



CONSOLIDATED
FINANCIAL
STATEMENTS



Independent Auditor's Report

TO THE MEMBERS OF GODREJ INDUSTRIES LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Godrej Industries Limited (hereinafter referred to as "the Company" or "the Holding Company") and its subsidiaries (the 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 2018, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss (including 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 Board of Directors of the companies 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 the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An

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audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and of its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the 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.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 2(b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for qualified opinion

During the year ended 31 March 2017, one of the Company's subsidiaries had paid remuneration to its Managing Director which is in excess of the limits given under section 197 read with Schedule V of the Companies Act, 2013 by ₹ 86.61 crores. Pending approval from the Central Government, impact thereof on the consolidated financial statements is currently not ascertainable. Refer Note 59 to the consolidated financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above and based on the consideration of reports of other auditors on separate financial statements and on other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2018, and their consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Emphasis of matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

- i. Note 59 to the consolidated financial statements wherein the Company has paid remuneration to two Directors during the year ended 31 March 2017 and 31 March 2018, which is in excess of the limits given under section 197 read with Schedule V of the Companies Act, 2013 by ₹ 4.54 crores and ₹ 7.48 crores respectively. The Company has made an application to the Central Government for payment of the excess remuneration for which approval is awaited.
- ii. Note 18. IV (i) to the consolidated financial statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on 1 April 2011. Amortisation amounting to ₹ 4.25 crores for the years ended 31 March 2018 and 31 March 2017, on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account. Had this amount been charged to the consolidated statement of profit and loss, the profit for the year ended 31 March 2018 and 31 March 2017 would have been lower by ₹ 2.77 crores and ₹ 2.78 crores respectively.
- iii. Note 18. IV (iii) to the consolidated financial statements wherein the Honorable High Court of Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Goldmuhor Agrochem

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& Feeds Limited) have been taken over and recorded at their book values as on 01 October 2013. An amount of ₹ 20 crores has been transferred from the General Reserve Account and used to increase the Reserve for Employee Compensation Expenses, of which ₹ 19.86 crores has been utilised in the year ended 31 March 2017. Had the Scheme not prescribed this treatment, the profit for the year ended 31 March 2017 would have been lower by ₹ 19.86 crores.

- iv. Note 18. IV (ii) to the consolidated financial statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme for the Reduction of Capital (Securities Premium Account). As per the Scheme, an amount of ₹ 110.04 crores has been transferred from the Securities Premium account and used to create the reserve for Employee Compensation expenses, of which ₹ 3.90 crores has been utilised in the year ended 31 March 2017. Had the Scheme not prescribed this treatment, the profit for the year ended 31 March 2017 would have been lower by ₹ 3.90 crores.

The above treatment prescribed under the respective Court schemes differs from the treatment prescribed under the Indian Accounting Standards according to which, the said amounts should have been debited to the Consolidated Statement of Profit and loss. Had the Schemes not prescribed this accounting treatment, the Company's profit for the year ended 31 March 2018 and 31 March 2017 would have been lower by ₹ 15.94 crores and by ₹ 26.54 crores respectively.

Our opinion is not qualified in respect of the above matters.

Other Matters

1. The comparative financial information of the Group, its associates and joint ventures for the year ended 31 March 2017, prepared in accordance with Ind AS, included in these consolidated Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated 22 May 2017, had expressed a qualified opinion thereon (modification as more fully explained in the Basis for qualified opinion paragraph and which continues to apply to the accompanying consolidated Ind AS financial statements for the year ended 31 March 2018).
2. (a) We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of ₹197.31 crores as at 31 March 2018, total revenues of ₹ 241.40 crores and net cash inflows amounting to ₹ 25.57 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 (including other comprehensive income) of ₹ 6.31 crores for the year ended 31 March, 2018, as considered in the consolidated financial statements, in respect of one associate and one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, joint venture and associate is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 0.10 crores as at 31 March 2018, total revenues of ₹ Nil and net cash outflows amounting to ₹ 2.18 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 (including other comprehensive income) of ₹ 4.79 crores for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of one associate and one joint venture whose financial statements have not been audited by us. These financial statements are unaudited and 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, joint venture and associate, 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, joint venture and associate, is based solely on such unaudited financial statements.

Independent Auditor's Report

In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion above 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

1. 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 and the other financial information of subsidiaries, joint ventures and associates, as noted in the 'Other matters' paragraph above, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated 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 Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards 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 2018 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, are disqualified as on 31 March 2018 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 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".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 as also the other financial information 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 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 38 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 26 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.

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- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India, during the year ended 31 March 2018.
- 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 since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited consolidated financial statements for the year ended 31 March 2017 have been disclosed. Refer Note 56 to the consolidated financial statements.

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

Place: Mumbai
Date: 23 May 2018

Vijay Mathur
Partner
Membership No. 046476

Annexure A to the Independent Auditor's Report

(Referred to in our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of Godrej Industries Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure A to the Independent Auditor's Report

Inherent Limitations of Internal Financial Controls over financial reporting

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

Opinion

In our opinion, the Holding company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Holding 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.

Other matters

Our aforesaid report under clause (i) of sub-section 3 of Section 143 of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to Four subsidiary companies and one associate, 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

Place: Mumbai

Date: 23 May 2018

Consolidated Balance Sheet as at March 31, 2018

Particulars	Note No.	Amount ₹ in Crore	
		As at March 31, 2018	As at March 31, 2017
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	2,605.02	2,591.56
Capital Work in Progress	3a	269.83	54.09
Investment Property	3b	140.31	126.21
Goodwill		500.31	500.29
Other Intangible Assets	3c	56.67	63.06
Intangible Assets Under Development	3d	0.68	0.25
Biological Assets other than bearer plants	3e	4.26	4.67
Equity accounted investees	4a	2,899.72	2,480.28
Financial Assets			
Investments	4b	756.96	353.67
Trade Receivables	5	13.39	13.33
Loans	6	109.53	101.95
Other Financial Assets	7	12.62	7.76
Deferred Tax Assets (net)	8	293.68	289.32
Other Tax Assets (net)		132.42	152.75
Other Non Current Assets	9	73.72	95.43
Current Assets			
Inventories	10	3,429.29	5,020.34
Financial Assets			
Investments	11	546.97	369.33
Trade Receivables	12	1,043.91	905.86
Cash and cash equivalents	13a	280.99	179.03
Other Bank balances	13b	192.15	55.90
Loans	14	1,101.22	735.69
Other Financial Assets	15	960.42	835.79
Current Tax Assets (net)		0.99	0.87
Other Current Assets	16	421.20	282.89
TOTAL ASSETS		15,846.26	15,220.32
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	17	33.63	33.61
Other Equity	18	3,875.26	3,162.01
Equity attributable to shareholders of the Company		3,908.89	3,195.62
Non-controlling interest		1,796.88	1,474.59
TOTAL EQUITY		5,705.77	4,670.21
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
Borrowings	19	952.29	1,508.26
Other Financial Liabilities	20	-	35.33
Provisions	21	25.32	17.11
Deferred Tax Liabilities (net)	22	242.48	229.25
Other Non Current Liabilities	23	15.45	15.24
Current Liabilities			
Financial Liabilities			
Borrowings	24	5,311.78	5,592.31
Trade Payables	25	1,685.61	1,691.23
Other Financial Liabilities	26	1,166.08	858.35
Other Current Liabilities	27	639.24	556.48
Provisions	28	40.37	30.94
Current Tax Liabilities (net)		61.87	15.61
TOTAL LIABILITIES		10,140.49	10,550.11
TOTAL EQUITY AND LIABILITIES		15,846.26	15,220.32
Significant Accounting Policies	2		

The accompanying notes form an integral part of the consolidated financial statements

As per our Report attached of even date

For and on behalf of the Board of Directors of **Godrej Industries Limited**
CIN No.: L24241MH1988PLC097781

For BSR & Co. LLP
Chartered Accountants
Firm Regn. No.: 101248W / W-100022

A. B. Godrej
Chairman
DIN: 00065964

N. B. Godrej
Managing Director
DIN: 00066195

Vijay Mathur
Partner
M.No.: 046476

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

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Mumbai, May 23, 2018

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Note No.	Amount ₹ in Crore	
		Year ended March 31, 2018	Year ended March 31, 2017
Revenue from Operations	29	9,405.05	8,482.53
Other Income	30	563.78	168.87
Total Income		9,968.83	8,651.40
Expenses			
Cost of Materials Consumed	31a	5,063.59	4,730.12
Purchases of Stock in Trade		621.70	515.04
Cost of Property Development	31b	1,464.84	1,073.31
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	2.16	(54.06)
Excise Duty		48.56	117.40
Employee Benefits Expenses	33	574.16	474.52
Finance Costs	34	413.15	401.82
Depreciation and Amortization Expenses	35a	175.27	148.14
Other Expenses	35b	1,188.32	985.27
Total Expenses		9,551.75	8,391.56
Profit Before Exceptional Items, Share of Profit of Equity Accounted Investees and Tax		417.08	259.84
Exceptional Items	36	12.05	22.76
Profit Before Share of Profit of Equity Accounted Investees and Tax		429.13	282.60
Share of Profit of Equity Accounted Investees (net of Income Tax)		385.63	343.63
Profit before Tax		814.76	626.23
Tax Expense			
Current Tax		161.08	182.65
Deferred Tax		14.24	(18.51)
Prior Period Tax adjustments		8.34	3.27
Total Tax Expenses		183.66	167.41
Profit for the Year		631.10	458.82
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit plans		(10.39)	(8.63)
Equity accounted investees' share of other comprehensive income		(0.99)	(0.24)
Income Tax related to Items that will not be reclassified to Profit or Loss		3.83	1.60
Items that will be reclassified to Profit or Loss			
a) Exchange differences on translation of financial statements of foreign operations		10.38	(21.84)
b) Effective portion of (losses)/gains on hedging instruments in cash flow hedges		(3.50)	6.38
Income Tax related to Items that will be reclassified to Profit or Loss		(0.19)	(1.09)
Total Other Comprehensive Income		(0.86)	(23.82)
Total Comprehensive Income for the Year		630.24	435.00
Profit Attributable to :			
a) Owners of the Company		421.37	256.45
b) Non-Controlling Interest		209.73	202.37
Other Comprehensive Income Attributable to :			
a) Owners of the Company		3.14	(23.08)
b) Non-Controlling Interest		(4.00)	(0.74)
Total Comprehensive Income Attributable to :			
a) Owners of the Company		424.51	233.37
b) Non-Controlling Interest		205.73	201.63
Earnings Per Equity Shares (Face Value of ₹ 1 each)	37		
Basic		12.48	7.13
Diluted		12.47	7.12
Significant Accounting Policies	2		

The accompanying notes form an integral part of the consolidated financial statements

As per our Report attached of even date

For and on behalf of the Board of Directors of **Godrej Industries Limited**
CIN No.: L24241MH1988PLC097781

For BSR & Co. LLP
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A. B. Godrej
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Executive Director
& President (Chemicals)
DIN: 06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Mumbai, May 23, 2018

Consolidated Statement of Changes in Equity for the year Ended March 31, 2018

(A) Equity Share Capital

Balance at the beginning of the year
 Changes in equity share capital during the year
 Balance at the end of the year

As at March 31, 2018		As at March 31, 2017	
No. of Shares	Amount ₹ in Crore	No. of Shares	Amount ₹ in Crore
336,139,786	33.61	335,988,807	33.60
132,945	0.02	150,979	0.01
336,272,731	33.63	336,139,786	33.61

(B) Other Equity

Particulars	Other Equity														Items of Other Comprehensive Income		Total Before Non-Controlling Interest	Non-Controlling Interest	Total
	Retained Earnings	Non Controlling Interest Reserve	General Reserve	Capital Redemption Reserve	Security Premium Reserve	Capital Reserve	Capital Reserve on account of Amalgamation	Special Reserve	Employee Stock Grant Outstanding	Treasury Stock	Reserve for Employee Compensation Expenses	Debenture Redemption Reserve	Gain on sale of subsidiary without losing control	Foreign Currency Monetary Item Translation Difference Account	Cash flow Hedge Reserve	Exchange differences on translation of financial statements of foreign operations			
Balance at April 01, 2016	1,391.41	547.80	56.80	31.46	934.34	9.88	1.81	3.98	77.98	(81.27)	14.52	11.93		(8.91)	-	(23.62)	2,968.11	1,280.67	4,248.78
Profit for the year	256.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	256.45	202.37	458.82
Other Comprehensive Income (net of tax)	(1.34)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(21.74)	(23.08)	(0.74)	(23.82)
Transfer from Employee Stock Option Grant	-	132.45	-	-	4.87	-	-	-	-	-	-	-	-	-	-	-	137.32	-	137.32
Transfer from Surplus	-	-	1.25	-	-	7.20	-	-	-	-	-	(18.75)	-	-	-	-	(10.30)	-	(10.30)
Transfer from Reserve for Employee Compensation Expense	-	-	0.14	-	-	-	-	-	-	-	-	-	-	-	-	-	0.14	-	0.14
Amortisation of Intangibles as per Merger Scheme	-	-	(2.85)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.85)	-	(2.85)
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	-	-	-	7.45	-	-	-	-	-	-	-	7.45	-	7.45
Transfer to Securities Premium on exercise of Stock Grants	-	-	-	-	-	-	-	-	(137.32)	-	-	-	-	-	-	-	(137.32)	-	(137.32)
Adjustment of employee compensation expense recognised	-	-	-	-	-	-	-	-	-	-	(23.76)	-	-	-	-	-	(23.76)	-	(23.76)
ESOP shares subscribed	-	-	-	-	-	-	-	-	-	76.46	-	-	-	-	-	-	76.46	-	76.46
Utilisation for issue of bonus shares during the year	(92.57)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(92.57)	-	(92.57)
Adjustment for IND AS Put option Liability	(14.52)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(14.52)	-	(14.52)
Transfer to Debenture Redemption Reserve	18.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.75	-	18.75
Transfer to General Reserve	(1.25)	-	-	-	-	-	-	-	-	-	(0.14)	-	-	-	-	-	(1.39)	-	(1.39)
Additions during the year	-	4.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.30	-	4.30
Foreign Currency Monetary Item Translation	-	-	-	-	-	-	-	-	-	-	-	-	(6.86)	-	0.03	(6.83)	-	-	(6.83)
Exchange difference arising on currency translation cash flow hedge reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	2.08	-	2.08	-	-	2.08
Adjustment arising on acquisition / Deletion and Non-Controlling Interest	45.90	(125.58)	0.60	-	(3.07)	0.57	-	59.09	-	9.38	6.82	-	7.88	(0.82)	2.80	3.57	(7.71)	(4.14)	
Balance at March 31, 2017	1,602.83	(558.97)	55.94	31.46	939.21	14.01	2.38	3.98	7.20	(4.81)	-	-	(7.89)	1.26	(42.53)	3,162.01	1,474.59	4,636.60	
Profit for the year	421.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	421.37	209.73	631.10
Other Comprehensive Income (net of tax)	(5.06)	-	-	-	-	-	-	-	-	-	-	-	-	(2.19)	10.41	3.16	(4.00)	(0.85)	
Addition on gain on sale of subsidiary without losing control	-	-	-	-	-	-	-	-	-	-	-	180.67	-	-	-	180.67	-	180.67	
Transfer from Employee Stock Option Grant	-	3.25	-	-	4.49	-	-	-	(7.74)	-	-	-	-	-	-	-	-	-	
Transfer from Surplus	(70.00)	-	20.00	-	-	-	-	-	-	-	-	50.00	-	-	-	-	-	-	
Amortisation of Intangibles as per Merger Scheme	-	-	(2.77)	-	-	-	-	-	-	-	-	-	-	-	-	(2.77)	-	(2.77)	
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	-	-	-	8.29	-	-	-	-	-	-	8.29	-	8.29	
ESOP shares subscribed	-	-	-	-	-	-	-	-	-	4.81	-	-	-	-	-	4.81	-	4.81	
Adjustment for IND AS Put option Liability	(1.64)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.64)	-	(1.64)	
Additions during the year	-	281.38	-	-	-	0.01	-	-	-	-	-	-	17.48	-	-	298.86	-	298.86	
Transactions with the owners of the Company, recorded directly in equity																			
Final Dividend	(92.60)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(92.60)	-	(92.60)	
Interim dividend declared and paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dividend Distribution Tax (DDT)	(18.80)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(18.80)	-	(18.80)	
Adjustment arising on acquisition or Deletion and Non Controlling Interest	38.86	(99.21)	(7.32)	-	-	(0.09)	-	(0.08)	-	(21.34)	-	-	0.87	0.18	(88.11)	116.56	28.45		
Balance at March 31, 2018	1,874.97	744.39	65.85	31.46	943.70	14.01	2.31	3.98	7.67	-	-	28.66	180.67	9.59	(31.94)	3,875.26	1,796.88	5,672.14	

Refer Note 18 for Nature and Purpose of Reserves. The accompanying notes form an integral part of financial statements.

As per our Report attached of even date

For and on behalf of the Board of Directors of **Godrej Industries Limited**
 CIN No.: L24241MH1988PLC097781

For BSR & Co. LLP
 Chartered Accountants
 Firm Regn. No.: 101248W / W-100022

A. B. Godrej
 Chairman
 DIN:00065964

N. B. Godrej
 Managing Director
 DIN: 00066195

Vijay Mathur
 Partner
 M.No.: 046476

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

Clement Pinto
 Chief Financial Officer

Nilufer Shekhawat
 Company Secretary

Mumbai, May 23, 2018

Consolidated Cash Flow Statement for the year ended March 31, 2018

Amount ₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Cash Flow From Operating Activities:		
Profit Before Tax	814.76	626.23
Adjustments for:		
Depreciation and Amortisation	175.27	148.14
Unrealised Foreign Exchange revaluation	(4.02)	(12.20)
Profit on Sale of Investments (net)	(210.92)	(24.01)
(Profit) / Loss on Sale, Write off and Provision of Property, Plant and Equipment (net)	1.38	15.78
Grant amortisation	(1.49)	(1.16)
Share issue expense	0.01	-
Expenses on Amalgamation	1.07	1.35
Interest Income	(146.22)	(107.76)
Interest & Finance Charges	413.15	401.81
Employee Stock Grant Scheme	6.56	9.71
Income from Investment measured at FVTPL	(158.98)	(3.46)
Bad Debts written off	8.21	7.99
Write down of inventories	100.87	14.27
Share of profit of Equity accounted investees (net of tax)	(385.63)	(343.63)
Provision / (Write back) for Doubtful Debts and Sundry Balances (net)	46.96	7.43
Liabilities no longer required written back	(3.81)	(0.28)
Interest unwinding on Financial Instruments	(0.68)	(2.10)
Prepaid Rent Amortisation of Financial Instrument	0.70	2.03
Exceptional Income	(12.05)	(22.76)
Inventory lost due to fire	2.63	-
Lease rent from investment property	(0.37)	-
Operating Profit Before Working Capital Changes	647.40	717.38
Adjustments for :		
Increase/ (Decrease) in Non-financial Liabilities	115.99	(134.23)
Increase/ (Decrease) in Financial Liabilities	88.16	139.97
(Increase)/ Decrease in Inventories	1,206.04	55.78
(Increase)/ Decrease in Biological assets other than bearer plants	0.41	4.20
(Increase)/ Decrease in Non-financial Assets	(154.20)	98.15
(Increase)/ Decrease in Financial Assets	(53.57)	(62.54)
Cash Generated from Operations	1,850.23	818.71
Direct Taxes Paid	(160.20)	(249.31)
Net Cash Generated from Operating Activities	1,690.03	569.40
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	(483.93)	(282.68)
Proceeds from Sale of Property, Plant and Equipment	17.75	13.08
Proceeds from sale of stake in subsidiaries	201.24	1.56
Purchase of Investment	(1,738.75)	(987.04)
Proceeds from Sale of Investments	1,567.65	1,088.53
Loan given to joint ventures, others (net)	(676.19)	(222.15)
Intercompany Deposits / Loans (net)	(0.84)	55.40
Expenses on Amalgamation	(1.07)	(1.35)
Interest Received	95.60	100.16
Dividend Received	0.61	-
Lease rent from investment property	0.37	-
Net Cash (used) in Investing Activities	(1,017.56)	(234.49)
C. Cash Flow from Financing Activities:		
Proceeds from issue of Equity shares	1.85	1.54
Proceeds from sale of Treasury shares	-	35.60
Transactions with non-controlling interests	298.98	(23.48)
Redemption of preference shares	(0.01)	-
Share issue expense	(14.27)	0.00
Proceeds from Non Current Borrowings	552.59	992.09
Repayment of Non Current Borrowings	(933.13)	(346.94)
(Repayment of) / Proceeds from Current Borrowings (net)	(192.34)	(567.76)
Interest & Finance Charges Paid	(560.83)	(618.28)
Dividend Paid	(92.61)	-
Payment of unclaimed fixed deposits	(0.69)	(0.73)
Tax on Distributed Profits	(18.80)	(0.08)
Net Cash (used) in Financing Activities	(959.26)	(528.04)

Consolidated Cash Flow Statement for the year ended March 31, 2018

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
Net Increase / (Decrease) in Cash and Cash Equivalents	(286.79)	(193.12)
Cash and Cash Equivalents (Opening Balance)	(75.52)	117.60
Cash and Cash Equivalents (Closing Balance)	(362.31)	(75.52)

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.

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
Cash and Cash Equivalents		
Cash on Hand and Balances with Banks	280.99	179.03
Bank Overdraft repayable on Demand	(643.30)	(254.55)
Cash and Cash Equivalents	(362.31)	(75.52)

- 3 Effect of disposal of subsidiary on the financial position of the Group

Particulars

Amount ₹ in Crore	
Year ended March 31, 2018	
Capital work-in-progress	476.72
Investments in joint ventures and associate	0.00
Deferred tax assets (net)	0.10
Current Non-Financial Assets	2.39
Cash and cash equivalents	0.13
Non Current Financial Liabilities	456.56
Current Financial Liabilities	21.69
Current Non-Financial Liabilities	0.79
Assets net of Liabilities	0.29

Consideration received, satisfied in cash	136.17
Cash and Cash Equivalents disposed of	(0.13)
Net Cash Inflows	136.04

- 4 Reconciliation of liabilities arising from financing activities

Particulars

Particulars	Amount ₹ in Crore			
	As at March 31, 2017	Cash Flow	Non Cash Changes	As at March 31, 2018
Non Current Borrowings (including current maturities of long term debt)	1,960.45	(353.70)	(20.54)	1,586.21
Current Borrowings	5,336.35	(219.18)	(454.29)	4,662.88
Total Borrowings	7,296.80	(572.88)	(474.83)	6,249.09

As per our Report attached of even date

For and on behalf of the Board of Directors of **Godrej Industries Limited**
CIN No.: L24241MH1988PLC097781

For BSR & Co. LLP
Chartered Accountants
Firm Regn. No.: 101248W / W-100022

A. B. Godrej
Chairman
DIN: 00065964

N. B. Godrej
Managing Director
DIN: 00066195

Vijay Mathur
Partner
M.No.: 046476

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

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Mumbai, May 23, 2018

Notes to the Consolidated Financial Statements

Note 1 : General Information

1. Group Overview

Godrej Industries Limited (“the Company”) including its Subsidiaries, and interest in Joint Ventures, Associates, 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 Second Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai - 400079 and is listed on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

2. Basis of preparation

The Consolidated Financial Statements of the Group 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, 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.

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

The financial statements of the Group for the year ended March 31, 2018 were approved for issue in accordance with the resolution of the Board of Directors on May 23, 2018.

3. Functional and presentation currency

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

4. Key estimates and assumptions

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

Notes to the Consolidated Financial Statements

Information about critical judgments in applying accounting policies are in respect of evaluation of control (refer note 7) and leases (determining whether an arrangement contains a lease) (refer note 24), that have the most significant effect on the carrying amounts of assets and liabilities, are as follows

- Evaluation of Percentage Completion

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

5. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115 Revenue from Contracts with Customers

Ind AS 21 The Effect of Changes in Foreign Exchange Rates

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115- Revenue from Contracts with Customer (the new revenue recognition standard) has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and will be effective from April 1, 2018, revenue recognition of the Group shall be driven by this standard.

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when the revenue should be recognized. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction contracts and Guidance note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after April 1, 2018 and will be applied accordingly.

The Group is currently evaluating the effect of this standard on its financial statements.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Group is evaluating the impact of this amendment on its financial statements and the impact is not known or reasonably estimable.

Notes to the Consolidated Financial Statements

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.

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. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

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

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

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

Notes to the Consolidated Financial Statements

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 venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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

(iii) Acquisition of non-controlling interests

Acquisition of some or all of the non-controlling interest ("NCI") is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to Statement of changed 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.

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.

Notes to the 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 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

However, 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 ₹ 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 the Consolidated Financial Statements

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 of 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.

Intangible assets are amortised as follows

Category	Useful life
Trademark	: 10 to 20 years
Product Registration	: 6 years
Computer Software	: 3 to 10 years

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.

Notes to the Consolidated Financial Statements

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. Construction contracts

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

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

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

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

Measurement of construction contract revenue and expense:

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

7. 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, 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.

8. Inventories

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

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

Notes to the Consolidated Financial Statements

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.

9. 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.

10. Grants and Subsidies

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

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

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

11. Assets held for Sale

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

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

12. Financial Assets

(i) Initial recognition and measurement

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

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

Notes to the Consolidated Financial Statements

(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.

(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.

Notes to the Consolidated Financial Statements

(vi) Derecognition

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

(vii) Impairment of Financial Asset

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

13. Financial Liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities recognised initially at fair value, in the case of Loans and Borrowings and payables, net of directly attributable transaction costs.

(ii) Classification and subsequent measurement

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

14. Financial guarantee contracts

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

15. Offsetting of financial instruments

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

16. Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. The Group also uses commodity futures

Notes to the Consolidated Financial Statements

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.

17. Share Capital

(i) Ordinary equity shares

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

(ii) Treasury shares

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

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

18. Provisions and Contingent Liabilities

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

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

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

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

Notes to the Consolidated Financial Statements

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

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

19. Revenue Recognition

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Revenue is measured at the fair value of the consideration received or receivable, taking in to account contractually defined terms of payment. Sales are net of taxes or duties collected on behalf of the government, returns, trade discounts and rebates.

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

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.

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.

Income on assets given on operating lease is recognised on a straight line basis over the lease term in the Consolidated Statement of Profit and Loss.

20. Revenue Recognition for Property Development

The Group is following the “Percentage of Completion Method” of accounting. As per this method, revenue from sale of properties is recognized in Consolidated Statement of Profit and Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Group on transfer of significant risks and rewards to the buyer.

In accordance with the “Guidance Note on Accounting for Real Estate Transactions” (for entities to whom Ind AS is applicable), construction revenue on such projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognized on percentage of completion method provided the following thresholds have been met:

- (a) All critical approvals necessary for the commencement of the project have been obtained;
- (b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
- (c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
- (d) At least 10 percent of the contract consideration is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to

Notes to the Consolidated Financial Statements

estimates is recognized in the financial statements for the period in which such changes are determined. Revenue from projects is recognized net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

The Group has been entering into Development & Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

The Group receives maintenance amount from the customers and utilizes the same towards the maintenance of the respective projects. Revenue is recognized to the extent of maintenance expenses incurred by the Group towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head "other current liabilities".

21. Loyalty Program

Sales is allocated between the loyalty programme and the other components of the transaction. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the points under the programme will be redeemed.

22. Employee Benefits

(i) Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short Term benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the 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.

(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.

Notes to the Consolidated Financial Statements

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.

23. Share-Based Payments

Employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

When the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

24. Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

(i) Finance Lease

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Operating Leases

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on a

Notes to the Consolidated Financial Statements

straight line basis over the lease term, unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

(iii) Lease Assets

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of Balance Sheet.

25. 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.

26. Foreign Exchange Transactions

- (i) Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').
- (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 gain 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'. 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 the Consolidated Financial Statements

27. 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) Deferred Tax

Deferred tax is recognized in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealized profit on inventory etc.).

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

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

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

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.

28. 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.

29. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Notes to Consolidated Financial Statements

Note 3 : Property, Plant and Equipments

Particulars	Amount ₹ in Crore												
	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Computer Hardware	Office Equipments	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Research Centre	Total
Gross Carrying Amount													
Balance as at April 01, 2016	299.51	56.30	885.96	945.85	45.16	47.26	19.04	40.24	0.80	27.38	0.46	0.42	2,368.38
Additions	16.44	-	102.59	298.69	15.34	18.79	2.33	19.11	-	3.33	0.06	0.31	476.99
Acquisition through business Combination	16.39	-	24.80	18.42	0.09	4.73	-	0.22	-	-	-	-	64.65
Disposals / Adjustments	6.45	-	3.33	47.26	6.79	3.38	0.45	3.89	-	7.32	0.06	0.13	79.06
Balance as at March 31, 2017	325.89	56.30	1,010.02	1,215.70	53.80	67.40	20.92	55.68	0.80	23.39	0.46	0.60	2,830.96
Additions	1.34	-	49.27	92.94	7.84	7.99	6.02	7.78	-	11.07	0.05	0.06	184.24
Disposals / Adjustments	-	-	(0.18)	1.93	0.15	2.12	0.56	0.15	0.80	-	0.19	(0.04)	5.67
Balance as at March 31, 2018	327.23	56.30	1,059.47	1,306.70	61.49	73.17	26.38	63.31	0.00	34.46	0.32	0.70	3,009.53
Accumulated Depreciation													
Balance as at April 01, 2016	-	0.50	22.70	52.44	6.37	6.92	6.09	8.61	0.40	5.23	0.03	0.01	109.30
Additions	-	0.66	28.18	72.75	7.09	8.72	7.47	9.86	0.40	5.57	0.05	0.10	140.85
Disposals / Adjustments	-	-	0.35	2.70	1.75	1.26	0.31	1.50	-	2.84	0.01	0.05	10.75
Balance as at March 31, 2017	-	1.16	50.53	122.49	11.72	14.38	13.26	16.98	0.80	7.96	0.07	0.06	239.40
Additions	-	0.65	30.59	95.43	6.25	10.80	7.93	10.21	-	5.41	0.04	0.13	167.43
Disposals / Adjustments	-	-	0.22	(0.02)	0.11	0.69	0.49	0.02	0.80	-	0.03	0.01	2.32
Balance as at March 31, 2018	-	1.81	80.90	217.94	17.86	24.49	20.68	27.17	-	13.37	0.08	0.20	404.51
Net Carrying Amount													
Balance as at April 01, 2016	299.51	55.80	863.26	893.41	38.79	40.34	12.95	31.63	0.40	22.15	0.43	0.41	2,259.08
Balance as at March 31, 2017	325.89	55.14	959.49	1,093.21	42.09	53.02	7.67	38.70	-	15.43	0.39	0.54	2,591.56
Balance as at March 31, 2018	327.23	54.49	978.57	1,088.76	43.63	48.68	5.70	36.14	0.00	21.09	0.24	0.50	2,605.02

Notes :

- Refer Note No 39 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.
- Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Hyderabad (as part of the merger of Godrej Plant Biotech Limited), Dhule (as part of the merger of Goldmohur Foods & Feeds Ltd.), Hanuman Jn. (as part of the merger of Golden Feed Products Ltd.), Chintampalli (as part of the merger of Godrej Gokarna Oilpalm Limited), Ariyalur & Varanavasi (as part of the merger of Cauvey Oil Palm Limited) and at Kolkata are being completed with. Stamp duty payable thereon is not presently determinable.
- Of the above, one of subsidiary's Building, carrying value of ₹ 56.49 Crore (Previous year: ₹ 58.50 Crore) is subject to first charge for secured Bank Loans.
- Refer to note 19 and 24 for information on property, plant and equipment pledged as security by the group.
- Buildings includes certain Office Premises given on lease in exchange for similar Office Premises in the same building. [Gross Block - ₹ 94.72 crore (Previous year - ₹ 94.72 crore) and Net Carrying Amount - ₹ 91.90 crore (Previous year - ₹ 90.40 crore)]
- Addition to Property, Plant and Equipment includes ₹ 0.18 crore (Previous year ₹ (-) 7.85 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets.

Notes to the Consolidated Financial Statements

Note 3a : Capital Work in Progress

Capital work in progress of one of the subsidiary amounting to ₹ 189.85 crore as at March 31, 2018 (31 March 2017: 50.21 crore) includes the borrowing costs capitalised during the year ₹ 0.94 crore, salary & consultancy expenses amounting to ₹ 0.39 crore.

Note 3b : Investment Property

Particulars	Amount ₹ in Crore		
	Freehold Land	Buildings	Total
Gross Carrying Amount			
Balance as at April 01, 2016	0.38	130.09	130.47
Additions	-	0.02	0.02
Disposals / Adjustments	-	0.15	0.15
Balance as at March 31, 2017	0.38	129.96	130.34
Additions	-	16.39	16.39
Disposals / Adjustments	-	-	-
Balance as at March 31, 2018	0.38	146.35	146.73
Accumulated Depreciation			
Balance as at April 01, 2016	-	2.01	2.01
Additions	-	2.16	2.16
Disposals / Adjustments	-	0.04	0.04
Balance as at March 31, 2017	-	4.13	4.13
Additions	-	2.02	2.02
Disposals / Adjustments	-	(0.27)	(0.27)
Balance as at March 31, 2018	-	6.42	6.42
Net Carrying Amount			
Balance as at April 01, 2016	0.38	128.08	128.46
Balance as at March 31, 2017	0.38	125.83	126.21
Balance as at March 31, 2018	0.38	139.93	140.31
Fair Value			
As at April 01, 2016	4.15	218.23	222.38
As at March 31, 2017	4.15	219.75	223.90
As at March 31, 2018	4.15	203.53	207.68

Notes to the Consolidated Financial Statements

Note 3b : Investment Property (Contd.)

1. Information regarding income and expenditure of Investment Property

Particulars	Amount ₹ in Crore	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Rental income derived from investment properties	9.43	6.22
Direct operating expenses	5.77	3.64
Profits arising from investment properties before depreciation	3.66	2.58
Less: Depreciation	2.02	2.16
Profits arising from investment properties	1.64	0.42

- 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

Particulars	Amount ₹ in Crore		
	Freehold Land	Buildings	Total
Opening balance as at April 01, 2016	4.15	218.23	222.38
Fair value differences	-	1.50	1.50
Purchases	-	0.02	0.02
Opening balance as at April 01, 2017	4.15	219.75	223.90
Fair value differences	-	(38.22)	(38.22)
Purchases	-	22.00	22.00
Closing balance as at March 31, 2018	4.15	203.53	207.68

Notes to the Consolidated Financial Statements

Note 3c : Other Intangible Assets

Particulars	Amount ₹ in Crore				Total
	Trademark	Brand	Product Registration	Computer Software	
Gross Carrying Amount					
Balance as at April 01, 2016	18.70	38.22	2.71	18.50	78.13
Additions	-	-	-	5.96	5.96
Disposals / Adjustments	-	-	-	0.11	0.11
Balance as at March 31, 2017	18.70	38.22	2.71	24.35	83.98
Additions	-	-	-	3.68	3.68
Disposals / Adjustments	2.18	-	-	-	2.18
Balance as at March 31, 2018	16.52	38.22	2.71	28.03	85.48
Accumulated Depreciation					
Balance as at April 01, 2016	4.23	-	1.15	4.06	9.44
Additions	4.23	-	0.57	4.58	9.38
Disposals / Adjustments	(2.21)	-	-	0.11	(2.10)
Balance as at March 31, 2017	10.67	-	1.72	8.53	20.92
Additions	4.25	-	0.56	5.25	10.07
Disposals / Adjustments	2.17	-	-	0.01	2.18
Balance as at March 31, 2018	12.75	-	2.28	13.77	28.81
Net Carrying Amount					
Balance as at April 01, 2016	14.47	38.22	1.56	14.44	68.69
Balance as at March 31, 2017	8.03	38.22	0.99	15.82	63.06
Balance as at March 31, 2018	3.77	38.22	0.43	14.26	56.67

Note: 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))

Note 3d : Intangible Assets Under Development

Particulars	Amount ₹ in Crore
As at March 31, 2017	0.25
As at March 31, 2018	0.68

Notes to the Consolidated Financial Statements

Note 3e: Biological Assets other than bearer plants

(I) Reconciliation of carrying amount

Amount ₹ in Crore

Particulars	Oil palm saplings	
	Qty.	Total
Balance as April 1, 2016	1,205,458	8.87
Add : Purchases	60,000	0.12
Add : Production/ Cost of Development	-	0.42
Less :Sales/ Disposals	(653,286)	(4.66)
Change in fair value less cost to sell:		(0.08)
Realised		(0.16)
Unrealised		0.08
Balance as at March 31, 2017	612,172	4.67
Add : Purchases	588,559	2.60
Add : Production/Cost of Development	-	1.03
Less : Sales/ Disposals	(524,186)	(3.95)
Change in fair value less cost to sell:		(0.09)
Realised		(0.26)
Unrealised		0.17
Balance as at March 31, 2018	676,545	4.26

The Group has trading operations in oil palm saplings whereby the group purchases the saplings and sells the saplings once it has achieved the desired growth. During the year ended 2017-18 the group purchased 588,559 (Previous year 60,000) number of saplings, out of which 588,559 (Previous year 60,000 sapling) were still under cultivation .

(II) Measurement of Fair value

i. Fair Value hierarchy

The fair value measurements for oil palm saplings has been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

The following table shows a break down of the total gains (losses) recognised in respect of Level 3 fair values:

Particulars	Amount ₹ in Crore	
	March 31, 2018	March 31, 2017
Gain/(loss) included in 'other operating revenue'	(0.09)	(0.08)
Change in fair value (realised)	(0.26)	(0.16)
Change in fair value (unrealised)	0.17	0.08

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 ₹ 47.72 to ₹ 91.00 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)

Notes to the Consolidated Financial Statements

Note 3e: Biological Assets other than bearer plants (Contd.)

(III) Risk Management strategies related to agricultural activities

The group is exposed to the following risks relating to its plantations

a. 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.

b. Supply and demand risks

The Group is exposed to risks arising from fluctuations in the price and sales volume of plants. When possible, the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing.

c. Climate and other risks

The Group's 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.

A reasonably possible change of 10% in Estimated cost of completing the stock under cultivation at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

	Amount ₹ in Crore			
	Profit or (loss) for the year ended March 31, 2018		Profit or (loss) for the year ended March 31, 2017	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost	(0.80)	0.85	(0.70)	0.76
Cash flow sensitivity (net)	(0.80)	0.85	(0.70)	0.76

Notes to the Consolidated Financial Statements

Note 4a : Equity accounted investees

Name	Note	Face Value	As at March 31, 2018		Amount ₹ in Crore	
			Number	Amount	As at March 31, 2017 Number	Amount
(I) Investment in Equity Instruments (Fully Paid up unless stated otherwise)						
(a) Quoted Investment						
(i) Associates						
Godrej Consumer Products Ltd.		1	161,875,240	2,448.13	80,937,620	2,251.30
(b) Unquoted Investment						
(i) Associates						
Polchem Hygiene Laboratories Private Limited		10	-	-	-	-
Al Rahaba International Trading Limited Liability Company		2	AED 24	-	24	0.20
			1500			
Godrej Maxximilk Private Limited		10	307,915	4.14	-	-
Personalitree Academy Ltd.		1	10	389,269	389,269	1.10
Less: Provision for Diminution in value of Investments				(1.10)		(1.10)
(ii) Joint Ventures						
Godrej Tyson Foods Limited		10	97,461	88.94	97,461	84.65
ACI Godrej Agrovet Private Limited			1,850,000	67.97	1,850,000	62.73
Joint Ventures and Associates of Property Business				290.54		81.40
Godrej Realty Private Limited		10	884,850	5.11	884,850.00	5.42
Wonder Space Properties Private Limited		10	114,191	0.87	111,054.00	0.81
Wonder City Buildcon Private Limited		10	810,420	-	810,420.00	-
Godrej Home Constructions Private Limited		10	1,071,770	-	1,071,770.00	-
Wonder Projects Development Private Limited		10	1,050,100	-	1,050,100.00	-
Godrej Real View Developers Private Limited		10	1,306,000	-	176,000.00	0.18
Pearlite Real Properties Private Limited		10	3,552,500	-	3,552,500.00	-
Godrej Greenview Housing Private Limited		10	1,264,560	-	1,264,560.00	-
Godrej Green Homes Limited		10	338,847	199.04	-	-
Godrej Skyline Developers Private Limited		10	260,000	-	100.00	-
Godrej Landmark Redevelopers Private Limited		10	25,500	51.54	25,500.00	51.62
Godrej Redevelopers (Mumbai) Private Limited		10	28,567	12.18	28,567.00	9.27
(II) Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Amortised Cost)						
Godrej Green Homes Limited		10	10,000	0.01	-	-
Skyline Developers Private Limited		10	13,000,000	5.34	-	-
(III) Investment In Limited Liability Partnerships						
Mosaic Landmarks LLP				11.15		11.04
Oxford Realty LLP				2.89		-
Dream World Landmarks LLP				0.10		2.07
M S Ramaiah Ventures LLP				0.95		0.97
Oasis Landmarks LLP				0.00		-
Bavdhan Realty @ Pune 21 LLP				-		0.01
Godrej Highview LLP				1.36		-
Godrej Irismark LLP				0.01		-
				2,899.72		2,480.28
Aggregate Amount of Quoted Investments				2,448.13		2,251.30
Aggregate Amount of Unquoted Investments				452.69		230.08
Aggregate Provision for Diminution in the Value of Investments				(1.10)		(1.10)
Market Value of Quoted Investments				17,686.49		13,516.58

Note

- Includes ₹ 0.03 crore paid towards share application money to Personalitree Academy Limited which is considered Doubtful.
- During the year, the management has decided to divest its stake in Al Rahaba International Trading Limited Liability Company. Further the equity accounted investment in Al Rahaba International Trading Limited Liability Company is ₹ Nil as at March 31, 2018 on account of losses for the year.

Notes to the Consolidated Financial Statements

Note 4b : Non Current Financial Assets- Investments

Name	Note	Face Value	As at March 31, 2018		Amount ₹ in Crore	
			Number	Amount	As at March 31, 2017	Number
(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	0.27	416,432	1.65
Ruchi Soya Industries Ltd.		2	3,532	0.01	23,532	0.06
Hindustan Unilever Ltd. *	1	1	751	0.10	751	0.07
Bajaj Finance Ltd.		10	200	0.04	3,000	0.35
Cera Sanitaryware Ltd.		5	1,189	0.41	1,103	0.33
HDFC Bank Ltd.		2	222	0.04	222	0.03
Infosys Ltd.		5	305	0.03	305	0.03
Just Dial Ltd.		10	82	-	82	-
Advanced Enzyme Technologies Ltd.		2	3,000	0.06	-	-
Vadilal Industries Ltd.		10	2,000	0.17	-	-
DCM Ltd.		10	5,000	0.04	-	-
Maruti Suzuki India Ltd.		5	-	-	200	0.12
KSE Limited		10	59,549	15.62	37,330	3.14
Ujjivan Financial Services Ltd.		10	12,204	0.42	9,204	0.39
Alacrity Housing Limited		10	100	0.00	100	0.00
Ansal Buildwell Limited		10	100	0.00	100	0.00
Ansal Housing and Construction Limited		10	300	0.00	300	0.00
Ansal Properties and Infrastructure Limited		5	600	0.00	600	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
Unitech Limited		2	13,000	0.00	13,000	0.00
The Great Eastern Shipping Company Limited		10	72	0.00	72	0.00
GOL Offshore Limited		10	18	0.00	18	0.00
Radhe Developers (India) Limited		10	100	0.00	100	0.00
United Textiles Limited		10	23,700	0.00	23,700	0.00
Others				0.01		0.03
(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)
				-		-
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.	2	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) *	3	100	25	0.00	25	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	3,500	0.08	3,500	0.07
Sachin Industrial Co-operative Society Ltd. *		500		0.00		0.00
New Market Limited		£ 1				
Isprava Technologies Ltd. (formerly karROX Technologies Ltd.)		10	195,832	1.60	195,832	1.60
Clean Max Enviro Energy Solution Pvt. Ltd .		10	3,093	1.00	3,093	1.00
AB Corp Limited		10	25,000	0.00	25,000	0.00
Others *						

Notes to the Consolidated Financial Statements

Note 4b : Non Current Financial Assets- Investments (contd.)

Name	Note	Face Value	As at March 31, 2018		Amount ₹ in Crore	
			Number	Amount	As at March 31, 2017	Amount
(II) Investment in Debentures or Bonds						
(a) Unquoted Investment						
(i) Joint Ventures						
Godrej Realty Private Limited		10	2,989,095	2.99	2,989,095	2.99
Godrej Green Homes Limited		1000	2,756,000	275.60	-	-
Wonder City Buildcon Private Limited		1000	307,833	30.50	307,833	31.50
Wonder Space Properties Private Limited		1000	377,464	37.82	365,541	37.96
Godrej Home Constructions Private Limited		1000	413,949	41.99	413,949	41.34
Godrej Redevelopers (Mumbai) Private Limited		1000	843,736	86.68	843,736	85.71
Godrej Landmark Redevelopers Private Limited		1000	1,513,128	15.13	1,513,128	15.16
Wonder Projects Development Private Limited		1000	266,019	26.60	133,019	13.30
Pearlite Real Properties Private Limited		1000	674,975	67.25	674,975	67.49
Godrej Real View Developers Private Limited		1000	284,140	24.78	33,440	3.34
Godrej Skyline Developers Private Limited		100	5,096,000	50.80	-	-
Godrej Greenview Housing Private Limited		1000	260,946	26.18	136,880	13.55
(III) Investment in Mutual Funds				10.02		-
(IV) Other Investment						
Investment in Units of Venture Capital Fund						
Indian Fund for Sustainable Energy (Infuse Capital)		100	511,105	6.53	461,732	4.58
Omnivore India Capital Trust				34.18		27.88
				<u>756.96</u>		<u>353.67</u>
Aggregate Amount of Quoted Investments				27.24		6.20
Aggregate Amount of Unquoted Investments				753.19		370.94
Aggregate Provision for Diminution in the Value of Investments				(23.47)		(23.47)
Market Value of Quoted Investments				27.24		6.20

* Amount less than ₹ 0.01 crore.

Notes

- 750 Shares of Hindustan Unilever Ltd. are not in Demat or physical form and no further information is available with the Company. However dividend are received on entire 751 shares in the said company during the year.
- 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 - ₹ 80 per share).

Notes to the Consolidated Financial Statements

Note 5 : Non Current Financial Assets - Trade Receivables

	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Unsecured and Considered Good	13.39	13.33
(II) Unsecured and Considered Doubtful	15.78	-
Less : Allowance for Bad and Doubtful Debt	(15.78)	-
Net Unsecured and Considered Doubtful	-	-
	13.39	13.33

Note 6 : Non-Current Financial Assets- Loans

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Security Deposit		
(a) Secured and Considered Good (Refer Note 1 below)	83.81	76.42
(b) Unsecured and Considered Good	24.65	24.50
(c) Unsecured and Considered Doubtful	2.12	1.22
Less : Allowance for Bad and Doubtful Deposit	(2.12)	(1.22)
	-	-
(II) Other Loans		
(a) Secured and Considered Doubtful (Ref Note 2 and 3 below)	-	10.33
Less : Allowance for Bad and Doubtful Loans	-	(10.33)
	-	-
(b) Unsecured and Considered Good		
Loans to employees (Refer note 3 below)	1.07	1.03
Other Loans	-	-
(c) Unsecured and Considered Doubtful	0.50	0.32
Less : Allowance for Bad and Doubtful Loans	(0.50)	(0.32)
	-	-
	109.53	101.95

Notes

- 1 Secured Deposits - Projects, are Secured against Terms of Development Agreement.
- 2 The Company had advanced an amount of ₹ 10.33 crore to certain individuals who also pledged certain equity shares as security against the said advance. The Company has enforced its security and lodged the shares for transfer in its name. The said transfer application was rejected and Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company had filed an appeal before the Honorable High Court against the order of the Company Law Board under section 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 inter alia, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company had filed a Special Leave Petition (SLP) before the Supreme Court against this interim order of the Honorable Bombay High Court which the Supreme Court has dismissed and the matter is presently before the Arbitrator. The Management is confident of recovery of this amount as underlying value of the said shares is substantially greater than the amount of loan and interest thereon. However, on a conservative basis, the Company has provided for the entire amount of ₹ 10.33 crore in the books of account.

Notes to the Consolidated Financial Statements

Note 6 : Non-Current Financial Assets- Loans (Contd.)

3 Details of Loans under Section 186 (4) of Companies Act, 2013.

Particulars	As at March 31, 2018		Amount ₹ in Crore As at March 31, 2017	
	Maximum Balance during the Year	Amount outstanding	Maximum Balance during the Year	Amount outstanding
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

Note 7 : Non-Current Financial Assets- Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Bank Deposit with more than 12 months maturity (Refer Note 1 below)	0.46	1.47
(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	1.08
Provision for Doubtful Loans	(1.03)	(1.03)
(IV) Others		
(a) Non-Trade Receivables	0.58	-
Less: Provision for Doubtful Debts	(0.58)	-
(b) NSC placed with Government	0.16	-
(c) Lease Receivable	-	3.16
(d) Balances with Statutory Authorities	9.66	-
(e) Claim Receivable	1.46	1.46
(f) Deposit	-	1.51
(g) Others	0.88	0.11
	12.62	7.76

Notes

Bank Deposit with more than 12 months maturity includes.

- 1 (i) Fixed Deposits of ₹ 0.02 crore, (As at March 31, 2017 ₹ 0.04 crore) are pledged with a Bank for guarantees issued.
- (ii) Deposit with Banks amounting to ₹ 0.01 (Previous year: ₹ 0.76 Crore) is received from flat buyers and held in trust on their behalf in a corpus fund by a subsidiary.
- (iii) Includes ₹ 0.01 crore (Previous year 2017 ₹ 0.01 crore) held as margin money and lien marked for issuing bank guarantee by a subsidiary.
- 2 Interest on loan referred to in sub note (1) under Note 6 Non-Current Financial Assets- Loans, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully-provided for, no interest is being accrued thereafter.

Notes to the Consolidated Financial Statements

Note 8 : Deferred Tax Assets (Net)

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Liabilities		
(a) WDV of Assets	110.05	130.18
(b) Others	-	0.23
(II) Assets		
(a) Provision for Employee Benefits	8.02	2.31
(b) Provision for Doubtful Debts / Advances	6.31	6.27
(c) Other Provisions	295.33	297.13
(d) Unabsorbed Depreciation	93.20	111.37
(e) Indexation benefit on Land	0.87	2.65
	293.68	289.32

Note 9 : Other Non-Current Assets

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Capital Advances		
Considered Good	47.63	53.09
Considered Doubtful	0.35	0.35
Provision for Doubtful Advance	(0.35)	(0.35)
	47.63	53.09
(II) Other Advances		
Considered Good		
(a) Statutory Deposit	3.74	35.75
(b) Balance with Government Authorities	5.75	-
(c) Prepaid Expense	1.92	1.88
(d) Others	14.68	4.71
Considered Doubtful	0.27	-
Provision for Doubtful Advance	(0.27)	-
	73.72	95.43

Note 10 : Inventories

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Raw Materials	546.04	526.19
(II) Packing Material	4.35	3.41
(III) Work in Progress	125.30	134.34
(IV) Construction Work in Progress (Refer note 3 below)	2,279.24	3,909.37
(V) Project in Progress	68.36	60.72
(VI) Finished Goods	230.13	206.83
(VII) Finished Goods - Property Development (Refer Note 2 below)	64.46	56.73
(VIII) Stock in Trade	75.05	91.23
(IX) Stores and Spares	36.36	31.52
	3,429.29	5,020.34

Notes

- Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis.
- Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks.
- The write-down of inventories to net realisable value during the year amounted to ₹ 100.87 crore (Previous year: Nil).

Notes to the Consolidated Financial Statements

Note 11 : Current Financial Assets- Investments

Name	Note	Face Value	Amount ₹ in Crore	
			As at March 31, 2018	As at March 31, 2017
(I) Investment in Mutual Funds (At Fair Value Through Profit and Loss)			546.97	369.33
(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	3.00	3.00
Less : Provision for Diminution in the Value of Investment			(3.00)	(3.00)
			-	-
Boston Analytics Inc. (20%)	1	\$ 15,50,000	6.73	6.73
Less : Provision for Diminution in the Value of Investment			(6.73)	(6.73)
			-	-
Boston Analytics Inc. (12%)	2	\$ 950,000	4.69	4.69
Less : Provision for Diminution in the Value of Investment			(4.69)	(4.69)
			-	-
			546.97	369.33
Aggregate Amount of Quoted Investments			-	-
Aggregate Amount of Unquoted Investments			561.39	383.75
Aggregate Provision for Diminution in the Value of Investments			(14.42)	(14.42)
Market Value of Quoted Investments			-	-

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.

Note 12 : Current Financial Assets-Trade Receivables

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Secured and Considered Good (Refer Note 1 below)	83.06	87.93
(II) Unsecured and Considered Good	960.85	817.93
(III) Unsecured and Considered Doubtful	2.97	2.89
Less : Allowance for Bad and Doubtful Debt	(2.97)	(2.89)
Net Unsecured and Considered Doubtful	-	-
	1,043.91	905.86

Notes

- Secured by Security Deposits collected from Customers, Letter of Credit or Bank Guarantees held against them.
- Refer note 24 for information on trade receivables pledged as security by the Group.

Notes to the Consolidated Financial Statements

Note 13a :Cash and Cash Equivalents

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Balances with Banks		
(a) Current Accounts	182.30	146.88
(b) Deposits having maturity less than 3 months	91.10	21.00
(II) Cheques, Drafts on Hand	2.55	5.88
(III) Cash on Hand	5.04	5.27
	280.99	179.03

Note 13b : Current Financial Assets - Other Bank Balances

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Deposits with more than 3 months but less than 12 months maturity (Refer Note 1 below)	188.73	51.80
(II) Other Bank Balances (Refer Note 2 to 4)	3.42	4.10
	192.15	55.90

Notes

- 1 Include
 - (i) ₹ 9.07 Crore (March 31, 2017: ₹ 12.54 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, 2017: ₹ 1.15 Crore)
 - (iii) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to ₹ 5.62 Crore (March 31, 2017: ₹ 9.53 Crore).
 - (iv) Fixed Deposit held by bank as security against guarantees issued amounting to ₹ 0.19 Crore as on March 31, 2018 (March 31, 2017 ₹ 0.96 Crore).
- 2 Balance of ₹ 0.37 Crore as on March 31, 2018 (March 31, 2017 ₹ 0.39 Crore) held against unclaimed dividend.
- 3 Balances with Banks in current accounts ₹ 1.65 Crore (March 31, 2017 : ₹ 2.11 Crore) is amount received from buyers towards maintenance charges.
- 4 Includes Margin money deposits ₹ 1.11 Crore (March 31, 2017 ₹ 1.33 Crore) relating to a subsidiary that are restricted and the same is held towards security of letter of credit and bank guarantees.

Notes to the Consolidated Financial Statements

Note 14 : Current Financial Assets-Loans

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Security Deposit		
(a) Secured and Considered Good (Refer Note 1 below)	142.89	161.18
(b) Unsecured and Considered Good	4.26	4.20
(II) Loans to Related Parties		
(a) Unsecured and Considered Good	909.40	538.97
(III) Other Loans		
(a) Unsecured and Considered Good		
Loans to employees	1.18	0.83
Other Loans & Advances	43.49	30.51
(b) Unsecured and Considered Doubtful		
Inter Corporate Deposit	5.77	5.77
Less : Allowance for Bad and Doubtful Deposit	(5.77)	(5.77)
	-	-
	1,101.22	735.69

Note

1 Secured Deposits are Secured against Terms of Development Agreement for a subsidiary.

Note 15 : Current Financial Assets-Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Other Receivables	26.44	143.19
(II) Unbilled Revenue	660.88	522.68
(III) Fair Value of Derivative Contracts	0.23	0.12
(IV) Forward Cover Contracts Receivable	0.90	2.26
(V) Deposits - Others	44.95	6.73
(VI) Deposits - Banks (Refer note 1 below)	17.97	-
(VII) Interest Accrued on Loans and Deposits	169.07	146.91
(VIII) Income Accrued	-	3.00
(IX) Export Benefits Receivables	13.20	10.34
(X) Others	26.78	0.56
	960.42	835.79

1. ₹ 0.76 Crore (Previous year: Nil) received from flat buyers and held in trust on their behalf in a corpus fund.

Notes to the Consolidated Financial Statements

Note 16 : Other Current Assets

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(l) Advances other than Capital Advance		
(a) Security Deposit		
Statutory Deposits	234.23	113.78
Other Deposits	2.47	2.25
	236.70	116.03
(b) Other Advances		
Advance to Suppliers - Considered Good (Refer Note 1 below)	88.71	82.55
Advance to Suppliers - Considered Doubtful	1.19	0.65
Provision for Doubtful Advance	(1.19)	(0.65)
	88.71	82.55
Other Receivables - Considered Good	64.35	68.01
Export Benefit	9.90	5.10
Employee Advance	0.02	0.08
Prepaid and Other Advances	20.97	10.57
Assets held for Sale	0.55	0.55
	421.20	282.89

Note

- 1 Advances to Suppliers and Contractors include advances amounting to ₹ 16.11 Crore (Previous year 2017 ₹ 27.02 Crore) secured against Bank Guarantee.

Notes to the Consolidated Financial Statements

Note 17 : Equity

Particulars	As at March 31, 2018		As at March 31, 2017	
	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
		<u>180.00</u>		<u>180.00</u>
2 Issued, Subscribed and Paid up Share Capital				
Equity Shares of ₹ 1 each fully paid up	336,272,731	33.63	336,139,786	33.61
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	336,139,786	33.61	335,988,807	33.60
Issued during the year	132,945	0.02	150,979	0.01
Number of Shares outstanding at the end of the year	<u>336,272,731</u>	<u>33.63</u>	<u>336,139,786</u>	<u>33.61</u>
4 Rights, Preferences and Restrictions attached to Shares				
Equity Shares : The Company has one class of equity shares. Each equity share entitles the holder to one vote. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.				
5 Shareholding Information				
(a) Equity Shares held by Holding Company: Vora Soaps Limited	193,904,681	19.39	193,904,681	19.39
(b) Shareholders holding more than 5% of Equity Shares in the Company: Vora Soaps Limited - 57.66% (Previous year 57.69%)	193,904,681	19.39	193,904,681	19.39
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 31/05/17	-	-	148,998	0.01
(b) Employee Stock Grant vesting on 30/11/17	-	-	1,513	0.00
(c) Employee Stock Grant vesting on 31/03/18	2,075	0.00	2,075	0.00
(d) Employee Stock Grant vesting on 31/05/18	109,052	0.01	97,223	0.01
(e) Employee Stock Grant vesting on 30/09/18	807	0.00	807	0.00
(f) Employee Stock Grant vesting on 30/11/18	3,454	0.00	-	-
(g) Employee Stock Grant vesting on 31/05/19	72,234	0.01	47,985	0.00
(h) Employee Stock Grant vesting on 31/05/20	31,758	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 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.

Note

In the FY 2014-15, the Honourable Bombay High Court and High Court of Madhya Pradesh, Indore Bench, approved a Scheme of Amalgamation ("Scheme") of Wadala Commodities Limited (WCL) with the Company effective from April 1, 2014, being the appointed date. The Effective Date was November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC. Accordingly, the Company had issued 200,243 equity shares of the Company in lieu of the equity shares in WCL and 10 equity shares of the Company in lieu of the preference shares in WCL held by the shareholders of the erstwhile WCL and also issued 67,504 bonus equity shares of the Company to the non-promoter shareholders of the Company.

In current year, the Company has issued Nil (Previous year 38) bonus equity shares of the Company to the non-promoter shareholders on exercise of ESGS options.

Notes to the 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, 2018	As at March 31, 2017
I. Capital Reserve on Account of Amalgamation	2.31	2.38
II. Capital Redemption Reserve	31.46	31.46
III. Securities Premium Account	943.70	939.21
IV. Capital Reserve	14.01	14.01
V. Special Reserve	3.98	3.98
VI. Foreign Currency Monetary Items Translation Reserve	9.59	(7.89)
VII. Items of Other Comprehensive Income	(32.00)	(41.27)
VIII. Employee Stock Grants Outstanding	7.67	7.20
IX. Treasury Stock	-	(4.81)
X. General Reserve	65.85	55.94
XI. Debenture Redemption Reserve	28.66	-
XII. Gain on sale of subsidiary without losing control	180.67	-
XIII. Non Controlling Interest Reserve	744.39	558.97
XIV. Retained Earnings	1,874.97	1,602.83
	3,875.26	3,162.01

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 Account : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.
- d Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve and also created on Sale of treasury Shares, 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 Treasury Reserve : The reserve for treasury shares of the Company held by the ESOP trust.
- i 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.
- j 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.
- k 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.

Notes to the Consolidated Financial Statements

Note 18 : Other Equity (Contd.)

- l 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 of ₹ 267.38 crore 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 profit, but is included in Reserve as per the accounting treatment prescribed under IND AS 110 (Consolidated Financial Statements).
- m Non-controlling Interest Reserve : It represents the difference between the consideration paid and the carrying value of non-controlling interest acquired in subsidiaries.
- n 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	
	As at March 31, 2018	As at March 31, 2017
Opening Balance	(41.27)	(23.62)
Exchange differences on translation of financial statements of foreign operations	10.59	(18.91)
Cash flow hedges	(1.32)	1.26
	(32.00)	(41.27)

IV Notes

- (i) To give effect to the Scheme of Amalgamation ("the Scheme") of Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd. (GOPL) and Cauvery Palm Oil Ltd. (CPOL) ("the Transferor Companies") with Godrej Agrovet Limited ("the Transferee Company"), effective April 1, 2011, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been recorded.
- i. Amortisation of Intangible Assets of the Transferor Companies amounting to ₹1.06 Crore each for the Quarters ended March 31, 2018, December 31, 2018 and March 31, 2017, ₹ 4.25 Crore each for the Financial year ended March 31, 2018 and March 31, 2017 recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the Transferee Company is ₹ 42.51 Crore.
- ii. Provision created against the loan advanced to the ESOP Trust of Godrej Industries Limited amounting to ₹ 20.00 Crore was directly charged against the balance in the Securities Premium Account of the Transferee Company. During the Financial Year ended March 31, 2017, the Company has written back this provision of ₹ 20.00 Crore as the said advance has been recovered and hence, no longer doubtful and the same has been shown as exceptional item.
- Had the Scheme not prescribed the above treatment, profit for each of the Financial year ended March 31, 2018 and March 31, 2017 would have been lower by ₹ 2.77 Crore and ₹ 2.78 Crore respectively.
- (ii) To give effect to the Hon'ble Bombay High Court's Order dated March 8, 2013, an amount of ₹ 110.04 Crore standing to the credit of the Securities Premium Account of the Company has been utilised to create Reserve for Employee Compensation Account of the Company. The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for Employee Compensation Account, of which ₹ 3.90 Crore has been utilised for the Financial Year ended March 31, 2017.
- Had the Scheme not prescribed this treatment, the profit for the Financial Year ended March 31, 2017 would have been lower by ₹ 3.90 Crore.
- (iii) A Scheme of Amalgamation ("the Scheme") for the amalgamation of Goldmuhor Agrochem & Feeds Limited (called "the Transferor Company") with Godrej Agrovet Limited (the "Transferee Company"), with effect from October 1, 2013, ("the Appointed date") was sanctioned by the Honorable High Court of Judicature at Bombay ("the Court"), vide its Order dated September 20, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on December 13, 2013 (the "Effective Date").
- To give effect to the Hon'ble Bombay High Court's Order dated September 20, 2013 regarding Scheme of the Arrangement, the following entry has been recorded.
- An amount of ₹ 20 Crore has been transferred from the General Reserve Account and used to increase the Reserve for Employee Compensation Expenses, of which ₹19.86 Crore has been utilised for the Financial Year ended March 31, 2017. Had the Scheme not prescribed this treatment the profit for Financial Year ended March 31, 2017 would have been lower by ₹ 19.86 Crore.

Notes to the Consolidated Financial Statements

Note 19 : Non-Current Financial Liabilities - Borrowings

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Secured Borrowings		
(a) Bonds and Debentures	500.00	-
7.82% 5,000 (Previous year: Nil) redeemable non-convertible debentures ("NCD") of face Value ₹ 1,000,000 each		
(b) Term Loans		
(i) From Banks (Refer Note 1 and 2a)	27.92	489.78
(ii) From Other Parties (Refer Note 2b)	4.99	11.88
(II) Unsecured Borrowings		
(a) Term Loans		
(i) From Banks (Refer Note 3 below)	380.68	931.89
(ii) From Other Parties (Refer Note 4 below)	33.34	66.67
(b) Deferred Payment Liabilities (Refer Note 5 and 6 below)	5.36	6.70
(c) Other Deposits	-	1.33
(d) Other Loans		
(i) Preference Share Capital (Refer Note 7)	-	0.01
	952.29	1,508.26

Note:

- Secured term loan in the previous year amounting to ₹ 474.75 Crore bearing interest @ CPLR minus 730 BPS and secured by way of exclusive mortgage and charge of movable and immovable property, right, title interest in the designated account / escrow account and receivables of the project situated at Bandra Kurla Complex at Mumbai and pledge of 51% of equity shares of Godrej Buildcon Private Limited held by the Company. During the year the term loan has been repaid.

Notes to the Consolidated Financial Statements

Note 19 : Non Current Financial Liabilities - Borrowings (Contd.)

2 a)

Particulars

	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Vehicle Loan from Bank taken @ 9.50% to 11.50% repayable in 36/60 installments from the date of disbursements	0.26	0.58
Loan from Bank carrying Interest rate ranging from 9.34% to 9.55% p.a. repayable by August 2020 is secured by hypothecation of moveable plant and machinery, furniture, fixtures consisting of refrigeration and interior work, both present and future of funded stores of a subsidiary.	2.75	4.95
Loan from Bank carrying Interest @ 10.30% p.a. repayable by December 2022 is secured by hypothecation of moveable plant and machinery, furniture, fixtures consisting of refrigeration and interior work, both present and future of funded stores of a subsidiary.	7.83	9.50
Loan from Bank carrying Interest rate ranging from 9.60% to 9.85% p.a. repayable by December 2022 is secured by hypothecation of moveable plant and machinery, furniture, fixtures consisting of refrigeration and interior work, both present and future of funded stores of a subsidiary.	10.00	-
Loans at the interest rate of 2.0% to 2.6% p.a. repayable in 60 installments from the date of disbursements. The interest bearing loan is denominated in Singapore dollar.	7.08	-

2 b)

Particulars

	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Loans carrying Interest @ 9.70% p.a. repayable by March 2020 is secured by hypothecation of the Property, Plant and Equipment and Current Assets of the funded stores & head office of a subsidiary.	4.99	11.88

Notes to the Consolidated Financial Statements

Note 19 : Non Current Financial Liabilities - Borrowings (Contd.)

3 Unsecured Loans from Banks

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Loan carries interest rate at Base Rate for an original term upto 36 months and repayable starting September 2018 to March 2019.	-	100.00
Loan carries interest at Base Rate/ 1 year MCLR for an original term upto 36 months and repayable starting December 2018 to June 2019.	25.00	50.00
Loan carries interest at 3 months MCLR for an original term upto 36 months and repayable starting March 2019 to September 2019.	50.00	100.00
Loan carries interest at Fixed rate of 8.50% p.a for an original term upto 60 months and repayable starting June 2018 to March 2022.	93.75	125.00
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting June 2018 to March 2022.	67.50	90.00
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting July 2018 to April 2022.	28.44	-
Loan carries interest at 6 months MCLR + 1.50 % p.a. for an original term upto 36 months and repayable starting June 2018 to March 2019.	-	100.00
Loan carries interest at 3 years MCLR + 0.05% p.a. for an original term upto 36 months and repayable starting November 2018 to August 2019.	25.00	50.00
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 36 months and repayable starting July 2017 to April 2018.	-	25.00
Loan carries interest at LIBOR + 2.05% p.a. for an original term upto 60 months and repayable by August 2018.	-	32.44
Loan carries interest at LIBOR + 2.40% p.a., fixed under IRS at 4.28% p.a for an original term upto 60 months and repayable by July 2019.	41.18	122.93
Loan carries interest at LIBOR + 2.35% p.a., fixed under IRS at 4.25% p.a for an original term upto 60 months and repayable by July 2019.	27.61	82.42
Loan carried interest at LIBOR + 2.45% p.a., fixed under IRS at 4.39% p.a for an original term upto 60 months and repayable by July 2019.	13.67	40.82
Loan carries interest rate of 8.50% p.a. repayable in 16 structured quarterly instalments commencing from January 2018 to December 2022.	2.95	3.75
Loan carries interest rate of 8.65% p.a. repayable in 18 equal quarterly instalments commencing from 6 months from the date of first disbursement i.e. March 30, 2016.	2.98	5.21
Loan carries interest rate of T.Bill +0.19 spread p.a and repayable 50% at the end of 18 months and 50% at the end of 36 months.	2.60	4.32

4 Unsecured Loans from Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 60 months and repayable by March 2020.	16.67	33.33
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 60 months and repayable by March 2020.	16.67	33.34

Notes to the Consolidated Financial Statements

Note 19 : Non-Current Financial Liabilities - Borrowings (Contd.)

- 5 Deferred Loan of a subsidiary against acquisition of Lease hold Land is availed at interest rate 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on a half yearly basis 6 years from 1st July 2016 up to 1st January 2022. Total loan availed was ₹ 6.17 crore and outstanding for the year ended March 31, 2018 was ₹ 4.11 crore (Previous year ₹ 5.15 crore) with current maturity disclosed separately in note no. 26 at ₹ 1.03 crore (Previous year ₹ 1.03 crore).
- 6 Deferred Sales Tax Loan of a subsidiary 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, commencing from March 2014 up to March 2021. Total loan availed was ₹ 4.67 crore and outstanding for the year ended March 31, 2018 was ₹ 3.11 crore (Previous year ₹ 2.93 crore) with current maturity disclosed separately in note 26 at ₹ 0.85 crore (Previous year ₹ 0.35 crore)
- 7 Non-Convertible Redeemable Preference Shares having a par value of ₹ 10 per share. Each eligible Shareholder is entitled for 8% dividend on par value of shares.
- 8 The Group does not have any default as on the Balance Sheet date in repayment of loan or interest.

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Note 20 : Non-Current Financial Liabilities - Others		
(I) Put Option Liability	-	35.33
	-	35.33
Note 21 : Non-Current Provisions		
I. Defined Benefit Obligation	22.26	13.89
II. Other Long Term Benefit	3.06	3.22
	25.32	17.11
Note 22 : Deferred Tax Liabilities (Net)		
(I) Liabilities		
(a) WDV of Assets	181.35	169.54
(b) Other	62.43	64.57
(II) Assets		
(a) Provision for Retirement Benefits	1.30	1.63
(b) Provision for Doubtful Debts / Advances	-	3.23
	242.48	229.25
Note 23 : Other Non-Current Liabilities		
(I) Others		
Deferred Grant	14.05	15.24
Others	1.40	-
	15.45	15.24

Notes to the Consolidated Financial Statements

Note 24 : Current Financial Liabilities Borrowings

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Secured Borrowings		
(a) Loans Repayable on Demand		
(i) From Banks (Refer Note 1 below)	805.85	802.19
(b) Other Loans		
(i) Cash Credit (Refer Note 2 below)	146.59	481.85
(ii) Buyer's Credit (Refer Note 3 below)	6.46	1.00
(ii) Working Capital Loan	-	14.54
(II) Unsecured Borrowings		
(a) Term Loans		
(i) From Banks (Refer Note 4 below)	1,273.04	675.33
(b) Loans Repayable on Demand		
(i) From Banks (Refer Note 5 below)	759.88	660.75
(ii) Bank Overdraft repayable on demand (Refer Note 6 below)	643.30	255.20
(c) Other Loans		
(i) Commercial Papers (Refer Note 7 below)	1,603.41	2,574.49
(ii) Working Capital Loan (Refer Note 8 below)	51.03	97.32
(iii) Cash Credit	22.22	29.64
	5,311.78	5,592.31

1 Loan repayable on demand includes

- (i) Secured Working Capital Demand Loan having a balance of ₹ 804.73 crore (March 31, 2017 ₹ 801.93 crore) availed by a subsidiary from Banks secured by hypothecation of Current Assets of the Company, mortgage of Immovable property of the said subsidiary company at Unit No. 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary) is provided as collateral security.
- (ii) Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.
- (iii) Foreign currency loans of a subsidiary from Banks are at an interest rate of LIBOR + 75 bps and are repayable in 30 days.

2 (i) Cash credit of a subsidiary availed from bank having a balance of ₹ 135.58 crore (March 31, 2017 ₹ 460.43 crore) is on account of Cash Credit availed by a subsidiary from Banks and is secured by hypothecation of the Current Assets of the Company, mortgage of Immovable property of the said subsidiary company at Unit No. 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary) is provided as collateral security and payable on demand.

- (ii) Cash Credit of a subsidiary having a balance of ₹ 11.01 crore (March 31, 2017 ₹ 21.42 crore) from banks are repayable on demand and carries interest at 1 year MCLR + 35 to 50 bps (Previous year 1 year MCLR + 35 to 50 bps). This cash credit from Bank is secured against inventories and receivables. Cash Credit of a subsidiary from banks are repayable on demand and carries interest at MCLR + 0.55% to 1.10%) have first pari passu charge on the Current Assets of the subsidiary, including inventory and receivables both present & future and second charge on property, plant and equipments of the company present & future (including Equitable Mortgage/Hypothecation of Factory Land & Building / Plant & Machinery).

3 Buyers credit are at an interest rate of 3 months LIBOR + 40 to 100 bps and are repayable within 6 months.

Notes to the Consolidated Financial Statements

Note 24 : Current Financial Liabilities Borrowings (Contd.)

4 Unsecured Loans from Bank

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Loan carries interest rate at 1 month MCLR repayable by April 2018	220.00	-
Loan carries interest rate at 1 month MCLR repayable by May 2018	260.00	-
Loan carries interest rate at 1 month MCLR repayable by June 2018	155.00	-
Loan carries interest rate at 3 months MCLR repayable by June 2018	160.00	-
Loan carries interest rate from 7.55%p.a. to 7.88% p.a. repayable by June 2018	150.00	-
Loan carries interest rate at 3 months MCLR + 0.25 % p.a. repayable by June 2018	65.00	-
Loans from Banks are at an interest rate of LIBOR + 75 bps and are repayable in 30 days.	37.99	-
Loan carries interest rate of 9.25%	20.00	10.00
Loan carries interest rate at 1 month MCLR repayable by May 2017	-	90.00
Loan carries interest rate at 1 month MCLR + 0.05% p.a. repayable by April 2017	-	30.00
Loan carries interest rate at 3 month MCLR repayable by May 2017	-	50.00
Loan carries interest rate at 3 month MCLR + 0.10 % p.a. repayable by April 2017	-	75.00
Loan carries interest rate at 3 month MCLR repayable by June 2017	-	130.00
Loan carries interest rate at 1 month MCLR repayable by April 2017	-	90.00
Loan carries interest rate of 5.95% to 9.35% (Previous year 5.96% to 13.60%) repayable on different dates up to 3 months from the date of financial statements	205.04	200.33

5 Loans Repayable on Demand

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Other loans carrying interest rate 7.85% to 8.00%	697.84	598.60
Loan carries interest at 5% repayable within 6 months	57.14	62.15
Buyers credit are at an interest rate of 3 months LIBOR + 40 to 100 bps and are repayable within 6 months.	4.90	-

6 Overdraft facilities having balance of ₹ 626.30 crore (March 31, 2017 ₹ 255.20) carries interest rate of 7.85% to 8.00%

7 Commercial Papers

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Commercial Papers carries interest at 7.1% p.a. to 7.25% p.a. repayable during the period April to June 2018.	615.00	-
Commercial Papers carries interest at 6.03% to 6.59% repayable during the period April to June 2017.	-	910.00
Commercial Papers carries interest at 7.44% to 7.65% p.a. repayable during the period April to June 2018.	938.41	1,389.49
Commercial Papers carries interest at 5.95% to 8.85% repayable during the period April to June 2017.	-	275.00
Commercial Paper carries interest rate of 6.15% to 7.25% p.a. repayable during the period April to June 2018.	50.00	-

8 Working capital loan (Rupee) of a subsidiary from banks carries interest rate of 7.50% to 7.85% (Previous Year at interest rates linked to MCLR). These loans are repayable on different dates within 3 months.

9 The company does not have any default as on the Balance Sheet date in repayment of loan or Interest.

Notes to the Consolidated Financial Statements

Note 25 : Current Financial Liabilities - Trade Payables

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Trade Payables		
(a) Outstanding dues of Micro and Small Enterprises (Refer Note 1 below)	19.97	20.95
(b) Others	1,028.34	1,142.18
(II) Acceptances	637.30	528.10
	1,685.61	1,691.23

Note

- 1 Disclosure of outstanding dues of Micro and Small Enterprises under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2018, to Micro, Small and Medium Enterprises on account of principal or interest.

Note 26 : Current Financial Liabilities - Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Current Maturities of Long Term Debts		
(a) Secured		
Term Loan from Bank	10.76	10.43
Term Loan from Others	0.37	1.26
(b) Unsecured		
Term Loan from Bank	582.85	407.13
Term Loan from Others	38.08	33.33
	632.05	452.15
(II) Current Maturities of Deferred Sales Tax Liability	0.85	1.38
(III) Interest Accrued but not due	27.41	11.36
(IV) Unpaid Dividends	0.44	0.45
(V) Unpaid Matured Deposits		
(a) Principal Amount	1.63	2.81
(b) Interest accrued	0.06	0.09
	1.69	2.90
(VI) Others		
(a) Non-Trade Payable	124.23	105.08
(b) Deposits	91.51	72.55
(c) Forward Cover Contracts Payable	-	2.92
(e) Derivative Liability	0.09	2.23
(f) Put Option Liability	36.96	-
(g) Others	250.85	207.33
	503.64	390.11
	1,166.08	858.35

Notes to the Consolidated Financial Statements

Note 27 : Other Current Liabilities

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Other Advances		
(a) Amount received against Sale of Flats / Units and Advances from Customers	506.76	449.95
(II) Others		
(a) Other Liabilities	41.81	43.70
(b) Statutory Liabilities	89.54	61.70
(c) Deferred Grant	1.13	1.13
	639.24	556.48

Note 28 : Current Provisions

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
(I) Provision for Employee Benefits		
a) Defined Benefit Obligation	5.42	4.89
b) Other Long Term Benefit	8.18	5.31
(II) Others		
a) Provision for Sales Return (Refer Note 1 below)	25.27	20.74
b) Others (Refer Note 2 below)	1.50	-
	40.37	30.94
1 Movement of provision for sales return		
Opening Provision	20.74	16.60
Add : Provision made for the year	138.63	123.13
Less: Utilised during the year	133.80	118.99
Less: Reversed during the year	0.30	-
	-	-
Closing Provision	25.27	20.74

The Group makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

- 2 Others include provision made during the year for legal cases. The same is expected to be settled in 1-3 years.

Notes to the Consolidated Financial Statements

Note 29 : Revenue From Operations

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Sale of Products	9,109.62	8,243.73
II Sale of Services	103.91	109.19
III Other Operating Revenue		
(a) Export Incentives	25.93	19.62
(b) Rental Income	6.75	6.07
(c) Processing Charges	4.10	5.47
(d) Sale of Scrap	28.54	26.43
(e) Dividend Income	0.22	0.03
(f) Other Income from Customers of Property Business	83.09	44.70
(g) Others	42.98	27.37
	9,405.14	8,482.61
Fair value of Biological Assets	(0.09)	(0.08)
	9,405.05	8,482.53

Note 30 : Other Income

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Interest Income	146.89	105.66
II Gain on Foreign Exchange Translation	4.26	1.75
III Profit on sale of Property, Plant and Equipment	0.27	0.98
IV Profit on Sale of Current Investments	210.98	24.00
V Changes in fair value of financial assets of FVTPL	158.98	3.46
VI Profit on Sale of Non-Current Investments	0.33	-
VII Claims Received	3.07	0.49
VIII Liabilities no longer required written back	3.81	1.04
IX Recovery of Bad Debts written off	0.59	0.29
X Royalty & Technical Knowhow	1.44	2.48
XI Grant amortization	1.49	1.16
XII Miscellaneous Income	31.67	27.56
	563.78	168.87

Note

- 1 Previous year Profit on sale of current investment includes profit of ₹ 2.21 crore on extinguishing of investment in subsidiary company Godrej Seeds and Genetics Limited.

Notes to the Consolidated Financial Statements

Note 31a : Cost of Material Consumed

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Raw Material Consumed		
Inventory at the Commencement of the year	526.19	551.26
Add : Purchases (Net)	5,034.81	4,663.20
	5,561.00	5,214.46
Less : Inventory at the Close of the year	(546.04)	(526.19)
Total Raw Material Consumed	5,014.94	4,688.27
II Packing Material Consumed		
Inventory at the Commencement of the year	3.41	2.83
Add : Purchases (Net)	49.59	42.43
	53.00	45.26
Less : Inventory at the Close of the year	(4.35)	(3.41)
Total Packing Material Consumed	48.65	41.85
Total Material Consumed (I+II)	5,063.59	4,730.12

Note 31b : Cost of Sale - Property Development

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Inventory at the Commencement of the Year		
Finished Goods	56.73	56.74
Construction Work in Progress	3,909.37	3,866.34
Add : Expenditure during the year		
Land/Development Rights	240.20	165.42
Construction, Material & Labour	473.55	591.18
Architect Fees	18.98	8.47
Other Cost	127.71	162.07
Finance Cost	161.00	190.33
	4,987.54	5,040.55
Less :		
Transferred to Expenses	(0.33)	(0.65)
Transferred to Property, Plant and Equipment	(12.79)	-
Transferred to Capital WIP	(69.63)	-
Transferred to Investment Property	(2.59)	-
Transferred on Loss of Control	(476.72)	(0.49)
Recovery of cost towards area	(616.94)	-
Less : Inventory at the Close of the year		
Finished Goods	(64.46)	(56.73)
Construction Work-in-Progress	(2,279.24)	(3,909.37)
	(2,343.70)	(3,966.10)
Total Cost of Sale - Property Development	1,464.84	1,073.31

Notes to the Consolidated Financial Statements

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

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Inventory at the Commencement of the year		
Finished Goods	206.83	191.03
Stock-in-Trade	91.23	86.82
Work-in-Progress	134.34	96.29
Total Inventory at the Commencement of the year	432.40	374.14
Consumption of Poultry Stock and stock under cultivation	0.23	4.20
II Inventory at the end of the year		
Finished Goods	(230.13)	(206.83)
Stock-in-Trade	(75.05)	(91.23)
Work-in-Progress	(125.30)	(134.34)
Total Inventory at the end of the year	(430.48)	(432.40)
Changes in Inventories (I-II)	2.16	(54.06)

Note 33 : Employee Benefit Expense

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Salaries and Wages	502.65	414.18
II Contribution to Provident and Other Funds	27.09	21.79
III Expenses on Employee Stock Option Scheme	9.12	10.52
IV Staff Welfare Expense	35.30	28.03
	574.16	474.52

Note 34 : Finance Costs

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Interest	482.21	508.88
Less : Transferred to Construction work-in-progress and Capital work-in-progress	(163.94)	(193.27)
Less: Recovery of Finance Cost	(8.20)	(24.32)
Net Interest	310.07	291.29
II Exchange Differences regarded as an adjustment to Borrowing Costs	0.32	3.31
III Other Borrowing Costs	102.76	107.22
	413.15	401.82

Notes to the Consolidated Financial Statements

Note 35 a : Depreciation and Amortisation Expenses

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Depreciation on Property, Plant and Equipment	167.43	140.85
II Depreciation on Investment Property	2.02	2.16
III Amortisation on Intangible Assets	10.07	9.38
Less : Transferred from General Reserve (Refer Note. 18 IV (i))	(4.25)	(4.25)
	175.27	148.14

Note 35 b : Other Expenses

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Consumption of Stores and Spares	39.52	31.39
II Power and Fuel	184.08	171.51
III Processing Charges	112.84	93.07
IV Rent (Refer note 1 below)	58.02	60.74
V Rates & Taxes	33.88	30.79
VI Repairs and Maintenance		
(a) Machinery	27.87	20.93
(b) Buildings	14.89	13.81
(c) Other Assets	10.11	9.16
VII Insurance	6.79	6.43
VIII Freight	81.15	60.37
IX Commission	4.82	4.43
X Advertisement and Publicity	52.22	59.18
XI Selling and Distribution Expenses	99.87	84.80
XII Bad Debts Written Off	8.21	7.99
XIII Provision / (Write back) for Doubtful Debts and Advances	7.01	6.98
XIV Loss on Foreign Exchange Translation	2.52	0.95
XV Loss on Sale of Property, Plant and Equipment	1.66	14.50
XVI Loss on Sale of Investments	-	1.20
XVII Research Expense	2.34	3.00
XVIII Legal and Professional fees	63.03	50.19
XIX Corporate Social Responsibility	5.17	4.84
XX Miscellaneous Expenses	372.31	249.00
	1,188.32	985.27

Note :

- Rental expenses of the holding company amounting to ₹ 7.06 crore (previous year ₹ 6.95 crore) are netted off with rental income in respect of certain premises in the same building.

Note 36 : Exceptional Items

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Profit / (Loss) on sale of Strategic Investments	-	22.76
II Gain on cancellation of an agreement for supply of products	19.33	-
III Loss on account of inventory write off	(7.28)	-
	12.05	22.76

Notes to the Consolidated Financial Statements

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, 2018	Year ended March 31, 2017
(a) Calculation of weighted average number of equity shares - Basic		
(i) Number of equity shares at the beginning of the year (in units)	336,139,786	335,988,807
(ii) Number of equity shares issued during the year (in units)	132,945	150,979
(iii) Number of equity shares outstanding at the end of the year (in units)	336,272,731	336,139,786
(iv) Weighted average number of equity shares outstanding during the year (in units)	336,244,991	336,032,962
(b) Calculation of weighted average number of equity shares - Diluted		
(i) Number of potential equity shares at the beginning of the year (in units)	336,482,336	336,321,903
(ii) Number of potential equity shares at the end of the year (in units)	336,486,056	336,482,336
(iii) Weighted average number of potential equity shares outstanding during the year (in units)	336,484,969	336,404,105
(c) Net Profit Attributable to Owners of the Company (Amount ₹ in Crore)	421.37	256.45
Less : Impact of Court approved Scheme on Net Profit (Amount ₹ in Crore)	(1.61)	(16.90)
Adjusted Net Profit Attributable to Owners of the Company (Amount ₹ in Crore)	419.76	239.56
(i) Basic Earnings Per Share of ₹ 1 each	12.48	7.13
(ii) Diluted Earnings Per Share of ₹ 1 each	12.47	7.12

Notes to the Consolidated Financial Statements

Note 38 : Contingent Liabilities

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
I Claims against the Group not acknowledged as debts		
(a) Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Group has contested and are under appeal at various levels.	210.60	215.70
(b) Customs Duty demands relating to lower charge, differential duty, classification, etc.	5.00	4.93
(c) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	54.67	112.50
(d) Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	0.29	0.29
(e) Stamp duties claimed on certain properties which are under appeal by the Group.	1.82	21.84
(f) Income tax demands against which the Company has preferred appeals.	96.18	101.64
(g) Industrial relations matters under appeal.	0.47	2.62
(h) Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Group as advised by our advocates. In the opinion of the management the claims are not sustainable.	69.94	75.64
(i) Others	7.15	1.68
II Surety Bonds		
(a) Surety Bonds given by the Holding Company in respect of refund received from excise authority for exempted units of associate company (Refer Note 1 below)	26.88	26.88
(b) Bonds issued by Group on behalf of related party	1.21	1.21
III Other money for which the Group is Contingently liable		
(a) Case / Claim filed by Processors for claiming various expenses	175.42	196.46
IV Contingent liabilities relating to interest in Associates	212.44	173.59

Notes

- The Corporate surety bond of ₹ 26.88 crore (₹ 26.88 crore as on March 31, 2017) is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.
- 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 consolidated 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.

Notes to the Consolidated Financial Statements

Note 39 : Commitments

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
I Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	70.83	123.30
II Outstanding Export Obligation under EPCG Scheme	39.36	38.96
III Uncalled liability on partly paid shares / debentures (*)	-	-
IV Contracts for Purchase of Raw Material	75.43	65.39
V Commitments relating to interest in Associates	7.67	12.43

* 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 has entered into development agreements with owners of land for development of projects. Under the agreements the company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

Notes to the Consolidated Financial Statements

Note 40 : Information on Subsidiaries, Joint Ventures and Associates :

(a) The subsidiary Companies considered in the Consolidated Financial Statements are :

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2018	As at March 31, 2017
Companies				
Subsidiaries of Godrej Industries Limited				
1	Godrej Agrovet Ltd.	India	57.99%	63.67%
2	Godrej Properties Ltd.	India	57.31%	57.37%
3	Natures Basket Ltd.	India	100%	100%
4	Ensemble Holdings & Finance Ltd.	India	100%	100%
5	Godrej International Ltd.	Isle of Man	100%	100%
6	Godrej International Trading & Investments Pte. Ltd.	Singapore	100%	100%
7	Godrej International Ltd.	Labuan	100%	100%
8	Godrej One Premises Management Pvt. Ltd.	India	58.00%	39.72%
Subsidiaries of Godrej Agrovet Ltd.				
9	Godvet Agrochem Ltd.	India	100%	100%
10	Astec Lifesciences Ltd.	India	57.45%	55.53%
11	Creamline Dairy Products Ltd.	India	51.91%	51.91%
Subsidiaries of Godrej Properties Ltd.				
12	Godrej Real Estate Private Ltd. (merged with Godrej Properties w.e.f. 1st April 2017)	India	-	100%
13	Godrej Buildcon Pvt. Ltd.	India	100%	100%
14	Godrej Project Development Pvt. Ltd.	India	100%	100%
15	Godrej Garden City Properties Pvt. Ltd.	India	100%	100%
16	Godrej Hillside Properties Pvt. Ltd.	India	100%	100%
17	Godrej Home Developers Pvt. Ltd.	India	100%	100%
18	Godrej Investment Advisers Pvt. Ltd. (ceased to be Subsidiary from June 21, 2017)	India	100%	100%
19	Godrej Prakriti Facilities Pvt. Limited	India	100%	100%
20	Godrej Highrises Properties Pvt. Limited	India	100%	100%
21	Godrej Green Homes Ltd. (classified as Joint Venture w.e.f March 17, 2018)	India	-	100%
22	Godrej Genesis Facilities Management Pvt. Limited	India	100%	100%
23	Godrej Fund Management Pte. Ltd. (100% subsidiary from January 25, 2016) (100% Subsidiary of Godrej Investment Advisers Private Limited) (ceased to be Subsidiary from June 21, 2017)	Singapore	-	100%
24	Prakritiplaza Facilities Management Pvt. Limited (Incorporated on July 28, 2016)	India	100%	100%
25	Godrej Vikhroli Properties India Limited (Converted to Company on January 25, 2017) (merged with Godrej Properties Ltd. w.e.f. April 1, 2017)	India	100%	100%
26	Citystar Infra Projects Limited	India	100%	100%
27	Godrej Residency Pvt. Limited (Incorporated on March 16, 2017)	India	100%	100%
Limited Liability Partnership (LLP) (held through Godrej Properties Limited)				
1	Godrej Land Developers LLP	India	100%	100%
2	Godrej Highrises Realty LLP	India	100%	100%
3	Godrej Project Developers & Properties LLP	India	100%	100%
4	Godrej Skyview LLP	India	100%	100%
5	Godrej Green Properties LLP	India	100%	100%
6	Godrej Projects (Pune) LLP	India	100%	100%
7	Godrej Projects (Soma) LLP	India	100%	100%

Notes to the Consolidated Financial Statements

Note 40 : Information on Subsidiaries, Joint Ventures and Associates : (Contd.)

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2018	As at March 31, 2017
8	Godrej Projects North LLP (formerly known as Godrej Projects (Blue Jay) LLP)	India	100%	100%
9	Godrej Athenmark LLP (incorporated on April 20, 2017)	India	100%	-
10	Godrej Vestamark LLP (incorporated on April 20, 2017)	India	100%	-
11	Godrej Avamark LLP (incorporated on April 20, 2017)	India	100%	-
12	Godrej Developers & Properties LLP (Classified as Joint Venture w.e.f. October 30, 2017)	India	-	100%
13	Godrej Projects North Star LLP (formerly known as Godrej Century LLP) (Classified as Joint Venture w.e.f. September 27, 2017)	India	-	100%
14	Godrej Highview LLP (Classified as Joint Venture w.e.f. June 15, 2017)	India	-	100%

(b) Interests in Joint Ventures :

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2018	As at March 31, 2017
Companies				
1	ACI Godrej Agrovat Pvt. Ltd. (joint venture partner of Godrej Agrovat Ltd.)	Bangladesh	50%	50%
2	Godrej Tyson Foods Ltd. (joint venture partner of Godrej Agrovat Ltd.)	India	49%	49%
3	Wonder Space Properties Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	25.10%	25.10%
4	Wonder City Buildcon Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	25.10%	25.10%
5	Godrej Home Constructions Pvt Ltd (joint venture partner of Godrej Properties Ltd.)	India	25.10%	25.10%
6	Godrej Realty Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	51%	51%
7	Godrej Landmark Redevelopers Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	51%	51%
8	Godrej Redevelopers (Mumbai) Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	51%	51%
9	Godrej Greenview Housing Pvt Ltd. (joint venture partner of Godrej Properties Ltd.)	India	20%	20%
10	Wonder Projects Development Private Limited (joint venture partner of Godrej Properties Ltd.)	India	20%	20%
11	Godrej Real View Developers Private Limited (joint venture partner of Godrej Properties Ltd.)	India	20%	20%
12	Pearlite Real Properties Private Limited (joint venture partner of Godrej Properties Ltd.)	India	49%	49%
13	Godrej Skyline Developers Private Limited (joint venture partner of Godrej Properties Ltd.)	India	26%	100%
14	Godrej Green Homes Limited (joint venture partner of Godrej Properties Ltd.)	India	50%	-
Limited Liability Partnership (LLP)				
1	Mosaic Landmarks LLP	India	1%	1%
2	Dream World Landmarks LLP (Control through Majority Voting Rights)	India	40%	40%

Notes to the Consolidated Financial Statements

Note 40 : Information on Subsidiaries, Joint Ventures and Associates : (Contd.)

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2018	As at March 31, 2017
3	Oxford Realty LLP (Control through Majority Voting Rights)	India	35%	35%
4	Godrej SSPDL Green Acres LLP , Formerly known as SSPDL Green Acres LLP (Control through Majority Voting Rights)	India	37%	37%
5	Oasis Landmarks LLP (Control through Majority Voting Rights)	India	38%	38%
6	M S Ramaiah Ventures LLP (Control through Majority Voting Rights)	India	49.50%	49.50%
7	Caroa Properties LLP (Control through Majority Voting Rights)	India	35%	35%
8	Godrej Construction Projects LLP (Control through Majority Voting Rights)	India	34%	34%
9	Godrej Housing Projects LLP (Control through Majority Voting Rights)	India	50%	50%
10	Amitis Developers LLP (Control through Majority Voting Rights)	India	46%	46%
11	A R Landcraft LLP	India	40%	40%
12	Prakhhyat Dwellings LLP	India	42.50%	42.50%
13	Bavdhan Realty @ Pune 21 LLP	India	45%	45%
14	Godrej Property Developers LLP (joint venture partner of Godrej Properties Ltd.)	India	32%	32%
15	Godrej Highview LLP (joint venture partner of Godrej Properties Ltd.) (w.e.f. June 15, 2017)	India	40%	-
16	Godrej Irismark LLP (joint venture partner of Godrej Properties Ltd.) (w.e.f. January 24, 2018)	India	28.66%	-
17	Godrej Projects North Star LLP (formerly known as Godrej Century LLP (joint venture partner of Godrej Properties Ltd.) (w.e.f. Sep 26, 2017)	India	55%	-
18	Godrej Developers & Properties LLP (joint venture partner of Godrej Properties Ltd.) (w.e.f. Oct 30, 2017)	India	37.50%	-
19	Sai Srushti Onehub Projects LLP (joint venture partner of Godrej Properties Ltd.) (w.e.f January 31, 2018)	India	75%	-

(c) Investment in Associates :

Sr. No.	Name of the Company	Country of incorporation	Percentage of Holding	
			As at March 31, 2018	As at March 31, 2017
1	Godrej Consumer Products Ltd.	India	23.76%	23.76%
2	Personalitree Academy Ltd. (Associate of Ensemble Holdings & Finance Ltd.)	India	25.49%	25.49%
3	Al Rahaba International Trading LLC (Associate of Godrej Agrovet Ltd.)	Abu Dhabi	24%	24%
4	Godrej Maxximilk P. Ltd. (Associate of Godrej Agrovet Ltd.)	India	49.90%	-

Notes to the Consolidated Financial Statements

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, 2018	March 31, 2017
Godrej Consumer Products Limited	India	23.76%	Associate	Equity method	2,448.13	2,251.30
Godrej Tyson Foods Limited	India	49.00%	Joint Venture	Equity method	88.94	84.65
ACI Godrej Agrovet Private Limited	Bangladesh	50.00%	Joint Venture	Equity method	67.97	62.73
Al Rahaba International Trading Limited Liability Company	U.A.E	24.00%	Associate	Equity method	-	0.20
Godrej Maxximilk Private Limited	India	49.90%	Associate	Equity method	4.14	-
Personalitree Academy Ltd.	India	25.49%	Associate	Equity method	-	-
Godrej Skyline Developers Private Limited	India	26.00%	Joint Venture	Equity method	-	-
Caroa Properties LLP	India	35.00%	Joint Venture	Equity method	-	-
A R Landcraft LLP	India	40.00%	Joint Venture	Equity method	-	-
Other Joint Ventures in Property Business			Joint Venture	Equity method	290.54	81.40
Total equity accounted investments					2,899.72	2,480.28
Omnivore India Capital Trust	India		Investment entity	Equity method	34.18	27.88

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											
	Godrej Consumer Products Limited		Godrej Tyson Foods Limited		ACI Godrej Agrovet Private Limited		Godrej Skyline Developers Private Limited	Caroa Properties LLP		A R Landcraft LLP		
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	
Ownership	23.76%	23.76%	49%	49%	50%	50%	26%	35%	35%	40%	40%	
Cash and cash equivalent	898.02	895.05	8.78	19.53	8.60	3.35	0.01	2.08	0.08	38.48	16.49	
Other current assets	4,269.66	3,483.00	43.51	48.46	137.81	111.86	290.26	405.74	332.26	587.41	451.41	
Total current assets	5,167.68	4,378.05	52.29	67.99	146.41	115.21	290.27	407.81	332.34	625.89	467.90	
Total non-current assets	8,795.03	8,658.48	177.91	159.36	178.40	200.05	0.16	5.53	4.63	18.66	5.81	
Total assets	13,962.71	13,036.53	230.20	227.35	324.81	315.26	290.43	413.34	336.97	644.55	473.71	
Current liabilities												
Financial liabilities (excluding trade payables and provisions)	1,425.90	1,255.19	19.46	21.68	129.72	80.80	229.90	211.63	162.26	431.37	431.37	
Other liabilities	2,738.90	2,092.17	17.32	14.97	19.63	31.74	9.99	211.03	182.12	176.71	176.71	
Total current liabilities	4,164.80	3,347.36	36.78	36.65	149.35	112.54	239.89	422.66	344.38	608.08	608.08	
Non-Current liabilities												
Financial liabilities (excluding trade payables and provisions)	3,134.27	4,019.49	-	-	32.39	58.61	-	-	-	-	-	
Other liabilities	405.33	367.73	10.96	12.21	6.23	4.92	50.00	-	-	-	-	
Total non current liabilities	3,539.60	4,387.22	10.96	12.21	38.62	63.53	50.00	-	-	-	-	
Total liabilities	7,704.40	7,734.58	47.74	48.86	187.97	176.07	289.89	422.66	344.38	608.08	608.08	
Net assets	6,258.31	5,301.95	182.46	178.49	136.84	139.19	0.54	(9.32)	(7.41)	36.47	(134.37)	
Groups' share of net assets	1,486.97	1,259.74	89.41	87.46	68.42	69.60	0.14	(3.26)	(2.59)	14.59	(53.75)	
Adjustment on Consolidation	-	-	-	-	-	-	0.14	(3.26)	(2.59)	14.59	(53.75)	
Carrying amount of interest in Associate / Joint Venture	2,448.13	2,251.30	88.94	84.65	67.97	62.73	-	-	-	-	-	

Notes to the Consolidated Financial Statements

Note 41 : Disclosures of Joint Ventures and Associates : (Contd.)

	Amount ₹ in Crore										
	Godrej Consumer Products Limited		Godrej Tyson Foods Limited		ACI Godrej Agrovet Private Limited		Godrej Skyline Developers Private Limited	Caroa Properties LLP		A R Landcraft LLP	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Revenues	9,936.99	9,608.80	433.53	447.54	675.35	604.04	0.25	6.95	6.95	92.08	0.06
Interest income	68.50	40.81	0.68	0.97	0.07	0.08					
Depreciation and amortisation	155.68	141.57	(15.06)	(15.12)	(19.94)	(16.07)	-	0.06	0.10	0.27	0.29
Interest expense	160.74	145.22	(0.02)	(0.01)	(9.08)	(10.91)	0.25	6.95	6.95	0.19	0.06
Income tax expense	404.70	379.16	(2.28)	(9.92)	(8.68)	(5.49)	(0.16)	(0.80)	(0.12)	(0.90)	(4.50)
Profit from continuing operations	1,634.18	1,307.97	4.15	15.99	13.03	22.56	(0.46)	(1.91)	(0.26)	(3.34)	(10.15)
Profit from discontinued operations	-	-	-	-	-	-	-	0	0	-	-
Profit for the year	1,634.18	1,307.97	4.15	15.99	13.03	22.56	(0.46)	(1.91)	(0.26)	(3.34)	(10.15)
Other comprehensive income	36.95	(83.41)	(0.18)	(0.15)	(2.01)	-	-	-	-	-	-
Total comprehensive income	1,671.13	1,224.56	3.97	15.84	11.02	22.56	(0.46)	(1.91)	(0.26)	(3.34)	(10.15)
Group's share of profit as per JV / Associate Books	388.28	310.77	2.03	7.84	6.52	11.28	(0.12)	(0.67)	(0.09)	(1.34)	(4.06)
Add: Adjustments on Consolidation	-	-	2.33	2.33	-	-					
Group's share of profit	-	-	4.36	10.17							
Group's share of Other comprehensive income	8.78	(19.82)	(0.09)	(0.07)	(1.01)	-					
Group's share of Total comprehensive income	397.06	290.96	4.28	10.10	5.51	11.28	(0.12)	(0.67)	(0.09)	(1.34)	(4.06)

Aggregate information for those joint ventures and associate that are not material to the Group are as under:

Amount ₹ in Crore

	Year ended March 31, 2018	Year ended March 31, 2017
(i) Investment In Joint Ventures		
Profit For the Year	10.36	71.25
Other Comprehensive Income for the year	-	-
Total Comprehensive Income	10.36	71.25
Group's share of total comprehensive income	8.15	35.83
(ii) Investment In Associate		
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 ₹ 50,000

Notes to the 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, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	
Godrej Agrovet Limited	India	57.99%	63.67%	42.01%	36.33%	Animal Feeds, Agri Inputs, Vegetable Oil, Dairy, Integrated Poultry business, Cultivation of Seeds
Godrej Properties Limited	India	57.31%	57.37%	42.69%	42.63%	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	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Total Income	5,249.78	5,005.40	2,390.67	1,701.38
Profit for the year	229.21	248.82	234.96	206.80
Other Comprehensive Income	(6.21)	(0.26)	(2.81)	(0.68)
Profit allocated to non-controlling interests	87.60	90.40	100.30	88.16
OCI allocated to non-controlling interests	(2.61)	(0.09)	(1.20)	37.58
Dividends paid to non-controlling interests	35.00	-	-	-

(ii) Summarised Balance Sheet

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Non-current liabilities	207.66	242.47	511.92	481.50
Current liabilities	1,664.17	1,709.11	4,369.98	4,695.63
	1,871.83	1,951.58	4,881.90	5,177.13
Non-current assets	1,963.87	1,792.72	1,537.31	872.10
Current assets	1,588.60	1,421.71	5,584.89	6,308.76
	3,552.47	3,214.43	7,122.20	7,180.86
Net assets	1,680.64	1,262.85	2,240.30	2,003.73
Net assets attributable to non-controlling interest	842.12	620.67	954.76	853.92

(iii) Summarised Cash Flow

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Cash flows from (used in) operating activities	353.54	897.30	1,157.55	(343.97)
Cash flows from (used in) investing activities	(252.79)	(63.33)	(976.16)	(195.87)
Cash flows from (used in) financing activities	(124.71)	(811.55)	(492.87)	314.65
Net increase / (decrease) in cash and cash equivalents	(23.96)	22.42	(311.48)	(225.19)

Notes to the Consolidated Financial Statements

Note 43 : Goodwill and Other Intangible Assets with indefinite useful life

The Goodwill and Indefinite life intangible assets are tested for impairment and accordingly no impairment charges were identified for FY 2017-18 (Nil for FY 2016-17)

The Goodwill arises from the Group's Cash Generating Units as follows:

Particulars	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
CGUs of Godrej Agrovet Limited	308.76	308.76
CGUs of Godrej Properties Limited	177.30	177.28
Others	14.25	14.25
	500.31	500.29

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) .

Notes to the Consolidated Financial Statements

Note 44 : Income Tax Expense

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
I Tax Expense recognised in the Consolidated Statement of Profit and Loss		
Current Income Tax	161.08	182.65
Adjustments in respect of earlier years	8.34	3.27
Deferred Income Tax Liability / (Asset), net		
Origination and reversal of temporary differences	31.46	27.76
Reduction in tax rate	-	1.00
Increase in tax rate	0.70	-
Recognition of previously unrecognised tax losses	(17.92)	(47.27)
Deferred Tax Expense	14.24	(18.51)
Tax Expense for the Year	183.66	167.41
II Amounts recognised in other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	(10.39)	(8.63)
Equity accounted investee's share of other comprehensive income	(0.99)	(0.24)
Income Tax	3.83	1.60
Items that will be reclassified to profit or loss		
Foreign operations – foreign currency translation differences	10.38	(21.84)
The effective portion of gains and loss on hedging instruments in a cash flow hedge	(3.50)	6.38
Income Tax	(0.19)	(1.09)
	(0.86)	(23.82)
III Amounts recognised in Equity		
Share based payments	-	(3.24)
Tax (expense) benefit	-	1.12
Share based payments (net of tax)	-	(2.12)
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court	4.25	4.25
Tax (expense) benefit on	(1.48)	(1.47)
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (net of tax)	2.77	2.78
	2.77	0.66
IV Reconciliation of effective tax rate		
Profit Before Tax	814.76	626.23
Tax using the Company's domestic tax rate	278.42	210.53
Tax effect of		
Tax impact of income not subject to tax	(99.42)	(29.28)
Tax effects of amounts which are not deductible for taxable income	146.92	37.53
Previously unrecognised tax losses and unabsorbed depreciation now recouped to reduce deferred tax expense	(17.92)	(47.27)
Deferred tax assets not recognised because realization is not probable	6.13	114.96
Additional allowance for tax purpose	(5.85)	-
Change in recognised deductible temporary differences	2.81	(6.49)
Adjustment for current tax of prior years	8.34	3.27
Tax on share of (profit)/loss of equity accounted investees	(124.25)	(116.60)
Utilisation of MAT credit during the year	-	(0.02)
Effect of different tax rate	6.85	(3.43)
Additional tax paid on book profits	4.32	-
Others	(22.39)	4.21
Undistributed earnings of subsidiaries and equity accounted investees.	(0.31)	-
	183.66	167.41

Notes to the Consolidated Financial Statements

Note 44 : Income Tax Expense (Contd.)

V. Movement in deferred tax balances

Particulars	Net balance April 1, 2017	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Amount ₹ in Crore		
						Net balance March 31, 2018	Deferred tax asset March 31, 2018	Deferred tax liability March 31, 2018
Deferred tax asset								
Property, plant and equipment	(298.42)	10.98	0.00	1.28	0.00	(286.16)	(104.81)	(181.35)
Indexation benefit on land and shares	2.65	(1.78)	-	-	-	0.87	0.87	-
Investments	0.96	(0.23)	-	-	-	0.73	1.32	(0.59)
Inventories	61.76	(22.62)	-	-	-	39.14	39.14	-
Employee benefits	6.49	2.16	1.99	-	-	10.64	8.02	2.60
Equity-settled share-based payments	1.28	0.35	-	-	-	1.63	1.63	-
MAT Credit Entitlement	28.52	(7.63)	-	-	0.01	20.90	20.90	0.01
Biological Assets	(0.11)	0.03	-	-	-	(0.08)	0.00	(0.08)
Provision for Doubtful Debts / Advances	9.52	2.56	-	-	-	12.08	6.31	5.76
Brought forward Losses	63.50	20.67	-	-	-	84.17	84.76	(0.59)
Unabsorbed Depreciation	117.76	(24.84)	-	-	-	92.92	92.92	-
Other provisions	68.65	(3.25)	-	-	0.79	66.19	134.48	(68.28)
Other items	(2.49)	9.36	1.26	-	0.05	8.18	8.14	0.04
Tax assets (Liabilities)	60.07	(14.24)	3.25	1.28	0.85	51.20	293.68	(242.48)
Set off tax								
Net tax assets	60.07	(14.24)	3.25	1.28	0.85	51.20	293.68	(242.48)

Particulars	Net balance April 1, 2016	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Amount ₹ in Crore		
						Net balance March 31, 2017	Deferred tax asset March 31, 2017	Deferred tax liability March 31, 2017
Deferred tax asset								
Property, plant and equipment	(255.64)	(43.98)	-	1.20	-	(298.42)	(128.98)	(169.44)
Indexation benefit on land and shares	2.53	0.12	-	-	-	2.65	2.65	-
Investments	1.80	(0.84)	-	-	-	0.96	0.96	-
Inventories	74.84	(13.08)	-	-	-	61.76	61.76	-
Employee benefits	4.46	2.98	(0.95)	-	-	6.49	4.87	1.62
Equity-settled share-based payments	0.26	1.02	-	-	-	1.28	1.28	-
MAT Credit Entitlement	30.23	1.57	-	-	(3.28)	28.52	20.89	7.63
Biological Assets	(0.14)	0.03	-	-	-	(0.11)	-	(0.11)
Provision for Doubtful Debts / Advances	8.82	0.70	-	-	-	9.52	6.28	3.24
Brought forward Losses	42.73	20.77	-	-	-	63.50	63.70	(0.20)
Unabsorbed Depreciation	102.29	15.47	-	-	-	117.76	117.76	-
Other provisions	55.61	13.04	-	-	-	68.65	131.36	(62.71)
Other items	(23.34)	20.71	(0.98)	1.12	-	(2.50)	6.78	(9.29)
Tax assets (Liabilities)	44.45	18.51	(1.93)	2.32	(3.28)	60.07	289.32	(229.25)
Set off tax								
Net tax assets	44.45	18.51	(1.93)	2.32	(3.28)	60.07	289.32	(229.25)

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.

Notes to the Consolidated Financial Statements

Note 45 : Leases

I Operating Leases Granted by the Company

The Group's significant leasing arrangements are in respect of operating leases for Commercial premises. Lease income from operating leases is recognised on a straight-line basis over the period of lease. The particulars of the premises given under operating leases are as under:

	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Future Lease Income		
- Within one year	5.97	10.28
- Later than one year and not later than five years	26.35	20.11
- Later than five years	53.47	51.41

II Lease Taken by the Company

The Company's significant leasing arrangements are in respect of operating lease for land, office premises, residential premises, machinery and storage tanks. The aggregate lease rentals paid by the Group are charged to the Consolidated Statement of Profit and Loss.

	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Future Lease Commitments		
- Within one year	36.07	43.74
- Later than one year and not later than five years	91.50	104.19
- Later than five years	6.05	16.28

III Finance Lease

The Group assessed one of its arrangements as an embedded lease transaction and determined the same as finance lease. Accordingly, Property, Plant and Equipment have been derecognised and finance lease receivable have been accounted at present value of minimum lease payments and resultant difference have been charged to retained earnings. Revenue elements identified as fixed charges towards leasing as per the agreement which are covered under minimum lease receivable definition for finance lease accounting is adjusted partly against finance lease receivable to the extent of principal amount and partly recognised as finance income.

At March 31, the future minimum lease receivable under finance lease arrangement as follows.

	Future value of minimum lease receivables	Unearned finance income	Amount ₹ in Crore Present value of minimum lease receivables
Less than one year	-	-	-
<i>Previous Year</i>	1.09	0.53	0.56
Between one and five years	-	-	-
<i>Previous Year</i>	4.36	1.19	3.16
More than five years	-	-	-
<i>Previous Year</i>	-	-	-

Notes to the 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 contribution.

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, 2018.

Particulars	Amount ₹ in Crore
Plan assets at period end, at fair value	209.47
Provident Fund Corpus	203.83
Valuation assumptions under Deterministic Approach:	
Weighted Average Yield	8.61%
Weighted Average YTM	8.60%-8.66%
Guaranteed Rate of Interest	8.55%

Pension :

The Group has Pension plan for eligible employees. The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Notes to the Consolidated Financial Statements

Note 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, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
a)	Change in Present Value of Obligation				
	Present value of the obligation at the beginning of the year	67.19	60.05	0.53	0.46
	Current Service Cost	5.42	4.21	-	-
	Past Service Cost	0.38	-	-	-
	Interest Cost	5.00	4.76	-	-
	Contribution by Plan Participants				
	Actuarial (Gain) / Loss on Obligation due to demographic assumptions	0.49	0.75	-	-
	Actuarial (Gain) / Loss on Obligation due to experience adjustments	5.51	1.29	-	-
	Actuarial (Gain) / Loss on Obligation due to financial assumptions	2.07	5.96	0.10	0.21
	Effect of Liability Transfer in / out	0.24	0.03	-	-
	Benefits Paid	(9.92)	(9.86)	(0.10)	(0.14)
	Present value of the obligation at the end of the year	76.37	67.19	0.53	0.53
b)	Change in Plan Assets				
	Fair value of Plan Assets at the beginning of the year	50.66	46.72	-	-
	Return on Plan Assets	2.27	4.30	-	-
	Actuarial (Gain) / Loss on Plan Assets	0.04	(0.43)	-	-
	Contributions by the Employer	5.92	7.88	-	-
	Interest Cost	1.27	-	-	-
	Effect of Liability Transfer in / out	0.23	-	-	-
	Benefits Paid	(8.70)	(8.67)	-	-
	Fair value of Plan Assets at the end of the year	51.61	50.66	-	-
c)	Amounts Recognised in the Balance Sheet :				
	Present value of Obligation at the end of the year	76.37	67.19	-	-
	Fair value of Plan Assets at the end of the year	51.61	50.66	-	-
	Net Obligation at the end of the year	24.77	16.53	-	-
d)	Amounts Recognised in the statement of Profit and Loss :				
	Current Service Cost	5.42	4.21	-	-
	Interest cost on Obligation	5.00	4.76	-	-
	Return on Plan Assets	(2.27)	(4.30)	-	-
	Net Cost Included in Personnel Expenses	8.15	4.67	-	-
e)	Amounts Recognised in Other Comprehensive Income (OCI):				
	Actuarial (Gain) / Loss on Obligation for the Period	8.06	6.63	-	-
	Return on Plan Assets, Excluding Interest Income	0.01	0.95	-	-
	Net (Income) / Expense for the Period Recognised in OCI	8.07	7.58	-	-
f)	Actual Return on Plan Assets	2.23	4.73	-	-
g)	Actuarial Assumptions				
i)	Discount Rate	7.69-7.88% p.a.	7.39%-12% p.a.	7.78% p.a.	7.39% p.a.
ii)	Expected Rate of Return on Plan Assets	7.78%-7.88% p.a.	7.39%-8.07% p.a.	-	-
iii)	Salary Escalation Rate	5.00-9.50% P.A.	4%-7.50% p.a.	-	-
iv)	Employee Turnover	For service 4 yrs and below 8.50%-15.00 % p.a. & For service 5 yrs. and above 2.00-2.80% p.a.	1% p.a.	1.00% p.a.	1.00% p.a.
v)	Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to the Consolidated Financial Statements

Note 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			
	As at March 31, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.07)	5.87	(7.58)	9.12
Future salary growth (1% movement)	5.88	(5.17)	9.14	(7.69)
Rate of employee turnover (1% movement)	0.66	(0.88)	3.99	(5.11)

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.

	Amount ₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
V Plan assets comprise the following		
Insurer managed fund (100%)	51.61	50.66

VI Expected future benefit payments of Gratuity

	Amount ₹ in Crore
March 31, 2019	13.52
March 31, 2020	5.26
March 31, 2021	6.83
March 31, 2022	6.36
March 31, 2023	4.99
Thereafter	32.65

Note 46 : Employee Stock Benefit Plans

I Godrej Industries Limited Employee Stock Option Plans & Stock Grant Scheme

a Employee Stock Option Plans of Godrej Industries Limited

In December 2005, the Company had instituted an Employee Stock Option Plan I (GIL ESOP I) as approved by the Board of Directors and the Shareholders, for the allotment of 15,00,000 options, increased to 90,00,000 options on split of shares convertible into 90,00,000 equity shares of Re.1 each to eligible employees of participating companies. The maximum number of options that may be granted per employee per year shall not exceed 600,000 options.

In July 2009, the Company had instituted an Employee Stock Option Plan II (GIL ESOP II) as approved by the Board of Directors and the Shareholders, for the allotment of 90,00,000 options convertible into 90,00,000 shares of ₹ 1 each to eligible employees of participating companies. The maximum number of options that may be granted per employee per year shall not exceed 1,000,000 options.

The Plans are administered by an independent ESOP Trust created with IL&FS Trust Co. Ltd. which purchased from the market shares equivalent to the number of options granted by the Compensation Committee. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market. The particulars of the plans and movements during the year are as under :

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

ESOP I

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	No. of Options	Wt. average exercise price ₹ (*)	No. of Options	Wt. average exercise price ₹ (*)
Options Outstanding at the Beginning of the Year	204,250	406.52	2,049,500	420.63
Options Exercised During the Year	158,250	405.75	1,645,000	420.84
Options Forfeited / Expired During the Year	46,000	409.16	200,250	423.73
Options Outstanding at the Year end	-	-	204,250	406.52

ESOP II

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	No. of Options	Wt. average exercise price ₹ (*)	No. of Options	Wt. average exercise price ₹ (*)
Options Outstanding at the Beginning of the Year	-	-	230,500	377.99
Options Exercised During the Year	-	-	230,500	377.99
Options Outstanding at the Year End	-	-	-	-

(*) The weighted average exercise price stated above is the price of the equity shares on the grant date increased by the interest cost to the ESOP Trust at the prevailing rates upto March 31, 2012.

The total excess shares at the year end are Nil (Previous year 66,250).

The weighted average balance life of ESOP I options outstanding as on March 31, 2018 is Nil years.

The Options granted shall vest after three / five years from the date of grant of option, provided the employee continues to be in employment and the option is exercisable within two / four years after vesting.

b Employee Stock Grant Scheme of Godrej Industries Limited

- i 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.
- ii 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.
- iii 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.
- iv 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.
- v The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by Compensation Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.
- vi 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.
- vii 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 the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2018:

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	Description of the Inputs used
Dividend yield %	0.30%	0.50%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	30%-32%	33%-34%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	6.54% to 6.80%	7.88% to 7.94%	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	578	347.05	

viii The Status of the above plan is as under:

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	Numbers	
			Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
Options Outstanding at the Beginning of the Year	298,601	333,096		
Options Granted	103,828	160,395		
Options Vested	132,945	148,319	1.00	339.51
Options Exercised	132,945	150,941		
Options Lapsed / Forfeited	50,104	43,949		
Total Options Outstanding at the end of the year	219,380	298,601		

ix The weighted average exercise price of the options outstanding as on March 31, 2018 is ₹ 1 (previous year 2017: ₹ 1 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2018 is 0.78 years (previous year 0.83 years).

II Godrej Properties Limited Employee Stock Option Plans & Stock Grant Scheme

a Employee Stock Option Plans of Godrej Properties Limited

During the financial year ended March 31, 2008, the GPL instituted an Employee Stock Option Plan (GPL ESOP) approved by the Board of Directors, Shareholders and the Remuneration Committee, which provided allotment of 885,400 options convertible into 885,400 Equity Shares of ₹ 5/- each to eligible employees of Godrej Properties Limited and its Subsidiary Companies (the Participating Companies) with effect from December 28, 2007.

The Scheme is administered by an Independent ESOP Trust which has purchased shares from Godrej Industries Limited (The Holding Company), equivalent to the number of options granted to the eligible employees of the Participating Companies.

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

Particulars	No. of Options		Weighted Average Exercise Price
	As at March 31, 2018	As at March 31, 2017	
Options Outstanding at the beginning of the year	-	245,400	
Options granted	-	-	₹ 310 (plus interest till March 31, 2012)
Options exercised	-	-	
Less : Forfeited / Lapsed / Idle / Available for Reissue	-	245,400	
Options Outstanding at the year end	-	-	

The exercise period of the GPL ESOP has expired on December 27, 2016 and consequently all the unexercised options were rendered lapsed. The GPL ESOP now stands terminated and the shares held by the Trust have been sold during the year.

b. Employee Stock Grant Scheme of Godrej Properties Limited

The GPL instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, shareholders and the Remuneration Committee.

i) Details of Stock Grants are as under:

Particulars	No. of Options		Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
	As at March 31, 2018	As at March 31, 2017		
Options Outstanding at the beginning of the year	214,537	254,597		
Options granted	88,546	122,127		
Less: Options exercised	115,436	104,326	5.00	511.65
Less : Option lapsed	5,788	57,861		
Options Outstanding at the year end	181,859	214,537		

ii) The weighted average exercise price of the options outstanding as at March 31, 2018 is ₹ 5 (Previous year: ₹ 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2018 is 0.38 years (Previous year: 0.89 years)

iii) 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 ₹ 414.32 (Previous year: ₹ 279.78).

The following table lists the average inputs to the model used for the plan for the year ended March 31, 2018:

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	Description of the Inputs used
Dividend yield %	-	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	32% - 42%	29% - 43%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	6.31% - 8.57%	6.31% - 8.57%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	₹ 419.47	₹ 286.40	

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

iv) The expense arising from ESGS scheme during the year is ₹ 3.97 Crore (Previous Year: ₹ 2.51 Crore).

III Godrej Agrovet Limited Employee Stock Option Plans & Stock Grant Scheme

a Employee Stock Option Plans of Godrej Agrovet Limited

Godrej Agrovet Limited (GAVL) has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of 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 ₹ 1 per equity share as provided in the scheme. GAVL has provided ₹ 2.20 crore (Previous year ₹ 1.90 crore) for the aforesaid eligible employees for the current period.

Employee Stock Option - Equity Settled

In December 2012, the GAVL instituted an Employee Stock Option Plan (GAVL ESOP) as approved by the Board of Directors and the Shareholders, for the allotment of 5,86,764 options convertible into 5,86,764 equity shares of ₹ 10 each and Bonus Shares issued against the initial allotment for 35,20,584 shares of ₹ 10 each to eligible employees of the company.

The scheme is administered by an independent ESOP Trust created. The GAVL has issued 586,764 equity shares and Bonus Shares issued against the initial allotment for 76,27,932 shares to the said ESOP Trust at face value of ₹ 10 each amounting to ₹ 0.59 crore. All the stock options were vested, exercised and transferred to the eligible employees by March 31, 2017.

Category A

Particulars	For the year ended 31 March 2017			
	Shares arising out of options	Range of exercise prices	Weighted average exercise price	Weighted average remaining contractual life
Options outstanding at the beginning of the year	1,843,457	10.00	1.43	21.5 months
Add: Options granted during the year	148,463	10.00	1.43	
Less: Options lapsed during the year	(148,463)	-		
Bonus shares issue against the allotment	1,843,457	-		
Less: Options exercised during the year	(3,686,914)	10.00	0.71	-
Options outstanding at the year end	-			
Exercisable at the end of the period				

The weighted average grant date fair value of par value options granted under Category A during the year ended March 31, 2017 was ₹ 154.60 per option. The weighted average share price during the year ended March 31, 2017 is ₹ 297.17 per share.

Category B

Particulars	For the year ended 31 March 2017			
	Shares arising out of options	Range of exercise prices	Weighted average exercise price	Weighted average remaining contractual life
Options outstanding at the beginning of the year	2,263,891	10.00	1.43	
Add: Options granted during the year	-	-	-	
Less: Options lapsed during the year	-	-	-	
Bonus shares issue against the allotment	2,263,891	10.00	-	
Less: Options exercised during the year	(4,527,782)	10.00	0.71	-
Options outstanding at the year end	-			
Exercisable at the end of the period				

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

The weighted average grant date fair value of par value options granted under Category B during the years ended March 31, 2017 was ₹ 154.60 per option, respectively. The weighted average share price during the years ended March 31, 2017 is ₹ 297.17 per share .

Valuation of stock options

The fair value of stock options granted during the previous period has been measured using the Black–Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

Share price: The share price has been obtained through valuation report.

Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Remuneration and Compensation Committee.

Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant.

Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards. The weighted average inputs used in computing the fair value of options granted were as follows:

Particulars

Grant date	16/01/2013
Fair value	154.14
Share price	154.60
Exercise price	10.00
Expected volatility (weighted-average)	0.00%
Expected life (weighted-average)	5
Expected dividends	0.00%
Risk-free interest rate (based on government bonds)	9.00%

IV Astec Lifescience Limited Employee Stock Option Plans & Stock Grant Scheme

a Employee stock option scheme (ESOS, 2015)

The Company has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st 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 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the company.

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

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.

b 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 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th 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.

Once vested, the options remains exercisable for a period of seven years.

Set out below is a summary of options granted under both the plans:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	34	50,000	34	121,000
Granted during the period	-	-	-	-
Exercised during the period	34	12,800	34	57,800
Lapsed during the period	-	-	34	13,200
Closing balance		37,200		50,000
Vested and exercisable		21,500		11,900

Particulars	As at March 31, 2018		As at March 31, 2017	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	387.35	50,000	-	-
Granted during the period	-	-	387.35	50,000
Exercised during the period	34	4,000	-	-
Lapsed during the period	-	6,000	-	-
Closing balance		40,000		50,000
Vested and exercisable		16,000		11,900

No options expired during the periods covered in the above tables.

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

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, 2018	March 31, 2017
			Share options	Share options
January 31, 2015	January 30, 2023	34.00	-	800
January 31, 2015	January 30, 2024	34.00	4,500	11,100
January 31, 2015	January 30, 2025	34.00	11,400	13,400
January 31, 2015	January 30, 2026	34.00	6,700	6,700
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	5,600	9,000
May 16, 2015	May 15, 2025	34.00	6,000	6,000
May 16, 2015	May 15, 2026	34.00	3,000	3,000
July 26, 2016	July 25, 2020	387.35	16,000	20,000
July 26, 2016	July 25, 2021	387.35	12,000	15,000
July 26, 2016	July 25, 2022	387.35	8,000	10,000
July 26, 2016	July 25, 2023	387.35	4,000	5,000
Total			77,200	100,000
Weighted average remaining contractual life of options outstanding at end of period			5.07	6.02

Fair value of options granted

The fair value of grant date of options granted during the year ended March 31, 2018 and March 31, 2017 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	Exercise price	March 31, 2018	March 31, 2017
			Share options	Share options
January 31, 2015	January 30, 2023	95.84	-	800
January 31, 2015	January 30, 2024	109.41	4,500	11,100
January 31, 2015	January 30, 2025	109.91	11,400	13,400
January 31, 2015	January 30, 2026	110.49	6,700	6,700
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	5,600	9,000
May 16, 2015	May 15, 2025	119.30	6,000	6,000
May 16, 2015	May 15, 2026	119.67	3,000	3,000
July 26, 2016	July 25, 2020	100.00	16,000	20,000
July 26, 2016	July 25, 2021	159.00	12,000	15,000
July 26, 2016	July 25, 2022	278.00	8,000	10,000
July 26, 2016	July 25, 2023	297.00	4,000	5,000
Total			77,200	100,000

The model inputs for options granted during the period ended March 31, 2018 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.

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

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%

The model inputs for options granted during the year ended March 31, 2015 included:

ESOP, 2012 - Option A granted on January 31, 2015

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.

Notes to the Consolidated Financial Statements
 Note 47 : Segment Information

Amount ₹ in Crore

Information about primary business 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
(i) Revenue	1,660.09	1,435.78	2,575.98	2,620.82	927.15	728.26	2,409.21	1,718.92	22.46	33.93	1,157.66	1,009.92	881.80	764.73	353.83	362.16	9,988.16	8,674.17
External Sales	8.24	1.92	0.13	0.03	0.13	0.03	28.61	22.07	270.67	166.03	11.85	0.73	0.73	11.85	0.73	305.87	291.35	
Intersegment Sales	1,651.85	1,433.78	2,575.85	2,620.79	927.02	728.23	2,437.82	1,740.89	293.13	200.08	1,157.66	1,009.92	881.80	764.73	354.58	371.01	10,294.03	8,875.32
Less: Intersegment Sales	(15.74)	(1.32)	-	-	(0.11)	(0.03)	(28.61)	(22.07)	(270.67)	(166.08)	-	(0.73)	-	-	(11.85)	(11.85)	(305.87)	(291.35)
Total Revenue	1,660.09	1,435.78	2,575.98	2,620.82	927.14	728.26	2,409.21	1,718.92	22.46	33.93	1,157.66	1,009.92	881.80	764.73	353.83	362.16	9,988.16	8,674.16
(ii) Results																		
Segment result before interest and tax	91.07	77.12	157.16	167.69	123.94	120.95	463.41	336.10	21.90	32.86	13.00	36.67	207.04	170.80	(48.36)	(87.46)	1,029.16	854.73
Unallocated expenses																	(148.88)	(170.31)
Finance Costs																	(413.13)	(401.82)
Profit Before Share of Profit of Equity																	429.13	282.60
Accounted Investees and Tax																		
Taxes																	(183.66)	(167.41)
Share of Profit of Equity/Accounted Investees (net of income tax)																	385.63	343.66
Profit after tax	1,369.81	1,133.71	961.99	947.66	494.87	324.64	7,570.64	7,626.21	2,819.01	2,623.84	765.75	693.57	1,037.00	867.37	275.89	136.13	15,294.96	14,593.19
Segment Assets																	551.30	627.13
Unallocated Assets																	15,846.26	15,270.97
Total Assets																	16,397.56	15,901.16
Segment Liabilities	402.99	348.85	694.55	719.89	150.74	30.56	4,883.63	5,190.96	4.85	2.73	296.56	226.42	434.78	368.71	138.69	117.94	7,008.79	7,006.36
Unallocated Liabilities																	3,193.70	3,549.75
Total Liabilities	402.99	348.85	694.55	719.89	150.74	30.56	4,883.63	5,190.96	4.85	2.73	296.56	226.42	434.78	368.71	138.69	117.94	10,202.49	10,556.11
Cost incurred during the year to acquire segment assets	25.24	78.41	17.14	46.28	127.10	18.17	107.28	22.05	0.10	-	25.71	110.04	47.25	27.27	14.37	1.10	364.19	303.32
Cost incurred on unallocated assets																	58.28	23.55
Total Cost incurred during the year to acquire segment assets	25.24	78.41	17.14	46.28	127.10	18.17	107.28	22.05	0.10	-	25.71	110.04	47.25	27.27	14.37	1.10	422.47	326.87
Segment Depreciation	46.12	30.34	29.67	26.85	14.90	13.33	29.37	27.46	1.49	-	21.25	16.19	14.56	12.16	10.36	12.44	167.72	138.77
Unallocated Depreciation																	7.55	9.37
Total Depreciation	46.12	30.34	29.67	26.85	14.90	13.33	29.37	27.46	1.49	-	21.25	16.19	14.56	12.16	10.36	12.44	175.27	148.14

Information about Secondary Business Segments

Revenue by Geographical markets	Current Year	Previous Year
India	9,211.50	8,163.93
Outside India	776.66	510.23
Total	9,988.16	8,674.16
Carrying Amount of Segment assets	15,568.83	15,006.75
India	277.43	213.57
Outside India	15,846.26	15,220.92

Notes :

- The Company 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 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 Integrated Poultry and tissue culture, Seeds business, energy generation through windmills and gourmet foods and fine beverages.
- Unallocable expenditure includes 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:

Particulars	Current Year	Previous Year
Revenue from Operations	9405.05	8,482.53
Other Income	563.78	168.87
Exceptional Items	19.33	22.76
Total Segment Revenue	9988.16	8674.16
- Exceptional items in the audited consolidated results for the year ended March 31, 2018 comprises gain recognised by a subsidiary company of Godrej Agrovet Limited on cancellation of an agreement for supply of products with one of its customers of ₹ 19.33 crore and loss due to inventory written off by the subsidiary company aggregating ₹ 7.28 crore.
- Operating segment are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group.

Notes to the Consolidated Financial Statements

Note 48 a : Related Party Information

a) Names of related parties and description of relationship

Parties where control exists

- 1 Vora Soaps Ltd. (Holding Co. from March 30, 2017)

Companies under common ownership

- 2 Godrej & Boyce Mfg. Co. Ltd. (Holding Co. up to March 29, 2017)
- 3 Godrej Seeds & Genetics Limited
- 4 Godrej Infotech Ltd.
 - 4.1 Godrej Infotech Americas Inc. (a wholly-owned subsidiary incorporated in North Carolina, USA)
 - 4.2 Godrej Infotech (Singapore) Pte. Ltd. (a wholly-owned subsidiary incorporated in Singapore)
 - 4.3 LVD Godrej Infotech NV (incorporated in Belgium)
- 5 India Circus Retail P. Ltd.
- 6 Godrej South Africa Pty Ltd.
- 7 Laboratoria Cuenca S.A.
- 8 Tahir Properties Limited

Other related parties with whom the Company had transactions during the year

Associate / Joint Venture Companies

- 9 Godrej Consumer Products Ltd.
 - 9.1 Godrej Global Mideast FZE, Sharjah
 - 9.2 PT Megasari Makmur, Indonesia
 - 9.3 Strength of Nature LLC, USA
 - 9.4 Godrej Household Products Bangladesh Private Limited, Bangladesh
 - 9.5 Godrej Household Products Bangladesh Private Limited, Sri Lanka
 - 9.6 Bhabhani Blunt Hairdressing Private Limited
- 10 ACI Godrej Agrovet P. Ltd., Bangladesh
- 11 Polchem Hygiene Laboratories P. Ltd. (up to December 12, 2016)
- 12 Godrej Maxximilk P. Ltd.
- 13 Omnivore India Capital Trust
- 14 Crop Science Advisors LLP
- 15 Al Rahba International Trading LLC
- 16 Godrej Realty P. Ltd.
- 17 Godrej Landmark Redevelopers P. Ltd.
- 18 Godrej Redevelopers (Mumbai) P. Ltd.
- 19 Mosiac Landmarks LLP
- 20 Dream World Landmarks LLP
- 21 Oxford Realty LLP
- 22 Godrej SSPDL Green Acres LLP
- 23 Caroa Properties LLP
- 24 M S Ramaiah Ventures LLP
- 25 Oasis Landmarks LLP
- 26 Amitis Developers LLP
- 27 Godrej Construction Projects LLP
- 28 Godrej Housing Projects LLP
- 29 Godrej Greenview Housing P. Ltd. (w.e.f. June 30, 2016)
- 30 Wonder Space Properties P. Ltd.
- 31 Wonder City Buildcon P. Ltd.
- 32 Godrej Home Construction P. Ltd.
- 33 Wonder Projects Development P. Ltd. (w.e.f September 19, 2016)
- 34 Godrej Property Developers LLP
- 35 Prakhhyat Dwellings LLP (w.e.f September 2, 2016)
- 36 Godrej Real View Developers P. Ltd. (w.e.f. March 29, 2017)
- 37 Pearlite Real Properties P. Ltd. (w.e.f. March 30, 2017)
- 38 Bavdhan Realty @ Pune 21 LLP (w.e.f. October 26, 2016)

Notes to the Consolidated Financial Statements

Note 48 a : Related Party Information (Contd.)

- 39 AR Landcraft LLP (w.e.f. June 07, 2016)
- 40 Godrej Highview LLP (w.e.f. June 15, 2017)
- 41 Godrej Projects North Star LLP (Previously known as Godrej Century LLP (w.e.f. September 27, 2017)
- 42 Godrej Skyline Developers P. Ltd.
- 43 Godrej Developers & Properties LLP (w.e.f. October 29, 2017)
- 44 Godrej Green Homes Ltd. (w.e.f. March 17, 2018)
- 45 Sai Srushti One Hub Project LLP
- 46 Godrej Irismark LLP (w.e.f. January 24, 2018)
- 47 Godrej Tyson Foods Ltd.

48 Key Management Personnel

- 48.1 Mr. A. B. Godrej - Chairman
- 48.2 Mr. N. B. Godrej - Managing Director
- 48.3 Ms. T. A. Dubash - Executive Director & Chief Brand Officer
- 48.4 Mr. N. S. Nabar - Executive Director & President (Chemicals)
- 48.5 Mr. C. G. Pinto - Chief Financial Officer
- 48.6 Ms. Nilufer Shekhawat - Company Secretary

49 Independent Non-Executive Directors

- 49.1 Mr. J.N. Godrej
- 49.2 Mr. V.M. Crishna
- 49.3 Mr. K.K. Dastur
- 49.4 Mr. K.M. Elavia
- 49.5 Mr. K.N. Petigara
- 49.6 Mr. S.A. Ahmadullah
- 49.7 Mr. A.B. Choudhury
- 49.8 Mr. A.D. Cooper

50 Relatives of Key Management Personnel

- 50.1 Ms. N. A. Godrej - Daughter of Mr. A. B. Godrej
- 50.2 Mr. P. A. Godrej - Son of Mr. A. B. Godrej
- 50.3 Ms. R. N. Godrej - Wife of Mr. N. B. Godrej
- 50.4 Mr. B. N. Godrej - Son of Mr. N. B. Godrej
- 50.5 Mr. S. N. Godrej - Son of Mr. N. B. Godrej
- 50.6 Mr. H. N. Godrej - Son of Mr. N. B. Godrej
- 50.7 Mr. A. D. Dubash - Husband of Ms. Tanya Dubash
- 50.8 Ms. N. N. Nabar - Wife of Mr. N. S. Nabar

51 Enterprises over which key management personnel exercise significant influence

- 51.1 Anamudi Real Estates LLP
- 51.2 Godrej Investments P. Ltd.
- 51.3 Godrej Tyson Foods Ltd.

52 Enterprises over which relative of key management personnel exercise significant influence

- 52.1 Shata Trading & Finance P. Ltd.
- 52.2 Shilawati Trading & Finance P. Ltd.

53 Parties Where Control Exists

- 53.1 Godrej Industries Employees Provident Fund
- 53.2 Godrej Industries Ltd. Group Gratuity Trust

Notes to the Consolidated Financial Statements

Note 48 b : Related Party Information (Contd.)

b) Transactions with Related Parties

Amount ₹ in Crore

Nature of Transaction	Holding Company	Fellow Subsidiaries	Associate/ Joint Venture Companies	Companies under common 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 *	-	-	42.29	6.29	-	-	221.59	-	-	270.17
Previous Year	1.09	3.73	38.39	-	-	-	231.82	-	-	275.03
Advance received	-	-	14.05	-	-	-	-	-	-	14.05
Previous Year	-	-	20.78	-	-	-	-	-	-	20.78
Loans & Advances given	-	-	778.58	0.25	-	-	-	-	-	778.83
Previous Year	0.28	-	502.20	-	-	-	-	-	-	502.48
Sale of Property, Plant and Equipments	-	-	-	-	-	-	-	-	-	-
Previous Year	0.03	-	-	-	-	-	-	-	-	0.03
Purchase of goods	-	-	16.44	0.76	-	-	1.62	-	-	18.82
Previous Year	0.53	-	15.17	0.00	-	-	2.93	-	-	18.63
Purchase of Property Plant and Equipments	-	-	-	4.70	-	-	-	-	-	4.70
Previous Year	5.54	-	-	-	-	-	-	-	-	5.54
Net Guarantee given	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	67.57	-	-	-	-	-	-	67.57
Commission / Royalty received	-	-	0.20	-	-	-	-	-	-	0.20
Previous Year *	-	-	0.14	-	-	-	-	-	-	0.14
Commission / Royalty paid	-	-	-	-	-	-	-	-	-	-
Previous Year *	-	-	0.47	-	-	-	-	-	-	0.47
Licence fees / Service charges / Storage Income	-	-	7.60	-	-	-	0.02	-	-	7.62
Previous Year *	0.00	-	3.55	-	-	-	0.01	-	-	3.56
Other Income	-	-	1.86	-	-	-	0.05	-	-	1.91
Previous Year *	0.00	-	3.09	0.09	-	-	0.35	-	-	3.53
Recovery of Establishment & Other Expenses	0.06	-	125.35	4.67	-	-	6.54	-	-	136.62
Previous Year	1.72	0.15	110.61	2.08	-	-	12.53	-	-	127.09
Rent, Establishment & other exps. paid	-	-	10.78	18.76	-	0.86	6.53	1.95	-	38.88
Previous Year	27.30	0.06	9.46	0.02	-	0.84	6.43	0.13	-	44.24
Interest received	-	-	147.96	-	-	-	-	-	-	147.96
Previous Year	0.84	-	94.72	-	-	-	1.45	-	-	97.01
Interest paid	-	-	-	-	-	-	-	-	-	-
Previous Year *	-	-	-	-	0.00	0.01	-	-	-	0.01
Dividend income	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	-
Dividend paid	33.93	-	-	45.01	0.84	3.64	-	-	-	83.42
Previous Year	51.94	-	-	-	-	-	-	-	-	51.94
Remuneration to Key Management Personnel										
Short term employee benefit	-	-	-	-	15.52	-	-	-	-	15.52
Post employment benefit	-	-	-	-	0.65	-	-	-	-	0.65
Share based payment	-	-	-	-	0.76	-	-	-	-	0.76
Previous Year	-	-	-	-	11.74	-	-	-	-	11.74
Short term employee benefit	-	-	-	-	0.59	-	-	-	-	0.59
Post employment benefit	-	-	-	-	0.77	-	-	-	-	0.77
Share based payment	-	-	-	-	-	0.09	-	-	-	0.09
Remuneration	-	-	-	-	-	0.06	-	-	-	0.06
Previous Year	-	-	-	-	-	-	-	-	-	-
Redemption of Debenture	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	28.51	-	-	-	-	-	-	28.51
Purchase of Investments	-	-	-	-	-	-	-	-	-	-
Previous Year	200.73	-	-	-	-	-	-	-	-	200.73
Sale of Investments	-	-	0.00	-	-	-	65.20	-	-	65.20
Previous Year	-	-	-	-	-	-	-	-	-	-
Sale of Units	-	-	16.27	0.43	-	-	205.17	-	-	221.87
Previous Year	1.19	-	-	-	-	-	219.65	-	-	220.84

Notes to the Consolidated Financial Statements

Note 48 b : Related Party Information (Contd.)

b) Transactions with Related Parties

Amount ₹ in Crore

Nature of Transaction	Holding Company	Fellow Subsidiaries	Associate/ Joint Venture Companies	Companies under common 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
Intercorporate Deposits Placed	-	-	7.84	-	-	-	-	-	-	7.84
Previous Year	-	-	-	-	-	-	-	-	-	-
Intercorporate Deposits Refund Received	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	5.20	-	-	5.20
Other Deposits - Advanced during the year	-	-	-	-	-	-	1.66	-	-	1.66
Previous Year	-	-	-	-	-	-	1.51	-	-	1.51
Other Deposits accepted	-	-	1.51	-	-	-	-	-	-	1.51
Previous Year	0.01	-	-	-	-	-	-	-	-	0.01
Other Deposits refunded	-	-	0.25	-	-	-	-	-	-	0.25
Previous Year	0.01	-	0.05	-	0.08	0.43	-	-	-	0.57
Investment in equity / preference shares / LLP	-	-	94.72	-	-	-	-	-	-	94.72
Previous Year	-	-	4.48	-	-	-	-	-	-	4.48
Investment in Debenture	-	-	99.33	-	-	-	-	-	-	99.33
Previous Year	-	-	94.82	-	-	-	-	-	-	94.82
Share of profit (net) in Joint Venture & Associates	-	-	6.02	-	-	-	-	-	-	6.02
Previous Year	-	-	24.71	-	-	-	-	-	-	24.71
Loan repaid	-	-	550.21	-	-	-	-	-	-	550.21
Previous Year	-	-	360.58	-	-	-	-	-	-	360.58
Sale of Services	-	-	49.64	3.09	-	-	-	-	-	52.73
Previous Year	1.38	-	25.78	-	-	-	-	-	-	27.16
Sitting Fees	-	-	-	-	0.47	-	-	-	-	0.47
Previous Year	-	-	-	-	0.42	-	-	-	-	0.42
Income Received from Other Companies	-	-	1.26	-	-	-	-	-	-	1.26
Previous Year	-	-	0.75	-	-	-	-	-	-	0.75
Contribution to Post-employment Benefit Plans	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	5.45	5.45
Repayment of Loan Received	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	24.62	24.62
Balance Outstanding as on March 31, 2018										
Receivables	-	0.00	1,061.05	2.81	-	-	2.31	-	-	1,066.17
Previous Year	-	-	631.56	2.02	-	-	0.76	-	-	634.34
Payables	-	-	0.13	10.69	-	-	-	-	-	10.82
Previous Year	-	0.00	0.04	116.52	-	-	1.91	-	-	118.47
Guarantees outstanding	-	-	121.27	-	-	-	-	-	-	121.27
Previous Year	-	-	308.21	-	-	-	-	-	-	308.21
Debentures Outstanding	-	-	686.56	-	-	-	-	-	-	686.56
Previous Year	-	-	312.33	-	-	-	-	-	-	312.33
Outstanding Inter Corporate Deposit Receivable	-	-	7.84	-	-	-	-	-	-	7.84
Previous Year	-	-	-	-	-	-	-	-	-	-
Deposits Receivable	-	-	-	-	-	-	3.16	-	-	3.16
Previous Year	-	-	-	-	-	-	3.17	-	-	3.17
Debenture Interest Outstanding	-	-	80.51	-	-	-	-	-	-	80.51
Previous Year	-	-	87.49	-	-	-	-	-	-	87.49

* Amount less than ₹ 0.01 crores

Note : All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

Notes to the 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.

March 31, 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Amount ₹ in Crore								
Financial assets								
Non Current								
Investments								
Debenture	344.52	-	341.81	686.33	-	344.52	-	344.52
Quoted Equity Shares	17.22	-	-	17.22	17.22	-	-	17.22
Unquoted Equity Shares	9.15	0.06	-	9.21	-	9.21	-	9.21
Others	0.01	-	5.37	5.38	-	-	0.01	0.01
Trade receivables	-	-	13.39	13.39	-	-	-	-
Loans								
Security Deposits	-	-	24.65	24.65	-	-	-	-
Deposits - Projects	-	-	83.81	83.81	-	-	-	-
Loans to Employees	-	-	1.07	1.07	-	-	-	-
Other financial assets	-	-	2.95	2.95	-	-	-	-
Current								
Current investments	546.97	-	-	546.97	546.97	-	-	546.97
Trade receivables	-	-	1,043.91	1,043.91	-	-	-	-
Cash and cash equivalents	-	-	280.99	280.99	-	-	-	-
Other bank balances	-	-	192.15	192.15	-	-	-	-
Loans								
Security Deposits	-	-	4.26	4.26	-	-	-	-
Deposits - Projects	-	-	142.89	142.89	-	-	-	-
Others	-	-	954.07	954.07	-	-	-	-
Derivative asset	0.91	-	-	0.91	-	0.91	-	0.91
Other Current Financial Assets	0.59	0.21	945.52	946.31	-	0.80	-	0.80
	919.37	0.27	4,036.83	4,956.45	564.19	355.44	0.01	919.64
Financial liabilities								
Long-term borrowings	-	-	952.29	952.29	-	0.25	-	0.25
Short term borrowings	-	-	5,311.78	5,311.78	-	-	-	-
Trade and other payables	-	-	1,685.61	1,685.61	-	-	-	-
Derivative liability	0.09	-	-	0.09	-	0.24	-	0.24
Other Current financial liabilities	-	-	1,166.95	1,166.95	-	-	-	-
	0.09	-	9,116.63	9,116.72	-	0.49	-	0.49

Notes to the Consolidated Financial Statements

Note 49 : Fair Value Measurement (Contd.)

Amount ₹ in Crore

March 31, 2017	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets								
Non Current								
Investments								
Debenture	-	-	312.34	312.34	-	312.34	-	312.34
Quoted Equity Shares	6.20	-	-	6.20	6.20	-	-	6.20
Unquoted Equity Shares	2.62	0.05	-	2.67	0.05	2.62	-	2.67
Others	4.58	-	-	4.58	-	4.58	-	4.58
Trade receivables	-	-	13.33	13.33	-	-	-	-
Loans								
Security Deposits	-	-	100.92	100.92	-	-	-	-
Loans to Employees	-	-	1.03	1.03	-	-	-	-
Other financial assets	-	-	7.77	7.77	-	-	-	-
Current								
Current investments	369.33	-	-	369.33	369.33	-	-	369.33
Trade receivables	-	-	905.86	905.86	-	-	-	-
Cash and cash equivalents	-	-	179.03	179.03	-	-	-	-
Other bank balances	-	-	55.90	55.90	-	-	-	-
Loans								
Security Deposits	-	-	165.38	165.38	-	171.57	-	171.57
Others	-	1.70	568.61	570.31	-	1.70	-	1.70
Derivative asset	2.38	-	-	2.38	-	2.38	-	2.38
Other Current Financial Assets	-	-	833.41	833.41	-	-	-	-
	385.11	1.75	3,143.58	3,530.45	375.58	495.19	-	870.78
Financial liabilities								
Long-term borrowings	2.58	-	1,505.68	1,508.26	-	2.98	-	2.98
Short-term borrowings	-	-	5,592.31	5,592.31	-	126.16	-	126.16
Trade and other payables	-	-	1,691.23	1,691.23	-	-	-	-
Other Non-Current financial liabilities	-	-	35.33	35.33	-	-	-	-
Derivative liability	5.15	-	-	5.15	-	5.15	-	5.15
Other Current financial liabilities	-	-	853.20	853.20	-	-	-	-
	7.73	-	9,677.75	9,685.48	-	134.29	-	134.29

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual 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.

Notes to the Consolidated Financial Statements

Note 49 : Fair Value Measurement (Contd.)

II Measurement of fair values

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Preference shares	The preference shares were converted into equity and listed in the near future and accordingly we have used the listing price as fair value on the date of reporting.
Fixed rates long term borrowings	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves.

Notes to the Consolidated Financial Statements

Note 50 : Hedge accounting

The group's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The group uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The forward exchange forward contracts are denominated in the same currency as the highly probable future transaction value, therefore the hedge ratio is 1:1. Most of these contracts have a maturity of 18 months from the reporting date. The group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

I. Disclosure of effects of hedge accounting on financial position as on March 31, 2018

Amount ₹ in Crore

Type of hedge	Nominal Value	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Forward exchange forward contracts on outstanding borrowings	37.69	0.21	-	Other Financial Assets - current	April 25, 2018	1:1	65.00	0.35	(0.35)
	37.69	0.21	-					0.35	(0.35)

I. Disclosure of effects of hedge accounting on financial position as on March 31, 2017

Amount ₹ in Crore

Type of hedge	Nominal Value	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Forward exchange forward contracts on outstanding borrowings	26.75	1.71	1.78	Derivative asset and derivative liability	May 1, 2017 to September 25, 2017	1:1	71.02	2.37	(2.37)
	36.99	-	-		August 2017 to January 2018		70.26	(1.42)	1.42
	63.74	1.71	1.78					0.95	(0.95)

Notes to the Consolidated Financial Statements

Note 50 : Hedge accounting (Contd.)

II. Disclosure of effects of hedge accounting on financial performance for the Year ended March 31, 2018

Amount ₹ in Crore					
Type of hedge	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	(0.23)	-	-	3.15	-

II. Disclosure of effects of hedge accounting on financial performance for the Year ended March 31, 2017

Amount ₹ in Crore					
Type of hedge	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	(3.15)	-	-	-	-

III. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

	Amount ₹ in Crore
Movements in cash flow hedging reserve	
As at March 31, 2016	-
Add : Changes in fair value	3.15
Less: Deferred tax relating to the above	(1.09)
As at March 31, 2017	2.06
Add : Changes in fair value	(0.35)
Less : Amounts reclassified to profit or loss	3.15
Less: Deferred tax relating to the above	(1.21)
As at March 31, 2018	(0.23)

Note 51 : 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.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the respective Company grants credit terms in the normal course of business.

The Group has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Group's export sales are backed by letters of credit and insured through Export Credit Guarantee Corporation. The Group bifurcates the Domestic Customers into Large Corporates, Distributors and others for Credit monitoring. Customer credit risk in property business is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore, substantially eliminating the credit risk in this respect.

The Group 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. Cash terms and advance payments are required for customers of lower credit standing. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Group monitors each loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also Group does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

Particulars	Amount ₹ in Crore	
	March 31, 2018	March 31, 2017
More than 6 Months	84.95	173.90
Others	972.34	745.29
	1,057.29	919.19

The amounts reflected in the table above are not impaired as on the reporting date.

Notes to the Consolidated Financial Statements

Note 51 : Financial Risk Management (Contd.)

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.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

March 31, 2018	Amount ₹ in Crore					
	Carrying amount	Total	Contractual cash flows			
			within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	6,897.99	7,195.33	6,133.34	354.40	703.04	4.55
Trade and other payables	1,678.44	1,679.51	1,653.35	18.18	7.98	-
Other financial liabilities	539.27	539.66	539.09	-	-	0.57
Derivative financial liabilities						
Interest rate swaps	-	0.28	0.16	0.09	0.03	-
Forward exchange contracts used for hedging	0.09	-	0.09	-	-	-

March 31, 2017	Amount ₹ in Crore					
	Carrying amount	Total	Contractual cash flows			
			within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	7,548.17	7,872.94	6,227.81	905.81	737.81	1.51
Trade and other payables	1,642.38	1,644.53	1,612.42	20.49	11.62	-
Other financial liabilities	445.34	447.65	440.84	6.81	-	-
Derivative financial liabilities						
Interest rate swaps	-	3.08	1.94	1.03	0.11	-
Forward exchange contracts used for hedging	5.15	5.15	5.15	-	-	-

Notes to the Consolidated Financial Statements

Note 51 : Financial Risk Management (Contd.)

IV Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company's exposure to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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 Company manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

Exposure to currency risk (Exposure in different currencies converted to functional currency)

The currency profile of financial assets and financial liabilities as at March 31, 2018, March 31, 2017 are as below:

	Amount ₹ in Crore			
	USD	EURO	SGD	GBP
March 31, 2018				
Financial assets				
Trade and other receivables	160.75	3.05	-	-
Less: Forward Contracts	(56.52)	-	-	-
	104.23	3.05	-	-
Financial liabilities				
Long term borrowings	287.07	-	-	-
Less: Forward Contracts	(9.75)	-	-	-
Short term borrowings	49.39	-	-	-
Trade and other payables	738.23	23.62	0.12	0.07
Other Current financial liabilities	0.93	-	-	-
Less: Forward Contracts	(52.66)	(8.95)	-	-
	1,013.21	14.67	0.12	0.07
March 31, 2017				
Financial assets				
Trade and other receivables	127.55	2.43	-	-
Less: Forward Contracts	(34.24)	-	-	-
	93.31	2.43	-	-
Financial liabilities				
Long term borrowings	548.28	-	-	-
Short term borrowings	1.00	-	-	-
Trade and other payables	161.50	45.04	-	0.07
Other Non-current financial liabilities	2.41	-	-	-
Less: Forward Contracts	(127.53)	(35.40)	-	-
	585.66	9.64	-	0.07

Notes to the Consolidated Financial Statements

Note 51 : Financial Risk Management (Contd.)

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

	Year-end spot rate	
	March 31, 2018	March 31, 2017
INR		
USD 1	65.18	64.86
EUR1	80.82	69.30
GBP1	92.26	80.99

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.

March 31, 2018	Amount ₹ in Crore	
	Profit or loss and Equity Strengthening	Weakening
USD - 1% Movement	(8.68)	8.68
EUR - 4% Movement	(0.46)	0.46
GBP - 2% Movement	(0.00)	0.00
	(9.14)	9.14

March 31, 2017	Amount ₹ in Crore	
	Profit or loss and Equity Strengthening	Weakening
USD - 1% Movement	(4.92)	4.92
EUR - 2% Movement	(0.14)	0.14
GBP - 2% Movement	-	-
	(5.06)	5.06

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.

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 Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

	Amount ₹ in Crore	
	March 31, 2018	March 31, 2017
Borrowings		
Fixed rate borrowings	4,328.03	3,935.16
Variable rate borrowings	2,569.96	3,618.60
	6,897.99	7,553.76

Notes to the Consolidated Financial Statements

Note 51 : Financial Risk Management (Contd.)

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) and Equity 100 bp increase	100 bp decrease
March 31, 2018		
Variable-rate instruments	(25.70)	25.70
Interest rate swaps	0.28	(0.28)
Cash flow sensitivity (net)	(25.42)	25.42
March 31, 2017		
Variable-rate instruments	(36.19)	36.19
Interest rate swaps	3.28	(3.28)
Cash flow sensitivity (net)	(32.91)	32.91

Note 52 : 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, 2018	As at March 31, 2017
Non-Current Borrowings	952.29	1,508.26
Current Borrowings	5,311.78	5,592.31
Current maturity of long term debt	632.05	452.15
Gross Debt	6,896.13	7,552.72
Less - Cash and Cash Equivalents	(280.99)	(179.03)
Less - Other Bank Deposits	(192.15)	(55.90)
Less - Current Investments	(546.97)	(369.33)
Less - Other Bank Deposits	(17.97)	-
Adjusted Net debt	5,858.05	6,948.46
Total equity	3,908.83	3,194.36
Adjusted Net debt to equity ratio	1.50	2.18

Notes to the Consolidated Financial Statements

Note 53 : 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, 2018 March 31, 2017.

Amount ₹ in Crore

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
March 31, 2018						
Financial assets						
Derivative instruments	1.13	-	1.13	-	-	1.13
Financial liabilities						
Derivative instruments	-	-	-	-	-	-
March 31, 2017						
Financial assets						
Derivative instruments	2.38	-	2.38	2.38	-	-
Financial liabilities						
Derivative instruments	2.92	-	2.92	(2.38)	-	0.54

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 the Consolidated Financial Statements

Note 54 :

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 TCI	Amount
1	2	3	4	5	6	7	8	9
Parent								
Godrej Industries Limited	31.56%	1,800.56	38.25%	241.40	33%	(0.28)		241.12
Subsidiaries								
Indian								
Godrej Agrovet Limited	21.83%	1,245.37	29.32%	185.02	490%	(4.22)	28.69%	180.81
Godvet Agrochem Limited	0.20%	11.35	0.09%	0.59	0%	-	0.09%	0.59
Astec Lifesciences Limited	0.57%	32.77	6.70%	42.28	34%	(0.29)	6.66%	41.99
Creamline Dairy Products Limited	5.28%	301.48	1.12%	7.06	108%	(0.93)	0.97%	6.13
Godrej Properties Limited	39.11%	2,231.80	38.17%	240.88	321%	(2.76)	37.78%	238.12
Godrej Buildcon Private Limited	2.92%	166.44	7.13%	45.00	0%	-	7.14%	45.00
Godrej Projects Development Limited	-0.73%	(41.58)	-24.39%	(153.94)	5%	(0.04)	-24.43%	(153.98)
Godrej Garden City Properties Private Limited	0.10%	5.85	0.28%	1.74	-	-	0.28%	1.74
Godrej Hillside Properties Private Limited	0.00%	0.11	-0.00%	(0.02)	-	-	-0.00%	(0.02)
Godrej Home Developers Private Limited	0.00%	0.12	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Prakriti Facilities Private Limited	0.01%	0.39	0.03%	0.16	-	-	0.03%	0.16
Prakritiplaza Facilities Management Private Limited	0.00%	0.01	0.00%	-	-	-	0.00%	0.00
Godrej Highrises Properties Private Limited	0.00%	0.04	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Genesis Facilities Management Private Limited	0.01%	0.37	0.04%	0.25	-	-	0.04%	0.25
Citystar Infra Projects Limited	0.00%	(0.01)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Residency Private Limited	0.00%	(0.00)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Land Developers LLP	0.00%	(0.02)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Highrises Realty LLP	0.00%	(0.02)	-0.00%	(0.02)	-	-	-0.00%	(0.02)
Godrej Project Developers & Properties LLP	0.00%	(0.02)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Skyview LLP	0.00%	(0.00)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Green Properties LLP	0.00%	(0.00)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Projects (Pune) LLP	0.00%	(0.00)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Projects (Soma) LLP	0.00%	(0.01)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Projects North LLP	0.00%	(0.01)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Athenmark LLP	0.00%	(0.00)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Vestamark LLP	0.00%	(0.00)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Avamark LLP	0.00%	(0.00)	-0.00%	(0.01)	-	-	-0.00%	(0.01)
Godrej Properties Worldwide, USA	-	-	0.00%	-	-	-	0.00%	0.00
Godrej Fund Management Pte. Ltd.	-	-	0.24%	1.52	-	-	0.24%	1.52
Godrej Green Homes Limited.	-	-	-0.05%	(0.30)	-	-	-0.05%	(0.30)
Godrej Developers & Properties LLP.	-	-	-0.00%	(0.00)	-	-	-0.00%	(0.00)
Nature's Basket Limited	0.05%	2.84	-9.86%	(62.24)	-27.28%	0.23	-9.84%	(62.00)
Ensemble Holdings and Finance Limited	2.30%	131.00	9.30%	58.68	-	-	9.31%	58.68
Godrej Industries Ltd. Employee Stock Option Trust	0.02%	1.13	1.34%	8.45	-	-	1.34%	8.45
Godrej One Premises Management Private Limited	0.00%	0.01	0.00%	-	-	-	0.00%	0.00
Foreign								
Godrej International Ltd.	1.94%	110.42	0.64%	4.07	-	-	0.65%	4.07
Godrej International Trading & Investment Pte. Ltd.	0.29%	16.55	0.80%	5.08	-	-	0.81%	5.08
Godrej Fund Management Pte. Ltd.	-	-	0.24%	1.52	-	-	0.24%	1.52

Notes to the Consolidated Financial Statements

Note 54 : (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 TCI	Amount
1	2	3	4	5	6	7	8	9
Associates (Investment as per equity method)								
Indian								
Godrej Consumer Products Limited	21.95%	1,252.50	57.60%	363.54	-1021%	8.78	59%	372.32
Godrej Maximilk Private Limited	-0.00%	(0.21)	-0.03%	(0.21)	0%	-	-0%	(0.21)
Foreign								
Al Rahaba International Trading LLC	-0.00%	(0.04)	-0.03%	(0.20)	0%			(0.20)
Joint Ventures (Investment as per equity method)								
Indian								
Godrej Tyson Foods Limited	0.40%	22.91	0.69%	4.37	10%	(0.09)	0.68%	4.28
Omnivore India Capital Trust	0.20%	11.61	0.89%	5.61	-	-	0.89%	5.61
Godrej Realty Private Limited	-	-	-0.05%	(0.32)	-	-	-0.05%	(0.32)
Godrej Landmark Redevelopers Private Limited	-	-	-0.08%	(0.51)	-	-	-0.08%	(0.51)
Godrej Redevelopers (Mumbai) Private Limited	-	-	0.97%	6.10	-	-	0.97%	6.10
Wonder Space Properties Private Limited	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
Wonder City Buildcon Private Limited	-	-	0.22%	1.39	-	-	0.22%	1.39
Godrej Home Constructions Private Limited	-	-	-0.17%	(1.09)	-	-	-0.17%	(1.09)
Godrej Greenview Housing Private Limited	-	-	-0.46%	(2.93)	-	-	-0.47%	(2.93)
Wonder Projects Development Private Limited	-	-	-0.09%	(0.57)	-	-	-0.09%	(0.57)
Godrej Real View Developers Private Limited	-	-	-0.09%	(0.57)	-	-	-0.09%	(0.57)
Pearlite Real Properties Private Limited	-	-	-0.67%	(4.21)	-	-	-0.67%	(4.21)
Godrej Skyline Developers Private Limited	-	-	-0.02%	(0.12)	-	-	-0.02%	(0.12)
Godrej Green Homes Limited	-	-	-0.06%	(0.38)	-	-	-0.06%	(0.38)
Godrej Property Developers LLP	-	-	0.00%	(0.00)	-	-	0.00%	(0.00)
Mosaic Landmarks LLP	-	-	0.02%	0.11	-	-	0.02%	0.11
Dream World Landmarks LLP	-	-	-0.31%	(1.98)	-	-	-0.31%	(1.98)
Oxford Realty LLP	-	-	1.47%	9.31	-	-	1.48%	9.31
Godrej SSPDL Green Acres LLP	-	-	-0.06%	(0.35)	-	-	-0.06%	(0.35)
Oasis Landmarks LLP	-	-	1.14%	7.19	-	-	1.14%	7.19
M S Ramaiah Ventures LLP	-	-	0.00%	(0.00)	-	-	0.00%	(0.00)
Caroa Properties LLP	-	-	-0.11%	(0.67)	-	-	-0.11%	(0.67)
Godrej Construction Projects LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Housing Projects LLP	-	-	-0.87%	(5.48)	-	-	-0.87%	(5.48)
Amitis Developers LLP	-	-	-0.27%	(1.72)	-	-	-0.27%	(1.72)
A R Landcraft LLP	-	-	-0.21%	(1.34)	-	-	-0.21%	(1.34)
Prakhhyat Dwellings LLP	-	-	-0.03%	(0.22)	-	-	-0.03%	(0.22)
Bavdhan Realty @ Pune 21 LLP	-	-	0.00%	(0.00)	-	-	0.00%	(0.00)
Godrej Highview LLP	-	-	-0.48%	(3.05)	-	-	-0.48%	(3.05)
Godrej Irismark LLP	-	-	-0.00%	(0.00)	-	-	0.00%	(0.00)
Godrej Projects North Star LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Developers & Properties LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
Sai Srushti Onehub Projects LLP	-	-	0.00%	(0.00)	-	-	0.00%	(0.00)
Foreign								
ACI Godrej Agrovet Private Limited	0.97%	55.39	1.03%	6.52	148%	(1.27)		5.25
Inter-company Elimination & Consolidation Adjustments								
	-28.98%	(1,653.34)	-59.28%	(374.14)	-0%	0.00		(374.14)
TOTAL	100.00%	5,705.77	100%	631.10	100%	(0.86)		630.24

Notes to the Consolidated Financial Statements

Note 55 : Dividend On Equity Shares

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
(a) Proposed Dividend * (₹ 1.75 per share (175%))	58.85	58.85
	58.85	58.85

(*) Proposed Dividend is subject to Shareholders' approval in the ensuing Annual General Meeting and has not been recognised as a liability as at Balance Sheet date.

Note 56 : Disclosure in respect of Specified Bank Notes Held and Transacted

In accordance with the Notification No.- G.S.R 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is provided in the table below:

	Amount ₹ in Crore		
	Specified Bank Notes	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	3.40	1.26	4.66
(+) Permitted receipts	8.44	77.57	86.01
(-) Permitted payments	(0.11)	(10.20)	(10.31)
(-) Amount deposited in Banks	(11.72)	(64.87)	(76.59)
Closing cash in hand as on 30.12.2016	0.01	3.76	3.77

Note 57: Construction Contracts

Particulars	Amount ₹ in Crore	
	March 31, 2018	March 31, 2017
For contracts in progress as on the reporting date		
Aggregate amount of costs incurred and profit recognised (less recognised losses) to date for projects in progress.	10,304.72	10,658.64
Balance of Advance from customer as on reporting date	440.88	364.58
Amount of work-in-progress and the value of inventories as on the reporting date	2,221.53	3,862.04
Excess of revenue recognised over actual bill raised (Unbilled revenue)	624.11	488.36

Note 58

The Government of India introduced the Goods and Services Tax (GST) with effect from July 1, 2017. Consequently revenue from operations for the period July 1, 2017 to March 31, 2018 is net of GST. However, revenue for year ended March 31, 2017 is inclusive of excise duty and hence, total revenue from operations for the year ended March 31, 2018 and year ended March 31, 2017 are not comparable.

Note 59

In case of the Company, Managerial Remuneration paid for the year ended March 31, 2018 exceeded the permissible limits as prescribed under Schedule V of the Companies Act, 2013 by ₹ 7.48 crore (March 31, 2017 ₹ 4.54 crore). The Company has applied for approval to the Central Government of India for such excess remuneration paid. The approval from the Central Government is currently pending. Also, Godrej Agrovet Limited, a subsidiary company, had paid remuneration to its Managing Director during the Financial year ended March 31, 2017 which is in excess of the limits given under Section 197 of the Companies Act, 2013 read with Schedule V of the Act by ₹ 86.61 Crore. The Company has applied to the Central Government and is awaiting approval in respect of the same.

Notes to the Consolidated Financial Statements

Note 60

There are no significant subsequent events that would require adjustments or disclosures in the Consolidated financial statements as on the balance sheet date.

Note 61

The Board of Directors of the Company approved the Scheme of Amalgamation of Vora Soaps Limited with Godrej Industries Limited and their respective Shareholders ('Scheme') in their meeting held on December 14, 2017. The Scheme was subject to the approval of the Hon'ble National Company Law Tribunal ('NCLT'), shareholders and/ or creditors and such other competent authority as may be directed by the Hon'ble NCLT. Accordingly, the Scheme was filed with the Stock Exchanges for their approval and upon receipt of their no-objection letters, the Company proceeded with filing an application u/s 230-232 with the Hon'ble NCLT which was admitted on 17th May, 2018. Pursuant to the directions of the Hon'ble NCLT, a meeting of the Equity Shareholders of the Company will be held and convened for the purpose of considering and if thought fit, approving the Scheme with or without modifications.

Note 62

Figures of the previous year were audited by a firm of Chartered Accountants other than B S R & Co. LLP.

As per our Report attached of even date

For and on behalf of the Board of Directors of **Godrej Industries Limited**
CIN No.: L24241MH1988PLC097781

For BSR & Co. LLP

Chartered Accountants
Firm Regn. No.: 101248W / W-100022

Vijay Mathur

Partner
M.No.: 046476

Mumbai, May 23, 2018

A. B. Godrej

Chairman
DIN:00065964

N. S. Nabar

Executive Director
& President (Chemicals)
DIN: 06521655

N. B. Godrej

Managing Director
DIN: 00066195

Clement Pinto

Chief Financial Officer

Nilufer Shekhawat

Company Secretary