

Independent Auditor's Report

To the Board of Directors of
Godrej Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of GODREJ INDUSTRIES LIMITED ("the Company"), and its Subsidiaries, Joint Ventures and Associates (collectively referred to as the "Godrej Industries Group") which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Company for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting principles generally accepted in India; this responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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 the financial statements of the Subsidiaries, Joint Ventures and Associates, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

1. We draw attention to the following Notes to the Consolidated Financial Statements for the year ended March 31, 2014, in respect of various Schemes of Amalgamation approved by The Honourable High Court of Judicature at Bombay:
 - a) Sub-note (1) of Note 4: Reserves and Surplus regarding the Scheme of Amalgamation of Swadeshi Detergents Limited (a wholly owned subsidiary of the Company) with the Company, approved vide order dated August 16, 2013, whereby the Company has restated / revised the value of certain assets of the Company, to the extent

Independent Auditor's Report

considered appropriate by the Board of Directors, and accordingly reduced the value of certain assets by ₹ 114.82 crores and the same has been debited directly to General Reserve. The costs and expenses incurred on the Scheme amounting to ₹ 0.23 crores have also been debited directly to the General Reserve.

- b) Sub-note (2) of Note 4: Reserves and Surplus regarding the Scheme of Arrangement between Godrej Agrovet Ltd., (GAVL) a subsidiary of the Company and Goldmuhor Agrochem & Feeds Limited (GAFL) (a subsidiary of GAVL) whereby the assets and liabilities of GAFL have been taken over by GAVL and recorded at their book values as on October 1, 2013.
 - (i) In accordance with the Scheme of Arrangement an amount of ₹ 0.72 crores on account of Goodwill on Merger has been charged to the General Reserve instead of amortising the same in the Statement of Profit and Loss over a period of ten years.
 - (ii) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.41 crores have been directly charged against the balance in the General Reserve.
 - (iii) An amount of ₹ 20.00 crores has been transferred from the General Reserve and used to increase the Reserve for Employee Compensation Expenses.
- c) Sub-note (3) of Note 4: Reserves and Surplus regarding the Scheme of Arrangement whereby the assets and liabilities of Golden Feed Products Limited have been taken over by GAVL and recorded at their book values as on March 31, 2014.
 - i) In accordance with the Scheme of Arrangement an amount of ₹ 0.97 crores on account of Goodwill on Merger has been charged against the balance in the Surplus instead of amortising the same in the Statement of Profit and Loss over a period of ten years.
 - ii) An amount of ₹ 35.06 crores from the Surplus has been utilised to restate / revise the value of certain assets of the transferee Company.
 - iii) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.14 crores have been directly charged against the balance in Surplus of the transferee Company.
- d) Sub-note (4) of Note 4: Reserves and Surplus regarding the Scheme of Arrangement whereby the assets and liabilities of certain subsidiary companies viz. Godrej Oil Palm Ltd., Godrej Gokarna Oil Palm Ltd. and Cauvery Palm Oil Ltd. have been taken over by GAVL and recorded at their book values as on April 1, 2011.
 - i) In accordance with the Scheme of Arrangement, amortisation amounting to ₹ 4.25 crores on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve of the Company in the current year and ₹ 8.50 crores in the previous years.
 - ii) An amount of ₹ 60.55 crores on account of Goodwill on merger has been charged to the Securities Premium instead of amortising the same in the Statement of Profit and Loss over a period of ten years.
- e) Sub-note (5) of Note 4: Reserves and Surplus regarding the Scheme of Arrangement whereby the assets and liabilities of Godrej Gold Coin Aquafeed Ltd. a subsidiary of GAVL have been taken over and recorded at their book values as on April 1, 2010. In accordance with the Scheme of Arrangement, an amount of ₹ 16.69 crores on account of book values of Intangible Assets and an amount of ₹ 25.06 crores on account of Goodwill on merger, aggregating to ₹ 41.75 crores has been charged to the Securities Premium instead of amortising the same in the Statement of Profit and Loss, in case of Intangibles over a period of balance useful life of seven years and in case of Goodwill over a period of ten years.
- f) Sub-note (6) of Note 4: Reserves and Surplus regarding a Scheme for the Reduction of Capital (Securities Premium Account), in accordance with which, an amount of ₹ 110.04 crores has been transferred from the Securities Premium and used to create the Reserve for Employee Compensation Expenses of which ₹ 11.35 crores for Employee Compensation Expenses incurred during the year and ₹ 72.04 crores for previous year has been adjusted.
- g) Sub-note (8) of Note 4: Reserves and Surplus regarding a Scheme of Amalgamation of two subsidiaries of Godrej Properties Ltd. (GPL) (a subsidiary of the Company), viz. Godrej Developers Private Limited with Godrej

Independent Auditor's Report

Projects Development Private Limited ('Scheme III'). In accordance with which, an amount of ₹ 99.55 crores arising on account of goodwill on amalgamation has been adjusted from the Securities Premium and from the Surplus instead of amortising the same in the Statement of Profit and Loss over a period of five years. The cost and expenses incurred in carrying out and implementing the Scheme amounting to ₹ 0.42 crores have been directly adjusted from the Surplus of the Transferee Company.

The above treatment prescribed under the respective Court Schemes differs from the treatment prescribed under the Accounting Standards according to which, the said amounts should have been debited to Goodwill, Intangibles or the Statement of Profit and Loss, as the case may be. Had the Schemes not prescribed this accounting treatment, the Company's share in the profit for the year ended March 31, 2014, would have been lower by ₹ 165.62 crores, the Surplus would have been lower by ₹ 46.41 crores, Employee Compensation Reserve would have been lower by ₹ 28.36 crores, the General Reserve would have been higher by ₹ 135.65 crores, the Securities Premium would have been higher by ₹ 160.23 crores, Goodwill would have been higher by ₹ 85.55 crores and Intangibles would have been higher by ₹ 4.02 crores and Minority Interest would have been higher by ₹ 34.29 crores.

2. Sub-note (9) of Note 4: Reserves and Surplus where the respective Companies have included the financial statements of the respective ESOP Trusts in preparation of the respective Company's standalone financial statements to portray the picture as if the concerned Company itself is administering the ESOP Schemes. Consequently, the operations of the respective ESOP Trusts are included in the financial statements of the respective Companies in so far as the ESOP is concerned and the assets and liabilities of the Trusts have been included in the financial statements of the respective Companies. The loans to the ESOP Trusts in the books of the respective Companies are eliminated against the loan from the respective Companies as appearing in the books of the respective Trusts and investments in the equity shares of the concerned Company held by the Trusts have been reduced from Share Capital to the extent of the face value of the shares and the balances have been adjusted in "ESOP Trust Adjustments" under Reserves and Surplus. Balances arising from transactions between the respective Companies and the Trusts have been appropriately eliminated. The opening excess of expenditure over income of the respective Trusts have been adjusted in "ESOP Trust Adjustments" under Reserves and Surplus.

Our opinion is not qualified in respect of these matters.

Other Matters

1. We did not audit the financial statements of certain subsidiaries and a joint venture included in these consolidated financial statements, whose financial statements reflect the Group's share of total assets of ₹ 108.54 crores as at March 31, 2014, the Group's share of total revenue of ₹ 1,861.47 crores and net cash outflows amounting to ₹ 8.90 crores for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, insofar as it relates to the amounts included in respect of these subsidiaries and the joint venture is based solely on the reports of the other auditors.
2. The financial statements of certain associates, whose financial statements reflect the Group's share of associates' profit upto March 31, 2014, of ₹ 16.08 crores and the Group's share of associates' profit of ₹ 5.90 crores for the year ended on that date have not been audited and have been included in the Consolidated Financial Statements based solely on the separate unaudited Management certified accounts.

Our opinion is not qualified in respect of these matters.

For and on behalf of
Kalyaniwalla & Mistry
 Chartered Accountants
 Firm Regn. No.: 104607W

Daraius Z. Fraser
 Partner
 M. No.: 42454

Mumbai: May 28, 2014.

Consolidated Balance Sheet as at March 31, 2014

	Note No.	Current Year	Amount INR Crore Previous Year
Equity And Liabilities			
Shareholders' Funds			
(a) Share Capital	3	33.12	33.52
(b) Reserves And Surplus	4	2,700.95	3,071.76
		2,734.07	3,105.28
Minority Interest			
		1,051.90	757.43
Non Current Liabilities			
(a) Long Term Borrowings	5	1,160.44	939.19
(b) Deferred Tax Liabilities (Net)	6	86.56	70.19
(c) Other Long Term Liabilities	7	2.23	0.28
(d) Long Term Provisions	8	12.26	15.28
		1,261.49	1,024.94
Current Liabilities			
(a) Short Term Borrowings	9	2,781.00	1,810.91
(b) Trade Payables	10	1,973.04	1,757.08
(c) Other Current Liabilities	11	1,298.28	875.40
(d) Short Term Provisions	12	97.88	97.24
		6,150.20	4,540.63
TOTAL		11,197.66	9,428.28
Assets			
Non Current Assets			
(a) Fixed Assets	13		
(i) Tangible Assets		1,172.74	715.52
(ii) Intangible Assets		33.20	37.47
(iii) Capital Work in Progress		463.56	626.07
(iv) Intangible Assets Under Development		2.01	1.93
		1,671.51	1,380.99
(b) Goodwill on Consolidation		444.00	417.01
(c) Non Current Investments	14	1,553.64	1,187.44
(d) Deferred Tax Assets (Net)	15	2.15	4.26
(e) Long Term Loans And Advances	16	228.52	320.28
(f) Other Non Current Assets	17	9.12	13.19
		3,908.94	3,323.17
Current Assets			
(a) Current Investments	18	785.41	174.19
(b) Inventories	19	4,354.39	3,716.78
(c) Trade Receivables	20	543.18	475.84
(d) Cash and Bank Balances	21	302.31	577.54
(e) Short Term Loans and Advances	22	982.18	891.29
(f) Other Current Assets	23	321.25	269.47
		7,288.72	6,105.11
TOTAL		11,197.66	9,428.28

See Accompanying Notes to the Financial Statements

As per our Report attached

Signatures to Balance Sheet and Notes to the Financial Statements

For and on behalf of

Kalyaniwalla & MistryChartered Accountants
Firm Regn. No. 104607W

For and on behalf of the Board

A. B. Godrej
Chairman**N. B. Godrej**
Managing Director**Darius Z. Fraser**Partner
M. No. 42454**N. S. Nabar**
Executive Director
& President (Chemicals)**Clement Pinto**
Chief Financial Officer**K. R. Rajput**
Company Secretary

Mumbai, May 28, 2014.

Statement of Consolidated Profit and Loss for the year ended March 31, 2014

Particulars	Note No.	Amount INR Crore	
		Current Year	Previous Year
Revenue from Operations (Gross)	26	8,008.17	7,063.35
Less: Excise Duty		90.24	99.03
		7,917.93	6,964.32
Other Income	27	155.79	52.82
Total Revenue		8,073.72	7,017.14
Expenses			
(a) Cost of Materials Consumed	28	3,538.62	3,342.38
(b) Purchases of Stock-in-Trade		2,057.42	1,594.40
(c) Cost of Sales - Property Development	29	806.63	640.76
(d) Changes in Inventory of Finished Goods, Work-in-Progress and Stock-in-Trade	30	(83.57)	(8.76)
(e) Employee Benefits Expense	31	294.24	269.75
(f) Finance Costs	32	145.71	110.34
(g) Depreciation and Amortisation Expense		70.44	59.45
(h) Other Expenses	33	846.89	748.41
Total Expenses		7,676.38	6,756.73
Profit Before Exceptional Items and Tax		397.34	260.41
Exceptional Items	34	69.38	165.41
Profit Before Tax		466.72	425.82
Tax Expense			
(a) Current Tax		160.66	123.08
(b) MAT Credit Entitlement		(4.14)	-
(c) Deferred Tax		18.45	12.75
(d) Adjustment for Tax of Previous Years (net)		(3.77)	(1.62)
Total Tax		171.20	134.21
Profit After Taxation		295.52	291.61
Share of Profit in Associates		173.85	175.81
Profit Before Minority Interest		469.37	467.42
Minority Interest		(143.00)	(76.24)
Profit For The Year		326.37	391.18
Earnings Per Share (Face Value ₹ 1 per share)	35		
(a) Basic		9.73	11.98
(b) Diluted		9.72	11.96

See Accompanying Notes to the Financial Statements

As per our Report attached

Signatures to the Statement of Profit and Loss and Notes to the Financial Statements

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants
Firm Regn. No. 104607W

For and on behalf of the Board

A. B. Godrej

Chairman

N. B. Godrej

Managing Director

Darius Z. Fraser

Partner
M. No. 42454

N. S. Nabar

Executive Director
& President (Chemicals)

Clement Pinto

Chief Financial Officer

K. R. Rajput

Company Secretary

Mumbai, May 28, 2014.

Consolidated Cash Flow Statement for the year ended March 31, 2014

		(Amount INR Crore)	
		Current year	Previous year
A.	Cash Flow from Operating Activities :		
	Profit Before Tax	466.72	425.82
	Adjustments for :		
	Depreciation	70.44	59.45
	Unrealised Foreign Exchange revaluation	0.67	(1.52)
	Profit on Sale of Investments	(129.80)	(182.29)
	(Profit)/Loss on Sale of Fixed Assets	(1.49)	1.46
	Dividend Income	(0.11)	(1.61)
	Interest Income	(70.31)	(27.87)
	Interest Expense	145.71	110.34
	Employee Stock Option Compensation	7.29	8.78
	(Write back)/Provision for Diminution in Value of Investments/ Loans and Advances	(4.50)	10.48
	(Write back)/Provision for Doubtful Debts/Advances and Sundry Balances (net)	(7.29)	2.00
	Others	(0.95)	1.34
	Operating Profit Before Working Capital Changes	476.38	406.38
	Adjustments for:		
	Inventories	(648.24)	(536.88)
	Trade and Other Receivables	(527.70)	372.54
	Trade Payables and Other Liabilities & Provisions	477.49	249.85
	Cash (Used in) / Generated From Operations	(222.07)	491.89
	Direct Taxes Paid	(171.97)	(147.18)
	Direct Taxes Refund	-	0.04
	Net Cash (Used in) / Generated from Operating Activities	(394.04)	344.75
B.	Cash Flow from Investing Activities :		
	Purchase of Fixed Assets	(449.91)	(692.41)
	Proceeds from Sale of Fixed Assets	13.75	1.47
	Purchase of Investments	(2,051.73)	(1,266.60)
	Refund of Fixed Deposits / (Fixed Deposits placed)	413.03	(413.03)
	Proceeds from Sale of Investments	1,112.06	1,545.58
	Intercompany Deposits / Loans (net)	7.14	15.05
	Interest Received	30.98	34.23
	Dividend Received	0.31	1.61
	Net Cash Used in Investing Activities	(924.37)	(774.10)

Consolidated Cash Flow Statement for the year ended March 31, 2014 (Contd.)

	(Amount INR Crore)	
	Current year	Previous year
C. Cash Flow from Financing Activities:		
Proceeds from Issue of Equity Shares	258.49	463.25
Capital contribution into Limited Liability Partnership	17.45	-
Proceeds from Borrowings	2,499.42	1,027.63
Repayments of Borrowings	(1,140.67)	(953.83)
Bank Overdrafts (net)	(23.26)	20.95
Interest Paid	(113.97)	(111.07)
Dividend Paid	(42.97)	(32.65)
Tax on Distributed Profits	(11.54)	(10.98)
Net Cash Generated from financing activities	1,442.95	403.30
Net Increase / (Decrease) in Cash and Cash Equivalents	124.54	(26.05)
Cash and Cash Equivalents (Opening Balance)	161.16	180.27
Add : Cash and Cash Equivalents taken over pursuant to Business Acquisition	0.58	10.28
Add : Cash and Cash Equivalents on consolidation of ESOP Trusts (Refer sub note 9 under Note 4 of Reserves and Surplus)	0.74	-
Less : Cash and Cash Equivalents on Demerger	(0.54)	(3.34)
Cash and Cash Equivalents (Closing Balance)	286.48	161.16
(including share in jointly controlled entities - ₹ 7.15 Crore; previous year - ₹ 2.15 crore)		
Notes :		
1. Cash and Cash Equivalents		
Cash on Hand and Balances with Banks	302.31	577.54
Closing balances of Fixed deposit (more than 3 months but less than 12 months)	(15.50)	(413.03)
Other bank balances	(0.33)	(3.35)
Cash and Cash Equivalents	286.48	161.16
2. The above Cash Flow Statement includes share of Cash Flows from jointly controlled entities as under:		
Cash and Cash Equivalents (Opening Balance)	2.15	7.90
a. Net Cash from Operating Activities	15.56	(11.16)
b. Net Cash used in Investing Activities	(6.36)	(22.28)
c. Net Cash (used in) / from Financing Activities	(4.20)	31.03
Less : Cash and Cash Equivalents on sale of stake	-	(3.34)
Cash and Cash Equivalents from jointly controlled entities (Closing Balance)	7.15	2.15
3. The figures of previous year have been regrouped/restated wherever necessary to confirm to current years presentation.		

As per our Report attached

For and on behalf of
Kalyaniwalla & Mistry
 Chartered Accountants
 Firm Regn. No. : 104607W

Daraius Z. Fraser
 Partner
 M.No. : 42454

Signatures to Cash Flow Statements

For and on behalf of the Board
A. B. Godrej
 Chairman

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

N. B. Godrej
 Managing Director

Clement Pinto
 Chief Financial Officer

K. R. Rajput
 Company Secretary

Mumbai, May 28, 2014

Notes to the Consolidated Financial Statements

NOTE 1 : Principles of Consolidation:

- 1.1 The consolidated financial statements relate to Godrej Industries Limited, the Holding Company, its majority owned subsidiaries, Joint Ventures and Associates (collectively referred to as the Group). The consolidation of accounts of the Company with its subsidiaries has been prepared in accordance with Accounting Standard (AS) 21 'Consolidated Financial Statements'. The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and unrealized profits or losses are fully eliminated.

In the consolidated financial statements, 'Goodwill' represents the excess of the cost to the Company of its investment in the subsidiaries and/or joint ventures over its share of equity, at the respective dates on which the investments are made. Alternatively, where the share of equity as on the date of investment is in excess of cost of investment, it is recognised as 'Capital Reserve' in the consolidated financial statements.

Minority interest in net income of the consolidated subsidiaries is adjusted against the income of the group in order to arrive at the net income attributable to shareholder's of the company. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the respective dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investment as stated above.

Investments in Joint Ventures are dealt with in accordance with Accounting Standard (AS) 27 'Financial Reporting of Interests in Joint Ventures'. The Company's interest in jointly controlled entities are reported using proportionate consolidation, whereby the Company's share of jointly controlled assets and liabilities and the share of income and expenses of the jointly controlled entities are reported as separate line items.

Investments in Associates are dealt with in accordance with Accounting Standard (AS) 23 'Accounting for Investments in Associates in Consolidated Financial Statements'. Effect has been given to the carrying amount of investments in associates using the 'Equity method'. The Company's share of the post acquisition profits or losses is included in the carrying cost of investments.

- 1.2 The financial statements of the subsidiaries, joint ventures and associates used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2014.

The accounts of Creamline Dairy Products Ltd., Polchem Hygiene Laboratories Pvt. Ltd. and Al Rahaba International Trading Ltd. (Associates of Godrej Agrovet Ltd.) have not been audited for the year ended March 31, 2014 as of the Balance Sheet date and have been consolidated on the basis of the accounts as certified by their respective Management.

NOTE 2 : Significant Accounting Policies

2.1 Accounting Convention

The financial statements are prepared under the historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards notified under Section 211(3c) of the Companies Act, 1956 and specified in the Companies (Accounting Standard) Rules read with the General Circular No. 15/2013 dated September 12, 2013, issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 and the applicable sections of the Companies Act, 2013.

2.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

2.3 Fixed Assets

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation and impairment, if any. Cost includes expenses related to acquisition and any directly attributable cost of bringing the assets to its

Notes to the Consolidated Financial Statements

intended working condition and excludes any duties / taxes recoverable. Subsequent expenditure incurred on existing fixed assets is expensed out except where such expenditure increases the future economic benefits from the existing assets.

Borrowing costs that are directly attributable to the acquisition / construction of the qualifying asset are capitalised as a part of the cost of such asset, upto the date of acquisition / completion of construction.

Fixed assets acquired under finance lease are capitalised at the lower of their fair value and the present value of the minimum lease payments.

2.4 Asset Impairment

The Group reviews the carrying amounts of tangible and intangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Impairment loss, if any, is recognised in the period in which impairment takes place.

2.5 Operating Leases

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

2.6 Investments

Investments are classified into current and non-current investments. Investments intended to be held for a period less than twelve months or those maturing within twelve months from the balance sheet date are classified as 'Current Investments'. Current Investments are stated at lower of cost and fair value.

Investments other than Current Investments are classified as 'Non-current Investments'. Non-Current Investments are carried at cost of acquisition which includes all costs directly incurred on the acquisition of the investment. Provision for diminution, if any, in the value of each Non-Current investments is made to recognize a decline, other than of a temporary nature. The fair value of a Non-Current investment is ascertained with reference to its market value, the investee's assets and results and the expected cash flows from the investment.

2.7 Inventories

Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of cenvat. Finished goods and work-in-progress includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Finished goods valuation also includes excise duty, wherever applicable. Provision is made for the cost of obsolescence and other anticipated losses, wherever considered necessary.

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.

2.8 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.

No Provision is recognized for :

Any possible obligation that arises from past events and 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

Any present obligation that arises from past events but is not recognised because :

(a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(b) A reliable estimate of the amount of obligation cannot be made.

Notes to the Consolidated Financial Statements

Such obligations are recorded as Contingent Liabilities.

Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

2.9 Revenue Recognition

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer. Sales are recorded net of returns, trade discounts, rebates, sales taxes and excise duties.

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

Dividend income is recognised when the right to receive the same is established.

Interest income is recognised on a time proportion basis.

Income on assets given on operating lease is recognised on a straight line basis over the lease term.

The "Percentage of Completion Method" of accounting is followed where revenue from sale of properties is recognised in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer. Up to March 31, 2012 revenue was recognised only if the actual project cost incurred is 20% or more of the total estimated project cost.

Effective April 1, 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance Note), all projects commencing on or after the said date or projects which have already commenced, but where the revenue is recognized for the first time on or after the above date, Construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met: (a) All critical approvals necessary for the commencement 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 agreement value 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 revenue 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. Losses, if any, are fully provided for immediately.

Revenue on bulk deals on sale of its properties is recognised on execution of documents.

Income from operation of commercial complexes is recognised over the tenure of the lease / service agreement.

2.10 Research and Development Expenditure

Revenue expenditure on Research & Development is charged to the Statement of Profit and Loss of the year in which it is incurred. Capital expenditure incurred during the year on Research & Development is included under additions to fixed assets.

2.11 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition / construction of the qualifying asset are capitalised as a part of the cost of such asset, upto the date of acquisition / completion of construction. Borrowing costs incurred for the development of long term projects are included under Construction work-in-progress/Due on Management Project at weighted average of the borrowing cost / rates as per agreement respectively. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Consolidated Financial Statements

2.12 Foreign Exchange Transactions

- (i) Transactions in foreign currency are recorded at exchange rates prevailing on the day of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss.
- (ii) Forward exchange contracts other than those entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are translated at period end exchange rates. Premium or discount on such forward exchange contracts is amortised as income or expense over the life of the contract.
- (iii) Realised gain or losses on cancellation of forward exchange contracts are recognised in the Statement of Profit and Loss of the period in which they are cancelled.
- (iv) Exchange differences in respect of other unexpired foreign currency derivative contracts, which have been entered into to hedge foreign currency risks are marked to market and losses, if any, are recognised in the Statement of Profit and Loss.
- (v) Exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the year in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset, and in other cases, are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term asset or liability, by recognising as income or expense in each such period.

2.13 Hedging

The Group uses forward exchange contracts to hedge its foreign exchange exposures and commodity futures contracts to hedge the exposure to oil price risks. Gains or losses on settled contracts is recognised in the Statement of Profit and Loss. Futures contracts not settled as on the Balance Sheet date are marked to market and losses, if any, are recognised in the Statement of profit and loss, whereas, the unrealised profit is ignored. Gains or losses on the commodity futures contracts is recorded in the Statement of profit and loss under cost of materials consumed.

2.14 Employee Benefits

(i) Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

The Group has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Economic Value Added (EVA). The PLVR amount is related to actual improvement made in EVA over the previous year when compared with expected improvements.

(ii) Post Employment Benefits

(a) Defined Contribution Plans

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

(b) Defined Benefit Plans

Gratuity Fund

The Group's liability towards gratuity to past employees is determined using the Projected Unit Credit Method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures

Notes to the Consolidated Financial Statements

each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

Provident Fund

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Company are considered as Defined Benefit Plans. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, 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

Long-term Compensated Absences and Long Service Awards are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

2.15 Consolidation of Employee Stock Option Plan Trust

For the purpose of administration of Employee Stock Option Plans, the Group Companies have established ESOP Trusts. In accordance with the opinion issued by the Expert Advisory Committee of the ICAI on consolidation of the ESOP Trust in the standalone financial statements of Companies, the Group Companies have included the financial statements of the ESOP trusts in preparation of the standalone financial statements to portray the picture as if the respective Companies itself are administering the respective ESOP Schemes. Consequently, the operations of the ESOP Trusts, in so far as the ESOP is concerned and the assets and liabilities of the Trusts have been included in the financial statements of the respective Companies. The loans to the ESOP Trusts in the books of the respective Companies are eliminated against the loans from the respective Companies as appearing in the books of the respective Trusts and investments in the equity shares of the respective Companies held by the Trusts have been reduced from Share Capital to the extent of the face value of the shares and the balance has been adjusted in "ESOP Trust Adjustments" under Reserves and Surplus. Balances arising from transactions between the respective Companies and the Trusts have been appropriately eliminated. The opening excess of expenditure over income of the respective Trusts has been adjusted in "ESOP Trust Adjustments" under Reserves and Surplus.

2.16 Depreciation

Tangible Assets

- (i) Leasehold land and Leasehold improvements are amortised equally over the lease period.
- (ii) Depreciation is provided pro rata to the period of use, under the straight line method at the rates specified in Schedule XIV to the Companies Act, 1956, except in some subsidiary companies, where depreciation has been provided on the written down value method. The impact of the differing method of depreciation has not been ascertained but is not likely to be material. Computer hardware is depreciated over its estimated useful life of 4 years.
- (iii) Assets costing less than ₹ 5,000 are depreciated at 100% in the year of acquisition.
- (iv) Depreciation on the revalued component is provided on the straight line method based on the balance useful

life of the assets as certified by the valuers. Such depreciation is withdrawn from Revaluation Reserve and credited to the Statement of Profit and Loss.

Intangible Assets

The group has evaluated the useful lives of the Intangible Assets - Goodwill, Trademarks, Non compete fees, Acquisition value of contracts, etc. based on the nature of business, growth rates and estimated discounted cash flows. The intangible assets are amortised over the estimated useful lives as follows.

Particulars	Estimated useful lives
Trade Marks	10 - 20 years
Technical Know how	6 - 10 years
Computer Software	4 - 6 years

2.17 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax subject to consideration of prudence, is recognised on timing differences; being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset / liabilities in respect of timing differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of timing differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only to the extent that there is virtual certainty supported by convincing evidence of their realisation and on other items when there is reasonable certainty of realisation. The tax effect is calculated on the accumulated timing differences at the year end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. MAT credit available is recognised as an asset only to the extent there is reasonable possibility that the Company will pay normal income tax during the specified period for which MAT Credit is allowed to be carried forward. The Company recognises MAT Credit as an asset by way of credit to the statement of Profit and Loss and is disclosed as "MAT Credit Entitlement" under Long Term Loans and Advances.

2.18 Cash and Cash Equivalents

In the Cash Flow Statement, Cash and Cash Equivalents includes cash in hand, bank balances and term deposits with bank having maturity term of less than three months.

2.19 Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.20 Segment Reporting

The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Group. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

Notes to the Consolidated Financial Statements

NOTE 3 : Share Capital

	Current Year		Amount INR Crore Previous Year	
	Number	Value	Number	Value
Authorised Share Capital				
(a) Equity shares of ₹ 1 each	800,000,000	80.00	800,000,000	80.00
(b) Unclassified Shares of ₹ 10 each	100,000,000	100.00	100,000,000	100.00
		180.00		180.00
Issued, Subscribed and Paid up Share Capital				
(a) Equity Shares of ₹ 1 each fully paid up	335,455,260	33.55	335,165,917	33.52
(b) Less : Share of GIL held by ESOP Trust - refer note 1 below	(4,332,389)	(0.43)	-	-
Total	331,122,871	33.12	335,165,917	33.52
Par Value of Equity Share is ₹ 1 each				
Par Value of Unclassified Share is ₹ 10 each				
Reconciliation of number of Shares				
Equity Shares				
Number of Shares outstanding at the beginning of the year	335,165,917	33.52	317,624,892	31.76
Issued during the year	289,343	0.03	17,541,025	1.76
Number of Shares outstanding at the end of the year	335,455,260	33.55	335,165,917	33.52
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.				
Share Holding Information				
(a) Equity Shares held by Godrej & Boyce Manufacturing Company Limited - Holding Company	187,202,388	18.72	187,202,388	18.72
(b) Shareholders holding more than 5% of Equity Shares in the Company				
Godrej & Boyce Manufacturing Company Limited - 55.81% (Previous Year 55.85%)	187,202,388	18.72	187,202,388	18.72

Notes to the Consolidated Financial Statements

NOTE 3 : Share Capital (Contd.)

	Current Year		Amount INR Crore Previous Year	
	Number	Value	Number	Value
Equity Shares Reserved for Issue Under Employee Stock Grant (₹ 1 each)				
(a) Employee Stock Grant for which vesting date shall be such date as may be decided by the Compensation Committee (*)	32,921	-	32,921	-
(b) Employee Stock Grant vesting on 30/04/14 (*)	1,927	-	1,927	-
(c) Employee Stock Grant vesting on 31/05/14	169,103	0.02	191,354	0.02
(d) Employee Stock Grant vesting on 30/11/14 (*)	2,878	-	1,387	-
(e) Employee Stock Grant vesting on 31/07/14 (*)	2,441	-	-	-
(f) Employee Stock Grant vesting on 31/03/15 (*)	7,815	-	3,841	-
(g) Employee Stock Grant vesting on 31/05/15	98,987	0.01	80,065	0.01
(h) Employee Stock Grant vesting on 31/07/15 (*)	2,274	-	-	-
(i) Employee Stock Grant vesting on 31/05/16 (*)	49,991	-	-	-
(j) Employee Stock Grant vesting on 31/07/16 (*)	2,274	-	-	-
(k) Employee Stock Grant vesting on 31/12/13 (*)	-	-	3,974	-
(l) Employee Stock Grant vesting on 31/05/13	-	-	189,029	0.02
(m) Employee Stock Grant vesting on 31/07/13 (*)	-	-	8,226	-

The exercise period in respect of the stock grants mentioned above is one month.

During the period of five years immediately preceeding the date as at which the Balance Sheet is prepared :

- There were no shares allotted as fully paid up pursuant to contracts without payment being received in cash.
- No shares have been allotted as fully paid up bonus shares.
- In the financial year 2009-10, the Company bought back 2,133,710 Equity Shares.

There are no calls unpaid.

There are no forfeited shares.

(*) Amount less than ₹ 0.01 crore.

Note :

- In the current year, in accordance with the opinion issued by the Expert Advisory Committee of the ICAI on Consolidation of ESOP Trust in the standalone financial statements as detailed in sub note 9 under Note 4 of Reserves and Surplus, the investment in the equity shares of the Company held by the respective ESOP Trusts has been reduced from the Share Capital and from Reserves.

Notes to the Consolidated Financial Statements

NOTE 4 : Reserves and Surplus

Particulars	Amount INR Crore	
	Current Year	Previous Year
Capital Investment Subsidy Reserve	0.95	0.95
Capital Redemption Reserve		
As Per Last Balance Sheet	31.71	31.46
Additions during the year	0.14	0.25
Adjustments during the year	(0.39)	-
	31.46	31.71
Capital Reserve		
As Per Last Balance Sheet	0.04	0.04
Additions during the year - refer note 1 below	8.58	-
Adjustments during the year	(0.04)	-
	8.58	0.04
Securities Premium Account		
As Per Last Balance Sheet	1,562.63	1,200.67
Additions for shares issued during the year	10.31	615.05
Utilisation during the year - refer note 4, 5, 6 and 8 below		
Share issue expenses	(8.87)	(16.64)
Amount recoverable from GAVL ESOP Trust	-	(126.41)
Transfer to Reserve for Employee Compensation Expenses	-	(110.04)
Adjustments during the year	(35.04)	-
	1,529.03	1,562.63
Revaluation Reserve		
As Per Last Balance Sheet	7.72	10.56
Less : Depreciation on Revalued component	(0.76)	(0.91)
Less : Deduction due to sale/discard of fixed assets - refer note 7 below	(6.96)	(1.93)
	-	7.72
Special Reserve u/s 45IC of RBI Act, 1934		
As Per Last Balance Sheet	3.51	2.97
Transfer from Surplus	0.16	0.54
	3.67	3.51
Employee Stock Options Outstanding		
Options granted as at the beginning of the year		
Options granted till date	58.82	12.01
Add : Compensation for Options Granted During the Year	15.43	54.48
Less : Options Lapsed	(0.58)	(0.99)
Less : Transfer to Securities Premium on exercise of stock options during the year	(8.30)	(6.68)
	65.37	58.82
Less: Deferred Employee Stock Option Compensation	(3.14)	(4.25)
	62.23	54.57
Reserve for Employee Compensation Expenses - refer note 2 & 6 below		
As Per Last Balance Sheet	24.19	-
Transfer from Security Premium Account	-	110.04
Transfer from General Reserve Account - refer note 2 below	20.00	-
Adjustment for employee compensation expense - refer note 6 below	(11.35)	(72.04)
Share of Minority	(3.06)	(13.81)
	29.78	24.19

Notes to the Consolidated Financial Statements

NOTE 4 : Reserves and Surplus (Contd.)

Particulars	Amount INR Crore	
	Current Year	Previous Year
General Reserve		
As Per Last Balance Sheet	172.86	161.41
Transfer from Surplus	36.24	51.61
Utilisation during the year pursuant to Scheme of Amalgamation - refer note 1, 2, & 4 below		
Transfer to Reserve for employee compensation expenses	(20.00)	-
Expenses on Merger	(1.01)	-
Excess of Investment over book value adjusted as per scheme of Merger	(15.98)	-
Restatement / Revision of certain Assets /Amortisation of Intangibles as per Merger Scheme	(119.07)	(50.45)
Adjustment on Acquisition/Deletion and Share of Minority	2.93	10.29
	55.97	172.86
Foreign Exchange Fluctuation Reserve		
As Per Last Balance Sheet	8.08	6.01
Additions during the Year	5.54	2.07
	13.62	8.08
ESOP Trusts Adjustments - refer note 9 below		
Opening adjustments of ESOP Trusts	(122.55)	-
Add : Income of ESOP Trusts	18.41	-
Less: Expense of ESOP Trusts	(0.25)	-
Closing Balance of ESOP Trusts	(104.39)	-
Less: Securities Premium on shares held by ESOP Trusts	(76.59)	-
Add : Reversal of provision of Loan to ESOP Trusts	37.99	-
	(142.99)	-
Surplus		
As Per Last Balance Sheet	1,205.50	914.05
Surplus - As per Statement of Profit and Loss	326.37	391.18
Utilisation during the year		
Dividend for 2011-12, on additional shares issued	(0.02)	(2.98)
Credit for Dividend Distribution Tax on Dividend	5.79	1.85
Received from Subsidiaries		
Proposed Dividend - Final	(58.70)	(58.69)
Tax on Distributed Profit	(23.02)	(19.38)
Transfer to Special Reserve	(0.16)	(0.54)
Transfer to General Reserve	(36.24)	(51.61)
Adjustment on Acquisition / Deletion - refer note 3 & 8 below	(417.46)	(77.20)
Adjustment on Acquisition /Addition/Share of Minority	106.58	108.82
	1,108.64	1,205.50
Total	2,700.95	3,071.76

Notes :

- The Scheme of Amalgamation of Swadeshi Detergents Limited (SDL) (a wholly owned subsidiary of the Company) with the Company, approved vide order dated August 16, 2013, whereby all the assets and liabilities of the erstwhile SDL have been transferred to and vest in the Company and have been recorded at their book value which are also their fair value. The equity share capital of SDL and investments in SDL held by the Company stand cancelled. The excess of the net assets transferred over the investments in SDL held by the Company amounting to ₹ 8.58 crore has been credited to the Capital Reserve. Further, in accordance with the Scheme, the Company has restated / revised the value of certain assets of the Company, to the extent considered appropriate by the Board of Directors, and accordingly reduced the value of certain assets by ₹ 114.82 crore and the same has been debited directly to General Reserve. The costs and expenses incurred on the Scheme amounting to ₹ 0.23 crore have also been debited directly to the General Reserve.

Notes to the Consolidated Financial Statements

NOTE 4 : Reserves and Surplus (Contd.)

2. The Scheme of Arrangement between Godrej Agrovet Ltd., (GAVL) a subsidiary of the Company and Goldmuhor Agrochem & Feeds Limited (GAFL) (a subsidiary of GAVL) whereby the assets and liabilities of GAFL have been taken over by GAVL and recorded at their book values as on October 1, 2013.
 - (i) In accordance with the Scheme of Arrangement an amount of ₹ 0.72 crore on account of Goodwill on Merger has been charged to the General Reserve instead of amortising the same in the Statement of Profit and Loss over a period of ten years.
 - (ii) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.41 crore have been directly charged against the balance in the General Reserve.
 - (iii) An amount of ₹ 20.00 crore has been transferred from the General Reserve and used to increase the Reserve for Employee Compensation Expenses.
3. The Scheme of Arrangement whereby the assets and liabilities of Golden Feed Products Limited have been taken over by GAVL and recorded at their book values as on March 31, 2014.
 - (i) In accordance with the Scheme of Arrangement an amount of ₹ 0.97 crore on account of Goodwill on Merger has been charged against the balance in the Surplus instead of amortising the same in the Statement of Profit and Loss over a period of ten years.
 - (ii) An amount of ₹ 35.06 crore from the Surplus has been utilised to restate / revise the value of certain assets of the transferee Company.
 - (iii) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.14 crores have been directly charged against the balance in Surplus of the transferee Company
4. The Scheme of Arrangement whereby the assets and liabilities of certain subsidiary companies viz. Godrej Oil Palm Ltd., Godrej Gokarna Oil Palm Ltd. and Cauvery Palm Oil Ltd. have been taken over by GAVL and recorded at their book values as on April 1, 2011.
 - (i) Amortisation amounting to ₹ 4.25 crore on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve of the Company in the current year and ₹ 8.50 crore in the previous years.
 - (ii) An amount of ₹ 60.55 crore on account of Goodwill on merger has been charged to the Securities Premium Account instead of amortising the same in the Statement of Profit and Loss over a period of ten years.
5. The Scheme of Arrangement whereby the assets and liabilities of Godrej Gold Coin Aquafeed Ltd. a subsidiary of GAVL have been taken over and recorded at their book values as on April 1, 2010. In accordance with the Scheme of Arrangement, an amount of ₹ 16.69 crore on account of book values of Intangible Assets and an amount of ₹ 25.06 crore on account of Goodwill on merger, aggregating to ₹ 41.75 core has been charged to the Securities Premium Account instead of amortising the same in the Statement of Profit and Loss, in case of Intangibles over a period of balance useful life of seven years and in case of Goodwill over a period of ten years.
6. A Scheme for the Reduction of Capital (Securities Premium Account), in accordance with which, an amount of ₹ 110.04 crore has been transferred from the Securities Premium Account and used to create the Reserve for Employee Compensation Expenses of which ₹ 11.35 crore for Employee Compensation Expenses incurred during the year and ₹ 72.04 crore for previous year has been adjusted.
7. The Revaluation Reserve represented the revalued component of various fixed assets at Vikhroli Plant which were revalued in the past. On closure of manufacturing activities at Vikhroli Plant, the revalued assets have been scrapped / disposed off and adjusted against the Revaluation Reserve.
8. A Scheme of Amalgamation of two subsidiaries of Godrej Properties Ltd. (GPL) (a subsidiary of the Company), viz. Godrej Developers Private Limited with Godrej Projects Development Private Limited ('Scheme III'). In accordance with which, an amount of ₹ 99.55 crore arising on account of goodwill on amalgamation has been adjusted from the Securities Premium and from the Surplus instead of amortising the same in the Statement of Profit and Loss over a period of five years. The cost and expenses incurred in carrying out and implementing the Scheme amounting to ₹ 0.42 crore have been directly adjusted from the Surplus of the Transferee Company.
9. In the current year, in accordance with the opinion issued by the Expert Advisory Committee of the ICAI on Consolidation of ESOP Trust in the standalone financial statements, the respective Companies have included the financial statements of the respective ESOP Trusts in preparation of the respective Company's standalone financial statements to portray the picture as if the concerned Company itself is administering the various ESOP Scheme. Consequently, the operations of the respective ESOP Trusts are included in the financial statements of the respective companies, in so far as the ESOP is concerned and the assets and liabilities of the Trusts have been included in the financial statements of the respective Companies. The loans to the ESOP Trusts in the books of the respective Companies are eliminated against the loans from the respective Companies as appearing in the books of the respective Trusts and investments in the equity shares of the concerned Company held by the Trusts have been reduced from Share Capital to the extent of the face value of the shares and the balance has been adjusted in "ESOP Trust Adjustments" under Reserves and Surplus. Balances arising from transactions between the respective Companies and the Trusts have been appropriately eliminated. The opening excess of expenditure over income of the respective Trusts has been adjusted in "ESOP Trust Adjustments" under Reserves and Surplus. In view of the above, the results for the current year are not strictly comparable with those of the previous year.

Notes to the Consolidated Financial Statements

NOTE 5 : Long-Term Borrowings

	Current Year	Amount INR Crore Previous Year
Secured		
(a) Debentures - refer note 1 below	82.38	29.57
(b) Term Loans		
(i) From Bank - refer note 2 below	14.72	26.61
(ii) From Others - refer note 3 below	22.02	-
	36.74	26.61
Unsecured		
(a) Term Loans From Banks - refer note 4 below	764.47	467.10
(b) Deferred Payment Liabilities - refer note 5 below	4.24	4.64
(c) Deposits		
(i) Fixed Deposit - refer note 6 below	262.49	401.35
Share in Jointly Controlled Entities	10.12	9.92
Total	1,160.44	939.19

Notes :

- (1) 2,871,876, 1% secured optionally convertible debentures of ₹ 10 each are redeemable on April 10, 2015 and are secured to the extent of specific immovable assets of a Subsidiary Company.
267,000, 12% Compulsorily Convertible Debentures of face value of ₹ 1,000 each were allotted on December 29, 2011. These debentures are compulsorily convertible at the end of 10 years from the date of allotment. These debentures are convertible into 50,000 Equity Shares of ₹ 10 each in accordance with the terms of the issue. The interest shall be accrued on a quarterly basis.
528,110, 17.45% Compulsorily Convertible Debentures of face value of ₹ 1,000/- each. Out of above 295,360 were allotted on June 24, 2013 and 232,750 were allotted on October 1, 2013. These Compulsory Convertible Debentures will be converted in to equity shares in the year 2019 based on the Fair Value.
- (2) Term loan from AXIS Bank of ₹ 14.72 crore is secured by hypothecation of machinery and moveable fixed assets both present and future at the Bandra store. This loan is repayable over a period of 60 months.
- (3) Term loan from Tata Capital Financial Services Ltd. of ₹ 22.02 crore. This loan is repayable over a period of 72 months.
- (4) Term Loan from Bank of ₹ 149.96 crore carries interest at Base Rate + 1.4% p.a. is for a term upto 60 months and is repayable during the period July 2015 to April 2017.
Unsecured loan from Bank amounting to ₹ 89.87 crore carries interest at LIBOR + 2.17% p.a. for a term of 60 months and is repayable during the period September 2015 to September 2016.
Unsecured loan from Bank amounting to ₹ 119.82 crore carries interest at LIBOR + 2.5% p.a. for a term of 60 months and is repayable during the period June 2016 to December 2017.
Unsecured loan from Bank amounting to ₹ 119.82 crore carries interest at LIBOR + 2.05% p.a. for a term of 60 months and is repayable during the period February 2017 to August 2018.
Unsecured loan from Bank amounting to ₹ 75 crore carrying interest at Base Rate + 0.4% pa is for a term upto 36 months and is repayable from December 2015 to December 2016.
Unsecured loan from Bank amounting to ₹ 50 crore carrying interest at Base Rate + 0.8% p.a. is for a term upto 24 months and is repayable during the period July 2015 to January 2016.
Term Loans from Banks are at an Interest Rate of 10.20% p.a. to 10.50% p.a. These loans are repayable after 13 months - ₹ 45 crore, after 18 months - ₹ 75 crore and after 36 months - ₹ 40 crore.
- (5) Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, up to March 2022. Total loan availed was ₹ 4.67 crore and outstanding is ₹ 4.51 crore with current maturity disclosed separately in Note 11 of Other Current Liabilities.
- (6) Fixed deposits from public have a maturity period of 13, 24 or 36 months.
Deposits (Unsecured) having maturity of two years amounting to ₹ 198.18 crore and three years amounting to ₹ 5.53 crore bearing interest rate @ 8.50 % to 10.50% payable half yearly.
- (7) The Group does not have any continuing default as on the Balance Sheet date in repayment of loan or interest.

Notes to the Consolidated Financial Statements

NOTE 6 : Deferred Tax Liabilities (Net)

	Amount INR Crore	
	Current Year	Previous Year
1. Liabilities		
(a) Depreciation	95.65	87.61
(b) VRS Expenses	0.37	-
2. Assets		
(a) Provision for Retirement Benefits	3.09	3.42
(b) Provision for Doubtful Debts/Advances	2.46	8.47
(c) VRS Expenses	-	0.03
(d) Others	5.01	5.68
3. Share in Jointly Controlled Entities	1.10	0.18
Total	85.56	70.19

NOTE 7 : Other Long-Term Liabilities

	Amount INR Crore	
	Current Year	Previous Year
Deposits	0.01	0.01
Interest Accrued but not Due	0.03	0.01
Trade Payables	1.07	0.26
Liability towards beneficiaries of Company's ESOP Trust	1.12	-
Total	2.23	0.28

NOTE 8 : Long-Term Provisions

	Amount INR Crore	
	Current Year	Previous Year
Provision For Employee Benefits	11.93	14.99
Share in Jointly Controlled Entities	0.33	0.29
Total	12.26	15.28

Notes to the Consolidated Financial Statements

NOTE 9 : Short-Term Borrowings

	Amount INR Crore	
	Current Year	Previous Year
Secured		
(a) Debentures - refer note 1 below	76.25	42.26
(b) Term loan from Bank	-	69.75
(c) Loans Repayable On Demand		
(i) From Bank - refer note 2 below	598.02	255.17
(ii) From Others - refer note 3 below	750.00	750.00
(d) Commercial Papers	-	40.00
Unsecured		
(a) Loans Repayable On Demand		
(i) From Bank - refer note 5 below	496.68	70.71
(ii) From Others	-	100.00
(b) Other Loans and Advances		
(i) Commercial Papers - refer note 4 below	823.00	450.00
Share in Jointly Controlled Entities	37.05	33.02
Total	2,781.00	1,810.91

Notes :

- (1) 7,624,900, 10% Cumulative Optionally Convertible Debentures of face value of ₹ 100/- each are secured by way of mortgage over the development rights of Project Godrej Central. The debentures are redeemable out of Remainder Amounts as defined in Share Purchase, Subscription and Shareholders Agreement dated March 31, 2012. The interest shall be accrued on an annual basis.
- (2) (a) Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.
 (b) Secured Loan from Banks availed is secured by hypothecation of the current assets of the Company. Immovable property of the Company's Project at Juhu, Mumbai and Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) is provided as collateral security and carries interest at Base Rate + 0.90% p.a.
 (c) Short Term Loan (WCDL) availed is secured by hypothecation of the current assets of the Company. Immovable property of the Company's Project at Juhu, Mumbai and Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) is provided as collateral security and carries interest at Base Rate + 0.60% p.a. repayment in 9 months from the date of first disbursement.
- (3) Secured term loan from HDFC Ltd: Total Sanction amount ₹ 750 crore bearing interest @ HDFC BPLR – 485 BPS and secured by way of exclusive / mortgage and charge of movable and immovable property of the project at Bandra Kurla Complex at Mumbai. Repayment from 6th month from the date of disbursement.
- (4) (a) Commercial Papers of ₹ 150 crore is carrying interest at 10.95% p.a. repayable on April 30, 2014.
 (b) Commercial Papers of ₹ 100 crore is carrying interest at 10.55% p.a. repayable on June 09, 2014.
 (c) Commercial Papers of ₹ 100 crore is carrying interest at 10.08% p.a. repayable on June 09, 2014.
 (d) Commercial Papers of ₹ 473 crore are repayable during the period April to June 2014.
- (5) Unsecured loan from bank is packing credit availed against export order at base rate and repayable within 6 months
 (i) Unsecured - Over Draft facility availed amounting to ₹ 86.41 crore carries interest at Base Rate + 175 basis point.
 (ii) Unsecured Invoice Financing is availed amounting to ₹ 39.07 crore carries interest in a range from 10.20% p.a. to 10.25%p.a.
 (iii) Other loans include:
 i) ₹ 130 crore carrying interest at Base Rate + 25 basis point p.a. Of the above ₹ 100 crore is repayable on September 17, 2014 and ₹ 30 crore is repayable on October 25, 2014.
 ii) Short Term Loan amounting to ₹ 120 crore is availed at rate of Interest 10.20% p.a. (Fixed) repayable on March 6, 2015.
 (iv) Cash Credit from Banks is repayable on demand.
- (6) The Group does not have any continuing default as on the Balance Sheet date in repayment of loan or Interest.

Notes to the Consolidated Financial Statements

NOTE 10 : Trade Payables

	Amount INR Crore	
	Current Year	Previous Year
Trade Payables		
(a) Outstanding dues of Micro and Small Enterprise - refer note 1 below	2.35	2.34
(b) Others	1,238.71	1,172.57
Acceptances	723.03	571.42
Share in Jointly Controlled Entities	8.95	10.75
Total	1,973.04	1,757.08

Note :

- (1) Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2014 to Micro, Small and Medium Enterprises on account of principal or interest (previous year ₹ Nil).

Notes to the Consolidated Financial Statements

NOTE 11 : Othe Current Liabilites

	Current Year	Amount INR Crore Previous Year
Current Maturities of Long Term Debts		
(a) Secured Loan		
(i) From Bank	3.80	-
(ii) From Others	-	1.85
	<u>3.80</u>	<u>1.85</u>
(b) Unsecured		
(i) Loan from Bank	54.96	16.00
(ii) Fixed Deposit	166.62	60.79
Current Maturities of Finance Lease Obligations	0.01	-
Current Maturities of Deferred Sales Tax Liability	0.27	-
	225.66	78.64
Interest Accrued but not Due on Borrowings	20.14	7.52
Unclaimed Dividends	0.37	0.32
Unclaimed Matured Deposit		
(a) Principal Amount	3.05	4.75
(b) Interest Accrued Thereon	0.16	0.16
	3.21	4.91
Other Payables		
(a) Advances from Customers	691.83	524.69
(b) Sundry Creditors	68.16	45.18
(c) Forward Cover Contracts Payable	16.18	-
(d) Unamortised Forward Cover Premium	-	0.64
(e) Due to Management Projects	2.63	5.85
(f) Statutory Liabilities	39.39	35.72
(g) Deposits	49.66	34.10
(h) Other Liabilities	171.16	130.41
	1,039.01	776.59
Other Payables of ESOP Trust		
(a) Other Liabilities	0.07	-
(b) Statutory Liabilities	0.01	-
(As detailed in sub note 9 under Note 4 of Reserves and Surplus)	0.08	-
Share in Jointly Controlled Entities	9.81	7.42
Total	<u>1,298.28</u>	<u>875.40</u>

Notes to the Consolidated Financial Statements

NOTE 12 : Short Term Provisions

	Amount INR Crore	
	Current Year	Previous Year
Provision For Employee Benefits	4.25	7.52
Proposed Dividend - refer note 1 below	58.70	58.69
Provision for Tax on Distributed Profit	25.05	19.38
Provision for Tax	9.11	11.26
Share in Jointly Controlled Entities	0.77	0.39
Total	97.88	97.24

Note :

- (1) The Board of Directors of the Company has proposed a dividend of ₹ 1.75 per equity share - 175% (previous year ₹ 1.75 per equity share- 175%) for the year 2013-14 amounting to a total out-go of ₹ 58.70 crore (previous year ₹ 58.69 crore).

NOTE 13 : Fixed Assets

ASSETS		GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK	
		As on 01.04.2013	Additions	Deductions/ Adjustments	As on 31.3.2014	Upto 31.03.2013	Deductions/ Adjustments	For the Year	Upto 31.03.2014	As on 31.3.2014	As on 31.03.2013
Tangible Assets											
(a)	Land										
	(i) Freehold	29.94	16.00	0.38	45.56	-	-	-	-	45.56	29.94
	(ii) Leasehold	27.58	3.86	-	31.44	1.16	-	0.31	1.47	29.97	26.42
(b)	Buildings	245.08	152.15	19.36	377.87	59.66	13.06	10.89	57.49	320.38	185.42
(c)	Plant and Equipment	730.13	338.73	91.33	977.53	398.56	77.37	38.38	359.57	617.96	331.57
(d)	Research Centre	0.82	0.02	-	0.84	0.30	-	0.04	0.34	0.50	0.52
(e)	Furniture and Fixtures	27.41	8.75	1.23	34.93	13.37	0.45	2.34	15.26	19.67	14.04
(f)	Office and Other Equipment	34.98	8.11	0.26	42.83	10.89	0.16	2.10	12.83	30.00	24.09
(g)	Vehicles / Vessels										
	(i) Own	42.44	7.39	3.71	46.12	14.87	2.33	3.91	16.45	29.67	27.57
	(ii) Under Finance Lease	-	0.03	-	0.03	-	-	0.02	0.02	0.01	-
(h)	Tree Development Cost	4.15	-	-	4.15	3.06	-	0.17	3.23	0.92	1.09
(i)	Share in Jointly Controlled Entities	103.09	12.00	4.48	110.61	28.23	4.00	8.28	32.51	78.10	74.86
Total Tangible Assets		1,245.62	547.04	120.75	1,671.91	530.10	97.37	66.44	499.17	1,172.74	715.52
Intangible Assets											
(a)	Trademarks	47.14	2.00	-	49.14	21.72	(0.28)	5.37	27.37	21.77	25.42
(b)	Technical Knowhow Fees	2.00	-	-	2.00	2.00	-	-	2.00	-	-
(c)	Software	29.11	3.02	-	32.13	17.76	-	3.44	21.20	10.93	11.35
(d)	Share in Jointly Controlled Entities	1.03	-	-	1.03	0.33	-	0.20	0.53	0.50	0.70
Total Intangible Assets		79.28	5.02	-	84.30	41.81	(0.28)	9.01	51.10	33.20	37.47
TOTAL - Current Year		1,324.90	552.06	120.75	1,756.21	571.91	97.09	75.45	550.27	1,205.94	
- Previous Year		1,202.10	213.08	90.29	1,324.90	551.21	39.66	60.36	571.91		752.99
Capital Work- In- Progress										463.56	626.07
Intangible Assets Under Development										2.01	1.93
Total										1,671.51	1,380.99

Notes :

- Buildings, Plant and Equipment and Research Centre at Vikhroli Factory were revalued on June 30, 1992, on the basis of a valuation report submitted by professional valuers.
- Depreciation for the year includes ₹ 0.76 crore (previous year ₹ 0.91 crore) being depreciation on revalued component of the fixed assets.
- Amortisation of intangibles includes ₹ 4.25 crore (previous year ₹ Nil crore) which is adjusted against General Reserve as per Oil Palm Companies Merger Scheme of GAVL.
- Gross block deductions includes ₹ 36.16 crore (previous year ₹ 3.04 crore) and Depreciation / Impairment Deduction / Adjustments includes ₹ 29.20 crore (previous year ₹ 1.11 crore) being the revalued component of assets sold/discarded during the year.
- Accumulated depreciation includes impairment loss of ₹ 5.10 crore (previous year ₹ 5.10 crore) on certain Plant and Equipment.
- Capital work-in-progress is net of impairment loss of ₹ 2.04 crore (previous year ₹ 2.04 crore) provided on an infructuous asset under construction.
- Capital work-in-progress includes ₹ Nil crore (previous year ₹ 6.33 crore) of Exchange Difference arising on Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets. Capital work-in-progress also includes net borrowing cost capitalised amounting to ₹ 53.57 crore (previous year ₹ 26.61 crore).
- Addition to Plant and Machinery includes ₹ 29.03 crore (previous year ₹ Nil crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets. Additions also includes net borrowing cost capitalised amounting to ₹ 9.65 crore.
- As detailed in sub note 1 under Note 4 of Reserves and Surplus, the Company has restated / revised the value of certain Plant & Machinery from ₹ 4.10 crore to Nil and adjusted the same in General Reserve.

Notes to the Consolidated Financial Statements

NOTE 14 : Non Current Investments

Investee Company/Entity	Face value (₹)	Number		Notes	Amount INR Crore	
		Current Year	Previous Year		Current Year	Previous Year
Trade Investments (Valued at cost unless stated otherwise)						
1 Investment in Equity Instruments (Fully paid unless stated otherwise)						
(a) Investment in Associate Companies						
(i) Quoted						
Godrej Consumer Products Ltd.	1	77,029,620	73,659,620		1,486.69	1,085.95
(ii) Unquoted						
Creamline Dairy Products Limited	10	2,671,993	2,671,993		28.50	24.34
Polchem Hygiene Laboratories Pvt. Ltd.	10	455,000	455,000		4.83	4.36
Al Rahaba International Trading Limited Liability Company	AED 1500	24	24		5.16	-
Personalitree Academy Ltd.	10	389,269	389,269		1.10	1.10
Less: Provision for Diminution in Value					(1.10)	(1.10)
					-	-
(b) Others						
(i) Quoted						
Zicom Electronics System Ltd.	10	404,901	384,086		3.12	2.99
Ruchi Soya Industries Ltd.	2	209,709	-		0.77	-
Others		-	-		-	0.01
(ii) Unquoted						
Bharuch Eco-Aqua Infrastructure Ltd.	10	440,000	440,000		0.44	0.44
Less: Provision for Diminution in Value					(0.44)	(0.44)
					-	-
Avesthagen Ltd.	7	469,399	469,399		10.63	10.81
Less: Provision for Diminution in Value				(a)	(10.63)	-
					-	10.81
CBay Infotech Ventures Pvt. Ltd.	10	112,579	112,579		2.33	2.33
Less: Provision for Diminution in Value				(a)	(2.33)	-
					-	2.33
Gharda Chemicals Ltd.	100	114	114	(b)	0.12	0.12
Less: Provision for Diminution in Value					(0.12)	(0.12)
					-	-
HyCa Technologies Pvt. Ltd.	10	12,436	12,436		1.24	1.24
Less: Provision for Diminution in Value				(a)	(1.24)	-
					-	1.24
Tahir Properties Ltd (Partly paid) *	100	25	25	(c)	0.00	0.00
Boston Analytics Inc.	\$1	1,354,129	1,354,129		6.91	6.91
Less: Provision for Diminution in Value					(6.91)	(6.91)
					-	-
The Saraswat Co-op Bank Ltd. *	10	6,000	6,000		0.01	0.00
Sachin Industrial Co-operative Society Limited *	500	3	3		0.00	0.00
New Market Limited	£ 1	100	100		12.31	11.15
AARK Pte Limited	\$1	500,000	500,000		3.00	2.71
Isprava Technologies Ltd. (formerly karROX Technologies Ltd.)	10	125,000	125,000		0.50	0.50

Notes to the Consolidated Financial Statements

Note 14 : Non Current Investments (Contd.)

Investee Company/Entity	Face value (₹)	Number		Notes	Amount INR Crore	
		Current Year	Previous Year		Current Year	Previous Year
(b) Others (contd.)						
Sealac Agroventures Pvt. Limited	10	-	250,000		-	0.25
Aadhaar Retailing Limited	10	7,195,400	6,800,000		34.65	32.67
Less: Provision for Diminution in Value					(34.65)	-
						32.67
2. Investment in Preference Shares (Fully paid unless stated otherwise)						
Unquoted						
Wadala Commodities Ltd. (0.01% Redeemable Non Cumulative Preference Shares)	10	-	5,000,000	(c)	-	4.50
Less: Provision for Diminution in Value					-	(4.50)
						-
Tahir Properties Ltd. (Class - A) (partly paid) *	100	25	25	(c)	0.00	0.00
Verseon Corporation - Class A Preferred Shares	\$0.95	2,631,578	2,631,578		11.42	11.42
Less: Provision for Diminution in Value				(a)	(11.42)	(7.80)
						3.62
3. Investment in Partnership Firm						
View Group LP *		-	-	(d)	-	-
Less: Provision for Diminution in Value					-	-
						-
4. Other Non Current Investments						
(a) Limited Liability Partnership						
Crop Science Advisors Limited Liability Partnership					0.01	0.01
(b) Investment in Units of Venture Capital Fund						
Omnivore India Capital Trust	100000	875	450		8.75	4.50
Total					1,553.64	1,187.44
Aggregate Amount of Quoted Investments					1,490.58	1,088.95
Aggregate Amount of Unquoted Investments					131.90	119.36
Aggregate Provision for Diminution in Value					68.84	20.87
Market Value of Quoted Investments					6,563.82	5,742.90

* Amount less than ₹ 0.01 crore.

Notes :

- (a) In accordance with the Scheme of Amalgamation of Swadeshi Detergents Limited with the Company, as approved by the Honourable Bombay High Court, the Company has made provision for diminution in the value of certain investments aggregating to ₹ 19.62 crore and adjusted the same in General Reserve.
- (b) The said shares have been refused for registration by the investee company.
- (c) Uncalled Liability on partly paid shares
- Tahir Properties Ltd. - Equity - ₹ 80 per share (Previous year - ₹ 80 per share).
 - Tahir Properties Ltd. - Preference - ₹ 30 per share (Previous year - ₹ 30 per share).
 - Wadala Commodities Ltd. - Preference - ₹ Nil (Previous year - ₹ 1 per share)

Notes to the Consolidated Financial Statements

Note 14 : Non Current Investments (Contd.)

(d) Information on partnership firm - View Group

Sr. No.	Name of the partner	Country	% Holding Current Year	% Holding Previous Year
1.	Mr. Robert Buirkle	USA	13.08%	13.08%
2.	Mr. John H. Gutfreund	USA	13.08%	13.08%
3.	Bonsal Trust	USA	6.54%	6.54%
4.	Free Market Capital L.P.	USA	4.83%	4.83%
5.	Kilbane Development SA	Monaco	6.54%	6.54%
6.	Mazda Partners LP	USA	8.96%	8.96%
7.	Ms. Mrinalini Jaikumar	USA	1.96%	1.96%
8.	Mr. John Pries	USA	2.62%	2.62%
9.	Mr. Marti Subrahmanyam	USA	1.96%	1.96%
10.	R. Gregg Stone Trust	USA	1.28%	1.28%
11.	Mr. Robert G. Stone, Jr.	USA	1.28%	1.28%
12.	Mr. Michael R. Greenberg	USA	3.27%	3.27%
13.	Mr. Paul D. Sonz	USA	1.25%	1.25%
14.	VIEW Group Grantor Retained Annuity Trust	USA	2.03%	2.03%
15.	BKE Partners L.P.	USA	4.83%	4.83%
16.	VIEW LP Holding, Inc.	USA	4.83%	4.83%
17.	Schwartz and Nystrom, as escrow agent	USA	9.66%	9.66%
18.	Godrej Industries Limited	India	12.00%	12.00%
Total			100.00%	100.00%

NOTE 15 : Deferred Tax Assets (Net)

	Amount INR Crore	
	Current Year	Previous Year
Liabilities		
(a) Depreciation	1.54	(0.42)
Assets		
(a) Others	3.69	3.84
Total	2.15	4.26

Notes to the Consolidated Financial Statements

NOTE 16 : Long Term Loans And Advances

	Current Year	Amount INR Crore Previous Year
Secured		
(a) Loans and Advances		
Considered Doubtful - refer note 1 below	10.33	10.33
Less: Provision for Doubtful Loans	<u>(10.33)</u>	<u>(10.33)</u>
	-	-
(b) Deposits	102.12	141.59
Unsecured and Considered Good (Unless otherwise stated)		
(a) Capital Advances		
Considered Good	27.32	39.62
Considered Doubtful	0.03	0.03
Less: Provision for Doubtful Advances	<u>(0.03)</u>	<u>(0.03)</u>
	27.32	39.62
(b) Deposits	21.10	12.82
(c) Prepaid Expense	0.38	-
(d) Advances to Suppliers	0.11	-
(e) Other Loans and Advances		
(i) Loan to ESOP Trust	-	10.97
(ii) Loans to Employees	1.02	1.04
(iii) Advance Tax (Net of Provision for Tax)	48.43	32.50
(iv) MAT Credit Entitlement - refer note 2 below	-	56.21
(v) Statutory Deposits	23.70	12.73
(vi) Other Loans	-	9.84
Share in Jointly Controlled Entities	4.34	2.96
Total	<u>228.52</u>	<u>320.28</u>

Notes :

- 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 has filed an appeal before the Hon'ble High Court against the order of the Company Law Board under Section 10F of the Companies Act, which is pending final disposal. The Hon'ble 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 Bombay High Court which the Supreme Court has dismissed and the matter is before the Arbitrator. In the meantime, the Presiding Arbitrator has resigned as Arbitrator and appointment of new Arbitrator is in process.

The Management is confident of recovery of this amount as the 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.

- As detailed in sub note 1 under Note 4 of Reserves & Surplus, the Company has restated / revised the amount of MAT Credit Entitlement from ₹ 56.21 crore to ₹ Nil and adjusted the same in General Reserve.

Notes to the Consolidated Financial Statements

NOTE 17 : Other Non Current Assets

	Current Year	Amount INR Crore Previous Year
Secured		
(a) Interest Accrued on Loans		
Considered Doubtful - refer note 1 below	3.15	3.15
Less: Provision for Doubtful Loans	(3.15)	(3.15)
	-	-
Unsecured		
(a) Interest Accrued on Investments		
Considered Doubtful	1.63	1.63
Less: Provision for Doubtful Interest Accrued	(1.63)	(1.63)
	-	-
(b) Other Long Term Receivables		
Considered Doubtful	3.18	-
Less: Provision for Doubtful receivables	(3.18)	-
	-	-
(c) Claims/Expenses Recoverable	2.10	2.44
(d) Others - Deposit with Banks - refer note 2 below	7.02	10.75
Total	9.12	13.19

Notes :

- (1) Interest on loan referred to in sub note 1 of Note 16 above, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.
- (2) Fixed Deposits pledged of ₹ 2.75 crore (previous year ₹ 10.26 crore) held as Margin money.
Fixed Deposit of ₹ 0.50 crore (previous year ₹ 0.29 crore) is held by bank as security against guarantees issued.

Notes to the Consolidated Financial Statements

NOTE 18 : Current Investments

Investee Company / Entity	Notes	Current Year	Amount INR Crore Previous Year
1. Investment in Mutual Funds			
Unquoted			
Peerless Liquid Fund - Super Ip-Growth		31.17	-
Reliance Liquid Fund - Tp - Growth		137.34	-
Religare Invesco Liquid Fund - Growth Plan		83.20	-
Axis Liquid Fund - Growth (Cfpgg)		62.03	-
Birla Sun Life Cash Plus - Growth - Regular Plan		94.00	-
HDFC Cash Management Fund - Saving Plan - Growth		66.45	-
ICICI Prudential Liquid - Regular - Growth Plan		104.32	-
L&T Liquid Fund - Growth		25.00	-
Sundaram Money Fund - Reg - Growth		76.00	-
Baroda Pioneer Liquid Fund - Plan A-Growth		83.78	-
Taurus - Liquid Fund - Super Insti Growth		2.03	-
HDFC Liquid Fund - Growth		15.99	-
Tata Money Market Fund Plan - Growth		2.20	-
SBI Premier Liquid fund (Growth)		1.90	-
Birla Sunlife Short Term Fund - Growth		-	29.00
HDFC HIF STP - Growth		-	28.00
SBI Mutual Fund Cash Option		-	7.69
Kotak Floater - LT - Daily Dividend Reinvest		-	2.92
ICICI Prudential Floating Rate Plan D - Daily Dividend Reinvest		-	0.32
JM High Liquidity Fund - Growth		-	49.35
Taurus -Liquid Fund Super Insti Growth		-	51.55
Kotak Floater Short Term Growth		-	1.38
2. Other Current Investment			
Optionally Convertible Loan Notes/Promissory Notes/Debentures :			
Unquoted :			
Boston Analytics Inc. (15%)	(a)	3.00	3.00
Less: Provision for Diminution in Value of Investment		(3.00)	(3.00)
		-	-
Boston Analytics Inc. (20%)	(a)	6.73	6.73
Less: Provision for Diminution in Value of Investment		(6.73)	(6.73)
		-	-
Boston Analytics Inc. (12%)	(b)	4.69	4.69
Less: Provision for Diminution in Value of Investment		(4.69)	(4.69)
		-	-
Verseon Corporation (13%)	(c)	3.98	3.98
Less: Provision for Diminution in Value of Investment	(d)	(3.98)	-
		-	3.98
Total		785.41	174.19
Aggregate Amount of Quoted Investments		-	-
Aggregate Amount of Unquoted Investments		803.81	188.61
Aggregate Provision for Diminution in Value		18.40	14.42
Market Value of Quoted Investments		-	-

Notes :

- (a) 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 has not exercised were due for redemption on June 30, 2009 and August 21, 2009, respectively. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
- (b) 12% promissory notes were repayable on or before December 31, 2011, along with interest on maturity. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
- (c) Optionally Convertible Notes issued by Verseon Corporation - were convertible after December 1, 2008 until the due date but not later than September 15, 2012. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
- (d) As detailed in sub note 1 under Note 4 of Reserves and surplus, the Company has restated / revised the value of investments amounting to ₹ 3.98 crore and adjusted the same in General Reserve.

Notes to the Consolidated Financial Statements

NOTE 19 : Inventories

	Amount INR Crore	
	Current Year	Previous Year
Raw Material	313.32	252.88
Packing Material	1.91	1.67
Work-in-Progress	78.21	62.82
Construction Work-in-Progress	3,676.30	3,234.89
Stock Under Cultivation	15.12	13.57
Finished Goods	103.80	61.97
Finished Goods - Property Development	45.54	0.29
Poultry Stock	2.11	1.37
Stock-in-Trade	61.38	38.28
Stores and Spares - refer note 1 below	13.10	14.66
Share in Jointly Controlled Entities	38.65	34.37
Share in Jointly Controlled Entities - Property Development	4.95	0.01
Total	4,354.39	3,716.78

Note :

- (1) As detailed in sub note 1 under Note 4 of Reserves and Surplus, the Company has restated / revised the value of certain Stores & Spares from ₹ 3.36 crore to ₹ Nil and adjusted the same in General Reserve.

NOTE 20 : Trade Receivables

	Amount INR Crore	
	Current Year	Previous Year
Secured and Considered Good - refer note 1 below		
(a) Outstanding for a period exceeding six months from the date they are due for payment	3.82	3.16
(b) Others	76.94	59.85
Unsecured		
Considered Good		
(a) Outstanding for a period exceeding six months from the date they are due for payment	54.75	50.59
(b) Others	393.88	352.29
Considered Doubtful		
(a) Outstanding for a period exceeding six months from the date they are due for payment	0.99	1.41
(b) Allowance for Doubtful Debts	(0.99)	(1.41)
Share in Jointly Controlled Entities	13.79	9.95
Total	543.18	475.84

Note :

- (1) Secured by Security Deposits collected from customers, Letter of Credit or Bank Guarantees held against them.

Notes to the Consolidated Financial Statements

NOTE 21 : Cash and Bank Balances

	Amount INR Crore	
	Current Year	Previous Year
Cash and Cash Equivalents		
Balances with Banks		
(a) Current Accounts	110.84	82.94
(b) ESOP Trust Bank Balances - refer note 1 below	0.74	-
(c) Deposit having Maturity less than 3 months - refer notes 2 & 3 below	161.51	32.92
Cheques, drafts on hand	3.96	41.04
Cash on Hand	2.28	2.11
	279.33	159.01
Other Bank Balances		
(a) Deposit Accounts Maturity 3 to 12 months - refer note 2 below	15.50	413.03
(b) Other Bank Balances - refer note 4 below	0.33	3.35
Share in Jointly Controlled Entities	7.15	2.15
Total	302.31	577.54

Notes :

- (1) ESOP Trust Bank balances have been included under Cash and Cash Equivalents on consolidation of the ESOP Trust in the standalone financial statements of the respective Companies as detailed in sub note 9 under Note 4 of Reserves and Surplus.
- (2) Fixed Deposit of ₹ 1.42 crore (previous year ₹ 1.10 crore) held as margin money.
Fixed Deposit of ₹ Nil crore (previous year ₹ 0.19 crore) is held by bank as security against guarantees issued.
- (3) Balances with banks on deposit accounts include ₹ 3.71 crore (previous year ₹ 3.11 crore) received from flat buyers and held in trust on their behalf in a corpus fund.
- (4) Other bank balance of ₹ 0.33 crore (previous year ₹ 0.31 crore) is earmarked balance for unpaid dividend.

Notes to the Consolidated Financial Statements

NOTE 22 : Short Term Loans And Advances

	Current Year	Amount INR Crore Previous Year
Secured		
(a) Short Term Loans and Advances - refer note 1 below	67.03	70.58
(b) Secured Deposits - Projects - refer note 2 below	522.77	408.95
Unsecured		
(a) Loans And Advances to Related Parties	3.45	7.73
(b) Loans And Advance		
(i) Loans to Employees	0.58	0.40
(ii) Other Loans	174.87	101.31
(iii) Loan to ESOP Trusts		
Considered Good	117.62	159.04
Considered Doubtful	37.99	23.94
	<u>155.61</u>	<u>182.98</u>
Less : Amount adjusted against ESOP Trust loan liability - refer note 7 below	<u>(155.61)</u>	<u>-</u>
	-	182.98
Less : Provision for Doubtful Loans - refer note 3 below Provision for doubtful loan written back in ESOP Trust Adjustments - refer note 7 below	<u>(37.99)</u>	<u>(23.94)</u>
	37.99	-
	-	159.04
(iv) Due on Management Projects - refer note 4 below	19.59	50.46
(v) Development Manager Fees Accrued but not due - refer note 5 below	4.45	4.45
(vi) Advances to Suppliers		
Considered Good	36.50	20.12
Considered Doubtful	0.32	0.69
Less : Provision for Doubtful Advances	<u>(0.32)</u>	<u>(0.69)</u>
	36.50	20.12
(vii) Other Advances		
Considered Good	40.67	14.80
Considered Doubtful	0.11	0.02
Less : Provision for Doubtful Advances	<u>(0.11)</u>	<u>(0.02)</u>
	40.67	14.80
(c) Inter Corporate Deposits - refer note 6 below		
Considered Good	24.90	20.14
Considered Doubtful	5.77	-
Less : Provision for Doubtful Advances	<u>(5.77)</u>	<u>-</u>
	24.90	20.14
(d) Deposits		
(i) Statutory Authorities	30.90	21.41
(ii) Others	15.40	9.68
Share in Jointly Controlled Entities	41.07	2.22
Total	<u>982.18</u>	<u>891.29</u>

Notes :

- Secured Loans & Advances are secured against Bank Guarantee received from Vendors.
- Secured Deposits - Projects are Secured against Terms of Development Agreement.
- As detailed in sub note 1 under Note 4 of Reserves and Surplus, the Company has made provision for doubtful loan of ₹ 19.41 crore and adjusted the same in General Reserve. During the year, any realisation of assets which were considered for revision / restatement is accounted in the Statement of Profit and Loss.
- Due on Management Projects include a sum of ₹ 2.16 crore (previous year ₹ 2.16 crore) on account of a project, where the matter is sub-judice with arbitrators.
- The group has entered into Development Agreement with landlords. Development Management Fee amounting to ₹ 4.45 crore (previous year ₹ 4.45 crore) accrued as per terms of the Agreement are receivable by the Company based upon progress milestones specified in the respective Agreements and have been disclosed as Development Management Fee accrued but not due.
- As detailed in sub note 1 under Note 4 of Reserves and Surplus, in accordance with the Scheme of Amalgamation as approved by the Honourable Bombay High Court, the Company has made provision for doubtful Inter Corporate Deposit of ₹ 8.14 crore and adjusted the same in General Reserve. During the year, any realisation of assets which were considered for revision/restatement is accounted in the Statement of Profit and Loss.
- As detailed in sub note 9 under Note 4 of Reserves and Surplus, the loans given by the respective Companies to the ESOP Trusts have been adjusted against the Loan Liabilities of the ESOP Trusts.

Notes to the Consolidated Financial Statements

NOTE 23 : Other Current Assets

	Current Year	Amount INR Crore Previous Year
Unbilled Revenue	283.60	236.14
Other Receivables		
Considered Good	12.37	14.71
Considered Doubtful	4.91	2.43
Less : Provision for Doubtful receivables	(4.91)	(2.43)
	12.37	14.71
Other Receivables of ESOP Trust - refer note 1 below	1.25	-
Interest Accrued on Loans and Deposits	14.00	16.06
Forward Cover Contracts Receivable	5.75	2.53
Unamortised Premium on Forward Cover Contracts	4.80	-
Share in Jointly controlled Entity	(0.52)	0.03
Total	321.25	269.47

Note :

- (1) Other Receivables of the ESOP Trusts have been considered under Other Current Assets on consolidation of the ESOP Trusts in the standalone financial statements of the respective Companies as detailed in sub note 9 under Note 4 of Reserves and Surplus.

NOTE 24 : Contingent Liabilities

	Current Year	Amount INR Crore Previous Year
a) Claims against the Group not acknowledged as debts:		
(i) Excise duty demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Group has contested and is in appeal at various levels.	87.89	89.68
(ii) Customs Duty demands relating to lower charge, differential duty, classification, etc.	4.34	1.72
(iii) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	33.76	23.75
(iv) Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	0.29	0.29
(v) Stamp duties claimed on certain properties which are under appeal by the Group	3.31	3.31
(vi) Income tax demands against which the Group has preferred appeals	37.18	27.72
(vii) Industrial relations matters under appeal	2.38	2.32
(viii) Others	12.21	10.06
b) Guarantees :		
(i) Guarantees issued by banks, including guarantees issued in respect of matters reported in (a) above	36.42	31.37
(ii) Guarantees given by the Group in respect of credit / guarantee limits sanctioned by banks to subsidiary and other companies.	50.98	33.33
c) Other Money for which the Company is Contingently Liable :		
(i) Letter of credit issued by bank on behalf of the Group	10.40	17.18
(ii) Case / Claim filed by Processors for claiming various expense	8.03	10.00
(iii) Bonds issued by Group on behalf of fellow subsidiary	20.28	-
d) Share in Associates	145.88	175.87

Notes to the Consolidated Financial Statements

NOTE 25 : Commitments

	Amount INR Crore	
	Current Year	Previous Year
1. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for:	187.94	96.76
2. Uncalled liability on partly paid shares/debentures	-	0.50
3. Other Commitments:		
(a) Long Term Contracts for Purchase of Raw Material	85.34	55.15
(b) Finance Lease Commitments	0.01	-
(c) Operating Lease Commitments	149.35	130.87
(d) Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work etc.	1,653.84	1,240.07
4. Share in Jointly Controlled Entities	0.37	1.27
5. Share in Associates	12.27	8.88

NOTE 26 : Revenue From Operations

	Amount INR Crore	
Particulars	Current Year	Previous Year
Sales	7,553.90	6,619.79
Licence Fees and Service Charges	10.70	8.79
Other Operating Revenues		
(a) Export Incentives	16.24	6.87
(b) Processing Charges	2.35	1.14
(c) Sale of Scrap	21.88	22.98
(d) Sale of Services	70.98	74.51
(e) Other Income from Project	22.50	-
(f) Compensation Received from Project	7.00	16.40
(g) Others	3.65	9.31
Share in Jointly Controlled Entities	298.97	303.56
Total Gross Revenue From Operations	8,008.17	7,063.35
Excise Duty	(90.24)	(99.03)
Total	7,917.93	6,964.32

NOTE 27 : Other Income

	Amount INR Crore	
	Current Year	Previous Year
Interest Income (Gross)	73.37	31.57
Less : Capitalised to Fixed Assets	(3.06)	(3.70)
Interest Income (Net)	70.31	27.87
Profit on Sale of Long Term Investments	58.97	-
Profit on Sale of Current Investments	5.95	1.98
Profit on Sale of Fixed Assets	1.96	-
Dividend	0.11	1.61
Miscellaneous Income		
(i) Business Support Service	-	5.76
(ii) Other Miscellaneous Income	16.61	15.13
Share in Jointly Controlled Entities	1.88	0.47
Total	155.79	52.82

Notes to the Consolidated Financial Statements

NOTE 28 : Cost of Materials Consumed

	Amount INR Crore	
	Current Year	Previous Year
Raw Materials Consumed		
(a) Inventory at the Commencement of the Year	252.88	218.83
(b) Add : Purchases (net)	3,384.50	3,136.21
	3,637.38	3,355.04
(c) Less: Inventory at the Close of the Year	(313.32)	(252.88)
	3,324.06	3,102.16
Share in Jointly Controlled Entities	180.06	210.91
Packing Materials Consumed		
(a) Inventory at the Commencement of the Year	1.67	1.19
(b) Add : Purchases (net)	34.74	29.79
	36.41	30.98
(c) Less: Inventory at the Close of the Year	(1.91)	(1.67)
	34.50	29.31
Total	3,538.62	3,342.38

NOTE 29 : Cost of Sales - Property Development

	Amount INR Crore	
	Current Year	Previous Year
(a) Inventory at the Commencement of the Year	3,235.19	2,738.40
(b) Add : Purchases (net)	1,298.23	1,137.55
	4,533.42	3,875.95
(c) Less: Inventory at the Close of the Year	(3,726.79)	(3,235.19)
Total	806.63	640.76

NOTE 30 : Changes In Inventory of Finished Goods, Work-in-Progress and Stock-in-Trade

	Amount INR Crore	
	Current Year	Previous Year
Inventory at the Commencement of the Year		
(a) Finished Goods	61.97	75.32
(b) Work-in-Progress	62.82	56.83
(c) Stock Under Cultivation	13.57	8.31
(d) Poultry Stock	1.37	0.24
(e) Stock-in-Trade	38.28	27.04
	178.01	167.74
Less: Stock Adjustment for subsidiaries merged	(0.65)	5.41
Less : Inventory at the Close of the Year		
(a) Finished Goods	(103.80)	(61.97)
(b) Work-In- Progress	(78.21)	(62.82)
(c) Stock Under Cultivation	(15.12)	(13.57)
(d) Poultry Stock	(2.11)	(1.37)
(e) Stock-in-Trade	(61.38)	(38.28)
	(260.62)	(178.01)
Share in Jointly Controlled Entities	(0.31)	(3.90)
Total	(83.57)	(8.76)

Notes to the Consolidated Financial Statements

NOTE 31 : Employee Benefits Expenses

	Amount INR Crore	
	Current Year	Previous Year
Salaries and Wages	233.62	203.56
Contribution to Provident and Other Funds	15.42	19.85
Expense on Employee Stock Option Scheme	9.14	10.18
Staff Welfare Expense	20.31	16.31
Share in Jointly Controlled Entities	15.75	19.85
Total	294.24	269.75

NOTE 32: Finance Costs

	Amount INR Crore	
	Current Year	Previous Year
Interest Expense (Gross)	366.20	268.02
Less: Interest Capitalised to Project	(280.10)	(223.61)
Interest Expenses (Net)	86.10	44.41
Other Borrowing Costs (Gross)	59.62	54.59
Less: Interest Capitalised to Project	(2.20)	(2.01)
Other Borrowing Costs (Net)	57.42	52.58
Share in Jointly Controlled Entities	2.19	13.35
Total	145.71	110.34

NOTE 33 : Other Expenses

	Amount INR Crore	
	Current Year	Previous Year
Consumption of Stores and Spares	18.80	26.48
Power and Fuel	165.49	141.74
Processing Charges	65.86	73.29
Rent	29.47	26.41
Rates and Taxes	13.43	11.09
Repairs and Maintenance		
(a) Machinery	13.68	13.52
(b) Buildings	9.34	9.20
(c) Other assets	2.48	4.42
Insurance	3.51	3.35
Freight	81.56	68.08
Commission	4.73	7.11
Discount	119.40	98.27
Advertisement and Publicity	20.66	23.19
Selling and Distribution Expenses	70.27	47.44
Bad Debts Written Off	6.05	6.00
(Write back) / Provision for Doubtful Debts and Advances	(13.34)	(4.00)
(Write back) / Provision for Excise Duty on Closing Inventory	5.29	(2.04)
Loss on Foreign Exchange Translation	13.18	3.75
Loss on Sale of Fixed Assets	0.47	1.46
Research Expense - refer note 1 below	5.03	2.89
Miscellaneous Expenses - refer note 2 below	147.09	106.64
Share in Jointly Controlled Entities	64.44	80.12
Total	846.89	748.41

Notes :

1. Research Expenses include Employee Benefits Expenses of ₹ 2.99 crore (previous year ₹ 2.73 crore)
2. In accordance with the Schemes of Amalgamation approved by the Honourable Bombay High Court, the costs and expenses of ₹ 1.20 crore incurred on the Scheme have been adjusted in the General Reserve / Surplus.

Notes to the Consolidated Financial Statements

NOTE 34 : Exceptional Items

	Amount INR Crore	
	Current Year	Previous Year
(i) Profit on Sale of Long-Term Investments	64.88	180.31
(ii) Write back/(Provision) for Diminution in Value of Investments/Loans and Advances	4.50	(10.48)
(iii) Voluntary Retirement Compensation	-	(4.42)
Total	69.38	165.41

NOTE 35 : Earnings Per Share

	Current Year	Previous Year
1. Calculation of weighted average number of equity shares - Basic		
(a) Number of equity shares at the beginning of the year	335,165,917	317,624,892
(b) Number of equity shares issued during the year	289,343	17,541,025
(c) Number of equity shares outstanding at the end of the year	335,455,260	335,165,917
Weighted average number of equity shares outstanding during the year	335,331,194	326,485,070
2. Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year	335,678,641	318,212,205
(b) Number of potential equity shares outstanding at the end of the year	335,825,871	335,678,641
Weighted average number of potential equity shares outstanding during the year	335,801,244	327,173,414
3. Net Profit After Tax (₹ crore)	326.37	391.18
4. Basic Earnings per share of ₹ 1 each	9.73	11.98
5. Diluted Earnings per share of ₹ 1 each	9.72	11.96

Notes to the Consolidated Financial Statements

NOTE 36 : Information on Subsidiaries, Joint Ventures and Associates:

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

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
1.	Godrej Agrovet Ltd.	India	60.80%	63.67%
2.	Golden Feed Products Ltd. (Merged with Godrej Agrovet Limited with effect from March 31, 2014)	India	-	63.67%
3.	Godrej Seeds and Genetics Ltd. (90% subsidiary of Godrej Agrovet Ltd.)	India	54.72%	63.67%
4.	Goldmohur Agrochem & Feeds Ltd. (Merged with Godrej Agrovet Ltd. with effect from October 1, 2013)	India	-	63.67%
5.	Godvet Agrochem Limited (Subsidiary of Godrej Agrovet Ltd. w.e.f January 22, 2014)	India	60.80%	-
6.	Natures Basket Ltd.	India	100.00%	100.00%
7.	Godrej Properties Ltd.	India	62.32%	62.35%
8.	Godrej Realty Pvt. Ltd. (51% subsidiary of Godrej Properties Ltd.)	India	31.78%	31.80%
9.	Godrej Developers Pvt. Ltd. (Merged with Godrej Project Development Private Limited w.e.f. April 1, 2013)	India	-	31.80%
10.	Godrej Real Estate Private Limited (100% subsidiary of Godrej Properties Ltd.)	India	62.32%	62.35%
11.	Godrej Seaview Properties Private Limited (Merged with Godrej Properties Ltd. w.e.f. January 1, 2014)	India	-	31.24%
12.	Happy Highrises Limited (51% subsidiary of Godrej Properties Ltd.)	India	31.78%	31.80%
13.	Godrej Estate Developers Pvt. Ltd. (Merged with Godrej Sea View Properties Limited w.e.f. December 31, 2013)	India	-	31.80%
14.	Godrej Buildwell Pvt. Ltd. (49% subsidiary (due to control over composition of Board of Directors) of Godrej Properties Ltd.)	India	30.54%	30.55%
15.	Godrej Buildcon Pvt. Ltd. (100% subsidiary of Godrej Properties Ltd.)	India	62.32%	62.35%
16.	Godrej Project Development Pvt. Ltd. (100% subsidiary of Godrej Properties Ltd.)	India	62.32%	62.35%
17.	Godrej Premium Builders Pvt. Ltd. (51% subsidiary of Godrej Properties Ltd.)	India	31.78%	31.80%
18.	Godrej Garden City Properties Pvt. Ltd. (100% subsidiary of Godrej Properties Ltd.)	India	62.32%	62.35%
19.	Godrej Nandhi Hills Projects Private Ltd. (Merged with Godrej Properties Ltd. w.e.f. January 1, 2014)	India	-	62.35%

Notes to the Consolidated Financial Statements

NOTE 36 : Information on Subsidiaries, Joint Ventures and Associates: (contd.)

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

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
20.	Godrej Landmark Redevelopers Pvt. Ltd. (51% subsidiary of Godrej Properties Ltd. w.e.f. March 14, 2012)	India	31.78%	31.80%
21.	Godrej Redevelopers (Mumbai) Private Ltd. (51% subsidiary of Godrej Properties Ltd.)	India	31.78%	62.35%
22.	Dream World Landmarks LLP (Control through Majority Voting Rights)	India	24.93%	24.94%
23.	Oxford Realty LLP (Control through Majority Voting Rights) (w.e.f. March 13, 2014)	India	12.46%	-
24.	SSPDL Green Acres LLP (Control through Majority Voting Rights) (w.e.f. March 27, 2014)	India	27.42%	-
25.	Godrej Green Homes Limited (Subsidiary of Godrej Properties Ltd. w.e.f. December 24, 2013)	India	62.32%	-
26.	Wonder City Buildcon Private Limited (Subsidiary of Godrej Properties Ltd. w.e.f. August 30, 2013)	India	62.32%	-
27.	Ensemble Holdings & Finance Ltd.	India	100%	100%
28.	Godrej International Ltd., UK	UK	100%	100%
29.	Godrej International Trading & Investment Pte. Ltd., Singapore	Singapore	100%	100%
30.	Mosaic Landmarks LLP (51% LLP of Godrej Properties Ltd.)	India	31.78%	31.80%
31.	Godrej Vikhroli Properties LLP (60% LLP of Godrej Properties Ltd. and 40% LLP of the Company)	India	77.39%	77.41%
32.	Swadeshi Detergents Ltd. (Merged with Godrej Industries Ltd. w.e.f April 1, 2013)	India	-	100%

(b) Interests in Joint Ventures :

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
1.	ACI Godrej Agrovat Pvt. Ltd. (joint venture partner of Godrej Agrovat Ltd.)	Bangladesh	30.40%	31.84%
2.	Godrej Tyson Foods Ltd. (joint venture partner of Godrej Agrovat Ltd.)	India	29.79%	31.20%
3.	Godrej Buildcorp LLP (35% LLP of Godrej Properties Ltd.)	India	21.81%	21.82%
4.	Godrej Property Developers LLP (32% LLP of Godrej Properties Ltd.)	India	19.94%	19.95%

Notes to the Consolidated Financial Statements

Note 36 : Information on Subsidiaries, Joint Ventures and Associates: (Contd.)

(c) Investment in Associates:

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
1.	Godrej Consumer Products Ltd.	India	22.63%	21.64%
2.	Personalitree Academy Ltd. (Associate of Ensemble Holdings & Finance Ltd.)	India	26.00%	26.00%
3.	Creamline Dairy Products Ltd. (Associate of Godrej Agrovet Ltd.)	India	15.81%	16.55%
4.	Al Rahaba International Trading LLC (Associate of Godrej Agrovet Ltd.)	U.A.E.	14.59%	28.65%
5.	Polchem Hygiene Laboratories Pvt. Ltd. (Associate of Godrej Agrovet Ltd.)	India	15.81%	16.55%

NOTE 37 : Difference In Accounting Policies

The accounting policies of certain subsidiaries, joint ventures and associates especially regarding the method of depreciation, amortization of technical know-how and accounting for retirement benefits are not in consonance with the group accounting policies. No effect has been given in the consolidated financial statements on account of such differing accounting policies, where the impact is not expected to be material.

NOTE 38 : Break up of Investment in Associates is as under :

Sr. No.	Name of the Company	Cost of Acquisition	Goodwill Included In Cost of Acquisition	Share in Profits / (Loss) of Associates Post Acquisition	Amount INR Crore	
					Provision for Diminution in the Value of Investments	Carrying Cost of Investments
1.	Godrej Consumer Products Limited	970.11	805.20	516.58	-	1,486.69
	<i>Previous Year</i>	<i>693.05</i>	<i>528.18</i>	<i>392.90</i>	<i>-</i>	<i>1,085.95</i>
2.	Personalitree Academy Ltd.	1.10	0.43	(0.42)	0.68	-
	<i>Previous Year</i>	<i>1.10</i>	<i>0.43</i>	<i>(0.42)</i>	<i>0.68</i>	<i>-</i>
3.	Creamline Dairy Products Ltd.	10.38	3.98	18.12	-	28.50
	<i>Previous Year</i>	<i>10.38</i>	<i>3.98</i>	<i>13.96</i>	<i>-</i>	<i>24.34</i>
4.	Al Rahaba International Trading LLC	0.04	(2.46)	5.12	-	5.16
	<i>Previous Year</i>	<i>0.08</i>	<i>(2.46)</i>	<i>1.12</i>	<i>1.20</i>	<i>-</i>
5.	Polchem Hygiene Lab Pvt. Ltd.	1.63	0.89	3.21	-	4.83
	<i>Previous Year</i>	<i>1.63</i>	<i>0.89</i>	<i>2.73</i>	<i>-</i>	<i>4.36</i>
	Total current year	983.26	808.04	542.61	0.68	1,525.18
	<i>Total previous year</i>	<i>706.24</i>	<i>531.02</i>	<i>410.29</i>	<i>1.88</i>	<i>1,114.65</i>

Notes to the Consolidated Financial Statements

NOTE 39 : Employee Stock Benefit Plans

1. Employee Stock Option Plans

a) (i) Employee Stock Option Plans of Godrej Industries Limited

In December 2005, Godrej Industries Limited had instituted an Employee Stock Option Plan I (GIL ESOP I) as approved by the Board of Directors and the Shareholders, for the allotment of 15,00,000 options, increased to 90,00,000 options on split of shares convertible into 90,00,000 equity shares of ₹ 1 each to eligible employees of participating companies.

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 convertible into 90,00,000 shares of the nominal value of ₹ 1 each to eligible employees of participating companies.

The scheme is 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 scheme and movements during the year are as under:

ESOP I

	Current Year		Previous Year	
	No. of Options	Wt. average exercise price ₹ (*)	No. of Options	Wt. average exercise price ₹ (*)
Options Outstanding at the Beginning of the Year	3,337,200	388.21	4,577,950	356.34
Options Exercised During the Year	130,000	250.26	1,087,000	250.01
Options Forfeited/Expired During the Year	283,750	283.46	153,750	281.62
Options Outstanding at the Year End	2,923,450	391.21	3,337,200	388.21

ESOP II

	Current Year		Previous Year	
	No. of Options	Wt. average exercise price ₹ (*)	No. of Options	Wt. average exercise price ₹ (*)
Options Outstanding at the Beginning of the Year	692,250	355.33	1,210,250	280.61
Options Granted During the Year				
July 30, 2011	-	-	-	-
May 30, 2012	-	-	101,500	369.06
July 9, 2012	-	-	132,000	335.12
Options Exercised During the Year	49,000	231.93	741,500	231.93
Options Forfeited/Expired During the Year	132,000	335.12	10,000	334.87
Options Outstanding at the Year End	511,250	372.37	692,250	355.33

(*) The Wt. average exercise price stated above is the price of the equity shares on the grant date increased by the interest cost at the prevailing rates upto March 31, 2012 after which date no further interest is being accrued.

The overall weighted average balance life of options outstanding as on March 31, 2014 is 2.73 years.

The weighted average balance life of options outstanding as on March 31, 2014 for ESOP I is 2.84 years and for ESOP II is 2.14 years.

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

Notes to the Consolidated Financial Statements

(ii) Employee Stock Option Plans of Godrej Properties Limited

In F.Y. 2007-08, Godrej Properties Limited (GPL) instituted an Employee Stock Option Plan (GPL ESOP) approved by GPL's Board of Directors, Shareholders and the Remuneration Committee which provides for the allotment of 885,400 options convertible into 885,400 Equity Shares of GPL of ₹ 5 /- each to eligible employee of Godrej Properties Limited and its subsidiary companies (the participating companies).

	Current Year		Previous Year	
	No. of Options (*)	Wt. average exercise price (**) (₹)	No. of Options	Wt. average exercise price (*) (₹)
Options outstanding at the beginning of the year	561,400	-	635,400	310.00
Options granted during the year:	-	-	-	-
Options exercised during the year :	-	-	-	-
Options forfeited/expired during the year :	46,000	-	74,000	-
Options outstanding at the year end	515,400	-	561,400	310.00

(*) Represents number of equity shares post split from equity share of ₹ 10 each to equity share of ₹ 5 each.

(**) Weighted Average Exercise Price is ₹ 310 (plus interest till March 31, 2012) for equity share of face value ₹ 5 each

(iii) Employee Stock Option Plans of Godrej Agrovet Limited

In December 2012, Godrej Agrovet (GAVL) instituted an Employee Stock Option Plan (GAVL ESOP) as approved by GAVL's Board of Directors and the Shareholders, for the allotment of 5,86,764 options convertible into 5,86,764 equity shares of GAVL of ₹ 10 each to eligible employees.

	Current Year		Previous Year	
	No. of options	Exercise price	No. of options	Exercise price
Options Outstanding at the Beginning of the Year	586,764	-	-	-
Options granted during the Year	-	10	586,764	10
Options Forfeited/Expired During the Year	-	-	-	-
Options Outstanding at the Year End	586,764	10	586,764	10

The overall weighted average balance life of options outstanding as on March 31, 2014 is 3.79 years.

The employee share based payment plans has been accounted based on the fair value method at a Fair Value of ₹ 2,164 per share amounting to ₹ 126.41 crore for Securities Premium receivable from the Company's ESOP Trust, which is accordingly adjusted against Securities Premium Account. Employee Compensation expenses accounted during the year are ₹ 72.04 crore (Previous year ₹ 72.04 crore).

Prior to the SEBI notification mentioned in Para 1(a) above, the independent ESOP Trusts had purchased equity shares of the Companies from the market equivalent to the number of stock options granted from time to time to the eligible employees. These purchases are financed by loans from the respective participating companies. The Companies have given a loan which along with interest thereon amounts to ₹ 91.24 crore (previous year ₹ 167.94 crore) (Net of provision ₹ 29.66 crore, previous year ₹ 20.34 crore) for financing the purchase of equity shares from the market equivalent to the number of option granted to the employees of the Companies. As on March 31, 2014, the market value of the equity shares held by the ESOP Trust is lower than the holding cost (cost or market value) of these equity shares by ₹ Nil (previous year ₹ 14.61 crore) (Net of provision ₹ 29.66 crore, previous year ₹ 20.34 crore).

The repayment of the loans granted to the ESOP Trusts and the interest payable by the Trust on the said loans is dependent on the exercise of the options by the employees during the exercise period and / or the market price of the underlying equity shares of the unexercised options at the end of the exercise period. The fall in value of the underlying equity shares is on account of market volatility and the loss, if any, can be determined only at the end of the exercise period.

Notes to the Consolidated Financial Statements

In the current year, in accordance with the opinion issued by the Expert Advisory Committee of the ICAI on consolidation of the ESOP Trust in the standalone financial statements of Companies, the Group Companies have included the financial statements of the ESOP trusts in preparation of the standalone financial statements to portray the picture as if the respective Companies itself are administering the respective ESOP Schemes. Consequently, the operations of the ESOP Trusts, in so far as the ESOP is concerned and the assets and liabilities of the Trusts have been included in the financial statements of the respective Companies. The loans to the ESOP Trusts in the books of the respective Companies are eliminated against the loans from the respective Companies as appearing in the books of the respective Trusts and investments in the equity shares of the respective Companies held by the Trusts have been reduced from Share Capital to the extent of the face value of the shares and the balance has been adjusted in "ESOP Trust Adjustments" under Reserves and Surplus. Balances arising from transactions between the respective Companies and the Trusts have been appropriately eliminated. The opening excess of expenditure over income of the respective Trusts has been adjusted in "ESOP Trust Adjustments" under Reserves and Surplus.

2. Employee Stock Grant Scheme

(i) Employee Stock Grant Scheme of Godrej Industries Limited

- a) The Company had set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders at their Meeting held on January 17, 2011.
- b) The ESGS Scheme is effective from April 1, 2011, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2011 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.
- c) The Scheme applies to the Eligible Employees, who are in whole-time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Compensation Committee of the respective Company based on the employee's performance, level, grade, etc.
- d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.
- e) The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years or as may be determined by compensation committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.
- f) The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Compensation Committee.
- g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The intrinsic value, being the difference between market price and exercise price is treated as Employee Compensation Expenses and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.
- h) The Status of the above plan is as under:

	Current Year	Previous Year
	Nos.	Nos.
Options Outstanding at the Beginning of the Year	512,724	587,313
Options Granted	173,560	279,314
Options Vested	289,343	307,618
Options Exercised	289,343	307,618
Options Lapsed/Forfeited and re-granted	26,330	46,285
Total Number of Options Outstanding at the end of the year	370,611	512,724

Notes to the Consolidated Financial Statements

(ii) Employee Stock Grant Scheme of Godrej Properties Limited

- a) During the period April 1, 2011 to March 31, 2014, the Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, shareholders and the Remuneration Committee, which provided allotment of 342,208 options convertible into 342,208 Equity Shares of ₹ 5/- each (previous year ₹ 10/- each) to eligible employees of Godrej Properties Limited, its Holding and its Subsidiary Companies (the Participating Companies) 82,406 options with effect from May 7, 2011, 3,756 options w.e.f. October 1, 2011, 72,416 options w.e.f. June 1, 2012, 22,040 options w.e.f. June 1, 2012, 4,436 options w.e.f. August 1, 2012, 690 options w.e.f. November 1, 2012 and 720 options w.e.f. February 1, 2013, 30,000 options w.e.f. June 1, 2013 and 125,744 options w.e.f. June 1, 2013. Out of the total 342,208 stock grants 35,234 stock grants have lapsed on account of employees leaving the service of the company before the vesting date, 83,616 stock grants have vested and hence 223,358 stock grants are outstanding as at March 31, 2014.

Particulars	No. of Options (*)		Exercise Price (₹)
	As on March 31, 2014	As on March 31, 2013	
Options Outstanding at the beginning of the year	132,662	59,286	5.00
Options granted	155,744	100,302	
Options exercised	65,048	18,568	
Less : Options lapsed	0	8,358	
Options Outstanding at the year end	223,358	132,662	5.00

* Represents no. of equity shares post split from equity share of ₹ 10 each to equity share of ₹ 5 each Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option is ₹ 8.62 per share as on March 31, 2014.

3. The employee stock option plans have been accounted based on the intrinsic value method and no compensation expense has been recognized since the market price of the underlying share at the grant date is the same / less than the exercise price of the option, the intrinsic value therefore being Nil.

The employee stock grant scheme have been accounted based on the intrinsic value method and compensation expense ₹ 9.14 crore has been recognised in Statement of Profit and Loss.

The fair value of the share options has been determined using the Black-Scholes Option Pricing Model. Had the fair value method of accounting been used, the net profit and earnings per share would have been as per the proforma amounts indicated below.

Particulars	Amount INR Crore	
	Current Year	Previous Year
Net Profit (as reported)	326.37	391.18
Less: Employee Stock Option Plans compensation expense determined under fair value based method (Proforma)	1.31	1.67
Less: Difference in Employee Stock Grant Scheme compensation expense determined under fair value method and intrinsic value method (Proforma)	(1.69)	(1.65)
Net Profit (Proforma)	326.75	391.16
	Amount ₹	Amount ₹
Basic Earnings per share (as reported)	9.73	11.98
Basic Earnings per share (Proforma)	9.74	12.02
Diluted Earnings per share (as reported)	9.72	11.96
Diluted Earnings per share (Proforma)	9.73	11.96

Notes to the Consolidated Financial Statements

NOTE 40 : Segment Information

Amount INR Crore

Information about primary business segments	Chemicals		Animal Feed		Veg Oils		Estate & Property Development		Beverages & Foods		Finance & Investments		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
(A) Revenue																
External Sales	1294.54	1324.36	2550.66	2322.87	2097.83	1654.64	1235.76	973.25	0.00	81.70	102.75	201.13	861.56	639.50	8143.10	7197.45
Intersegment Sales	-	-	-	-	-	0.43	117.65	148.67	-	-	125.50	72.57	0.48	1.05	243.63	222.72
Total Sales	1294.54	1324.36	2550.66	2322.87	2097.83	1655.07	1353.41	1121.92	0.00	81.70	228.25	273.70	862.04	640.55	8386.73	7420.17
Less: Intersegment Sales	-	-	-	-	-	(0.43)	(117.65)	(148.67)	-	-	(125.50)	(72.57)	(0.48)	(1.05)	(243.63)	(222.72)
Total Revenue	1294.54	1324.36	2550.66	2322.87	2097.83	1654.64	1235.76	973.25	0.00	81.70	102.75	201.13	861.56	639.50	8143.10	7197.45
(B) Results																
Segment result before interest, exceptional items and tax	49.23	65.80	146.86	123.79	70.92	49.60	355.50	261.62	0.00	(17.45)	102.75	190.67	70.01	29.93	795.27	703.96
Unallocated expenses															(182.84)	(167.80)
Finance Costs															(145.71)	(110.34)
Profit before tax															466.72	425.82
Taxes															(171.20)	(134.21)
Profit after taxes															295.52	291.61
Share of profit in associates															173.85	175.81
Profit before Minority Interest															469.37	467.42
Share of Minority Interest															(143.00)	(76.24)
Net Profit after Minority Interest															326.37	391.18
Segment Assets	1129.20	911.09	684.06	530.26	273.65	248.04	6019.64	4940.57	0.00	0.00	2314.09	1818.79	368.91	304.17	10789.55	8752.92
Unallocated Assets															408.11	675.36
Total Assets															11197.66	9428.28
Segment Liabilities	1026.96	756.37	659.46	497.76	32.26	43.69	5233.71	3874.96	0.00	0.00	2.75	6.72	221.57	177.89	7176.71	5357.39
Unallocated Liabilities															1286.88	965.61
Total Liabilities															8463.59	6323.00
Cost incurred during the year to acquire segment assets	219.03	204.47	128.98	81.28	29.53	39.81	22.92	226.35	0.00	0.00	0.20	0.25	34.26	41.98	434.92	594.14
Cost incurred on unallocated assets															28.44	33.27
Total Cost incurred during the year to acquire segment assets															463.36	627.41
Segment Depreciation	18.31	15.22	11.74	7.99	9.27	6.84	7.66	7.40	0.00	0.00	1.41	3.95	17.74	14.86	66.13	56.26
Unallocated Depreciation															4.31	3.19
Total Depreciation															70.44	59.45

Information about Secondary Business Segments

Amount INR Crore

Revenue by Geographical markets	Current Year	Previous Year
India	5678.61	5127.38
Outside India	2464.49	2070.07
Total	8143.10	7197.45

Carrying Amount of Segment assets

Amount INR Crore

	Current Year	Previous Year
India	11023.77	9248.91
Outside India	173.89	179.37
Total	11197.66	9428.28

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, refined glycerine, Alpha Olefin Sulphonates, Sodium Lauryl Sulphate and Sodium Lauryl Ether Sulphate.
- Animal Feed segment includes the business of production and sale of compound feeds for cattle, poultry, shrimp and fish.
- Veg oils segment includes the business of processing and bulk trading of refined vegetable oils & vanaspati, international vegetable oil trading and Oil Palm Plantation.
- Estate & property development segment includes the business of development and sale of real estate and leasing and leave and licensing of properties.
- Beverages and Foods segment includes the business of processing, production and sale of fruit pulp, tomato puree, fruit juices, nectors and drinks, other beverages and confectionary products and sale of refined vegetable oils, vanaspati and tea.
- Finance & Investments includes investments in associates companies and other investments.
- Others includes Integrated Poultry, Agri Inputs 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 Company as a whole.
- The geographical segments consists of Sales in India represent sales to customers located in India and Sales outside India represent sales to customers located outside India.

Notes to the Consolidated Financial Statements

NOTE 41 : Related Party Information

a) Names of Related Parties and Description of Relationship

Parties where control exists

Godrej & Boyce Mfg. Co. Ltd., the holding company

Fellow Subsidiaries:

Wadala Commodities Ltd.

Godrej (Malaysia) Sdn Bhd (Incorporated in Malaysia)

G & B Enterprises (Mauritius) P. Ltd.

Godrej (Singapore) Pte Ltd. (Incorporated in Singapore)

Godrej Infotech Ltd.

Veromatic International BV (Incorporated in Netherlands)

Veromatic Services BV (Incorporated in Netherlands)

Water Wonder Benelux BV (Incorporated in Netherlands)

Busbar Systems (India) Ltd (a Wholly-owned subsidiary w.e.f. February 1, 2013)

Mercury Mfg. Co. Ltd. (a subsidiary w.e.f. October 1, 2013)

Other related parties with whom the Company had transactions during the year Associate / Joint Venture Companies :

Godrej Hershey Ltd. (up to September 27, 2012)

-Nutrine Confectionery Co. Ltd. (up to September 27, 2012)

Godrej Consumer Products Ltd. (also a fellow subsidiary)

-Godrej South Africa (Proprietary) Ltd. (formerly, Rapidol (Pty) Ltd.) (incorporated in South Africa)

-Godrej Netherlands BV (incorporated in the Netherlands)

-Godrej Global Mid East FZE (incorporated in Sharjah, U.A.E.)

-Godrej Consumer Products Mauritius Ltd.

-Godrej Hygiene Products Ltd. (merged with GCPL w.e.f. April 1, 2013)

-Godrej Consumer Products Holding (Mauritius) Ltd. (incorporated in Mauritius)

-Godrej Household Products Lanka (Private) Ltd. (incorporated in Sri Lanka)

-Godrej Household Products (Bangladesh) Pvt. Ltd. (incorporated in Bangladesh)

-Godrej Consumer Products Bangladesh Ltd. (incorporated in Bangladesh)

-Godrej Mauritius Africa Holdings Ltd. (incorporated in Mauritius)

-Godrej Weave Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)

-Godrej West Africa Holdings Ltd. (incorporated in Mauritius on February 11, 2014) (a subsidiary of DGH Mauritius Pvt. Ltd.)

-Godrej Consumer Products Holdings (UK) Ltd. (incorporated in the United Kingdom) (formerly Godrej Consumer Products (UK) Ltd. and name changed w.e.f. July 5, 2013) a subsidiary of Godrej Netherlands BV)

-Godrej Consumer Products (UK) Ltd. (name changed from Keyline Brands Ltd. w.e.f. July 5, 2013) (a subsidiary of Godrej Consumer Products Holdings (UK) Ltd.)

-Inecto Manufacturing Ltd. (a subsidiary of Godrej Consumer Products (UK) Ltd.)

-Godrej Consumer Investments (Chile) Spa, (incorporated in Chile) (a subsidiary of Godrej Consumer Products Holdings (UK) Ltd.)

-Godrej Holdings (Chile) Limitada, (incorporated in Chile) (a subsidiary of Godrej Consumer Investments (Chile) Spa)

-Cosmetica Nacional, (incorporated in Chile) (a subsidiary of Godrej Holdings (Chile) Limitada)

-Plasticos Nacional, (incorporated in Chile) (a subsidiary of Cosmetica Nacional)

-Godrej Kinky Holdings Ltd. (a subsidiary of Godrej Consumer Products Mauritius Ltd.)

-Kinky Group Pty Ltd. (a subsidiary of Godrej Kinky Holdings Ltd.)

-Godrej Nigeria Ltd. (incorporated in Nigeria) (a subsidiary of Godrej Consumer Products Mauritius Ltd.)

-Godrej Consumer Investments Holding Ltd. (incorporated in Mauritius on October 8, 2013) (a subsidiary of Godrej Consumer Products Mauritius Ltd.)

-Indovest Capital Ltd. (incorporated in Malaysia) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)

Notes to the Consolidated Financial Statements

NOTE 41 : Related Party Information

a) Names of Related Parties and Description of Relationship (Contd.)

Other related parties with whom the Company had transactions during the year Associate / Joint Venture Companies :

- Godrej Consumer Products Dutch Cooperatief UA, (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
- Godrej Consumer Products (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
- Godrej Consumer Holdings (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
- Godrej Indonesia Netherlands Holding BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) (merged with Godrej Consumer Holding (Netherlands) BV w.e.f September 30, 2013)
- PT Megasari Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
- PT Intrasari Raya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
- PT Simba Indosnack Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV upto March 21, 2013)
- PT Ekamas Sarijaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
- PT Indomas Susemi Jaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
- PT Sarico Indah (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
- Godrej Argentina Dutch Cooperatief UA (incorporated in Netherlands) (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
- Godrej Netherlands Argentina Holding BV . (incorporated in Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)
- Godrej Netherlands Argentina BV (incorporated in the Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)
- Panamar Procuccioness Srl (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)
- Argencos S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)
- Laboratoria Cuenca S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)
- Issue Group Uruguay S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)
- Deciral S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)
- Issue Group Brazil Ltd. (incorporated in Brazil) (a subsidiary of Laboratoria Cuenca S.A.)
- Consell S.A . (incorporated in Argentina) (a subsidiary of Laboratoria Cuenca S.A.)
- Godrej Consumer Products Nepal Pvt. Ltd.
- Subinite Pty Ltd. (incorporated in South Africa) (a subsidiary of Godrej West Africa Holdings Ltd.)
- Lorna Nigeria Ltd (incorporated in Nigeria) (a subsidiary of Weave Business Holding Mauritius Pvt. Ltd.)
- Weave IP Holding Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej West Africa Holdings Ltd.)
- DGH Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.)
- Weave Business Holding Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of DGH Mauritius Pvt. Ltd.)
- Weave Trading Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.)
- Hair Trading (Offshore) S. A. L. (incorporated in Lebanon) (a subsidiary of Weave Trading Mauritius Pvt Ltd.)
- Weave Mozambique Limitada (incorporated in Mozambique) (a subsidiary of Godrej West Africa Holdings Ltd.)
- Godrej East Africa Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd.)
- Style Industries Ltd. (incorporated in Kenya) (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd.)
- DGH Phase Two Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary Godrej East Africa Holdings Ltd.)
- Godrej Tanzania Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd.)
- DGH Tanzania Ltd (incorporated in Tanzania) (a subsidiary of Godrej Tanzania Holdings Ltd.)
- Sigma Hair Ind Ltd. (incorporated in Tanzania) (a subsidiary of DGH Tanzania Ltd.)
- Creamline Dairy Products Ltd.
- Polchem Hygiene Laboratories P. Ltd.

Notes to the Consolidated Financial Statements

NOTE 41 : Related Party Information

a) Names of Related Parties and Description of Relationship (Contd.)

Other related parties with whom the Company had transactions during the year Associate / Joint Venture Companies :

Al Rahaba Trading International LLC

ACI Godrej Agrovet P. Ltd.

HDFC Venture Trustee Co. Ltd.

HDFC PMS

Red Fort India Real Estate Babur

Madhavi Ventures Ltd.

Ramesh P. Bhatia

Repton Landmarks LLP

ASK PMS Real Estate Special Opportunities Portfolio I

Shubh Properties Cooperatief U.A (COOP)

Great Lake Institute of Management

Enterprises over which key management personnel exercise significant influence :

Godrej South Africa Pty Ltd.

Laboratorio Cuenca S.A.

Godrej Global Mideast FZE

Godrej Investments Pvt. Ltd.

Vora Soaps Ltd.

Godrej Tyson Foods Ltd.

Anamudi Real Estates LLP

Bahar Agrochem & Feeds P. Ltd. (up to September 1, 2012)

Key Management Personnel :

Mr. A. B. Godrej - Chairman

Mr. N. B. Godrej - Managing Director

Ms. T. A. Dubash - Executive Director & Chief Brand Officer

Mr. M. Eipe - Executive Director & President (Chemicals) (up to April 30, 2013)

Mr. N. S. Nabar - Executive Director & President (Chemicals) (from May 1, 2013)

Mr. B. S. Yadav - Managing Director (Godrej Agrovet Ltd.)

Mr. P. A. Godrej - Managing Director (Godrej Properties Ltd.)

Mr. K. T. Jithendran - Executive Director (Godrej Properties Ltd.)

Mr. V. Srinivasan - Executive Director (Godrej Properties Ltd.)

Ms. N. A. Godrej - Executive Director, Innovation (Godrej Consumer Products Ltd.) (from July 1, 2013)

Mr. A. Mahendran - Managing Director (Godrej Consumer Products Ltd.) (up to June 30, 2013)

Mr. Vivek Gambhir - Managing Director (Godrej Consumer Products Ltd.) (from July 1, 2013)

Mr. M. Khattar - Managing Director (Natures Basket Ltd.)

Relatives Key Management Personnel :

Ms. P. A. Godrej - Wife of Mr. A. B. Godrej

Ms. R. N. Godrej - Wife of Mr. N. B. Godrej

Mr. B. N. Godrej - Son of Mr. N. B. Godrej

Mr. S. N. Godrej - Son of Mr. N. B. Godrej

Master H. N. Godrej - Son of Mr. N. B. Godrej

Ms. N. N. Nabar - Wife of Mr. N. S. Nabar

Ms. M. Mahendran - Wife of Mr. A. Mahendran

Ms. P. Jithendran - Wife of Mr. K. T. Jithendran

Notes to the Consolidated Financial Statements

NOTE 41 : Related Party Information

b) Transactions with Related Parties

Nature of Transaction	Amount INR Crore						
	Holding Company	Fellow Subsidiaries	Associate/ Joint Venture Companies	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Total
Sale of Goods	0.47	-	25.67	-	-	111.18	137.32
<i>Previous Year</i>	0.40	-	21.25	-	-	106.03	127.68
Advance received	10.66	-	10.58	2.22	-	-	23.46
<i>Previous Year</i>	101.66	-	40.06	-	-	-	141.72
Advance given	1.56	-	-	-	-	-	1.56
<i>Previous Year</i>	0.75	-	-	-	-	-	0.75
Sale of Fixed Assets	-	-	-	-	0.70	-	0.70
<i>Previous Year</i> *	-	-	0.00	-	-	-	0.00
Purchase of goods	2.27	3.18	22.06	-	-	1.06	28.58
<i>Previous Year</i>	2.42	2.95	12.16	-	-	31.88	49.41
Purchase of Fixed Assets	2.38	-	-	-	-	-	2.38
<i>Previous Year</i>	1.61	-	-	-	-	-	1.61
Processing charges received	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	0.56	-	-	-	0.56
Commission / Royalty received	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	0.62	-	-	-	0.62
Licence fees / Service charges / Storage Income	-	-	3.30	-	-	0.11	3.42
<i>Previous Year</i>	-	-	3.27	-	-	0.09	3.36
Other Income*	0.00	0.00	1.23	-	-	-	1.23
<i>Previous Year</i> *	0.00	0.00	0.70	-	-	14.28	14.98
Recovery of establishment & Other Expenses	54.58	0.02	5.45	-	-	0.44	60.50
<i>Previous Year</i>	44.44	0.02	6.99	-	-	1.32	52.77
Rent, Establishment & other exps paid*	25.45	0.20	1.69	-	2.76	0.01	30.11
<i>Previous Year</i>	52.16	0.32	3.03	0.02	2.96	0.08	58.57
Interest received	-	-	27.72	0.02	-	-	27.74
<i>Previous Year</i>	-	-	6.91	0.08	-	-	6.99
Interest paid*	-	-	-	0.01	0.79	-	0.80
<i>Previous Year</i>	-	-	-	0.16	0.57	-	0.73
Dividend paid	81.07	-	-	3.82	4.79	0.32	90.00
<i>Previous Year</i>	79.49	-	-	3.01	5.17	0.37	88.04
Remuneration	-	-	-	35.23	0.84	-	36.07
<i>Previous Year</i>	-	-	-	32.26	2.10	-	34.36
Purchase of Investments	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	-	0.03	0.03
Sale of Investments	86.00	-	-	-	-	-	86.00
<i>Previous Year</i>	-	-	-	-	-	-	-
Sale of units	17.01	-	15.03	-	-	-	32.04
<i>Previous Year</i>	79.78	-	24.61	-	-	-	104.39
Sale of flats	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	1.12	0.10	-	1.22
Other Deposits accepted	-	-	-	-	1.40	-	1.40
<i>Previous Year</i>	-	-	0.05	0.40	2.00	0.06	2.51
Other Deposits refunded	-	-	0.09	-	-	-	0.09
<i>Previous Year</i>	-	-	0.56	-	-	-	0.56

Notes to the Consolidated Financial Statements

NOTE 41 : Related Party Information

b) Transactions with Related Parties (contd.)

Nature of Transaction	Amount INR Crore						
	Holding Company	Fellow Subsidiaries	Associate/ Joint Venture Companies	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Total
Intercorporate Deposits -Accepted	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	-	-	-
Intercorporate Deposits Repaid during the year	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	-	-	-
Intercorporate Deposits -Advanced	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	5.66	-	-	-	5.66
Intercorporate Deposits Repayment received during the year	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	-	-	-
Issue of equity shares	11.39	-	45.95	28.24	-	-	85.58
<i>Previous Year</i>	-	-	0.74	-	-	-	0.74
Sale of equity shares	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	-	-	-
Purchase of equity shares	-	-	191.70	-	-	-	191.70
<i>Previous Year</i>	-	-	5.00	-	-	-	5.00
Investment in Debenture	-	-	183.47	-	-	-	183.47
<i>Previous Year</i>	-	-	42.26	-	-	-	42.26
Redemption of Debenture	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	17.95	-	-	-	17.95
Share of Profit in LLP	-	-	7.17	-	-	-	7.17
<i>Previous Year</i>	-	-	-	-	-	-	-
Loan repaid	-	-	-	0.61	-	-	0.61
<i>Previous Year</i>	-	-	-	0.72	-	-	0.72
Deposit accepted	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	-	-	-
Deposit refunded	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	-	-	-
Sitting Fees	-	-	-	0.03	-	-	0.03
<i>Previous Year</i>	-	-	-	0.03	-	-	0.03
Balance Outstanding as on March 31, 2014							
Receivables	5.30	-	27.85	-	-	3.15	36.30
<i>Previous Year</i> *	0.14	-	6.93	0.64	-	5.07	12.78
Payables	458.72	0.01	5.83	-	-	0.05	464.60
<i>Previous Year</i>	599.73	0.01	1.33	-	-	0.10	601.17
Guarantees Outstanding	-	-	18.99	-	-	-	18.99
<i>Previous Year</i>	-	-	2.99	-	-	-	2.99
Debentures Outstanding	-	-	255.30	-	-	-	255.30
<i>Previous Year</i>	-	-	71.83	-	-	-	71.83
Public Deposit Outstanding	-	-	-	-	8.76	-	8.76
<i>Previous Year</i>	-	-	-	1.87	7.23	-	9.10

* Amount less than ₹ 0.01 crores

Notes to the Consolidated Financial Statements

NOTE 41: Related Party Information

c) The significant Related Party transactions are as under:

Nature of Transaction	Amount INR Crore		Nature of Transaction	Amount INR Crore	
	Current Year	Previous Year		Current Year	Previous Year
<u>Sale of goods</u>			<u>Other Deposits Accepted</u>		
- Godrej Tyson Foods Ltd.	107.40	101.55	- Ms. P. A. Godrej	1.40	-
- Godrej Consumer Products Ltd.	20.69	18.15	- Mr. S. N. Godrej	-	1.25
- Laboratorio Cuenca S.A.	3.24	3.77	- Mr. B. N. Godrej	-	0.75
- ACI Godrej Agrovet P. Ltd.	3.23	3.10	- Mr. M. Eipe	-	0.40
- Creamline Dairy Products Ltd.	1.75	-	- Godrej Tyson Foods Ltd.	-	0.06
- Godrej South Africa Pty Ltd.	0.53	0.71	- Godrej Consumer Products Ltd.	-	0.05
- Godrej & Boyce Mfg. Co. Ltd.	0.47	0.40			
			<u>Other Deposits Refunded</u>		
<u>Advance received</u>			- Godrej Consumer Products Ltd.	0.09	0.18
- Godrej & Boyce Mfg. Co. Ltd.	10.66	101.66	- Godrej Hershey Ltd.	-	0.38
- Godrej Consumer Products Ltd.	10.58	40.06			
- Mr. K. T. Jithendran	2.02	-	<u>Inter Corporate Deposits - Advanced</u>		
- Mr. P. A. Godrej	0.20	-	- Godrej Hershey Ltd.	-	5.66
<u>Advance given</u>			<u>Dividend paid</u>		
- Godrej & Boyce Mfg. Co. Ltd.	1.56	0.75	- Godrej & Boyce Mfg. Co. Ltd.	81.07	79.49
			- Mr. N. B. Godrej	1.67	1.03
<u>Sale of Fixed Assets</u>			- Mr. P. A. Godrej	1.41	1.40
- Mr. P. A. Godrej	0.70	-	- Mr. S. N. Godrej	1.31	1.35
			- Mr. B. N. Godrej	1.29	1.33
<u>Purchase of goods</u>			- Ms. T. A. Dubash	1.20	1.25
- Godrej Consumer Products Ltd.	18.97	11.31	- Ms. N. A. Godrej	1.20	1.25
- Polchem Hygiene Laboratories P. Ltd.	3.09	-	- Mst. H. N. Godrej	0.39	0.38
- Wadala Commodities Ltd.	3.18	2.95	- Godrej Investment P. Ltd.	0.32	-
- Godrej & Boyce Mfg. Co. Ltd.	2.28	2.42	- Ms. R. N. Godrej	0.10	0.10
- Godrej Tyson Foods Ltd.	1.06	0.53	- Mr. K. T. Jithendran *	0.01	0.00
- Bahar Agrochem & Feeds P. Ltd.	-	31.35	- Mr. V. Srinivasan *	0.00	-
- Godrej Hershey Ltd.	-	0.85	- Mr. A. Mahendran	-	0.04
			- Bahar Agrochem & Feeds P. Ltd.	-	0.36
<u>Purchase of fixed assets</u>			- Vora Soaps Ltd.	-	0.01
- Godrej & Boyce Mfg. Co. Ltd.	2.38	1.61	- Mr. M Eipe	-	0.02
<u>Commission / Royalty received</u>			<u>Remuneration to Key Management Personnel</u>		
- Godrej Hershey Ltd.	-	0.62	- Mr. A. B. Godrej	4.96	6.19
			- Mr. B. S. Yadav	4.03	3.38
<u>Sale of Investments</u>			- Mr. K. T. Jithendran	3.69	2.98
- Godrej & Boyce Mfg. Co. Ltd.	86.00	-	- Mr. Vivek Gambhir	3.41	-
			- Mr. N. B. Godrej	3.70	3.20
<u>Licence fees / Service charges / Storage income</u>			- Mr. A. Mahendran	3.05	5.18
- Godrej Consumer Products Ltd.	3.30	3.08			
- Godrej Tyson Foods Ltd.	0.11	0.09	- Mr. P. A. Godrej	2.98	2.41
- Godrej Hershey Ltd.	-	0.19	- Ms. T. A. Dubash	3.01	2.55
			- Mr. M. Eipe	1.30	4.21
<u>Other Income</u>			- Mr. V. Srinivasan	1.68	1.39
- ACI Godrej Agrovet P. Ltd.	0.78	0.34	- Ms. N. A. Godrej	1.51	0.11
- Godrej Consumer Products Ltd.	0.45	0.30	- Mr. N. S. Nabar	0.99	-
- Bahar Agrochem & Feeds P. Ltd.	-	14.28	- Mr. M. Khattar	0.92	0.77
- Wadala Commodities Ltd.	-	0.01			
- Godrej Hershey Ltd.	-	0.05			

Notes to the Consolidated Financial Statements

NOTE 41: Related Party Information

c) The significant Related Party transactions are as under: (Contd.)

Nature of Transaction	Amount INR Crore		Nature of Transaction	Amount INR Crore	
	Current Year	Previous Year		Current Year	Previous Year
<u>Recovery of Establishment & other expenses</u>					
- Godrej & Boyce Mfg. Co. Ltd.	54.58	44.44	<u>Remuneration to Relatives of Key Management Personnel</u>		
- Godrej Consumer Products Ltd.	5.04	6.47	- Ms. N. A. Godrej	0.84	1.99
- Godrej Tyson Foods Ltd.	0.44	0.93	<u>Purchase of Investments</u>		
- Repton Landmarks LLP	0.35	0.43	- Godrej Investment P. Ltd.	-	0.03
- Ramesh P. Bhatia	0.06	0.07	<u>Sale of Units</u>		
- Wadala Commodities Ltd.	0.02	0.02	- Godrej & Boyce Mfg. Co. Ltd.	17.01	79.78
- Vora Soaps Ltd.	-	0.39	- Godrej Consumer Products Ltd.	15.03	24.61
- Godrej Hershey Ltd.	-	0.02	<u>Sale of flats</u>		
<u>Rent, Establishment & other expts paid</u>			- Mr. P. A. Godrej	-	0.32
- Godrej & Boyce Mfg. Co. Ltd.	25.45	52.16	- Mr. N. B. Godrej	-	0.14
- Godrej Consumer Products Ltd.	1.67	1.60	- Mr. K. T. Jithendran	-	0.66
- Ms. Parmeshwar Godrej	1.90	1.93	- Ms. P. Jithendran	-	0.10
- Ms. R. N. Godrej	0.78	0.73	<u>Issue of equity shares</u>		
- Wadala Commodities Ltd.	0.13	0.26	- Shubh Properties Cooperatief U.A (COOP)	45.94	-
- Ms. M. Mahendran	0.08	0.30	- Mr. N. B. Godrej	14.01	-
- Godrej Infotech Ltd.	0.06	0.06	- Mr. P. A. Godrej	14.01	-
- ACI Godrej Agrovet P. Ltd.	0.02	-	- Godrej & Boyce Mfg. Co. Ltd.	11.39	-
- Godrej Tyson Foods Ltd.	0.01	0.08	- Mr. K. T. Jithendran	0.19	-
- Godrej Hershey Ltd.	-	0.34	- Mr. V. Srinivasan	0.03	-
- Great Lake Institute of Management	-	0.01	- HDFC Venture Trustee Co. Ltd.	-	0.74
- Mr. A. B. Godrej	-	0.01	<u>Purchase of equity shares</u>		
- Mr. A. Mahendran	-	0.01	- HDFC PMS	189.70	-
<u>Interest received</u>			- Redfort India Real Estate Babur	2.00	-
- Shubh Properties Cooperatief U.A (COOP)	19.02	-	- HDFC Venture Trustee Co. Ltd.	-	5.00
- ASK PMS Real Estate Special Opportunities Portfolio I	5.47	3.47	<u>Investment in Debenture</u>		
- Madhavi Ventures Ltd.	3.20	3.20	- Shubh Properties Cooperatief U.A (COOP)	149.48	-
- HDFC Venture Trustee Co. Ltd.	0.03	0.17	- ASK PMS Real Estate Special Opportunities Portfolio I	33.99	42.26
- Mr. A. Mahendran	0.02	0.08	<u>Redemption of Debenture</u>		
- Godrej Hershey Ltd.	-	0.07	- HDFC Venture Trustee Co. Ltd.	-	17.95
<u>Interest paid</u>			<u>Loan repaid</u>		
- Ms. P. A. Godrej	0.58	0.46	- Mr. A. Mahendran	0.61	0.72
- Mr. S. N. Godrej	0.12	0.07	<u>Sitting fees</u>		
- Mr. B. N. Godrej	0.08	0.04	- Mr. A. B. Godrej	0.03	0.03
- Mr. M. Eipe	0.01	0.16			
- Ms. N. N. Nabar	0.01	-			
- Ms. P. Jithendran *	0.00	-			
<u>Share of Profit in LLP</u>					
- Repton Landmarks LLP	4.24	-			
- Ramesh P. Bhatia	2.93	-			
<u>Processing Charges received</u>					
- Godrej Hershey Ltd.	-	0.56			

* Amount less than ₹ 0.01 crores

Notes to the Consolidated Financial Statements

NOTE 42 : Leases

(1) Leases Granted by the Group

a) Operating Lease:

The Group has entered into Lease and Licence agreements in respect of its commercial and residential premises. The non-cancelable portion of the leases range between 3 months to 36 months and are renewable by mutual consent on mutually acceptable terms. Lease and Licence arrangements are similar in substance to operating leases. The Group has also granted lease for freehold land. The particulars of the operating lease arrangements are as under:

	Amount INR Crore	
	Current Year	Previous Year
Gross Carrying Amount of Premises	51.71	60.08
Accumulated Depreciation	4.48	10.24
Depreciation for the period	1.14	2.26

The aggregate future minimum lease receipts are as under :

	Amount INR Crore	
	Current Year	Previous Year
Lease Income Recognised in the Statement of Profit and Loss	10.70	8.79
Future Lease Income		
- Within one year	6.30	8.52
- Later than one year and not later than five years	8.57	15.93
- Later than five	46.23	-

(2) Lease Taken by the Group

a) Operating Lease:

The Group'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 Statement of Profit and Loss.

	Amount INR Crore	
	Current Year	Previous Year
Lease Payment recognised in the Statement of Profit and Loss	29.47	26.41
Future Lease Commitments		
- Within one year	32.86	29.59
- Later than one year and not later than five years	88.01	76.88
- Later than five years	28.47	24.40

Notes to the Consolidated Financial Statements

NOTE 42 : Leases (Contd.)

b) Finance Leases:

The Group has acquired vehicles under Finance Lease. Liability for minimum lease payment is secured by hypothecation of the vehicles acquired under the lease. The minimum lease payments outstanding as on March 31, 2014, in respect of vehicles acquired under lease are as under:

	Total minimum lease payments outstanding as at year end	Un-matured Interest	Amount INR Crore Present value of minimum lease payments
Within one year	0.01	-	0.01
Previous Year	-	-	-
Later than one year and not later than five years	-	-	-
Previous Year	-	-	-
Total	0.01	0.00	0.01
Previous Year Total	-	-	-

Note 43 : Hedging Contracts

The group uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitments in accordance with its forex policy as determined by a Forex Committee. The use of the foreign exchange forward contracts reduces the risk on cost to the company. The group also uses commodity futures contracts to hedge its exposure to vegetable oil price risk. The group does not use foreign exchange forward contracts or commodity future contracts for trading or speculation purposes.

i) Derivative Instruments Outstanding:

a) Commodity Futures Contracts

	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Futures Contracts Outstanding	30	22	3	580
Number of units under above contracts in MT.	22,810	14,860	2,750	5,800

b) Forward Exchange Contracts

	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total Number of Contracts Outstanding	83	34	-	27
Foreign Currency Value				
- US Dollar (crores)	3.18	1.11	-	0.94
- Euro (crores)	0.04	0.10	-	0.23

ii) Un-hedged Foreign Currency Exposures

	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Uncovered Foreign Exchange Exposure as at the year end				
- US Dollar (crores)	7.26*	0.76	5.42*	0.80
- Euro (crores) **	0.00	-	-	-
- AUS Dollar (crores) **	0.00	-	-	-
- CHF Dollar (crores) **	0.00	-	-	-

(*) Uncovered Foreign Exchange Exposure includes US Dollar 6 crore (previous year US Dollar 4 crore) of External Commercial Borrowings (ECB) taken for Capital Expenditure. Impact of fluctuation in Foreign Currency Rates on ECB will be capitalised to Fixed Assets and would not impact Statement of Profit and Loss.

(**) Amount less than 0.01 crore

NOTE 44

Figures for the previous year have been regrouped/restated wherever necessary to conform to current years presentation.

Statement regarding Subsidiary Companies pursuant to Section 212(8) of the Companies Act, 1956

All figures except exchange rates in ₹ Crores (upto two decimal)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Exchange Rate		Accounting Period		Capital	Reserves	Total Assets	Total Liabilities	Details of investments (except in case of investment in the subsidiaries)	Turnover	Other Income		Profit before taxation		Provision for taxation		Profit after taxation		Proposed Dividend	Country		
			Current Period	Previous Period	Current Period	Previous Period							31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013			31.03.2014	31.03.2013
1.	Godrej Agrovet Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	12.64	438.48	313.70	1,515.44	1,203.21	3,240.00	2,882.80	16.66	12.89	197.20	140.03	53.34	40.77	143.87	100.16	36.36	25.12	INDIA
2.	Godrej Seeds & Genetics Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	5.06	6.07	(4.41)	26.25	13.90	99.32	127.99	0.00	0.00	(4.67)	6.09	-	0.01	(4.67)	(3.04)	-	-	INDIA
3.	Godrej Agrovet Systems Limited	INR	1.00	1.00	Apr 13 to Mar 14	NA	0.05	(0.09)	-	13.35	-	-	-	-	(0.09)	-	-	-	-	(0.09)	-	-	-	INDIA
4.	Nature's Basket Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	100.08	(102.05)	70.73	87.85	62.90	0.00	173.60	127.39	0.76	0.05	(61.32)	(27.51)	-	0.43	(61.32)	(27.74)	-	INDIA
5.	Godrej International Limited	USD	59.91	54.29	Apr 13 to Mar 14	Apr 12 to Mar 13	20.38	45.48	44.24	70.24	65.61	12.31	1,116	1,330.40	-	9.33	24.36	-	-	9.33	24.36	-	-	Isle of Man
6.	Godrej International Trading & Investment	USD	59.91	54.29	Apr 13 to Mar 14	Apr 12 to Mar 13	5.99	1.82	1.80	13.03	9.49	3.00	2.71	38.17	0.83	0.14	0.66	-	-	0.14	0.66	-	-	Singapore
7.	Ensemble Holdings & Finance Ltd	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	3.77	6.93	6.88	11.29	12.36	4.40	3.50	3.35**	-	0.97	3.34	0.15	0.63	0.82	0.21	0.49	1.62	INDIA
8.	Godrej Properties Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	98.12	1,691.03	1,286.25	4,174.69	2,767.24	35.77	0.00	786.56	489.30	102.55	139.61	(1.44)	16.84	97.65	122.67	38.87	31.23	INDIA
9.	Godrej Realty Pvt. Ltd.	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	1.74	2.00	2.06	9.84	9.74	9.74	-	0.69	-	0.69	0.06	0.00	0.17	(0.06)	0.39	-	-	INDIA
10.	Godrej Real Estate Private Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.05	(0.17)	(0.14)	152.03	138.97	-	-	-	-	(0.09)	(0.09)	(0.00)	(0.00)	(0.09)	(0.09)	-	-	INDIA
11.	Happy Highrise Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.20	79.81	61.84	305.43	290.05	-	-	74.64	183.03	0.13	27.22	32.51	9.25	10.65	17.97	21.86	-	INDIA
12.	Godrej Globalwell Private Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.05	6.40	0.02	188.91	169.22	-	60.13	0.06	-	94.7	0.04	3.09	0.01	6.38	0.03	-	-	INDIA
13.	Godrej Bulbicon Private Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.05	(0.19)	(0.09)	1,172.43	879.88	-	-	-	(0.06)	(0.06)	0.00	0.00	0.01	(0.06)	(0.07)	-	-	INDIA
14.	Godrej Projects Development Private Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.10	7.43	21.06	354.33	72.37	-	64.72	17.47	50.00	3.67	51.55	12.40	15.16	3.74	38.39	8.66	-	INDIA
15.	Godrej Premium Builders Private Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.05	7.68	0.29	268.50	175.45	-	11.69	1.20	11.68	1.20	11.21	0.43	3.81	0.12	7.40	0.31	-	INDIA
16.	Godrej Garden Properties Private Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.05	0.15	(0.09)	15.12	0.01	15.12	0.01	-	0.33	-	0.26	(0.02)	0.07	-	0.21	(0.02)	-	INDIA
17.	Godrej Green Homes Limited	INR	1.00	1.00	24.12.2013 TO 31.03.2014	NA	0.05	(0.01)	NA	0.05	NA	NA	NA	NA	-	(0.01)	NA	-	NA	(0.01)	NA	-	-	INDIA
18.	Worler City Builders Private Limited	INR	1.00	1.00	30.08.2013 TO 31.03.2014	NA	0.05	(0.01)	NA	0.05	NA	NA	NA	NA	-	(0.01)	NA	-	NA	(0.01)	NA	-	-	INDIA
19.	Godrej Landmark Residences Private Limited	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.05	0.06	0.00	235.42	93.40	-	1.55	1.15	1.55	0.09	(0.00)	0.03	-	0.06	(0.00)	-	-	INDIA
20.	Godrej Residences (Mumbai) Private Limited	INR	1.00	1.00	Apr 13 to Mar 14	05.02.2013 TO 31.03.2013	0.05	7.33	0.05	127.38	13.82	-	6.20	0.12	6.20	0.12	2.48	0.07	0.81	0.02	1.67	0.05	-	INDIA
21.	Mosaic Landmarks LLP	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	14.84	-	(0.02)	65.59	36.71	-	54.43	0.50	0.45	0.50	22.19	(0.01)	7.54	0.00	14.84	(0.02)	-	INDIA
22.	Godrej World Properties LLP	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	328.98	200.26	-	937.30	1,008.33	-	380.59	44.23	27.94	2.82	195.11	191.38	66.39	58.73	128.72	132.65	-	INDIA
23.	Dream World Landmarks LLP	INR	1.00	1.00	Apr 13 to Mar 14	Apr 12 to Mar 13	0.00	0.00	(0.00)	3.41	0.00	-	-	-	-	(0.00)	(0.00)	0.00	-	(0.00)	(0.00)	-	-	INDIA
24.	Odor Realty LLP	INR	1.00	1.00	20.02.2014 TO 31.03.2014	NA	0.01	(0.00)	NA	28.82	NA	NA	NA	NA	-	(0.00)	NA	-	NA	(0.00)	NA	-	-	INDIA
25.	SSPOL Green Assets LLP	INR	1.00	1.00	Apr 13 to Mar 14	NA	17.45	-	NA	20.01	NA	NA	NA	NA	-	NA	-	-	-	NA	-	-	-	INDIA

Notes: 1. The Indian Rupee equivalents of the figures given in the foreign currencies in the accounts of the subsidiary companies have been given based on the exchange rate as on 31.03.2014 for the current year and 31.03.2013 for previous year.
2. ** Turnover includes other income

Statement regarding Subsidiary Companies pursuant to Section 212(8) of the Companies Act, 1956

1. Name of the Subsidiary Company	Goodej Agrivent Limited	Goodej Properties Limited	Goodej Ensemble Holdings & Finance Limited	Goodej Inter-national Investment PTE Ltd.	Goodej Inter-national Investment PTE Ltd.	Natures Based Limited	Goodej Agrochem Limited	Goodej Seed & Genetics Limited	Goodej Green Homes Ltd.	Goodej Green Real Estate PVT.Ltd.	Goodej Realty PVT.Ltd.	Wonder City Buldoon PVT.Ltd.	Happy Hignness Limited	Goodej Buldoon PVT.Ltd.	Goodej Projects Development PVT.Ltd.	Goodej Garden City Properties PVT.Ltd.	Goodej Premium Builders PVT.Ltd.	Goodej Buldoon PVT.Ltd.	Goodej Landmark Developers PVT.Ltd.	Goodej Re-developers (Mumbai) PVT.Ltd.	Mosaic Landmarks LLP	Goodej Virooli Property LLP	Dream World Landmarks LLP	Oxford Realty LLP	SSFDL Green Acres LLP
2. The company's interest in the subsidiaries as on March 31, 2014																									
a. Number of Equity Shares	8,040,926	122,775,304	3,774,160	2,105,000	1,000,000	106,080,000	(See note 1 below)	(See note 2 below)	(See note 3 below)	(See note 4 below)	(See note 5 below)	(See note 6 below)	(See note 7 below)	(See note 8 below)	(See note 9 below)	(See note 10 below)	(See note 11 below)	(See note 12 below)	(See note 13 below)	(See note 14 below)	(See note 15 below)	(See note 16 below)	(See note 17 below)	(See note 18 below)	
Total Number of Shares	13,223,634	199,234,030	3,774,160	2,105,000	1,000,000	106,080,000																			
b. Face Value	10	5	10	₹1	USD 1	10																			
c. Extent of Holding	60.20%	61.62%	100.00%	100.00%	100.00%	100.00%																			
3. Net aggregate profit/loss of the subsidiary company so far it concerns the members of the Company	₹ Core	₹ Core	₹ Core	₹ Core	₹ Core	₹ Core																			
A. For the financial year ended on March 31, 2014																									
i. Not dealt with in the books of Account of the Company	10:12	99.37	0.82	9.42	0.15	(31.32)																			
ii. Death with in the books of Account of the Company	-	-	-	-	-	-																			
B. For the subsidiary company's previous financial years since it became a subsidiary																									
i. Not dealt with in the books of Account of the Company	178.18	354.50	0.35	295.57	1.43	(6.29)																			
ii. Death with in the books of Account of the Company	86.94	151.24	9.59	141.76	-	-																			

Notes :

- The Financial Year of the subsidiary companies have ended on March 31, 2014.
- 50,000 Equity Shares of ₹ 10 each in Goodej Agrochem Ltd. (representing 100% of the share capital) are held by Goodej Agrovent Ltd.
- 54,000 Equity Shares of ₹ 10 each in Goodej Seeds & Genetics. (representing 50.01% of the share capital) are held by Goodej Agrovent Ltd.
- 50,000 Equity Shares of ₹ 10 each in Goodej Green Homes Ltd. (representing 100% of the share capital) are held by Goodej Properties Ltd.
- 50,000 Equity Shares of ₹ 10 each in Goodej Real Estate PVT. Ltd. (representing 100% of the share capital) are held by Goodej Properties Ltd.
- 8,84,650 Equity Shares of ₹ 10 each in Goodej Realty PVT. Ltd. (representing 51% of the share capital) are held by Goodej Properties Ltd.
- 10,992 Equity Shares of ₹ 10 each in Happy Hignness Ltd. (representing 51% of the share capital) are held by Goodej Properties Ltd.
- 50,000 Equity Shares of ₹ 10 each in Goodej Buldoon PVT. Ltd. (representing 100% of the share capital) are held by Goodej Properties Ltd.
- 50,000 Equity Shares of ₹ 10 each in Goodej Projects Development PVT. Ltd. (representing 100% of the share capital) are held by Goodej Properties Ltd.
- 50,000 Equity Shares of ₹ 10 each in Goodej Garden City Properties PVT. Ltd. (representing 100% of the share capital) are held by Goodej Properties Ltd.
- 25,500 Equity Shares of ₹ 10 each in Goodej Premium Builders PVT. Ltd. (representing 51% of the share capital) are held by Goodej Properties Ltd.
- 24,500 Class A Equity Shares of ₹ 10 each representing 50.1% of the Class A equity share capital and 1000 Class D Equity Shares of ₹ 10 each representing 100% of the Class D Equity share capital in Goodej Buldoon PVT. Ltd. are held by Goodej Properties Ltd. The majority composition of the Board of Directors of Goodej Buldoon PVT. Ltd. is being controlled by Goodej Properties Ltd.
- 25,500 Equity Shares of ₹ 10 each in Goodej Landmark Re-developers PVT. Ltd. (representing 51% of the share capital) are held by Goodej Projects Development PVT. Ltd.
- 27,394 Equity Shares of ₹ 10 each in Goodej Re-developers (Mumbai) PVT. Ltd. (representing 51% of the share capital) are held by Goodej Projects Development PVT. Ltd.
- 51% share in profits of Mosaic Landmarks LLP is held by Goodej Properties Ltd.
- Profit sharing in Goodej Wonder Property LLP between Goodej Industries Ltd. and Goodej Properties Ltd. is in the ratio of 40:60.
- 40% share in profits of Dream World Landmarks is held by Goodej Properties Ltd.
- Control through majority voting rights.

A.B. Godrej
Chairman

N.B. Godrej
Managing Director

Nitin Nabar
Executive Director &
President (Chemicals)

Clement Pinto
Chief Financial Officer

K. R. Rajput
Company Secretary

Mumbai, May 28, 2014.