact of fluctuation in Foreign Currency Rates on these borrowings relating to Capital Expenditure will be capitalised to Property, plant and equipments (PPE) and would not impact the Statement of Profit and Loss. The same pertains to FY 2019-20.

The following significant exchange rates have been applied as at the Balance Sheet dates:

₹	Year-end spot rate	
	As at March 31, 2021	As at March 31, 2020
USD 1	73.11	75.66
EUR1	85.74	82.84

## Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against the foreign currencies at March 31 would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ In crores

Particulares	As at March 31, 2021		As at March 31, 2020	
	Profit or (loss) and Equity		Profit or (loss) and Equity	
	Strengthening	Weakening	Strengthening	Weakening
USD - 2% Movement	1.59	(1.59)	(1.11)	1.11
EUR - 2% Movement	(0.12)	(0.12)	0.05	(0.05)
	<b>1.47</b>	<b>(1.71)</b>	(1.06)	1.06

## Notes to Financial Statements

### Note 42 : Financial Risk Management (Continued)

#### 4(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the Management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

#### Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the Management of the Company is as follows:

₹ In crores

Particulars	As at	
	March 31, 2021	March 31, 2020
Fixed rate borrowings	3,793.30	2,208.66
Variable rate borrowings	603.13	667.13
	4,396.43	2,875.79

#### Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

₹ In crores

Particulars	Profit or (loss) and Equity	
	100 bp increase	100 bp decrease
As at March 31, 2021		
Variable-rate instruments	(6.03)	6.03
Interest rate swaps	-	-
<b>Cash flow sensitivity (net)</b>	<b>(6.03)</b>	<b>6.03</b>
As at March 31, 2020		
Variable-rate instruments	(6.67)	6.67
Interest rate swaps	-	-
<b>Cash flow sensitivity (net)</b>	<b>(6.67)</b>	<b>6.67</b>

#### Forward Contracts

The Company 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 Company does not use foreign exchange forward contracts for trading or speculation purposes. Forward Contracts outstanding as at March 31, 2021:

Forward Contracts outstanding as at March 31, 2021:

in Crore

Particulars	As at	
	March 31, 2021	March 31, 2020
Forward Contract to Purchase (USD) [43 contracts (previous year 31 contracts)]	1.71	0.84
Forward Contract to Purchase (EUR) [NIL contracts (previous year 2 contracts)]	-	-
Forward Contract FCTL Loan (USD) [NIL contracts (previous year 3 contract)]	-	-
Forward Contract to Sell (USD) [1 contracts (previous year 9 contracts)]	0.10	0.15
Forward Contract to Sell (EUR) [NIL contracts (previous year 1 contract)]	-	-

## Notes to Financial Statements

### Note 43 : Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances and current investments.

₹ In crores

Particulars	As at	
	March 31, 2021	March 31, 2020
Non-Current Borrowings	1,955.58	562.50
Current Borrowings	2,339.89	2,250.79
Current maturity of long term debt	100.96	62.50
<b>Gross Debt</b>	<b>4,396.43</b>	<b>2,875.79</b>
Less - Cash and Cash Equivalents	(67.16)	(317.71)
Less - Other Bank Balances	(50.93)	(25.87)
Less - Current Investments	(1,315.73)	-
<b>Adjusted Net debt</b>	<b>2,962.61</b>	<b>2,532.21</b>
Total Equity	1,526.30	1,630.64
Adjusted Net Debt to Equity ratio	1.94	1.55

### Note 44 : Master netting or similar agreements

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at Balance Sheet Dates:

₹ In crores

As at March 31, 2021	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>Financial assets</b>						
<b>Current</b>						
Derivative asset	0.20	0.10	0.10	-	-	0.10
<b>Total</b>	<b>0.20</b>	<b>0.10</b>	<b>0.10</b>	<b>-</b>	<b>-</b>	<b>0.10</b>

₹ In crores

As at March 31, 2020	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>Financial assets</b>						
<b>Current</b>						
Derivative asset	0.20	0.10	0.10	-	-	0.10
<b>Total</b>	<b>0.20</b>	<b>0.10</b>	<b>0.10</b>	<b>-</b>	<b>-</b>	<b>0.10</b>

### Offsetting arrangements

#### Derivatives

The Company enters into derivative contracts for hedging foreign exchange exposures. In general, under such agreements, the amounts owed by each counterparty on a single day in respect of all the transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

## Notes to Financial Statements

### Note 45 : Dividend On Equity Shares

The Company has not declared any dividend during the year FY 2020-21.

### Note : 46

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

### Note 47

Corporate Social Responsibility contribution required to be made as per provisions of Section 135 of the Companies Act, 2013 is NIL for the current year and previous year.

### Note 48

The financial year ended 31 March 2021 was an unprecedented period due to the spread of COVID-19 pandemic across the globe, adversely impacting sales performance of the Company. While the operations have resumed for manufacturing locations in compliance with Government directives since April, 2020, Company continues to closely monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations. As per the Company's current assessment, no significant impact on carrying amounts of inventories, intangible assets, trade receivables, investments and other financial assets is expected, and we continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these standalone financial statements.

As per our Report of even date attached

For and on behalf of the Board of Directors of  
**Godrej Industries Limited**  
 CIN No.: L24241MH1988PLC097781

#### For B S R & Co. LLP

Chartered Accountants  
 Firm Regn. No. : 101248W / W-100022

#### Vijay Mathur

Partner  
 M.No. : 046476  
 Mumbai, May 21, 2021

#### A. B. Godrej

Chairman  
 DIN : 00065964

#### Clement Pinto

Chief Financial Officer

#### N. B. Godrej

Managing Director  
 DIN: 00066195

#### Tejal Jariwala

Company Secretary

#### N. S. Nabar

Executive Director &  
 President (Chemicals)  
 DIN : 06521655

**FORM AOC-1**  
**STATEMENT PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES.**

Part "A" : Subsidiaries/ Limited Liability Partnerships

Amount in ₹ Crore																
Sr. No.	Name of Subsidiary Company / Limited Liability Partnership	Reporting Currency	Exchange Rate	Accounting Period	Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover (Refer Note (a) below)	Profit before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	% of Holding	Country
1	Godrej Agrovet Limited	INR	1.00	2020-21	192.07	1,563.80	3,239.98	1,484.11	596.10	4,513.81	352.56	73.56	279.00	86.42	59.90%	India
2	Goover Agrochem Limited	INR	1.00	2020-21	9.96	5.79	18.41	2.67	-	3.76	0.73	3.03	-	-	100%	India
3	Astec Lifesciences Limited	INR	1.00	2020-21	19.59	289.11	677.90	369.20	0.43	554.87	88.67	23.98	64.69	2.94	62.30%	India
4	Astec Europe Spil*	EURO	87.57	2020-21	-	-	-	-	-	-	(0.01)	-	(0.01)	-	-	Belgium
5	Behram Chemicals Private Limited	INR	1.00	2020-21	0.60	0.47	1.10	0.04	-	-	0.09	0.02	0.07	-	65.63%	India
6	Comercializadora Agricola Agrostrachem Cia Ltda	COB	0.02	2020-21	0.01	(0.10)	0.00	0.09	-	-	(0.00)	-	(0.00)	-	100%	Columbia
7	Creamline Dairy Products Limited	INR	1.00	2020-21	11.32	185.65	454.53	257.55	-	1,031.75	7.29	1.35	5.94	11.32	51.91%	India
8	Godrej Tyson Foods Limited	INR	1.00	2020-21	0.20	150.09	314.57	164.28	-	602.45	22.68	7.46	15.22	-	51%	India
9	Godrej Maxmilk Private Limited	INR	1.00	2020-21	1.18	(6.85)	46.13	51.80	-	8.91	(8.14)	-	(8.14)	-	74.90%	India
10	Godrej One Premises Management Private Limited	INR	1.00	2020-21	0.01	-	5.44	5.43	-	27.10	-	-	-	-	58.00%	India
11	Godrej International Limited	USD	73.11	2020-21	14.76	119.18	136.72	2.78	-	4.96	2.52	-	2.52	-	100%	Iso of Man
12	Godrej International Trading & Investment	USD	73.11	2020-21	4.43	35.49	156.78	116.86	-	518.43	10.09	1.41	8.68	-	100%	Singapore
13	Ensemble Holdings & Finance Limited	INR	1.00	2020-21	6.57	(4.85)	4.84	3.11	-	0.15	0.00	-	0.00	-	100%	India
14	Pixiv Holdings Limited	INR	1.00	2020-21	0.04	(0.13)	(0.09)	0.12	-	(0.13)	(0.13)	-	(0.13)	-	51.16%	India
15	Godrej Properties Limited**	INR	1.00	2020-21	138.97	8,616.54	14,941.61	6,186.10	5,279.98	1,241.42	83.44	126.25	(42.81)	-	44.76%	India
16	Godrej Projects Development Limited	INR	1.00	2020-21	0.23	(50.23)	1,936.25	1,966.25	304.32	263.57	(70.76)	(20.39)	(50.37)	-	100%	India
17	Godrej Garden City Properties Private Limited	INR	1.00	2020-21	0.05	7.78	21.51	13.68	0.43	8.08	(0.30)	(0.07)	(0.21)	-	100%	India
18	Godrej Hillside Properties Private Limited	INR	1.00	2020-21	0.41	(1.04)	0.13	0.76	0.01	(0.06)	(0.07)	-	(0.07)	-	100%	India
19	Godrej Home Developers Private Limited	INR	1.00	2020-21	0.41	(0.32)	0.14	0.04	0.00	0.01	(0.00)	-	(0.00)	-	100%	India
20	Godrej Prakriti Facilities Private Limited	INR	1.00	2020-21	0.01	0.93	4.25	3.32	-	5.69	0.07	0.02	0.05	-	100%	India
21	Prakritiplaza Facilities Management Private Limited	INR	1.00	2020-21	0.01	0.03	0.47	0.43	-	0.15	0.03	0.01	0.02	-	100%	India
22	Godrej Highises Properties Private Limited	INR	1.00	2020-21	0.01	(0.50)	222.30	222.79	-	-	(0.23)	-	(0.23)	-	100%	India
23	Godrej Genesis Facilities Management Private Limited	INR	1.00	2020-21	0.01	0.49	3.24	2.74	-	3.77	0.06	0.02	0.05	-	100%	India
24	Citystar InfraProjects Limited	INR	1.00	2020-21	0.05	(0.16)	0.36	0.47	-	(0.04)	(0.04)	-	(0.04)	-	100%	India
25	Godrej Residency Private Limited	INR	1.00	2020-21	0.00	(0.05)	0.00	0.05	-	(0.01)	(0.01)	-	(0.01)	-	100%	India
26	Ceezar Lifespaces Private Limited (w.e.f. March 31, 2021)	INR	1.00	2020-21	0.01	(0.60)	224.31	224.90	-	-	(0.53)	-	(0.53)	-	100%	India
27	Godrej Realty Private Limited (w.e.f. March 31, 2021)	INR	1.00	2020-21	1.74	(7.67)	0.16	6.09	-	-	-	-	-	-	100%	India
28	Godrej Precast Construction Private Limited (w.e.f. July 19, 2020)	INR	1.00	2020-21	0.01	(0.01)	0.01	0.01	-	-	(0.01)	-	(0.01)	-	100%	India
29	Godrej Green woods Private Limited (w.e.f. May 26, 2020)	INR	1.00	2020-21	64.00	(3.99)	1,322.96	1,462.94	-	0.10	(3.99)	-	(3.99)	-	100%	India
30	Godrej Construction Projects LLP (w.e.f. March 31, 2021)	INR	1.00	2020-21	0.01	(6.63)	145.70	152.31	-	-	-	-	-	-	100%	India
31	Godrej Highises Realty LLP	INR	1.00	2020-21	0.00	(3.52)	1.00	4.52	-	-	(0.34)	-	(0.34)	-	100%	India
32	Godrej Project Developers & Properties LLP	INR	1.00	2020-21	0.00	(0.27)	2.48	2.74	-	-	(0.23)	-	(0.23)	-	100%	India
33	Godrej Skyview LLP	INR	1.00	2020-21	0.00	(0.03)	0.00	0.03	-	-	(0.01)	-	(0.01)	-	100%	India
34	Godrej Green Properties LLP	INR	1.00	2020-21	0.00	(0.03)	0.00	0.03	-	0.00	(0.01)	-	(0.01)	-	100%	India
35	Godrej Projects (Goma) LLP	INR	1.00	2020-21	0.00	(0.03)	0.00	0.03	-	0.00	(0.01)	-	(0.01)	-	100%	India
36	Godrej Projects North LLP	INR	1.00	2020-21	0.00	(0.03)	0.00	0.03	0.00	-	(0.01)	-	(0.01)	-	100%	India
37	Godrej Athenmark LLP	INR	1.00	2020-21	0.00	(0.09)	0.26	0.35	-	-	(0.03)	-	(0.03)	-	100%	India
38	Godrej Vestamark LLP	INR	1.00	2020-21	-	-	-	-	-	-	(0.00)	-	(0.00)	-	100%	India
39	Godrej Landmark Redevelopers Private Limited	INR	1.00	2020-21	0.05	113.79	174.50	60.66	143.01	41.63	7.86	2.39	5.47	-	100%	India
40	Godrej City Facilities Management LLP	INR	1.00	2020-21	0.00	(0.02)	0.00	0.02	-	-	(0.01)	-	(0.01)	-	100%	India
41	Godrej Olympia LLP (w.e.f. June 21, 2019)	INR	1.00	2020-21	0.00	(0.02)	0.00	0.02	-	-	(0.01)	-	(0.01)	-	100%	India
42	Godrej Florentine LLP (w.e.f. 21 June 2019)	INR	1.00	2020-21	1.03	(1.03)	0.01	0.01	-	0.00	(1.02)	-	(1.02)	-	100%	India
43	Astrank Facility Management LLP (w.e.f. 9 July 2019)	INR	1.00	2020-21	0.00	0.05	3.31	3.26	-	7.09	0.05	0.02	0.04	-	100%	India
44	Ashank Realty Management LLP (w.e.f. 30 May 2019)	INR	1.00	2020-21	0.00	0.19	0.23	0.03	-	0.22	0.18	0.06	0.12	-	100%	India
45	Godrej Properties Worldwide Inc., USA	INR	1.00	2020-21	3.36	(0.96)	2.47	0.07	-	2.39	0.11	-	0.11	-	100%	USA

Amount in 0.00 are less than ₹ 0.01 crore.

Percentage holding in LLPs denotes the Share of Profit in the LLPs

(a) Turnover includes Revenue from Operations and Other Income

\* During the year ended March 31, 2021, the Group has sold its equity stake in Astec Europe Spil (subsidiary of Astec Lifesciences Limited) at a consideration of Euro 1.

\*\* The Company Godrej Industries Limited (GIL) has power and de facto control over Godrej Properties Limited (GPL) (even without overall majority of shareholding and voting power). Accordingly, there is no loss of control of GIL over GPL post the QIP and GIL continues to consolidate GPL as a subsidiary.



## STATEMENT PURSUANT TO FIRST PROVISOR TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013. READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES. (CONTINUED)

## Part "B" : Associates / Joint Ventures

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership/ Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures / Associates held by the company on the year end		Description of how there is significant influence	Reason why associate / joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year Considered in Consolidation	Not Considered in Consolidation
			No of Share	Amount of Investment in Joint Venture					
1	Godrej Consumer Products Limited	31.03.2021	242812860	1366.2	23.75% through % of holding	NA	2241.48	418.29	-
2	ACI Godrej Agrovet Private Limited	31.03.2021	1850000	12.58	50.00% through % of holding	NA	85.02	41.31	-
3	Omnivore India Capital Trust	31.03.2020	2,444.37 Units	24.44	9.77% The Company participates in the key activities jointly with the Investment Manager.	NA	14.02	8.93	-
4	AI Parabha International Trading Limited Liability Company	31.03.2017	24	0.04	24.00% through % of holding	NA	-	-	-
5	Godrej Realty Private Limited (Upto March 30, 2021)	31.03.2021	-	-	51.00% through % of holding	NA	-	(4.22)	-
6	Godrej (Re)developers (Mumbai) Private Limited	31.03.2021	28567	4.44	0.51 through % of holding	NA	2.12	(1.78)	-
7	Wonder City Builders Private Limited	31.03.2021	810420	-	25.10% through % of holding	NA	(32.98)	(15.63)	-
8	Godrej Home Constructions Private Limited	31.03.2021	1071770	-	25.10% through % of holding	NA	(23.75)	(3.28)	-
9	Godrej Greenview Housing Private Limited	31.03.2021	1284560	1.37	20.00% through % of holding	NA	(14.38)	(5.57)	-
10	Wonder Projects Development Private Limited	31.03.2021	1070060	1.45	20.00% through % of holding	NA	(5.13)	(1.92)	-
11	Godrej Real View Developers Private Limited	31.03.2021	2140000	2.43	20.00% through % of holding	NA	(5.11)	(1.36)	-
12	Pearlrite Real Properties Private Limited	31.03.2021	3871000	4.19	49.00% through % of holding	NA	14.69	1.27	-
13	Godrej Skyline Developers Private Limited	31.03.2021	280000	0.26	26.00% through % of holding	NA	(5.44)	(2.42)	-
14	Godrej Green Homes Private Limited	31.03.2021	360913	83.18	50.00% through % of holding	NA	68.38	(13.99)	-
15	Godrej Macbricks Private Limited (formerly known as Ashank Macbricks Private Limited)	31.03.2021	1675000	2.30	20.00% through % of holding	NA	(2.88)	(3.65)	-
16	Yujiva Developers Private Limited (w.e.f. December 02, 2019)	31.03.2021	7241960	7.24	20.00% through % of holding	NA	5.36	(2.22)	-
17	Vivut Developers Private Limited (w.e.f. February 10, 2020)	31.03.2021	700000	0.70	20.00% through % of holding	NA	17.91	(0.46)	-
18	Munjali Hospitality Private Limited (w.e.f. June 29, 2019)	31.03.2021	60961200	83.23	12.00% through % of holding	NA	83.47	0.15	-
19	Madhvan Enterprises Private Limited (w.e.f. January 16, 2020)	31.03.2021	0	-	0.00% through participative rights	NA	-	-	-
20	Godrej Property Developers LLP	31.03.2021	NA	-	32.00% through % of holding and Voting rights	NA	(0.10)	(0.02)	-
21	Mosaic Landmarks LLP	31.03.2021	NA	0.11	1.00% through % of holding and Voting rights	NA	0.11	(0.00)	-
22	Dream World Landmarks LLP	31.03.2021	NA	0.04	40.00% through % of holding and Voting rights	NA	2.32	(1.65)	-
23	Oxford Realty LLP	31.03.2021	NA	0.00	35.00% through % of holding and Voting rights	NA	13.02	0.07	-
24	Godrej SSPDL Green Acres LLP	31.03.2021	NA	0.05	37.00% through % of holding and Voting rights	NA	(12.99)	(9.85)	-
25	Oasis Landmarks LLP	31.03.2021	NA	0.00	38.00% through % of holding and Voting rights	NA	(1.49)	(3.25)	-
26	M S Ramaiah Ventures LLP	31.03.2021	NA	1.01	49.50% through % of holding and Voting rights	NA	0.47	(0.24)	-
27	Caroo Properties LLP	31.03.2021	NA	0.04	35.00% through % of holding and Voting rights	NA	(15.49)	(5.79)	-
28	Godrej Construction Projects LLP (Upto March 30, 2021)	31.03.2021	NA	0.00	34.00% through % of holding and Voting rights	NA	-	4.29	-
29	Godrej Housing Projects LLP	31.03.2021	NA	0.01	50.00% through % of holding and Voting rights	NA	7.82	32.78	-
30	Godrej Amritis Developers LLP	31.03.2021	NA	0.05	46.00% through % of holding and Voting rights	NA	(8.67)	(2.99)	-
31	A R Landcraft LLP	31.03.2021	NA	0.05	40.00% through % of holding and Voting rights	NA	(32.50)	(7.75)	-
32	Prakhyat Dwellings LLP	31.03.2021	NA	0.01	50.00% through % of holding and Voting rights	NA	(19.86)	(10.85)	-
33	Bavdhan Realty @ Pune 21 LLP	31.03.2021	NA	0.00	45.00% through % of holding and Voting rights	NA	(1.79)	(1.74)	-
34	Godrej Highview LLP	31.03.2021	NA	4.80	40.00% through % of holding and Voting rights	NA	(17.91)	(10.29)	-
35	Godrej Irismark LLP	31.03.2021	NA	0.01	50.00% through % of holding and Voting rights	NA	(11.42)	(4.68)	-
36	Godrej Projects North Star LLP	31.03.2021	NA	0.01	55.00% through % of holding and Voting rights	NA	(7.58)	(3.70)	-
37	Godrej Developers & Properties LLP	31.03.2021	NA	0.00	37.50% through % of holding and Voting rights	NA	(15.17)	(7.64)	-

STATEMENT PURSUANT TO FIRST PROVISOR TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013. READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES. (CONTINUED)

Part "B" : Associates / Joint Ventures (Continued)

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership/ Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures / Associates held by the company on the year end		Description of how there is significant influence	Reason why associate / joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
			No of Share	Amount of Investment in Joint Venture				Extend of Holding %	Considered in Consolidation
38	Godrej Reserve LLP	31.03.2021	NA	0.01	21.70% through % of holding and Voting rights	NA	0.03	7.18	-
39	Roseberry Estate LLP	31.03.2021	NA	0.00	49.00% through % of holding and Voting rights	NA	(7.14)	(3.26)	-
40	Maan-Hinje Township Developers LLP	31.03.2021	NA	33.86	40.00% through % of holding and Voting rights	NA	106.87	(1.12)	-
41	Suncity Infrastructures (Mumbai) LLP	31.03.2021	NA	0.01	50.00% through % of holding and Voting rights	NA	(4.28)	(2.54)	-
42	Mahalunge Township Developers LLP	31.03.2021	NA	206.11	40.00% through % of holding and Voting rights	NA	190.48	(7.89)	-
43	Manjari Housing Projects LLP	31.03.2021	NA	205.00	40.00% through % of holding and Voting rights	NA	191.06	(8.45)	-
44	Manyata Industrial Parks LLP (w.e.f. April 22, 2019)	31.03.2021	NA	0.01	1.00% through % of holding and Voting rights	NA	(0.12)	(0.06)	-
45	Godrej Odyssey LLP (w.e.f. September 26, 2019)	31.03.2021	NA	0.00	55.00% through % of holding and Voting rights	NA	(0.29)	(0.28)	-
46	Universal Metro Properties LLP (w.e.f. December 02, 2019)	31.03.2021	NA	0.00	49.00% through % of holding and Voting rights	NA	(2.05)	(2.06)	-
47	Embellish Houses LLP (w.e.f May 11, 2020)	31.03.2021	NA	0.00	50.00% through % of holding and Voting rights	NA	(1.15)	(1.13)	-
47	Godrej Vestiamark LLP (w.e.f May 03, 2019)	31.03.2021	NA	0.00	58.28% through % of holding and Voting rights	NA	187.77	(8.00)	-

Amount in 0.00 are less than ₹ 0.01 crore.

Percentage holding in LLPs denotes the Share of Profit in the LLPs

(a) Turnover includes Revenue from Operations and Other Income

For and on behalf of the Board of Directors of

**Godrej Industries Limited**

CIN No. : L24241MH1988PLC097781

**A. B. Godrej**

Chairman

DIN : 00065964

**N. B. Godrej**

Managing Director

DIN : 00066195

**N. S. Nabar**

Executive Director &

President (Chemicals)

DIN : 06521655

**Clement Pinto**

Chief Financial Officer

**Tejal Jarwala**

Company Secretary

Mumbai, May 21, 2021



*Godrej*

Godrej Industries Ltd.

[www.godrejindustries.com](http://www.godrejindustries.com)