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CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

TO THE MEMBERS OF GODREJ INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **GODREJ INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act"), that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2015, their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following Notes to the Consolidated Financial Statements for the year ended on March 31, 2015, in respect of various Schemes of Amalgamation approved by The Honourable High Court of Judicature at Bombay:

- a) 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 and Feeds Limited (GAFL) (a subsidiary of GAVL)

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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 ₹ 0.71 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. Had the Scheme not prescribed this treatment, the profit for the year would have been lower by ₹ 0.07 crores, the Goodwill would have been higher by ₹ 0.60 crores (net written down value) and the General Reserve would have been higher by ₹ 0.71 crores.
 - 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. Had this amount been charged to the Statement of Profit and Loss, the Surplus would have been lower and the General Reserve would have been higher by ₹ 0.41 crores.
 - iii) An amount of ₹ 20 crores has been transferred from the General Reserve and used to increase the Reserve for Employee Compensation Expenses. Had the Scheme not prescribed this treatment, the balance in the General Reserve would have been higher and the balance in the Reserve for Employee Compensation Expenses would have been lower by ₹ 20 crores.
- b) 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. 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. Had the Scheme not prescribed this treatment, the profit for the year would have been lower by ₹ 0.10 crores, the Goodwill would have been higher by ₹ 0.87 crores (net written down value) and the balance in the Surplus would have been higher by ₹ 0.87 crores.
- c) 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 GAVL in the current year and ₹ 12.75 crores in the previous years. Had this amount been charged to the Statement of Profit and Loss, the profit for the year would have been lower by ₹ 4.25 crores, the opening balance in the Surplus would have been lower by ₹ 12.75 crores and the balance in the General Reserve would have been higher by ₹ 17 crores.
 - ii) An amount of ₹ 60.55 crores 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. Had the Scheme not prescribed this treatment, the profit for the year would have been lower by ₹ 6.06 crores, the opening balance in the Surplus would have been lower by ₹ 18.17 crores, Goodwill would have been higher by ₹ 36.33 crores (net written down value) and the Securities Premium Account would have been higher by ₹ 60.55 crores.
- d) 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 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. Had these amounts been charged to the Statement of Profit and Loss, the profit for the year would have been lower by ₹ 5.03 crores, the opening balance in the Surplus would have been lower by ₹ 20.10 crores, Intangibles would have been higher by ₹ 4.09 crores (net written down value), Goodwill would have been higher by ₹ 12.53 crores (net written down value) and the Securities Premium Account would have been higher by ₹ 41.75 crores.
- e) Sub-note (10) 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 Account and used to create the Reserve for Employee Compensation Expenses, of which ₹ 11.35 crores for Employee Compensation Expenses incurred during the current year and ₹ 83.39 crores for previous year has been adjusted. Had the Scheme not prescribed this treatment, the Profit for the year would have been lower by ₹ 11.35 crores, the opening balance in the Surplus would have been lower by ₹ 83.39 crores, the Reserve for Employee Compensation Expenses would have been lower by ₹ 15.30 crores and the Securities Premium Account would have been higher by ₹ 110.04 crores.
- f) Sub-note (6) 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 Buildwell Private Limited with Godrej Projects Development Private Limited ('Scheme III').

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- i) In accordance with which, an amount of ₹ 137.05 crores arising on account of Goodwill on amalgamation has been adjusted from the General Reserve and from the Surplus instead of amortising the same in the Statement of Profit and Loss over a period of five years.
- ii) The cost and expenses incurred in carrying out and implementing the Scheme amounting to ₹ 0.38 crores have been directly adjusted from the Surplus of the Transferee Company. Had this amount been charged to the Statement of Profit and Loss, the profit for the year would have been lower by ₹ 27.79 crores, the Goodwill would have been higher by ₹ 109.64 crores (net written down value), the balance in General Reserve would have been higher by ₹ 9.80 crores and Surplus in the Statement of Profit and Loss would have been higher by ₹ 127.64 crores.
- 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 Group's share in the profit for the year ended March 31, 2015, would have been lower by ₹ 32.45 crores, the Surplus would have been lower by ₹ 8.33 crores, Employee Compensation Reserve would have been lower by ₹ 21.46 crores, the General Reserve would have been higher by ₹ 17.58 crores, the Securities Premium would have been higher by ₹ 129.10 crores, Goodwill would have been higher by ₹ 93.20 crores and Intangibles would have been higher by ₹ 2.49 crores.
- g) Sub-note (1 b) Note 39 : Employee Stock Benefit Plans, where a subsidiary has instituted an Employee Stock Option Plan for the benefit of its eligible employees which is administered by an independent trust. The ESOP Trust has been advanced loans which along with interest thereon and net of provision of ₹ 5.89 crores, amounts to ₹ 38.13 crores. As at March 31, 2015, the market value of the equity shares of the subsidiary Company held by the ESOP Trust is lower than the holding cost of these equity shares by ₹ 13.33 crores, (net of provision of ₹ 5.89 crores). The repayment of the loans granted to the ESOP Trust is dependent on the exercise of 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. In the opinion of the Management, the fall in the value of the underlying equity shares is on account of current market volatility and the loss, if any, can be determined only at the end of the exercise period. In view of which, provision for diminution is not considered necessary in the financial statements.
- h) Note 2.9 under Significant Accounting Policies, in respect of projects under long term contracts undertaken and / or financed by certain subsidiaries, we have relied upon the Management's estimates of the percentage of completion, costs to completion and on the projections of revenues expected from projects owing to the technical nature of such estimates, on the basis of which profits / losses have been accounted, interest income accrued and realizability of the construction work in progress and project advances determined.
- i) Sub-note (9) of Note 4 : Reserves and Surplus, where during the current year, The Securities and Exchange Board of India (SEBI) has issued the SEBI (Share Based Employee Benefits) Regulation, 2014, which requires that the accounting treatment for employee share based payments to be based on the Guidance Note on Accounting for Employees Share-Based Payments issued by the Institute of Chartered Accountants of India. Accordingly, various Companies in the Group have not included the financial statements of their respective ESOP Trusts in the preparation of their respective Standalone Financial Statements for the year ended March 31, 2015, as compared to the previous year where the same were consolidated. Consequently, these Consolidated Financials Statements do not include the assets, liabilities, income and expenditure of the respective ESOP Trusts and to that extent, the figures for the previous year are not comparable.

Our opinion is not modified in respect of these matters.

Other Matters

- a) We did not audit the financial statements / financial information of two subsidiaries and one jointly controlled entity, whose financial statements / financial information reflect total assets of ₹ 150.08 crores as at March 31, 2015, total revenues of ₹ 2,141.71 crores and net cash flows amounting to ₹ 3.42 crores for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and the jointly controlled entity, is based solely on the reports of the other auditors.
- b) We did not audit the financial statements / financial information of a subsidiary whose financial statements / financial information reflect total assets of ₹ 18.68 crores as at March 31, 2015, total revenues of ₹ 70.41 crores and net cash flows amounting to ₹ 1.88 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of ₹ 1.73 crores for the year ended March 31, 2015, as considered in the Consolidated Financial Statements, in respect of three associates,

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whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary and associates and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiary companies, associate companies and jointly controlled companies incorporated in India ("the Covered Entities"), we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of certain subsidiaries and a jointly controlled entity, as noted in sub-paragraph (a) of the Other Matters paragraph above, we report, to the extent applicable, that :
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2015, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of the Covered Entities, none of the Directors of the Covered Entities are disqualified as on March 31, 2015, from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the separate financial statements of certain subsidiaries and a jointly controlled entity, as noted in sub-paragraph (a) of the Other Matters paragraph above:
 - i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities. Refer Note 24 to the Consolidated Financial Statements.
 - ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts, including derivative contracts. Refer Notes 2.13 and 43 to the Consolidated Financial Statements.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Covered Entities.

For KALYANIWALLA & MISTRY

Chartered Accountants
Firm Regn. No.: 104607W

Daraius Z. Fraser

Partner
M. No.: 42454

Mumbai: May 27, 2015.

Annexure to the Independent Auditor's Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the Members of the Company on the Consolidated Financial Statements for the year ended March 31, 2015 :

1. Fixed Assets :
 - a) The Covered Entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets. Except in the case of a subsidiary company whose fixed asset register is not complete in respect of the quantitative details and situation of fixed assets acquired / purchased prior to April 1, 2009.
 - b) The Covered Entities have a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Covered Entities and the nature of their assets. The discrepancies, if any, noticed on such verification were not material and have been properly dealt with in the books of account, except in the case of a subsidiary company, in respect of assets acquired / purchased prior to April 1, 2009, in the absence of proper details of assets, the Company is unable to conduct physical verification in order to ascertain if there are material discrepancies in relation to such assets. Further, in respect of a jointly controlled company, physical verification of fixed assets has not been conducted during the year. In the absence of physical verification it is not possible to state if there are any discrepancies between book records and physical verification.
2. Inventory :
 - a) The Management of the Covered Entities have conducted physical verification of inventory at reasonable intervals.
 - b) The procedures of physical verification of inventories followed by the Management of the Covered Entities are reasonable and adequate in relation to their size and the nature of their respective businesses.
 - c) The Covered Entities are maintaining proper records of inventory. The discrepancies noticed on physical verification were not material in relation to their operations and the same have been properly dealt with in their respective books of account.
3. The Covered Entities have granted unsecured loans to companies and firms covered in the register maintained under section 189 of the Companies Act. There are no fixed terms of repayment of principal and interest; hence the question of commenting on the regular receipt of principal and interest, or any overdue amount does not arise.
4. In our opinion and according to the information and explanations given to us and the auditor of a subsidiary company, there are adequate internal control systems commensurate with the size of the Covered Entities and the nature of their respective businesses, for the purchase of inventory, fixed assets and for the sale of goods and services. In our opinion and according to the information and explanations given to us and according to the auditor of a subsidiary company, there is no continuing failure to correct major weaknesses in internal control systems.
5. In our opinion and according to the information and explanations given to us and the auditor of a subsidiary company, the Covered Entities have complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76, or any other relevant provisions of the Companies Act and the Rules framed thereunder in respect of the deposits accepted from the public, if any. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.
6. We have broadly reviewed the books of account maintained by the Covered Entities, pursuant to the Rules made by the Central Government of India for maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have generally been made and maintained, wherever applicable. We have not, however, made a detailed examination of the records with a view to examine whether they are accurate and complete.

Annexure to the Independent Auditor's Report

7. Statutory Dues :

- a) According to the information and explanations given to us and on the basis of the records examined by us and the auditor of a subsidiary company, the Covered Entities are generally regular in depositing undisputed statutory dues, including dues pertaining to Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and on the basis of the records examined by us and the auditor of a subsidiary company, there are no dues of Income-tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value Added Tax or Cess outstanding on account of any dispute, other than the following in respect of the Covered Entities :

Name of Statute	Nature of Dues	Amount (₹ crores)	Period to which the amount relates	Forum where dispute is pending
The Customs Act, 1962	Custom Duty demands relating to lower charge, differential duty, classifications, etc.	2.63	2010-11	Commissioner (Appeals)
		0.26	2003-04	Deputy Commissioner
		1.32	1978-93	High Court
		0.13	1997-98	Tribunal
Central Excise Act, 1944	Excise Duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc.	0.59	2002-03, 2004-07, 2005-08, 2007-12, 2008-09, 2009-10, 2009-11, 2009-14, 2010-11, 2011-12, 2011-13, 2012-13, 2012-14, 2013-14, 2013-15	Assistant Commissioner
		0.86	1993-97, 2009-13, 2012-14, 2013-14	Joint Commissioner
		1.05	2008-09, 2009-15, 2013-15	Additional Commissioner
		0.01	2006-10, 2009-10	Deputy Commissioner
		1.02	2010-11, 2005-07, 2008-13	Commissioner
		13.46	1993-96, 2005-06, 2002-03, 2003-04, 2004-08, 2006-08, 2007-12, 2008-09, 2008-13, 2009-10, 2012-14	Commissioner (Appeals)
		0.00*	2009-10, 2012-13, 2013-14, 2013-15	Superintendent
		13.18	2008-11, 2009-13, 2010-11, 2008-12, 2006-07, 2007-08, 2008-09, 2011-13	CESTAT
		73.53	1997-98, 2006-07, 2006-08, 2006-12, 2005-2011	Tribunal

Annexure to the Independent Auditor's Report

Name of Statute	Nature of Dues	Amount (₹ crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944		0.77	1995-96, 2001-06	High Court
		7.27	1993-97, 2001-06, 2002-04, 2000-03, 1993-96	The Supreme Court
		4.47	2007-11, 2009-11, 2011-12, 2012-13	Adjudicating Authority
		0.06	2006-08, 2007-08	Assessing Authority
VAT Acts of various States	Sales Tax demands relating to purchase tax on Branch Transfer / Disallowance of high sea sales.	0.07	1996-97, 1997-98	Sales Tax Officer
		0.07	2000-01	Commissioner (Appeals)
		13.14	2003-04, 2005-06, 2010-11, 2006-07, 2011-12, 2012-13	Deputy Commissioner
		1.50	2008-09, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2011-12, 2012-13	Deputy Commissioner (Appeals)
		28.27	2000-01, 2002-03, 2003-04, 2008-09, 2012-13	Joint Commissioner
		0.08	2005-06, 2006-07	Joint Commissioner (Appeals)
		0.05	2002-03, 2010-11	Additional Commissioner (Appeals)
		13.55	2003-04, 2004-05, 2005-06, 2006-07, 2013-14, 2000-01, 2002-03, 2005-08, 2010-11, 2011-12, 2012-13, 1999-00, 2001-02	Tribunal
		6.43	2009-10, 2001-02, 2006-07, 2007-08, 2008-09, 2010-11, 2011-12, 2012-13, 1999-00, 2005-06	High Court
		0.15	2003-04, 2004-05, 2005-06	The Supreme Court
		0.36	2005-06, 2006-07, 2008-09, 2009-10, 2010-11, 2012-13, 2002-13	Assessing Authority

Annexure to the Independent Auditor's Report

Name of Statute	Nature of Dues	Amount (₹ crores)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-tax demands against which the Covered Entities have preferred appeals.	2.96	A.Y. 2007-08, 2010-11	Assessing Officer
		32.93	A.Y. 1993-94, 1994-95, 1995-96, 1996-97, 1997-98, 2004-05, 2012-13, 2011-12, 2005-06	CIT
		9.18	A.Y. 2012-13	CIT (Appeals)
		6.21	A.Y. 2006-07, 2011-12	Deputy Commissioner
		23.96	A.Y. 1986-87, 1988-89, 1990-91, 1991-92, 1996-97, 1998-99, 2000-01, 2001-02, 2002-03, 2003-04, 2006-07, 2007-08, 2009-10, 2010-11	ITAT
		17.86	A.Y. 1989-90, 1993-94, 1997-98, 2000-01, 2001-02, 2002-03, 2007-08	High Court
Octroi Rules	Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	0.03	1997-98	Deputy Commissioner
		0.24	1997-03	Tribunal
		0.02	1998-99, 2000-01	The Supreme Court
Stamp Duty	Stamp Duties claimed on certain properties which are under appeal by the Covered Entities.	1.82	2000-01	Controlling Revenue Authority
Property Tax	Disputed Property taxes.	5.59	2010-11, 2011-12, 2012-13, 2013-14	Assistant Assessor and Collector

* Amount less than ₹ 0.01 crore.

- c) According to the information and explanations given to us and on the basis of the records examined by us and the auditor of a subsidiary company, the amount required to be transferred to the Investor Education and Protection Fund, if any, in accordance with relevant provisions of the Companies Act, 1956 (I of 1956) and the Rules made thereunder has been transferred to such fund within time.
8. The Group, its associates and its jointly controlled entities do not have accumulated losses as at the end of the financial year, nor have they incurred cash losses in the current financial year or in the immediately preceding financial year on a consolidated basis. However, in respect of the Covered Entities on a Standalone basis :
- a) Two subsidiary companies incorporated in India have accumulated losses at the end of the financial year exceeding fifty percent of their respective net worth. However, they have not incurred cash losses during the current or immediately preceding financial year.

Annexure to the Independent Auditor's Report

- b) Two subsidiary companies incorporated in India have accumulated losses at the end of the financial year exceeding fifty percent of their respective net worth and have also incurred cash losses in the current and immediately preceding financial year.
 - c) One subsidiary company incorporated in India does not have accumulated losses at the end of the year, but has incurred cash losses in the current and immediately preceding financial year.
9. According to the information and explanations given to us and based on the documents and records produced before us and the auditor of a subsidiary company, there has been no default by the Covered Entities in repayment of dues to banks, financial institutions or debenture holders.
10. According to the information and explanations given to us and on the basis of the records examined by us and the auditor of a subsidiary company, the Covered Entities have not given any guarantee for loans taken by others from banks or financial institutions except in the case of a subsidiary company and an associate who have given guarantees for loans taken by others from banks, the terms and conditions of which, are not prima facie prejudicial to their interest.
11. According to the information and explanations given and the records examined by us, the term loans obtained by the Covered Entities, wherever applicable, were applied for the purpose for which the loans were obtained.
12. Based upon the audit procedures performed by us and the auditor of a subsidiary company, to the best of our knowledge and belief and according to the information and explanations given by the Management, no fraud on, or by the Covered Entities, has been noticed or reported during the year.

For KALYANIWALLA & MISTRY

Chartered Accountants
Firm Regn. No.: 104607W

Daraius Z. Fraser

Partner
M. No.: 42454
Mumbai: May 27, 2015.

Consolidated Balance Sheet as at March 31, 2015

	Note No.	Current Year	Amount ₹ in Crore Previous Year
Equity and Liabilities			
Shareholders' Funds			
(a) Share Capital	3	33.59	33.12
(b) Reserves and Surplus	4	3,193.66	2,700.95
		3,227.25	2,734.07
Minority Interest			
		1,148.53	1,051.90
Non-Current Liabilities			
(a) Long Term Borrowings	5	1,728.16	1,160.44
(b) Deferred Tax Liabilities (Net)	6	72.96	86.56
(c) Other Long Term Liabilities	7	1.42	2.20
(d) Long Term Provisions	8	15.11	12.26
		1,817.65	1,261.46
Current Liabilities			
(a) Short Term Borrowings	9	3,723.60	2,781.00
(b) Trade Payables	10	1,786.08	1,973.04
(c) Other Current Liabilities	11	1,699.21	1,311.04
(d) Short Term Provisions	12	100.31	97.88
		7,309.20	6,162.96
TOTAL		13,502.63	11,210.39
Assets			
Non Current Assets			
(a) Fixed Assets	13		
(i) Tangible Assets		1,284.28	1,172.74
(ii) Intangible Assets		35.74	33.20
(iii) Capital Work in Progress		774.01	463.56
(iv) Intangible Assets Under Development		0.67	2.02
		2,094.70	1,671.52
(b) Goodwill on Consolidation		517.09	444.00
(c) Non Current Investments	14	2,004.13	1,550.64
(d) Deferred Tax Assets (Net)	15	4.48	2.15
(e) Long Term Loans and Advances	16	285.33	248.01
(f) Other Non Current Assets	17	32.00	5.43
		4,937.73	3,921.75
Current Assets			
(a) Current Investments	18	686.70	785.41
(b) Inventories	19	5,355.05	4,354.39
(c) Trade Receivables	20	626.58	543.18
(d) Cash and Bank Balances	21	242.13	306.00
(e) Short Term Loans and Advances	22	1,081.98	978.43
(f) Other Current Assets	23	572.46	321.23
		8,564.90	7,288.64
TOTAL		13,502.63	11,210.39
Notes to the Financial Statements	1 to 48		

As per our Report attached

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Regn. No. 104607W

Daraius Z. Fraser
Partner
M. No. 42454
Mumbai, May 27, 2015.

For and on behalf of the Board

A. B. Godrej
Chairman

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

N. B. Godrej
Managing Director

P. Ganesh
Chief Financial Officer &
Company Secretary

Statement of Consolidated Profit and Loss for the year ended March 31, 2015

Particulars	Note No.	Amount ₹ in Crore	
		Current Year	Previous Year
Revenue from Operations (Gross)	26	9,323.66	8,008.17
Less : Excise Duty		93.15	90.24
		9,230.51	7,917.93
Other Income	27	129.28	128.96
Total Revenue		9,359.79	8,046.89
Expenses			
(a) Cost of Materials Consumed	28	3,646.61	3,538.62
(b) Purchases of Stock in Trade		2,393.39	2,057.42
(c) Cost of Sales - Property Development	29	1,466.94	806.63
(d) Changes in Inventory of Finished Goods, Work in Progress and Stock in Trade	30	(17.49)	(83.57)
(e) Employee Benefits Expense	31	323.18	294.24
(f) Finance Costs	32	191.29	118.88
(g) Depreciation and Amortisation Expense		93.23	70.44
(h) Other Expenses	33	936.26	846.89
Total Expenses		9,033.41	7,649.55
Profit Before Exceptional Items and Tax		326.38	397.34
Exceptional Items	34	192.41	69.38
Profit Before Tax		518.79	466.72
Tax Expense			
(a) Current Tax		160.08	160.66
(b) MAT Credit Entitlement		(9.61)	(4.14)
(c) Deferred Tax		(13.89)	18.45
(d) Adjustment for Tax of Previous Years (net)		(0.03)	(3.77)
Total Tax		136.55	171.20
Profit After Taxation		382.24	295.52
Share of Profit in Associates		206.58	173.85
Profit Before Minority Interest		588.82	469.37
Minority Interest		(186.35)	(143.00)
Profit for the Year		402.47	326.37
Earnings Per Share (Face Value ₹ 1 per share)	35		
(a) Basic		12.00	9.73
(b) Diluted		11.98	9.72
Notes to the Financial Statements	1 to 48		

As per our Report attached

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Chief Financial Officer &
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2015

	Amount ₹ in Crore	
	Current year	Previous year
A. Cash Flow from Operating Activities :		
Profit Before Tax	518.79	466.72
Adjustments for :		
Depreciation	93.23	70.44
Unrealised Foreign Exchange revaluation	1.90	0.67
Profit on Sale of Investments (net)	(261.01)	(129.80)
Profit on Sale of Fixed Assets (net)	(3.44)	(1.49)
Dividend Income	(0.07)	(0.11)
Interest Income	(36.54)	(43.48)
Interest & Finance Charges	191.29	118.88
Employee Stock Option Compensation	7.12	7.29
Provision / (Write back) for Diminution in Value of Investments	8.12	(4.50)
Provision / (Write back) for Doubtful Debts / Advances (net)	10.08	(7.29)
Others	(0.90)	(0.95)
Operating Profit Before Working Capital Changes	528.57	476.38
Adjustments for :		
Inventories	(1,050.21)	(822.79)
Trade Receivables	(70.64)	(68.70)
Other Current Assets	(219.07)	(390.22)
Non Current Assets	(24.72)	93.22
Trade Payables	(196.78)	235.37
Other Current Liabilities	158.62	261.18
Non Current Liabilities	3.18	(6.32)
Cash Used in Operations	(871.05)	(221.88)
Direct Taxes Paid	(178.51)	(171.97)
Net Cash Used in Operating Activities	(1,049.56)	(393.85)
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(495.52)	(427.18)
Proceeds from Sale of Fixed Assets	11.92	13.75
Purchase of Investments	(1,286.75)	(2,051.73)
Refund of Fixed Deposits	-	413.03
Proceeds from Sale of Investments - Long term	256.78	126.58
Proceeds from Sale of Investments - Others	1,025.14	985.48
Intercompany Deposits / Loans (net)	4.91	7.14
Interest Received	25.35	30.98
Dividend Received	0.06	0.31
Net Cash Used in Investing Activities	(458.11)	(901.64)

Consolidated Cash Flow Statement for the year ended March 31, 2015 (Contd.)

	Amount ₹ in Crore	
	Current year	Previous year
C. Cash Flow from Financing Activities :		
Proceeds from Issue of Equity Shares	0.40	258.49
Capital contribution into Limited Liability Partnership	1.30	17.45
Proceeds from Borrowings	2,419.03	2,499.42
Repayment of Borrowings	(733.11)	(1,163.40)
Bank Overdrafts (net)	(5.06)	(23.26)
Interest & Finance Charges Paid	(189.34)	(113.97)
Dividend Paid	(60.86)	(42.97)
Tax on Distributed Profits	(22.89)	(11.54)
Net Cash Generated from Financing Activities	1,409.47	1,420.22
Net (Decrease) / Increase in Cash and Cash Equivalents	(98.20)	124.73
Cash and Cash Equivalents (Opening Balance)	286.67	161.16
Add : Cash and Cash Equivalents taken over pursuant to Business Acquisition	0.18	0.58
Add / (Less) : Cash and Cash Equivalents on consolidation of ESOP Trusts (refer sub note 9 of Note 4 Reserves and Surplus)	(0.74)	0.74
Less : Cash and Cash Equivalents on Demerger	-	(0.54)
Cash and Cash Equivalents (Closing Balance) (including share in jointly controlled entities - ₹ 3.16 crore; previous year - ₹ 7.15 crore)	187.91	286.67
Notes :		
1. Cash and Cash Equivalents		
Cash on Hand and Balances with Banks	242.13	306.00
Closing balances of Fixed deposit (more than 3 months but less than 12 months)	(53.87)	(19.00)
Other bank balances	(0.35)	(0.33)
Cash and Cash Equivalents	187.91	286.67
2. The figures of previous year have been regrouped / restated wherever necessary to conform to current year's presentation.		

As per our Report attached

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Regn. No. 104607W

Daraius Z. Fraser
Partner
M. No. 42454

Mumbai, May 27, 2015.

For and on behalf of the Board

A. B. Godrej
Chairman

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

N. B. Godrej
Managing Director

P. Ganesh
Chief Financial Officer &
Company Secretary

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 (collectively referred to as the Group) and its Joint Ventures and Associates. 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 unrealised 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. March 31, 2015.

The accounts of Godrej International Trading & Investments Pte. Ltd., Singapore (Subsidiary of Godrej Industries Limited), 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, 2015, 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 of the Group have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ('the Act'), as applicable. The accounting policies have been consistently applied by the Group.

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.

Notes to the Consolidated Financial Statements

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 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 recognised 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 recognised 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 recognise 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 recognised 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

Notes to the Consolidated Financial Statements

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.

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 recognized 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 recognised for the first time on or after the above date, Construction revenue on such projects have been recognised 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 percent 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 recognized 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 and 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 and Development is included under additions to fixed assets.

Notes to the Consolidated Financial Statements

2.11 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred. 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.

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 recognized 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 recognized 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 recognised 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.

Notes to the Consolidated Financial Statements

(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 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 recognized 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 Group are considered as Defined Benefit Plans. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Group.

Pension

Pension plan for eligible employees are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet.

(iii) Other Long Term Employee Benefits

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 Depreciation and Amortisation

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, based on the estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013, except in the case of Plant and Machinery where the Company, based on the condition of the plants, regular maintenance schedule, material of construction and past experience, has considered useful life of Plant and Machinery as 30 years instead of 20 years useful life as prescribed in Schedule II of the Act.

Depreciation is charged on the Straight Line or the Written Down Value based on the method consistently followed by the respective entities in the Group.

Assets costing less than ₹ 5,000 are depreciated at 100% in the year of acquisition.

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 given below :

Notes to the Consolidated Financial Statements

Particulars	Estimated useful lives
Goodwill	6-10 years
Trade Marks	10-20 years
Technical Know How	6 years
Computer Software	3-6 years
Website Platform	10 years

2.16 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 recognized. 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 Group will pay normal income tax during the specified period for which MAT Credit is allowed to be carried forward. The Group 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, if any.

2.17 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.

2.18 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.

2.19 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 ₹ in 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
		<u>180.00</u>		<u>180.00</u>
Issued, Subscribed and Paid up Share Capital				
Equity Shares of ₹ 1 each fully paid up	335,881,974	33.59	335,455,260	33.55
Less : Shares held by ESOP Trust - As detailed in sub note 9 under Note 4 Reserves and Surplus	-	-	(4,332,389)	(0.43)
Total	335,881,974	33.59	331,122,871	33.12
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	335,455,260	33.55	335,165,917	33.52
Issued during the year	426,714	0.04	289,343	0.03
Number of Shares outstanding at the end of the year	<u>335,881,974</u>	<u>33.59</u>	<u>335,455,260</u>	<u>33.55</u>
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	193,904,681	19.39	187,202,388	18.72
(b) Shareholders holding more than 5% of Equity Shares in the Company Godrej & Boyce Manufacturing Company Limited - 57.73% (previous year 55.81%)	193,904,681	19.39	187,202,388	18.72
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	0.00
(b) Employee Stock Grant vesting on 30/04/14 (*)	-	-	1,927	0.00

Notes to the Consolidated Financial Statements

NOTE 3 : Share Capital (Contd.)

	Current Year		Previous Year	
	Number	Value	Number	Value
(c) Employee Stock Grant vesting on 31/05/14	-	-	169,103	0.02
(d) Employee Stock Grant vesting on 30/11/14 (*)	-	-	2,878	0.00
(e) Employee Stock Grant vesting on 31/07/14 (*)	-	-	2,441	0.00
(f) Employee Stock Grant vesting on 31/03/15 (*)	5,487	0.00	7,815	0.00
(g) Employee Stock Grant vesting on 31/05/15	98,987	0.01	98,987	0.01
(h) Employee Stock Grant vesting on 31/07/15 (*)	2,274	0.00	2,274	0.00
(i) Employee Stock Grant vesting on 31/05/16 (*)	107,097	0.01	49,991	0.00
(j) Employee Stock Grant vesting on 31/07/16 (*)	2,274	0.00	2,274	0.00
(k) Employee Stock Grant vesting on 31/05/17	55,641	0.01	-	-

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

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

Pursuant to the Scheme of Amalgamation of Wadala Commodities Limited (WCL) with the Company :

- (i) 2,00,243 equity shares allotted as fully paid up to the Equity Shareholders of WCL and 10 equity shares allotted as fully paid up to the Preference Shareholders of WCL, without payment being received in cash.
- (ii) 67,504 equity shares have been allotted as fully paid up bonus shares to the non-promoter shareholders of the Company.

There are no calls unpaid.

There are no forfeited shares.

(*) Amount less than ₹ 0.01 crore.

Note :

- (1) In the current year, the Honourable Bombay High Court and High Court of Madhya Pradesh, Indore Bench, approved a Scheme of Amalgamation ("Scheme") of Wadala Commodities Limited (WCL) with the Company effective from April 1, 2014 being the appointed date. The Effective Date is November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC.

The Company has issued 2,00,243 equity shares in the Company in lieu of the equity shares in WCL and 10 equity shares in the Company in lieu of the preference shares in WCL held by the shareholders of the erstwhile WCL and also issued 67,504 bonus equity shares in the Company to the non-promoter shareholders of the Company.

Notes to the Consolidated Financial Statements

NOTE 4 : Reserves and Surplus

Particulars	Amount ₹ in Crore	
	Current Year	Previous Year
Capital Investment Subsidy Reserve	0.95	0.95
Capital Redemption Reserve		
As per Last Balance Sheet	31.46	31.71
Additions during the year	-	0.14
Adjustments during the year	-	(0.39)
	31.46	31.46
Capital Reserve		
As per Last Balance Sheet	8.58	0.04
Additions during the year - refer note 1 & 7 below	1.30	8.58
Adjustments during the year	-	(0.04)
	9.88	8.58
Securities Premium Account - refer note 4 ,5 & 6 below		
As per Last Balance Sheet	1,529.03	1,562.63
Additions for shares issued during the year	7.69	10.31
Utilisation during the year :		
Share issue expenses	-	(8.87)
Adjustments due to change in holdings in subsidiaries during the year	(67.51)	(35.04)
	1,469.21	1,529.03
Revaluation Reserve - refer note 8 below		
As per Last Balance Sheet	-	7.72
Less : Depreciation on Revalued component	-	(0.76)
Less : Deduction due to sale / discard of fixed assets	-	(6.96)
	-	-
Special Reserve u/s 45IC of RBI Act,1934		
As Per Last Balance Sheet	3.67	3.51
Transfer from Surplus	0.17	0.16
	3.84	3.67
Employee Stock Grants Outstanding		
Stock Grants at the beginning of the year	65.37	58.82
Add : Compensation for Stock Granted during the Year	14.11	15.43
Less : Grants Lapsed	(1.15)	(0.58)
Less : Transfer to Securities Premium on exercise of stock grants during the year	(7.69)	(8.30)
	70.64	65.37
Less : Deferred Employee Stock Grants Compensation	(3.94)	(3.14)
	66.70	62.23
Reserve for Employee Compensation Expenses - refer Note 2 & 6 below		
As per Last Balance Sheet	29.78	24.19
Transfer from General Reserve Account	-	20.00
Adjustment for employee compensation expense - refer note 10 below	(11.35)	(11.35)
Adjustment on Acquisition / Deletion and Share of Minority	4.47	(3.06)
	22.90	29.78

Notes to the Consolidated Financial Statements

NOTE 4 : Reserves and Surplus (Contd.)

Particulars	Amount ₹ in Crore	
	Current Year	Previous Year
General Reserve - refer note 2, 4, 6 & 7 below		
As per Last Balance Sheet	55.97	172.86
Transfer from Surplus	14.96	36.24
Utilisation during the year pursuant to Scheme of Amalgamation :		
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	(9.80)	(15.98)
Restatement / Revision of certain Assets / Amortisation of Intangibles as per Merger Scheme	(4.25)	(119.07)
Issue of Bonus Shares pursuant to Scheme of Amalgamation	(0.01)	-
Adjustment on Acquisition / Deletion and Share of Minority	5.35	2.93
	62.22	55.97
Foreign Exchange Fluctuation Reserve		
As per Last Balance Sheet	13.62	8.08
Additions during the Year	2.84	5.54
	16.46	13.62
ESOP Trusts Adjustments - refer note 9 below		
Accumulated Deficit at the beginning of the year	(142.98)	(122.55)
Add : Income of ESOP Trusts	-	18.41
Less : Expense of ESOP Trusts	-	(0.25)
Closing Balance of ESOP Trusts	(142.98)	(104.39)
Less : Securities Premium on shares held by ESOP Trusts	-	(76.59)
Add : Reversal of Provision for Loan to ESOP Trust	-	37.99
Add : Reversal of ESOP Trust Adjustments Balance	142.98	-
	-	(142.98)
Surplus		
As per Last Balance Sheet	1,108.64	1,205.50
Surplus as per Statement of Profit and Loss	402.47	326.37
Utilisation during the year :		
Dividend on additional shares issued	-	(0.02)
Credit for Dividend Distribution Tax on Dividend Received from Subsidiaries	7.96	5.79
Proposed Dividend - Final	(58.80)	(58.70)
Tax on Distributed Profit	(26.02)	(23.02)
Transfer to Special Reserve	(0.17)	(0.16)
Transfer to General Reserve	(14.96)	(36.24)
Adjustment on Acquisition / Deletion - refer note 3 & 6 below	(127.81)	(417.46)
Depreciation in transition to New Companies Act	(4.91)	-
Issue of Bonus Shares	(31.10)	-
Adjustment on Acquisition / Addition and Share of Minority	254.74	106.58
	1,510.04	1,108.64
Total	3,193.66	2,700.95

Notes :

- (1) In the current year, the Honourable Bombay High Court and High Court of Madhya Pradesh, Indore Bench, approved a Scheme of Amalgamation ("Scheme") of Wadala Commodities Limited (WCL), whose business was

Notes to the Consolidated Financial Statements

NOTE 4 : Reserves and Surplus (Contd.)

trading in Vegetable Oils, with the Company effective from April 1, 2014 being the appointed date. The Effective Date is November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC.

In accordance with the Scheme :

- a) The Company has followed Purchase Method of accounting and as per Scheme of Arrangement approved by Bombay High Court.
 - b) All the assets and liabilities of the erstwhile WCL have been transferred to and vest in the Company and have been recorded at their book value which are also their fair value. The excess of net assets of WCL acquired over the amount credited as share capital is ₹ 1.30 crore and is credited to Capital Reserves.
 - c) Income of ₹ 0.09 crore and Expense of ₹. 0.25 crore of WCL from April to November 2014 has been considered in Statement of Profit and Loss of the Company.
- (2) A scheme of Amalgamation (“the Scheme”) for the amalgamation of Goldmuhor Agrochem & Feeds Limited (called “the Transferor Company”), with Godrej Agrovet Limited (the “Transferee Company”), with effect from October 1, 2013, (“the Appointed date”) was sanctioned by the Honorable High Court of Judicature at Bombay (“the Court”), vide its Order dated September 20, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on December 13, 2013 (the “Effective Date”).

To give effect to the Honourable Bombay High Court’s Order dated September 20, 2013 regarding Scheme of the Arrangement, the following actions have been performed during the previous year.

- a) The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 0.71 crore has been debited to the General Reserve Account of the Transferee Company as per the Scheme.
 - b) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting ₹ 0.41 crore have been directly charged against the balance in General Reserve Account of the Transferee Company.
 - c) An amount of ₹ 20 crore standing to the credit of the General Reserve Account of the Transferee Company has been utilised to increase the Reserve for Employee Compensation Account of the Transferee Company. The expenses in respect of the GAVL ESOP scheme will be charged against the Reserve for Employee Compensation Account.
- (3) A scheme of Amalgamation (“the Scheme”) for the amalgamation of Golden Feed Products Limited (“the Transferor Company”), with Godrej Agrovet Limited (the “Transferee Company”), with effect from March 31, 2014, (“the Appointed date”) was sanctioned by the Hon’ble High Court of Judicature at Bombay (“the Court”), vide its Order dated April 29, 2014 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on May 19, 2014 (the “Effective Date”).

To give effect to the Honourable Bombay High Court’s Order dated April 29, 2014 regarding Scheme of the Arrangement, the following actions have been performed during the previous year.

- a) The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 0.97 crore has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.
- b) An amount of ₹ 35.06 crore standing to the credit of Surplus in Statement of Profit and Loss of the Transferee Company has been utilised to restate / revise value of certain Assets of the Transferee Company.
- c) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.14 crore have been directly charged against the Surplus in Statement of Profit and Loss of the Transferee Company.

Notes to the Consolidated Financial Statements

NOTE 4 : Reserves and Surplus (Contd.)

- (4) As per the scheme of Amalgamation (“the Scheme”) of Godrej Gokarna Oil Palm Ltd., Godrej Oil Palm Ltd. and Cauvery Palm Oil Ltd., (“the Transferor Companies”), with Godrej Agrovet Limited (the “ Transferee Company”), with effect from April 1, 2011, (“the Appointed date”) as sanctioned by the Hon’ble High Court of Judicature at Bombay (“the Court”), vide its Order dated March 16, 2012, the following entries have been passed.
- Amortisation on Intangible Assets of the Transferor Companies amounting to ₹ 4.25 crore in the current year and ₹ 12.75 crore in the previous years recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the transferee Company is ₹ 42.51 crore.
 - The excess of book value of the net assets of the Transferor Company taken over, amounting to ₹ 60.55 crore over the face value of the shares held by the transferee Company has been credited to the Securities Premium Account as per the Scheme.
- (5) As per the scheme of Amalgamation (“the Scheme”) of Godrej Gold Coin Aquafeed Ltd. (the Transferor Company), with Godrej Agrovet Limited with effect from April 1, 2010, (“the Appointed date”) as sanctioned by the Hon’ble High Court of Judicature at Bombay (“the Court”), vide its Order dated January 5, 2011, the following entries have been passed.
- The Intangible assets held by Transferor Company amounting to ₹ 16.69 crore were adjusted against the balance in the Securities Premium Account of the Transferee Company.
 - The excess of book value of the net assets of the Transferor Company taken over, amounting to ₹ 25.06 crore over the face value of the shares held by the Transferee Company was credited to the Securities Premium Account as per the Scheme.
- (6) Pursuant to the Scheme of Amalgamation (the Scheme) under Sections 391 to 394 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 and Sections 100 to 103 of the Companies Act, 1956 sanctioned by the Honorable High Court of Judicature at Bombay on April 18, 2015 and filed with the Registrar of Companies (RoC) on April 29, 2015, Godrej Buildwell Private Limited, a Subsidiary of Godrej Projects Development Private Limited, is amalgamated with Godrej Projects Development Private Limited w.e.f. December 1, 2014, the Appointed Date.

As per the said Scheme :

- All the assets and liabilities as appearing in the books of Transferor Company as on the Appointed Date have been recorded in the books of Transferee Company at their respective fair values and inter company balances have been cancelled.
- The Cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.38 crore have been directly adjusted against opening balance of Surplus in the Statement of Profit and Loss of the Transferee Company.
- The amount of ₹ 137.05 crore arising out of the difference between the fair value of the net assets of the Transferor Company taken over and cancellation of intercompany investments between the Transferor Company and the Transferee Company has been adjusted in the balance in General Reserves and opening balance of Surplus in the Statement of Profit and Loss.

In accordance with the Scheme, 25,499 7% redeemable non-cumulative preference shares of face value of ₹ 10/- of the Transferee Company has been issued in lieu of 24,499 Class A and 1,000 Class D equity shares of face value of ₹ 10/- each of Transferor Company held by members other than Transferee Company.

Notes to the Consolidated Financial Statements

NOTE 4 : Reserves and Surplus (Contd.)

(7) During the previous year, the Honourable Bombay High Court had approved a Scheme of Amalgamation ("Scheme") of Swadeshi Detergents Limited (SDL) (a wholly owned Subsidiary of the Company) with the Company effective from April 1, 2013, being the appointed date vide its order dated August 16, 2013. The effective date was September 6, 2013. In accordance with the Scheme, all the assets and liabilities of the erstwhile SDL had been transferred to the Company and had been recorded at their book value which are also their fair value. The excess of the net assets transferred over the investments in SDL held by the Company amounting to ₹ 8.58 crore had been credited to the Capital Reserve.

In accordance with the Scheme, the Company had restated / revised the value of certain assets of the Company as on the Appointed Date to the extent considered appropriate by the Board of Directors of the Company and accordingly the values of the following assets aggregating to ₹ 114.82 crore had been reduced and adjusted in General Reserve as under :

	Amount ₹ in Crore
1. MAT Credit Entitlement	56.21
2. Investments / I.C.D.	31.74
3. Loans given to the ESOP Trust	19.41
4. Fixed Assets	4.10
5. Inventory of stores and spares	3.36

(8) In the previous year, on closure of manufacturing activities at Vikhroli Plant, the revalued assets had been scrapped / disposed off and adjusted against the Revaluation Reserve.

(9) During the Current year, The Securities and Exchange Board of India (SEBI) has issued the SEBI (Share Based Employee Benefits) Regulation, 2014, which requires that the accounting treatment for employee share based payments to be based on the Guidance Note on Accounting for Employees Share-Based Payments issued by the Institute of Chartered Accountants of India. Accordingly, various Companies in the Group have not included the financial statements of their respective ESOP Trusts in preparation of the standalone financial statements of the respective Companies for the year ended March 31, 2015, as compared to the previous year where the same were consolidated. Consequently, these financials statements do not include the assets, liabilities, income and expenditure of the respective ESOP Trusts and to that extent, the figures for the previous years are not comparable.

(10) To give effect to the Honorable Bombay High Court's Order dated March 8, 2013, an amount of ₹ 110.04 crore standing to the credit of the Securities Premium Account of the Subsidiary Company has been utilised to create Reserve for Employee Compensation Account. The expense in respect of GAVL ESOP scheme of ₹ 94.74 crore (previous year ₹ 83.39 crore) has been charged against the Reserve for Employee Compensation.

Notes to the Consolidated Financial Statements

Note 5 : Long Term Borrowings

	Current Year	Amount ₹ in Crore Previous Year
Secured		
(a) Debentures - refer note 1 below	61.58	82.38
(b) Term Loans		
(i) From Bank - refer note 2 below	509.47	14.72
(ii) From Others - refer note 3 below	24.90	22.02
	534.37	36.74
Unsecured		
(a) Term Loans		
(i) From Banks - refer note 4 below	984.29	764.47
(ii) From Others - refer note 5 below	75.00	-
	1,059.29	764.47
(b) Deferred Payment Liabilities - refer note 6 below	3.93	4.24
(c) Deposits		
(i) Fixed Deposit - refer note 7 below	26.98	262.49
Share in Jointly Controlled Entities	42.01	10.12
Total	1,728.16	1,160.44

Notes :

- (1) Debentures comprise of :
 - (a) 2,871,876, 1% secured optionally convertible debentures of ₹ 10/- each are redeemable on April 10, 2017 and are secured to the extent of specific immovable assets of the Subsidiary Company disclosed under the head Fixed Assets.
 - (b) During the year 267,000, 12% Compulsorily Convertible Debentures of ₹ 1,000/- each have been converted into 50,000 equity shares of ₹ 10/- each.
 - (c) 587,061, 17.45% Compulsorily Convertible Debentures of face value of ₹ 1,000/- each. These Compulsory Convertible Debentures will be converted in to equity shares in the year 2019 based on the Fair Value.
- (2) (a) Secured term loan from Financial Institution: Total Sanction amount ₹ 500 crore bearing interest @ CPLR minus 510 BPS and secured by way of exclusive mortgage and charge of movable and immovable property, right, title interest in the designated account / escrow account and receivables of the project situated at Bandra-Kurla Complex at Mumbai and pledge of 51% of equity shares of Godrej Buildcon Pvt. Ltd. It will be repaid at a certain percentage of all sales receipts from the project, which percentage of sales receivables is subject to review on a quarterly basis. This loan is repayable over a period of 60 months.
- (b) Term loan from Axis Bank of ₹ 9.47 crore carries interest at 11.50% p.a., is secured by hypothecation of moveable plant and machinery, furniture, fixtures consisting of refrigeration and interior work, both present and future. This loan is repayable over a period of 65 months.
- (3) Term loan from Tata Capital Financial Services Ltd. of ₹ 24.90 crore carries interest at 10.80% p.a. This loan is secured by hypothecation of the fixed assets and current assets and is repayable over a period of 61 months.
- (4) Terms of Repayment for Unsecured Borrowings :
 - (a) Unsecured loan from Bank amounting to ₹ 31.25 crore (previous year ₹ 89.87 crore) carries interest at LIBOR + 2.17% p.a., is for a term of 60 months and repayable in September 2016 (previous year September 2015 to September 2016).

Notes to the Consolidated Financial Statements

Note 5 : Long-Term Borrowings (contd.)

Unsecured loan from Bank amounting to ₹ 125 crore (previous year ₹ 119.82 crore) carries interest at LIBOR + 2.5% p.a., is for a term of 60 months and repayable during the period June 2016 to December 2017 (previous year June 2016 to December 2017).

Unsecured loan from Bank amounting to ₹ 125 crore (previous year ₹ 119.82 crore) carries interest at LIBOR + 2.05% p.a., is for a term of 60 months and repayable during the period February 2017 to August 2018 (previous year February 2017 to August 2018).

- (b) Unsecured loan from Bank amounting to ₹ 93.73 crore (previous year ₹ 149.96 crore) carries interest at Base Rate + 0.95% p.a., is for a term upto 60 months and repayable during the period April 2016 to April 2017 (previous year July 2015 to April 2017).
- (c) Unsecured loan from Bank amounting to ₹ 157.96 crore (previous year ₹ Nil) carries interest at LIBOR + 2.40% p.a., is for a term of 60 months and repayable during the period October 2017 to July 2019.
- Unsecured loan from Bank amounting to ₹ 105.91 crore (previous year ₹ Nil) carries interest at LIBOR + 2.35% p.a., is for a term of 60 months and repayable during the period September 2017 to July 2019.
- Unsecured loan from Bank amounting to ₹ 52.44 crore (previous year ₹ Nil) carries interest at LIBOR + 2.45% p.a., is for a term of 60 months and repayable during the period November 2017 to August 2019.
- (d) Unsecured loan from Bank amounting to ₹ 100 crore (previous year ₹ Nil) carries interest at Base Rate + 0.50% p.a., is for a term upto 36 months and repayable during the period May 2017 to February 2018.
- (e) Unsecured loan from Bank amounting to ₹ 50 crore (previous year ₹ 75 crore) carries interest at 10.40% p.a., is for a term upto 36 months and repayable during the period June 2016 to December 2016 (previous year December 2015 to December 2016).
- (f) Term Loans from Banks are at an Interest Rate of 9.80% to 10.75% p.a. These loans are repayable after 13 months - ₹ 50 crore, after 36 months - ₹ 18 crore.
- (g) Unsecured loan from Bank amounting to ₹ 75 crore (previous year ₹ Nil) carries interest at SBI Base Rate + 0.35% p.a., is for a term upto 36 months and repayable during the period July 2017 to January 2018.
- (5) Unsecured loan from Others amounting to ₹ 75 crore (previous year ₹ Nil) carries interest at SBI Base Rate + 0.35% p.a., is for a term upto 60 months and repayable during the period June 2017 to June 2019.
- (6) 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 ₹ 4.24 crore with current maturity disclosed separately in Note No. 11 Other Current Liabilities at ₹ 0.31 crore.
- (7) (a) Fixed deposits from public have a maturity period of 13, 24 or 36 months.
 (b) Fixed Deposits include deposits having maturity of more than 1 year amounting to ₹ 5.48 crore bearing interest rate @ 9.50 % to 10.50% payable half yearly.
- (8) 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 ₹ in Crore	
	Current Year	Previous Year
Liabilities		
(a) WDV of Assets	139.23	95.65
(b) VRS Expenses	0.22	0.37
Assets		
(a) Provision for Retirement Benefits	2.91	3.09
(b) Provision for Doubtful Debts / Advances	7.64	2.46
(c) Others	23.21	5.01
(d) Unabsorbed Depreciation	36.19	-
Share in Jointly Controlled Entities	3.46	1.10
Total	72.96	86.56

Note 7 : Other Long Term Liabilities

	Amount ₹ in Crore	
	Current Year	Previous Year
Deposits	-	0.01
Trade Payables	1.42	1.07
Liability towards beneficiaries of Company's ESOP Trust - As detailed in sub note 9 under Note 4 Reserves and Surplus	-	1.12
Total	1.42	2.20

Note 8 : Long Term Provisions

	Amount ₹ in Crore	
	Current Year	Previous Year
Provision for Employee Benefits	14.58	11.93
Share in Jointly Controlled Entities	0.53	0.33
Total	15.11	12.26

Notes to the Consolidated Financial Statements

Note 9 : Short Term Borrowings

	Amount ₹ in Crore	
	Current Year	Previous Year
Secured		
(a) Debentures - refer note 1 below	76.25	76.25
(b) Term loan from Bank - refer note 2 below	200.00	-
(c) Loans Repayable On Demand		
(i) From Bank - refer note 3 below	604.70	598.02
(ii) From Others - refer note 4 below	750.00	750.00
Unsecured		
(a) Loans Repayable On Demand		
(i) From Bank - refer note 5 & 6 below	958.65	496.68
(ii) From Others - refer note 7 below	36.24	-
(b) Other Loans and Advances		
(i) Commercial Papers - refer note 8 below	1085.50	823.00
Share in Jointly Controlled Entities	12.26	37.05
Total	3,723.60	2,781.00

Notes :

- (1) 7,624,900, 10% Cumulative Optionally Convertible Class B Debentures of face value of ₹ 100/- each are secured by way of second mortgage / charge 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 after the completion of project. The interest shall be accrued on an annual basis.
- (2) Secured Loan availed from Bank is secured by hypothecation of the current assets of the Company. Immovable property of the Company at Vikhroli, Mumbai - Godrej One (5th Floor) and Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) is provided as collateral security and carries interest at 10%, repayable on June 14, 2015.
- (3) (a) Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.
 (b) Secured Loan includes cash credit availed from Bank which is secured by hypothecation of the current assets of the Company. Immovable property of the Company at Vikhroli, Mumbai - Godrej One (5th Floor) and Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) is provided as collateral security and carries interest at Base Rate + 0.35% p.a. effective rate 10.35% p.a.
- (4) Secured loan from Financial Institution : Sanction amount ₹ 750.00 crore bearing interest @ CPLR minus 510 BPS and secured by way of exclusive mortgage and charge of movable and immovable property, right, title interest in the designated account / escrow account and receivables of the project situated at Bandra Kurla Complex at Mumbai and pledge of 51% of equity shares of Godrej Buildcon Pvt. Ltd. The loan will be repaid from the 6th month from the date of first disbursement at a certain percentage of all sales receipts from the project, percentage of sales receivables is subject to review on a quarterly basis. This loan is repayable over a period of 60 months.
- (5) (a) Unsecured loan from Bank is at base rate and repayable within 6 months.
 (b) Unsecured loan from Bank amounting to ₹ 25 crore (previous year ₹ Nil) carries interest at Base Rate and is repayable by April 2015.
 (c) Unsecured loan from Bank amounting to ₹ 25 crore (previous year ₹ Nil) carries interest at Base Rate + 0.10% p.a., and is repayable by June 2015.
 (d) Unsecured loans from Bank aggregating to ₹ 50 crore (previous year ₹ 55 crore) carries interest at 10.20% p.a., and is repayable by September 2015.

Notes to the Consolidated Financial Statements

Note 9 : Short Term Borrowings (contd.)

- (6) (a) Term Loans from Banks are at an interest rate of 9.25% to 10.75% p.a. These loans are repayable on different dates upto 3 months from the date of the Financial Statements.
- (b) Unsecured overdraft facility amounting to ₹ 24.40 crore carries interest at Base Rate + 25 basis point. Present effective rate is 9.90% p.a., ₹ 92.20 crore of overdraft at Base Rate, present effective rate @ 10.25%.p.a. Unsecured Invoice Financing is availed amounting to ₹ 36.61 crore carrying interest of 9.95% p.a.
- (7) Other loans include :
- (a) Term loan amounting to ₹ 200 crore availed carrying interest at Base Rate + 10 basis point p.a. Present effective rate is 10.25% p.a. Out of the above ₹ 100 crore is repayable on September 17, 2015, ₹ 70 crore is repayable on October 29, 2015 and ₹ 30 crore is repayable on October 25, 2015.
- (b) Term Loan amounting to ₹ 120 crore, availed at rate of Interest at 9.65 % p.a., repayable on September 03, 2015.
- (c) ₹ 100 crore availed from Commercial Papers carrying interest at 8.95% p.a., repayable on May 25, 2015.
- (d) ₹ 150 crore availed from Commercial Papers carrying interest at 8.95% p.a., repayable on May 26, 2015.
- (e) Cash Credit from Banks is repayable on demand and carries interest at 10.35% to 13.65% p.a.
- (8) (a) Commercial Papers of ₹ 590 crore (preveious year ₹ 473 crore) carries interest at 8.48% to 9% p.a. and are repayable during the period April to August 2015.
- (b) Commercial Papers of ₹ 50 crore carrying interest at 9.50% p.a., repayable on April 28, 2015.
- (c) Commercial Papers of ₹ 100 crore carrying interest at 9.50% p.a., repayable on May 5, 2015.
- (d) Commercial Papers of ₹ 60 crore carrying interest at 9.64% p.a., repayable on May 18, 2015.
- (e) Commercial Papers of ₹ 75 crore carrying interest at 9.65% p.a., repayable on May 29, 2015.
- (f) Commercial Papers of ₹ 75 crore carrying interest at 9.04% p.a., repayable on June 23, 2015.
- (g) Loan from partners of ₹ 10.50 crore out of which ₹ 3 crore carries interest @18% p.a.
- (h) During the year, Commercial Paper raised and repaid of ₹ 300 crore (previous year ₹ 250 crore) carrying interest rates of 8.14% to 9.05% p.a. Outstanding balance as at year end of such Commercial Papers is ₹ 125 crore (previous year ₹ Nil).
- (9) The Group does not have any default as on the Balance Sheet date in repayment of loan or interest.

Note 10 : Trade Payables

	Amount ₹ in Crore	
	Current Year	Previous Year
Trade Payables		
(a) Outstanding dues of Micro and Small Enterprise - refer note 1 below	2.08	2.35
(b) Others	1,100.38	1,238.71
Acceptances	669.27	723.03
Share in Jointly Controlled Entities	14.35	8.95
Total	1,786.08	1,973.04

Note :

- (1) Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Group 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, 2015 to Micro, Small and Medium Enterprises on account of principal or interest (previous year ₹ Nil).

Notes to the Consolidated Financial Statements

Note 11 : Other Current Liabilities

	Amount ₹ in Crore	
	Current Year	Previous Year
Current Maturities of Long Term Debts		
(a) Secured Loan from Banks	9.43	3.80
(b) Unsecured		
(i) Loan from Bank	193.74	54.96
(ii) Fixed Deposit - refer note 1 below	230.17	166.62
	433.34	225.38
Current Maturities of Finance Lease Obligations	-	0.01
Current Maturities of Deferred Sales Tax Liability - refer sub note 6 of Note 5 Long Term Borrowings	0.31	0.27
Interest Accrued but not Due on Borrowings	26.51	20.17
Unclaimed Dividends	0.39	0.37
Unclaimed Matured Deposit - refer note 2 below		
(a) Principal Amount	5.11	3.05
(b) Interest Accrued Thereon	0.17	0.16
	5.28	3.21
Other Payables		
(a) Advances from Customers	831.61	691.83
(b) Sundry Creditors	66.98	80.89
(c) Forward Cover Contracts Payable	-	16.18
(d) Unamortised Forward Cover Premium	0.96	-
(e) Due to Management Projects	1.66	2.63
(f) Statutory Liabilities	63.33	39.39
(g) Deposits	59.00	49.66
(h) Other Liabilities	187.26	171.16
	1,210.80	1,051.74
Other Payables of ESOP Trust - As detailed in sub note 9 under Note 4 Reserves and Surplus		
(a) Other Liabilities	-	0.07
(b) Statutory Liabilities	-	0.01
	-	0.08
Share in Jointly Controlled Entities	22.58	9.81
Total	1,699.21	1,311.04

Notes :

- Deposits having maturity in one year amounting to ₹ 196.69 crore bearing interest rate @ 9 % to 10.50% p.a. payable half yearly.
- There is no amount due and outstanding to be credited to the Investor Education & Protection Fund, in respect of matured but unclaimed Fixed Deposits / Loans and any unclaimed interest.

Notes to the Consolidated Financial Statements

Note 12 : Short Term Provisions

	Amount ₹ in Crore	
	Current Year	Previous Year
Provision for Employee Benefits	8.86	4.25
Proposed Dividend - refer note 1 below	58.80	58.70
Provision for Tax on Distributed Profit	20.21	25.05
Provision for Tax	10.72	9.11
Other Provision	0.30	-
Share in Jointly Controlled Entities	1.42	0.77
Total	100.31	97.88

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 2014-15.

Notes to the Consolidated Financial Statements

Note 13 : Fixed Assets

Amount ₹ in Crore

ASSETS	GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK	
	As on 01.04.2014	Additions	Deductions/ Adjustments	As on 31.03.2015	Upto 31.03.2014	Deductions/ Adjustments	For the Year	Upto 31.03.2015	As on 31.03.2015	As on 31.03.2014
Tangible Assets										
(a) Land										
(i) Freehold	45.56	1.88	-	47.44	-	-	-	-	47.44	45.56
(ii) Leasehold	31.44	3.56	-	35.00	1.47	-	0.36	1.83	33.17	29.97
(b) Live / Biological assets	-	0.46	-	0.46	-	-	0.02	0.02	0.44	-
(c) Buildings	377.87	43.26	8.89	412.24	57.49	0.62	17.34	74.21	338.03	320.38
(d) Plant and Equipment	977.53	127.71	17.33	1,087.91	359.57	14.02	41.99	387.54	700.37	617.96
(e) Research Centre	0.84	0.01	0.01	0.84	0.34	(0.01)	0.11	0.46	0.38	0.50
(f) Furniture and Fixtures	34.93	5.26	1.06	39.13	15.26	0.32	3.98	18.92	20.21	19.67
(g) Office and Other Equipment	42.83	9.84	0.71	51.96	12.83	(4.32)	7.63	24.78	27.18	30.00
(h) Vehicles / Vessels										
(i) Own	46.12	15.81	2.78	59.15	16.45	1.31	7.00	22.14	37.01	29.67
(ii) Under Finance Lease	0.03	-	-	0.03	0.02	-	0.01	0.03	-	0.01
(i) Tree Development Cost	4.15	-	-	4.15	3.23	-	0.11	3.34	0.81	0.92
(i) Share in Jointly Controlled Entities	110.61	10.53	0.60	120.54	32.51	0.24	9.03	41.30	79.24	78.10
Total Tangible Assets	1,671.91	218.32	31.38	1,858.85	499.17	12.18	87.58	574.57	1,284.28	1,172.74
Intangible Assets										
(a) Trademarks	49.14	5.16	-	54.30	27.37	0.33	5.71	32.75	21.55	21.77
(b) Technical Knowhow Fees	2.00	-	-	2.00	2.00	-	-	2.00	-	-
(c) Software	32.13	7.60	0.83	38.90	21.20	0.09	3.99	25.10	13.80	10.93
(d) Share in Jointly Controlled Entities	1.03	0.09	-	1.12	0.53	-	0.20	0.73	0.39	0.50
Total Intangible Assets	84.30	12.85	0.83	96.32	51.10	0.42	9.90	60.58	35.74	33.20
TOTAL - Current Year	1,756.21	231.17	32.21	1,955.17	550.27	12.60	97.48	635.15	1,320.02	
- Previous Year	1,324.90	552.06	120.75	1,756.21	571.91	97.09	75.45	550.27		1,205.94
Capital Work in Progress									774.01	463.56
Intangible Assets Under Development									0.67	2.02
Total									2,094.70	1,671.52

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.
 - Plant & Machinery is net of capital subsidy received during the year of ₹ 0.50 crore (previous year ₹ 2.06 crore).
 - Depreciation for the year includes ₹ Nil (previous year ₹ 0.76 crore) being depreciation on revalued component of the fixed assets.
 - Gross block deductions / adjustments includes ₹ Nil (previous year ₹ 36.16 crore) and Depreciation / Impairment Deduction / Adjustments includes ₹ Nil (previous year ₹ 29.20 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 .
 - Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from the Company), Hyderabad (as part of the merger of Godrej Plant Biotech Limited), Pune (as part of the merger of Goldmohr Foods & Feeds Ltd) and at Khopoli are being complied with. Stamp duty payable thereon is not presently determinable.
 - To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account (refer sub note 4 under Note 4 Reserves and Surplus)
 - Capital work in progress is net of impairment loss of ₹ 2.04 crore (previous year ₹ 2.04 crore) provided on an infertuous asset under construction.
 - Capital work in progress includes ₹ 16.31 crore (previous year ₹ Nil) 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 ₹ 76.09 crore (previous year ₹ 53.57 crore).
 - Addition to Plant and Machinery includes ₹ 15.74 crore (previous year ₹ 29.03 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 ₹ Nil (previous year ₹ 9.65 crore)
 - In the previous year, in accordance with the Scheme of Amalgamation of Swadeshi Detergents Limited, the Company has restated / revised the value of certain Plant & Machinery from ₹ 4.10 crore to ₹ Nil and adjusted the same in General Reserve.
 - Plant and Machinery at Vikhroli location having net block of ₹ 3.93 crore are Assets held for Sale and is classified under Other Current Assets.
 - Capital expenses incurred on Research & Development Centre Activities of a Subsidiary are included under the respective heads.
 - Consequent to the enactment of the Companies Act, 2013, (the Act) and its applicability for accounting periods commencing on or after April 1, 2014, the Group has adopted the estimated useful life of fixed assets as stipulated by Schedule II to the Act, except in the case of Plant and Machinery where, based on the condition of the plants, regular maintenance schedule, material of construction and past experience, the Group has considered useful life of 30 years instead of 20 years and one Subsidiary Company has considered useful life of Plant and Machinery as 20 years instead of 15 years and useful life of Computer Hardware as 4 years instead of 3 years.
- Accordingly, the Group has re-worked depreciation with reference to the estimated useful lives of fixed assets as prescribed by Schedule II to the Act. In case of assets whose useful life has been completed based on such estimates, the carrying value, net of residual value and taxes, as at April 1, 2014, amounting to ₹ 4.91 crore has been adjusted in the opening balance of retained earnings and in other cases the carrying value is being depreciated over the remaining useful life of the assets and recognised in the Statement of Profit and Loss. As a result of the above mentioned changes, the charge for depreciation is lower by ₹ 1.53 crore for the year ended March 31, 2015.

Notes to the Consolidated Financial Statements

Note 14 : Non Current Investments

Investee Company / Entity	Face value (₹)	Number		Notes	Amount ₹ in 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	80,277,620	77,029,620		1,962.57	1,486.69
(ii) Unquoted						
Creamline Dairy Products Limited	10	-	2,671,993		-	28.50
Polchem Hygiene Laboratories Private Limited	10	455,000	455,000		5.85	4.83
Al Rahaba International Trading Limited Liability Company	AED 1500	24	24		4.07	5.16
Personalitree Academy Ltd.	10	389,269	389,269		1.10	1.10
Less : Provision for Diminution in the Value of Investments					(1.10)	(1.10)
(b) Others						
(i) Quoted						
Zicom Electronics Security System Ltd.	10	407,050	404,901		3.25	3.12
Ruchi Soya Industries Ltd.	2	374,923	209,709		1.51	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 the Value of Investments					(0.44)	(0.44)
Avesthagen Ltd.	7	469,399	469,399	(a)	10.63	10.63
Less : Provision for Diminution in the Value of Investments					(10.63)	(10.63)
CBay Infotech Ventures Pvt. Ltd.	10	112,579	112,579	(a)	2.33	2.33
Less : Provision for Diminution in the Value of Investments					(2.33)	(2.33)
Gharda Chemicals Ltd.	100	114	114	(b)	0.12	0.12
Less : Provision for Diminution in the Value of Investments					(0.12)	(0.12)
HyCa Technologies Pvt. Ltd.	10	12,436	12,436	(a)	1.24	1.24
Less : Provision for Diminution in the Value of Investments					(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 the Value of Investments					(6.91)	(6.91)
					-	-

Notes to the Consolidated Financial Statements

Note 14 : Non Current Investments (contd.)

Investee Company / Entity	Face value (₹)	Number		Notes	Amount ₹ in Crore	
		Current Year	Previous Year		Current Year	Previous Year
The Saraswat Co-op. Bank Ltd.	10	6,000	6,000		0.01	0.01
Sachin Industrial Co-operative Society Ltd. *	500	3	3		0.00	0.00
New Market Limited	£ 1	100	100		12.84	12.31
Isprava Technologies Ltd. (formerly karROX Technologies Ltd.)	10	125,000	125,000		0.55	0.50
Indian Fund for Sustainable Energy (Infuse Capital)	100	101,952	-		1.02	-
Aadhaar Wholesale Trading & Distribution Ltd.	10	-	7,195,400		-	34.65
Less : Provision for Diminution in the Value of Investments					-	(34.65)
Others *					0.00	-
2. Investment in Preference Shares (Fully paid unless stated otherwise)						
Unquoted						
Tahir Properties Ltd. (Class - A) (partly paid) *	100	25	25	(c)	0.00	0.00
Verseon Corporation - Class A Preferred Shares	\$0.001	2,631,578	2,631,578	(a) & (d)	11.42	11.42
Less : Provision for Diminution in the Value of Investments					(11.42)	(11.42)
Verseon Corporation - Class B Preferred Shares	\$0.001	715,668	-	(d)	10.62	-
Less : Provision for Diminution in the Value of Investments					(10.62)	-
3. Investment in Partnership Firm						
View Group LP *		-	-	(e)	0.00	0.00
Less : Provision for Diminution in the Value of Investments					0.00	0.00
4. Other Non-Current Investments						
(a) Limited Liability Partnership						
Crop Science Advisors Limited Liability Partnership					0.01	0.00
(b) Investment in Units of Venture Capital Fund						
Omnivore India Capital Trust	100,000	1,250	875		12.49	8.75
Total					2,004.13	1,550.64
Aggregate Amount of Quoted Investments					1,967.34	1,490.58
Aggregate Amount of Unquoted Investments					81.59	128.90
Aggregate Provision for Diminution in the Value of Investments					44.80	68.84
Market Value of Quoted Investments					8,363.48	6,563.82

* Amount less than ₹ 0.01 crore.

Notes to the Consolidated Financial Statements

Notes :

- (a) In the previous year, in accordance with the Scheme of Amalgamation of Swadeshi Detergents Limited with the Company, as approved by the Honourable Bombay High Court, the Company had restated / revised 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).
- (d) (i) During the year, the outstanding principal amount of Optionally Convertible Notes (OCN) amounting to ₹ 3.98 crore along with accrued interest thereon amounting to ₹ 6.64 crore have been converted into Class B Preferred Shares. The entire investment in Verseon Corporation has been fully provided for.
 (ii) Subsequent to the Balance Sheet date, the Company's holding of 26,31,578 Class A Preferred Shares and 7,15,668 Class B Preferred Shares have been converted into 66,94,492 New Common Shares in Verseon Corporation.
 (iii) The Company also has a right to Warrants which entitles it to 85,587 Class B Preferred Stock which would subsequently get converted into 1,71,174 New Common Shares in Verseon Corporation in satisfaction of the notice of exercise of the warrants.
- (e) View Group LP has been dissolved on December 14, 2012, however, the Company has still not received an approval from RBI for writing off the investment.

Information on partnership firm - View Group

Sr. No.	Name of the partner	Country	% Holding	% Holding
			Current Year	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 ₹ in Crore	
	Current Year	Previous Year
Liabilities		
(a) WDV of Assets	2.13	1.54
Assets		
(a) On Fixed Assets	0.33	-
(b) Others	6.28	3.69
Total	4.48	2.15

Notes to the Consolidated Financial Statements

Note 16 : Long Term Loans And Advances

	Current Year	Amount ₹ in 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 - refer note 2 below	115.88	108.31
Unsecured and Considered Good (Unless otherwise stated)		
(a) Capital Advances		
Considered Good	26.48	37.62
Considered Doubtful - refer note 3 below	0.03	0.03
Less : Provision for Doubtful Advances	<u>(0.03)</u>	<u>(0.03)</u>
	26.48	37.62
(b) Deposits	26.91	21.10
(c) Prepaid Expense	0.32	0.38
(d) Advances to Suppliers	3.20	0.11
(e) Other Loans and Advances		
(i) Loans to Employees	0.95	1.02
(ii) Advance Tax (Net of Provision for Tax)	76.78	48.43
(iii) Statutory Deposits	25.39	23.70
(iv) Other Loans	3.35	3.00
Share in Jointly Controlled Entities	6.07	4.34
Total	<u>285.33</u>	<u>248.01</u>

Notes :

(1) The Company had advanced an amount of ₹ 10.33 crore to certain individuals who also pledged certain equity shares as security against the said advance. The Company has enforced its security and lodged the shares for transfer in its name. The said transfer application was rejected and Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company had filed an appeal before the Hon'ble High Court against the order of the Company Law Board under Section 10 F of the Companies Act, 1956, 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, and the petition is pending before the Bombay High Court.

The Management is confident of recovery of this amount as underlying value of the said shares is substantially greater than the amount of loan and interest thereon. However, on a conservative basis, the Company has provided for the entire amount of ₹ 10.33 crore in the books of account.

(2) Secured Deposits includes projects which are secured against Terms of Development Agreement.

(3) Advance paid towards share application money to Personalitree Academy Ltd. (an Associate Company) which is considered Doubtful.

Notes to the Consolidated Financial Statements

Note 17 : Other Non Current Assets

	Current Year	Amount ₹ in Crore Previous Year
Secured		
(a) Interest Accrued on Loans		
Considered Doubtful - refer note 1 below	3.15	3.15
Less : Provision for Doubtful Loans	<u>(3.15)</u>	<u>(3.15)</u>
	-	-
Unsecured		
(a) Interest Accrued on Investments		
Considered Doubtful	1.11	1.63
Less : Provision for Doubtful Interest Accrued	<u>(1.11)</u>	<u>(1.63)</u>
	-	-
(b) Other Long Term Receivables		
Considered Doubtful	2.58	3.18
Less : Provision for Doubtful receivables	<u>(2.58)</u>	<u>(3.18)</u>
	-	-
(c) Claims / Expenses Recoverable	2.21	2.10
(d) Bank Deposit with more than 12 months maturity - refer note 2 below	25.71	3.33
(e) Others	0.03	-
Share in Jointly Controlled Entities	4.05	-
Total	<u>32.00</u>	<u>5.43</u>

Notes :

- (1) Interest on loan referred to in sub note 1 of Note 16 above, amounting to ₹ 3.15 crore (previous year ₹ 3.15 crore) was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.
- (2) (a) Deposit with Bank is held as Margin Money and lien marked for issuing bank guarantee of ₹ 25.08 crore (previous year ₹ 2.75 crore).
 - (b) Fixed Deposits of ₹ 0.31 crore (previous year ₹ 0.34 crore) are pledged with a Bank for guarantees issued.
 - (c) Fixed Deposit of ₹ 0.10 crore (previous year ₹ Nil) 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 ₹ in Crore Previous Year
1. Investment in Mutual Funds			
Unquoted			
UTI Money Market - Institutional Plan - Growth		1.07	-
Taurus - Liquid Fund-Super Institutional Growth		41.97	-
HDFC Banking & PSU Debt Fund Regular - Growth		56.00	-
UTI Liquid Fund Cash Plan -IP - Growth		25.00	-
Peerless Liquid Fund - Super IP - Growth		-	31.17
Reliance Liquid Fund - TP - Growth		73.25	137.34
Religare Invesco Liquid Fund - Growth Plan		30.73	83.20
Religare Invesco Credit Opportunities Fund - Growth		51.65	-
Axis Liquid Fund - Growth (CFGPG)		0.09	62.03
Birla Sun Life Cash Plus - Growth - Regular Plan		10.86	94.00
HDFC Cash Management Fund - Saving Plan - Growth		2.79	66.45
ICICI Prudential Liquid - Regular - Growth Plan		0.50	104.32
L&T Liquid Fund - Growth		25.00	25.00
Sundaram Money Fund - Reg - Growth		42.25	76.00
Baroda Pioneer Liquid Fund-Plan A - Growth		61.95	83.78
Taurus - Liquid Fund-Super Insti Growth		-	2.03
HDFC Liquid Fund - Growth		60.59	15.99
Tata Money Market Fund Plan - Growth		25.00	2.20
SBI Premier Liquid fund (Growth)		4.36	1.90
DSP Blackrock Liquidity Fund - IP - Growth		16.00	-
ICICI Prudential Money Market Fund - Regular - Growth Plan		90.22	-
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 the Value of Investments		<u>(3.00)</u>	<u>(3.00)</u>
		-	-
Boston Analytics Inc. (20%)	(a)	6.73	6.73
Less : Provision for Diminution in the Value of Investments		<u>(6.73)</u>	<u>(6.73)</u>
		-	-
Boston Analytics Inc. (12%)	(b)	4.69	4.69
Less : Provision for Diminution in the Value of Investments		<u>(4.69)</u>	<u>(4.69)</u>
		-	-
Verseon Corporation (13%)	(c)	-	3.98
Less : Provision for Diminution in the Value of Investments		-	<u>(3.98)</u>
		-	-

Notes to the Consolidated Financial Statements

Note 18 : Current Investments (Contd.)

Investee Company / Entity	Notes	Current Year	Amount ₹ in Crore Previous Year
3. Trade Investment (At lower of Cost and fair value)			
Quoted :			
(a) Investment in Equity Instruments (Fully paid)			
Future Consumer Enterprises Limited	(d)	38.60	-
Less : Provision for Diminution in the Value of Investments		<u>(1.99)</u>	-
		36.61	-
Unquoted :			
(a) Investment in Associate Companies (Fully paid)			
Creamline Dairy Products Limited	(e)	30.81	-
		<u>686.70</u>	<u>785.41</u>
Total		<u>38.60</u>	-
Aggregate Amount of Quoted Investments		664.51	803.81
Aggregate Amount of Unquoted Investments		16.41	18.40
Aggregate Provision for Diminution in the Value of Investments		36.64	-
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) In the previous year, in accordance with the Scheme of Amalgamation of Swadeshi Detergents Limited, the Company had restated / revised the value of investments amounting to ₹ 3.98 crore and adjusted the same in General Reserve. Also refer to sub note (a) under note 14 Non Current Investments.
- (d) During the year under review, a Subsidiary Company has sold its investment in shares of Aadhaar Wholesale Trading & Distribution Limited (value of which was restated in the previous year to NIL in accordance with the approval of the Bombay High Court) in consideration for shares in Future Consumer Enterprises Ltd. Consequently, the value of this investment was reinstated to its cost and the same has been recognised in the Statement of Profit and Loss as an Exceptional Income.
- (e) In the current year, the Management has decided to divest its stake in Creamline Dairy Products Ltd. Consequently, the same has been reclassified as current investment as at the balance sheet date.

Notes to the Consolidated Financial Statements

Note 19 : Inventories

	Amount ₹ in Crore	
	Current Year	Previous Year
Raw Material	294.00	313.32
Packing Material	2.19	1.91
Work in Progress	94.53	78.21
Construction Work in Progress	4,661.61	3,676.30
Stock Under Cultivation	10.01	15.12
Finished Goods	98.94	103.80
Finished Goods - Property Development - refer note 3 below	46.16	45.54
Poultry Stock	3.84	2.11
Stock in Trade	68.90	61.38
Stores and Spares - refer note 2 below	18.00	13.10
Share in Jointly Controlled Entities	37.52	38.65
Share in Jointly Controlled Entities - Property Development	19.35	4.95
Total	5,355.05	4,354.39

Notes :

- (1) Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of cenvat.
- (2) In the previous year, in accordance with the Scheme of Amalgamation of Swadeshi Detergents Limited, the Company had restated / revised the value of certain Stores and Spares from ₹ 3.36 crore to ₹ Nil and adjusted the same in General Reserve.
- (3) Finished Goods - Property Development includes shares of Tahir Properties Limited at cost or net realisable value (whichever is lower) :
 - (a) 70 Equity shares of ₹ 100/- each, ₹ 20/- paid up.
 - (b) 75 Redeemable Preference Class A shares of ₹ 100/- each, ₹ 70/- paid up.

Note 20 : Trade Receivables

	Amount ₹ in 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	5.90	3.82
(b) Others	83.31	76.94
Unsecured		
Considered Good		
(a) Outstanding for a period exceeding six months from the date they are due for payment	90.70	54.75
(b) Others	430.02	393.88
Considered Doubtful		
(a) Outstanding for a period exceeding six months from the date they are due for payment	1.41	0.99
(b) Allowance for Doubtful Debts	(1.41)	(0.99)
Share in Jointly Controlled Entities	16.65	13.79
Total	626.58	543.18

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 ₹ in Crore	
	Current Year	Previous Year
Cash and Cash Equivalents		
Balances with Banks		
(a) Current Accounts - refer note 3 below	85.71	110.84
(b) ESOP Trust Bank Balances - As detailed in sub note 9 under Note 4 Reserves and Surplus	-	0.74
(c) Deposit having Maturity less than 3 months - refer notes 1 & 2 below	85.28	161.70
Cheques, drafts on hand	1.16	3.96
Cash on Hand	2.21	2.28
Share in Jointly Controlled Entities	13.55	7.15
	187.91	286.67
Other Bank Balances		
(a) Deposit with more than 3 months but less than 12 months maturity - refer note 1 below	53.87	19.00
(b) Other Bank Balances - Unclaimed Dividend	0.35	0.33
Total	242.13	306.00

Notes :

- (1) (a) Fixed Deposit of ₹ Nil (previous year ₹ 1.42 crore) held as margin money.
- (b) Fixed Deposit of ₹ 0.48 crore (previous year ₹ 0.46 crore) is held by bank as security against guarantees issued.
- (c) Fixed Deposits of ₹ 0.03 crore (previous year ₹ 0.01 crore) are pledged with a Bank for guarantees issued.
- (2) Balances with Banks on Deposit Accounts include ₹ 3.80 crore (previous year ₹ 3.71 crore) received from flat buyers and held in trust on their behalf in a corpus fund.
- (3) Balances with Banks in Current Accounts include ₹ 0.05 crore (previous year ₹ 0.04 crore) earmarked balance for unclaimed dividend.

Notes to the Consolidated Financial Statements

Note 22 : Short Term Loans And Advances

	Current Year	Amount ₹ in Crore Previous Year
Secured		
(a) Short Term Loans and Advances - refer note 1 below	60.24	56.09
(b) Secured Deposits - Projects - refer note 2 below	352.74	516.58
Unsecured		
(a) Advances to Related Parties	17.08	3.45
(b) Loans and Advance		
(i) Loans to Employees	0.61	0.58
(ii) Loans and Advances to others	209.40	185.82
(iii) Loan to ESOP Trusts		
Considered Good	149.00	117.62
Considered Doubtful	43.88	37.99
	192.88	155.61
Less : Amount adjusted against ESOP Trust loan liability - As detailed in sub note 9 under Note 4 Reserves and Surplus	-	(155.61)
	192.88	-
Less : Provision for Doubtful Loans - refer note 6 below	(43.88)	(37.99)
Provision for doubtful loan written back in ESOP Trust Adjustments	-	37.99
	(43.88)	-
	149.00	-
(iv) Due on Management Projects - refer note 3 below	19.73	19.59
(v) Development Manager Fees Accrued but not due - refer note 4 below	4.45	4.45
(vi) Advances to Suppliers		
Considered Good	20.48	26.03
Considered Doubtful	0.37	0.32
Less : Provision for Doubtful Advances	(0.37)	(0.32)
	20.48	26.03
(vii) Advance Tax	0.01	-
(viii) Other Advances		
Considered Good	66.54	53.58
Considered Doubtful	0.28	0.11
Less : Provision for Doubtful Advances	(0.28)	(0.11)
	66.54	53.58
(c) Inter Corporate Deposits - refer note 5 below		
Considered Good	31.63	24.90
Considered Doubtful	5.77	5.77
Less : Provision for Doubtful Deposits	(5.77)	(5.77)
	31.63	24.90
(d) Deposits		
(i) Statutory Authorities	22.46	30.90
(ii) Others	64.31	15.39
Share in Jointly Controlled Entities	63.30	41.07
Total	1,081.98	978.43

Notes :

- Secured Loans & Advances are secured against Bank Guarantee received from vendors.
- Secured Deposits - Projects are Secured against Terms of Development Agreement.
- 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.
- A Subsidiary Company has entered into a 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.
- In the previous year, in accordance with the Scheme of Amalgamation of Swadeshi Detergents Limited, the Company had made a Provision for Doubtful Inter Corporate Deposit of ₹ 8.14 crore and adjusted the same in General Reserve. Also any realisation of assets which were considered for revision / restatement had been accounted in the Statement of Profit and Loss.
- In the previous year, in accordance with the Scheme of Amalgamation of Swadeshi Detergents Limited, the Company had made a provision of doubtful loan of ₹ 19.41 crore and adjusted the same in General Reserve. Also any realisation of assets which were considered for revision / restatement had been accounted in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

Note 23 : Other Current Assets

	Current Year	Amount ₹ in Crore Previous Year
Unbilled Revenue	530.36	283.60
Other Receivables	13.40	12.37
Other Receivables of ESOP Trust - As detailed in sub note 9 under Note 4 Reserves and Surplus	-	1.25
Interest Accrued on Loans and Deposits	20.12	14.00
Forward Cover Contracts Receivable	2.02	5.75
Unamortised Premium on Forward Cover Contracts	-	4.80
Assets held for Sale	3.93	-
Share in Jointly controlled Entity	2.63	(0.53)
Total	572.46	321.23

Notes to the Consolidated Financial Statements

Note 24 : Contingent Liabilities

	Amount ₹ in Crore	
	Current Year	Previous Year
a) Claims against the Group not acknowledged as debts :		
(i) Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Group has contested and is in appeal at various levels.	107.89	87.89
(ii) Customs Duty demands relating to lower charge, differential duty, classification, etc.	4.34	4.34
(iii) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc at various levels.	48.15	33.76
(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.	89.44	37.18
(vii) Industrial relations matters under appeal.	2.53	2.38
(viii) Others	22.38	12.21
b) Guarantees :		
(i) Guarantees issued by banks, including guarantees issued in respect of matters reported in (a) above.	37.00	36.42
(ii) Guarantees given by the Group in respect of refund received from excise authority for exempted units of associate Company - refer note 1 below.	19.86	-
(iii) Guarantees given by the Group in respect of credit / guarantee limits sanctioned by banks to subsidiary and other companies.	96.47	50.98
c) Other Money for which the Company is Contingently Liable :		
(i) Letter of credit issued by bank on behalf of the Group.	22.49	10.40
(ii) Case / Claim filed by Processors for claiming various expense.	6.71	8.03
(iii) Bonds issued by Group on behalf of fellow subsidiary.	20.28	20.28
d) Share in Jointly Controlled Entities	0.19	-
e) Share in Associates	68.38	145.88

Note :

- (1) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its Financial Statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its Financial Results.

Note 25 : Commitments

	Amount ₹ in Crore	
	Current Year	Previous Year
a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	70.02	187.94
b) Uncalled liability on party paid shares / debentures*	0.00	0.00
c) Other Commitments :		
(i) Contracts for Purchase of Raw Material	78.88	85.34
(ii) Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work, etc.	1,347.55	1,653.84
d) Share in Jointly Controlled Entities	0.99	0.37
e) Share in Associates	6.24	12.27

* Amount less than ₹ 0.01 crore.

Notes to the Consolidated Financial Statements

Note 26 : Revenue from Operations

Particulars	Amount ₹ in Crore	
	Current Year	Previous Year
Sales	8,884.01	7,553.90
Licence Fees and Service Charges	12.22	10.70
Other Operating Revenues		
(a) Export Incentives	15.11	16.24
(b) Processing Charges	2.66	2.35
(c) Sale of Scrap	25.30	21.88
(d) Sale of Services	76.69	70.98
(e) Other Income from Project	-	22.50
(f) Compensation Received from Project	4.63	7.00
(g) Others	17.23	3.65
Share in Jointly Controlled Entities	285.81	298.97
Total Gross Revenue from Operations	9,323.66	8,008.17
Excise Duty	(93.15)	(90.24)
Total	9,230.51	7,917.93

Note 27 : Other Income

Particulars	Amount ₹ in Crore	
	Current Year	Previous Year
Interest Income (Gross)	36.54	46.54
Less : Capitalised to Fixed Assets	-	(3.06)
Interest Income (Net)	36.54	43.48
Profit on Sale of Long Term Investments	0.54	58.97
Profit on Sale of Current Investments	68.06	5.95
Profit on Sale of Fixed Assets (Net)	4.55	1.96
Dividend	0.07	0.11
Miscellaneous Income	17.08	16.61
Share in Jointly Controlled Entities	2.44	1.88
Total	129.28	128.96

Notes to the Consolidated Financial Statements

Note 28 : Cost of Materials Consumed

	Amount ₹ in Crore	
	Current Year	Previous Year
Raw Materials Consumed		
(a) Inventory at the Commencement of the Year	313.32	252.88
(b) Add : Purchases (net)	3,432.39	3,384.50
	3,745.71	3,637.38
(c) Less : Inventory at the Close of the Year	(294.00)	(313.32)
	3,451.71	3,324.06
Share in Jointly Controlled Entities	158.97	180.06
Packing Materials Consumed		
(a) Inventory at the Commencement of the Year	1.91	1.67
(b) Add : Purchases (net)	36.21	34.74
	38.12	36.41
(c) Less : Inventory at the Close of the Year	(2.19)	(1.91)
	35.93	34.50
Total	3,646.61	3,538.62

Note 29 : Cost of Sales - Property Development

	Amount ₹ in Crore	
	Current Year	Previous Year
(a) Inventory at the Commencement of the Year	3,726.79	3,235.19
(b) Add : Purchases (net)	2,467.27	1,298.23
	6,194.06	4,533.42
(c) Less : Inventory at the Close of the Year	(4,727.12)	(3,726.79)
Total	1,466.94	806.63

Note 30 : Changes in Inventory of Finished Goods, Work in Progress and Stock in Trade

	Amount ₹ in Crore	
	Current Year	Previous Year
Inventory at the Commencement 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
Less : Stock Adjustment for subsidiaries merged	-	(0.65)
Less : Inventory at the Close of the Year		
(a) Finished Goods	(98.94)	(103.80)
(b) Work in Progress	(94.53)	(78.21)
(c) Stock Under Cultivation	(10.01)	(15.12)
(d) Poultry Stock	(3.84)	(2.11)
(e) Stock in Trade	(68.90)	(61.38)
	(276.22)	(260.62)
Share in Jointly Controlled Entities	(1.89)	(0.31)
Total	(17.49)	(83.57)

Notes to the Consolidated Financial Statements

Note 31 : Employee Benefits Expenses

	Amount ₹ in Crore	
	Current Year	Previous Year
Salaries and Wages	256.76	233.62
Contribution to Provident and Other Funds	26.43	15.42
Expense on Employee Stock Option Scheme	7.12	9.14
Staff Welfare Expense	21.68	20.31
Share in Jointly Controlled Entities	11.19	15.75
Total	323.18	294.24

Note 32 : Finance Costs

	Amount ₹ in Crore	
	Current Year	Previous Year
Interest Expense (Gross)	617.64	339.37
Less : Interest Capitalised to Projects / Fixed Assets	(541.64)	(280.10)
Interest Expense (Net)	76.00	59.27
Other Borrowing Costs (Gross)	110.34	59.62
Less : Capitalised to Projects / Fixed Assets	-	(2.20)
Other Borrowing Costs (Net)	110.34	57.42
Share in Jointly Controlled Entities	4.95	2.19
Total	191.29	118.88

Notes to the Consolidated Financial Statements

Note 33 : Other Expenses

	Amount ₹ in Crore	
	Current Year	Previous Year
Consumption of Stores and Spares	21.51	18.80
Power and Fuel	164.98	165.49
Processing Charges	72.90	65.86
Rent	33.12	29.47
Rates and Taxes	14.49	13.43
Repairs and Maintenance		
(a) Machinery	15.80	13.68
(b) Buildings	5.52	9.34
(c) Other assets	3.70	2.48
Insurance	4.03	3.51
Freight	93.57	81.56
Commission	3.90	4.73
Discount	128.54	119.40
Advertisement and Publicity	25.74	20.66
Selling and Distribution Expenses	73.11	70.27
Bad Debts Written Off	4.27	6.05
Provision / (Write back) for Doubtful Debts and Advances	5.81	(13.34)
Provision for Depletion in the value of Investment	8.12	-
(Write back) / Provision for Excise Duty on Closing Inventory	(1.94)	5.29
Loss on Foreign Exchange Translation	6.21	13.18
Loss on Sale of Fixed Assets	1.11	0.47
Research Expense	3.10	1.83
Miscellaneous Expenses - refer note 2 & 3 below	171.16	150.29
Share in Jointly Controlled Entities	77.51	64.44
Total	936.26	846.89

Notes :

- In accordance with the Scheme of Amalgamation of Wadala Commodities Limited (WCL) with the Company, expense of ₹ 0.25 crore of WCL for the period April to November 2014 have been considered as expenses of the Company.
- In the previous year, 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 Schemes had been adjusted in the General Reserve / Surplus.
- The Subsidiary Companies has spent ₹ 2.78 crore during the financial year as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Miscellaneous Expenses'.
- Expenses incurred on Research & Development Centre Activities of a Subsidiary Company are included under the respective heads.

Note 34 : Exceptional items

	Amount ₹ in Crore	
	Current Year	Previous Year
(i) Profit on Sale of Long Term Investments	192.41	64.88
(ii) Write back for Diminution in Value of Investments	-	4.50
Total	192.41	69.38

Notes to the Consolidated Financial Statements

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	335,455,260	335,165,917
(b) Number of equity shares issued during the year	426,714	289,343
(c) Number of equity shares outstanding at the end of the year	335,881,974	335,455,260
Weighted average number of equity shares outstanding during the year	335,517,405	335,331,194
2. Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year	335,825,871	335,678,641
(b) Number of potential equity shares outstanding at the end of the year	336,153,734	335,825,871
Weighted average number of potential equity shares outstanding during the year	335,896,235	335,801,244
3. Net Profit After Tax (₹ Crore)	402.47	326.37
4. Basic Earnings per share of ₹ 1 each	12.00	9.73
5. Diluted Earnings per share of ₹ 1 each	11.98	9.72

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	60.81%	60.81%
2.	Godrej Seeds and Genetics Ltd. (90% subsidiary of Godrej Agrovet Ltd.)	India	54.72%	54.72%
3.	Godvet Agrochem Ltd.	India	60.81%	60.81%
4.	Natures Basket Ltd.	India	100.00%	100.00%
5.	Godrej Properties Ltd.	India	57.10%	62.32%
6.	Godrej Realty Pvt. Ltd.	India	29.12%	31.78%
7.	Godrej Real Estate Pvt. Ltd.	India	57.10%	62.32%
8.	Happy Highrises Ltd.	India	29.12%	31.78%
9.	Godrej Buildwell Pvt. Ltd. (up to November 30, 2014) (100% subsidiary w.e.f. November 14, 2014)	India	30.54%	30.54%
10.	Godrej Buildcon Pvt. Ltd.	India	57.10%	62.32%
11.	Godrej Project Development Pvt. Ltd.	India	57.10%	62.32%
12.	Godrej Premium Builders Pvt. Ltd. (100% subsidiary w.e.f. December 29, 2014)	India	57.10%	31.78%
13.	Godrej Garden City Properties Pvt. Ltd.	India	57.10%	62.32%
14.	Godrej Landmark Redevelopers Pvt. Ltd.	India	29.12%	31.78%
15.	Godrej Redevelopers (Mumbai) Pvt. Ltd.	India	29.12%	31.78%
16.	Godrej Hillside Properties Pvt. Ltd. (w.e.f. March 31, 2015)	India	57.10%	-
17.	Godrej Home Developers Pvt. Ltd. (w.e.f. March 30, 2015)	India	57.10%	-
18.	Godrej Green Homes Ltd.	India	57.10%	62.32%
19.	Wonder City Buildcon Pvt. Ltd. (Upto June 23, 2014)	India	-	62.32%
20.	Ensemble Holdings & Finance Ltd.	India	100%	100%
21.	Godrej International Ltd.	Isle of Man	100%	100%
22.	Godrej International Ltd. (w.e.f. March 11, 2015)	Labuan	100%	-
23.	Godrej International Trading & Investments Pte. Ltd.	Singapore	100%	100%
24.	Mosaic Landmarks LLP	India	29.12%	31.78%
25.	Godrej Vikhroli Properties LLP (60% LLP of Godrej Properties Ltd and 40% LLP of the Company)	India	74.26%	77.39%
26.	Godrej Construction Projects LLP (w.e.f. December 22, 2014)	India	57.10%	-

Notes to the Consolidated Financial Statements

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

(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%	30.40%
2.	Godrej Tyson Foods Ltd. (joint venture partner of Godrej Agrovat Ltd.)	India	29.79%	29.79%
3.	Dream World Landmarks LLP (Control through Majority Voting Rights)	India	22.84%	24.93%
4.	Oxford Realty LLP (Control through Majority Voting Rights)	India	15.23%	12.46%
5.	SSPDL Green Acres LLP (Control through Majority Voting Rights)	India	25.12%	27.42%
6.	Oasis Landmarks LLP (w.e.f. August 25, 2014) (Control through Majority Voting Rights)	India	21.70%	-
7.	M S Ramaiah Ventures LLP (w.e.f. April 7, 2014) (Control through Majority Voting Rights)	India	28.26%	-
8.	Caroa Properties LLP (w.e.f. April 17, 2014) (Control through Majority Voting Rights)	India	19.99%	-
9.	Godrej Housing Projects LLP (w.e.f. December 22, 2014) (Control through Majority Voting Rights)	India	22.84%	-
10.	Amitis Developers LLP (w.e.f. March 10, 2015) (Control through Majority Voting Rights)	India	26.27%	-
11.	Godrej Buildcorp LLP (upto October 10, 2014)	India	-	21.81%
12.	Godrej Property Developers LLP	India	18.27%	19.94%
13.	Wonder Space Properties Private Ltd.	India	14.33%	15.64%
14.	Wonder City Buildcon Private Ltd. (w.e.f. June 24, 2014)	India	14.33%	-

Notes to the Consolidated Financial Statements

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

(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	23.58%	22.63%
2.	Personalitree Academy Ltd. (Associate of Ensemble Holdings & Finance Ltd.)	India	25.49%	25.49%
3.	Creamline Dairy Products Ltd. (Associate of Godrej Agrovet Ltd.)	India	15.81%	15.81%
4.	Al Rahaba International Trading LLC (Associate of Godrej Agrovet Ltd.)	U.A.E.	14.59%	14.59%
5.	Polchem Hygiene Laboratories Pvt. Ltd. (Associate of Godrej Agrovet Ltd.)	India	15.81%	15.81%

Note 37 : Difference In Accounting Policies

The accounting policies of certain subsidiaries, joint ventures and associates especially regarding the method of depreciation 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	Provision for Diminution in the Value of Investments	Carrying Cost of Investments
1.	Godrej Consumer Products Ltd.	1,286.86	1,047.44	675.71	-	1,962.57
	<i>Previous Year</i>	<i>970.11</i>	<i>769.55</i>	<i>516.58</i>	<i>-</i>	<i>1,486.69</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	20.43	-	30.81
	<i>Previous Year</i>	<i>10.38</i>	<i>3.98</i>	<i>18.12</i>	<i>-</i>	<i>28.50</i>
4.	Al Rahaba International Trading LLC	0.04	(2.46)	4.02	-	4.07
	<i>Previous Year</i>	<i>0.04</i>	<i>(2.46)</i>	<i>5.12</i>	<i>-</i>	<i>5.16</i>
5.	Polchem Hygiene Lab Pvt. Ltd.	1.63	0.89	4.22	-	5.85
	<i>Previous Year</i>	<i>1.63</i>	<i>0.89</i>	<i>3.21</i>	<i>-</i>	<i>4.83</i>
	Total Current Year	1,300.01	1,049.92	703.96	0.68	2,003.30
	<i>Total Previous Year</i>	<i>983.26</i>	<i>772.39</i>	<i>542.61</i>	<i>0.68</i>	<i>1,525.18</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. The maximum number of options that may be granted per employee per year shall not exceed 6,00,000 options.

In July 2009, the Company had instituted an Employee Stock Option Plan II (GIL ESOP II) as approved by the Board of Directors and the Shareholders, for the allotment of 90,00,000 options convertible into 90,00,000 shares of the nominal value of ₹ 1 each to eligible employees of participating companies. The maximum number of options that may be granted per employee per year shall not exceed 10,00,000 options.

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

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	2,923,450	391.21	3,337,200	388.21
Options Exercised During the Year	214,000	250.05	130,000	250.26
Options Forfeited / Expired During the Year	262,450	286.17	283,750	283.46
Options Outstanding at the Year End	2,447,000	399.70	2,923,450	391.21

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	511,250	372.37	692,250	355.33
Options Exercised During the Year	7,500	231.93	49,000	231.93
Options Forfeited / Expired During the Year	105,000	310.07	132,000	335.12
Options Outstanding at the Year End	398,750	376.84	511,250	372.37

(*) 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.

During the year GIL ESOP Trust has received 3,348 bonus shares. The total excess shares at the year end are 1,268,487 (previous year 897,689).

The overall weighted average balance life of options outstanding as on March 31, 2015 is 1.85 years.

The weighted average balance life of options outstanding as on March 31, 2015 for ESOP I is 1.90 years and for ESOP II is 1.55 years.

Notes to the Consolidated Financial Statements

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.

(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 employees of Godrej Properties Limited and its subsidiary companies (the participating companies) with effect from December 28, 2007.

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

	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	515,400	-	561,400	-
Options Forfeited / Expired During the Year :	158,000	-	46,000	-
Options Outstanding at the Year End	357,400	-	515,400	-

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

All the Option Outstanding as on March 31, 2015 are vested.

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

The Company has provided loan of ₹ 5.56 crore (previous year ₹ 7.48 crore) to Godrej Industries Limited Employee Stock Option Scheme (GIL ESOP), which is administered by an independent ESOP Trust which purchases shares of GIL from the market equivalent to the number of stock options granted from time to time to eligible employees. The repayment of the loans granted by the Company to ESOP trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period.

(iii) Employee Stock Option Plans of Godrej Agrovet Limited

Godrej Agrovet Limited (GAVL) has provided loan to Godrej Industries Limited Employee Stock Option Scheme (GIL ESOP), which is administered by an independent ESOP Trust which purchases shares of GIL from the market equivalent to the number of stock options granted from time to time to eligible employees. The repayment of the loans granted to the ESOP trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period. The change in value of the underlying equity shares is on account of current market volatility and the profit / loss, if any, can be determined only at the end of the exercise period. In view of the aforesaid, a provision is being carried in respect of diminution of Share Value for ₹ 20.83 crore (previous year ₹ 20.83 crore).

Godrej Agrovet Limited (GAVL) has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Holding Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is ₹ 1 per equity share as provided in the scheme. GAVL has provided ₹ 1.35 crore (previous year ₹ 1.60 crore) for the aforesaid eligible employees for the current financial year.

Notes to the Consolidated Financial Statements

In December 2012, Godrej Agrovet Limited (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 of the Subsidiary Company.

The scheme is administered by an independent ESOP Trust created. GAVL has issued 586,764 equity shares to the said ESOP Trust at face value of ₹ 10 each amounting to ₹ 0.59 crore adjusted against Equity Share Capital.

	Current Year		Previous Year	
	No. of options	Exercise price	No. of options	Exercise price
Options Outstanding at the Beginning of the Year	586,764	10	586,764	10
Bonus shares issued against the initial allotment	3,520,584	-	-	-
Options Granted During the Year	-	-	-	-
Options Forfeited / Expired During the Year	-	-	-	-
Options Outstanding at the Year End	4,107,348	10	586,764	10

The overall weighted average balance life of options outstanding as on March 31, 2015 is 2.79 years.

The employee share based payment plans has been accounted based on the fair value method at a Fair Value of ₹ 309.20 per share after issuance of Bonus Shares, 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 ₹ 11.34 crore (previous year ₹ 11.34 crore)

- b) One of the Subsidiary Companies of the Company has instituted an Employee Stock Option Plan for the benefit of eligible employees. The Scheme is administered by an independent trust created with ILFS Trust Company Ltd. The ESOP Trust has been advanced loans which along with interest thereon and net of provision of ₹ 5.89 crore, amounting to ₹ 38.13 crore. As at March 31, 2015, the market value of the equity shares of the Subsidiary Company held by the ESOP Trust is lower than the holding cost (cost or market value whichever is lower) of these equity shares by ₹ 13.33 crore, (net of provision of ₹ 5.89 crore). The repayment of the loans granted to the ESOP Trust and interest payable by the Trust on the said loan is dependent on the exercise of 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. In the opinion of the Management, the fall in the 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.
- c) During the Current year, The Securities and Exchange Board of India (SEBI) has issued the SEBI (Share Based Employee Benefits) Regulation, 2014, which requires that the accounting treatment for employee share based payments to be based on the Guidance Note on Accounting for Employees Share-Based Payments issued by the Institute of Chartered Accountants of India. Accordingly, various Companies in the Group have not included the Financial Statements of their respective ESOP Trusts in preparation of the Standalone financial statements of the respective Companies for the year ended March 31, 2015, as compared to the previous year where the same were consolidated. Consequently, these financials statements do not include the assets, liabilities, income and expenditure of the respective ESOP Trusts and to that extent, the figures for the previous years are not comparable.

Notes to the Consolidated Financial Statements

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	370,611	512,724
Options Granted	112,747	173,560
Options Vested	158,957	289,343
Options Exercised	158,957	289,343
Options Lapsed / Forfeited	52,641	26,330
Total Number of Options Outstanding at the End of the year	271,760	370,611

Note : In current year, as per the Scheme of Amalgamation of Wadala Comomodities Limited with the Company, 303 bonus shares on ESGS were granted. 127 bonus shares were vested and exercised.

(ii) Employee Stock Grant Scheme of Godrej Properties Limited

- a) During the period April 1, 2011 to March 31, 2015, 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 5,66,998 options convertible into 5,66,998 Equity Shares of

Notes to the Consolidated Financial Statements

₹ 5/- each (previous year ₹ 5/- 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 1,25,744 options w.e.f. June 1, 2013, 1,82,485 options w.e.f. June 1, 2014 and 40,000 options w.e.f. June 1, 2014, 2,305 options w.e.f. November 1, 2014. Out of the total 5,66,998 stock grants 61,244 stock grants have lapsed on account of employees leaving the service of the Company before the vesting date, 2,10,956 stock grants have vested and hence 2,07,374 stock grants are outstanding as at March 31, 2015.

Particulars	No. of Options		Exercise Price (₹)
	As on March 31, 2015	As on March 31, 2014	
Options Outstanding at the Beginning of the Year	223,358	132,662	5.00
Options granted	224,790	155,744	
Options exercised	123,758	65,048	
Less : Options lapsed	26,010	-	
Options Outstanding at the year end	298,380	223,358	5.00

Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option is ₹ 9.57 per share as on March 31, 2015.

3. The employee stock option plans have been accounted based on the intrinsic value method and no compensation expense has been recognised 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 of ₹ 7.12 crore has been recognised in the 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 ₹ in Crore	
	Current Year	Previous Year
Net Profit (as reported)	402.47	326.37
Less : Employee Stock Option Plans compensation expense determined under fair value based method (Proforma)	(0.64)	(1.31)
Add : Difference in Employee Stock Grant Scheme compensation expense determined under fair value method and intrinsic value method (Proforma)	0.46	1.69
Net Profit (Proforma)	402.29	326.75
	Amount ₹	Amount ₹
Basic Earnings per share (as reported)	12.00	9.73
Basic Earnings per share (Proforma)	11.99	9.74
Diluted Earnings per share (as reported)	11.98	9.72
Diluted Earnings per share (Proforma)	11.98	9.73

Notes to the Consolidated Financial Statements

Note 40 : Segment Information

Amount ₹ in Crore

Information about primary business segments	Chemicals		Animal Feed		Veg Oils		Estate & Property Development		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
(A) Revenue														
External Sales	1,311.30	1,294.54	2,688.53	2,550.66	2,492.60	2,097.83	1,904.68	1,208.93	187.57	102.75	967.52	861.56	9,552.20	8,116.27
Intersegment Sales	-	-	-	-	-	-	71.57	117.65	150.30	125.50	8.60	0.48	230.47	243.63
Total Sales	1,311.30	1,294.54	2,688.53	2,550.66	2,492.60	2,097.83	1,976.25	1,326.58	337.87	228.25	976.12	862.04	9,782.67	8,359.90
Less: Intersegment Sales	-	-	-	-	-	-	(71.57)	(117.65)	(150.30)	(125.50)	(8.60)	(0.48)	(230.47)	(243.63)
Total Revenue	1,311.30	1,294.54	2,688.53	2,550.66	2,492.60	2,097.83	1,904.68	1,208.93	187.57	102.75	967.52	861.56	9,552.20	8,116.27
(B) Results														
Segment result before interest and tax	42.34	36.04	181.84	146.86	69.14	70.92	311.81	328.67	181.24	102.59	105.96	70.01	892.33	755.09
Unallocated expenses													(182.25)	(169.49)
Finance Costs													(191.29)	(118.88)
Profit before tax													518.79	466.72
Taxes													(136.55)	(171.20)
Profit after taxes													382.24	295.52
Share of profit in associates													206.58	173.85
Profit before Minority Interest													588.82	469.37
Share of Minority Interest													(186.35)	(143.00)
Net Profit after Minority Interest													402.47	326.37
Segment Assets	1,143.07	1,089.43	809.76	684.06	273.54	273.65	7,432.50	6,019.64	2,803.81	2,370.28	447.79	368.91	12,910.47	10,805.97
Unallocated Assets													592.16	404.42
Total Assets													13,502.63	11,210.39
Segment Liabilities	450.84	678.77	614.39	659.46	32.17	32.26	6,150.83	4,953.29	4.42	2.75	209.99	221.57	7,462.64	6,548.10
Unallocated Liabilities													2,812.74	1,928.22
Total Liabilities													10,275.38	8,476.32
Cost incurred during the year to acquire segment assets	165.30	219.03	73.70	128.98	11.75	29.53	203.13	22.92	0.02	0.20	76.43	34.26	530.33	434.92
Cost incurred on unallocated assets													9.94	28.44
Total Cost incurred during the year to acquire segment assets													540.27	463.36
Segment Depreciation	21.09	18.31	20.13	11.74	10.93	9.27	13.27	7.66	-	1.41	21.49	17.74	86.91	66.13
Unallocated Depreciation													6.32	4.31
Total Depreciation													93.23	70.44

Amount ₹ in Crore

Information about Secondary Business Segments													
Revenue by Geographical markets												Current Year	Previous Year
India												6,748.10	5,651.78
Outside India												2,804.10	2,464.49
Total												9,552.20	8,116.27

Amount ₹ in Crore

Carrying Amount of Segment assets												Current Year	Previous Year
India												13,309.47	11,036.50
Outside India												193.16	173.89
Total												13,502.63	11,210.39

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 glycerin, Alpha Olefin Sulphonates, Sodium Lauryl Sulphate and Sodium Lauryl Ether Sulphate.
- Animal Feed segment includes the business of production and sale of compound feeds for cattle, poultry, shrimp and fish.
- Veg Oils segment includes the business of processing and bulk trading of refined vegetable oils & vanaspati, international vegetable oil trading and Oil Palm Plantation.
- Estate & property development segment includes the business of development and sale of real estate and leasing and leave and licensing of properties.
- Finance & Investments includes investments in associates companies and other investments.
- 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. (merged into Godrej Industries Ltd. w.e.f. November 21, 2014)

Godrej (Malaysia) Sdn Bhd (Incorporated in Malaysia)

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

JT Dragon Pte. Ltd. (Incorporated in Singapore)

Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam) (a wholly owned subsidiary of JT Dragon Pte. Ltd.)

Godrej Infotech Ltd.

Godrej Infotech Americas Inc. (a wholly owned subsidiary incorporated in North Carolina, USA on February 28, 2014)

Godrej Infotech (Singapore) Pte. Ltd. (a wholly owned subsidiary incorporated in Singapore on May 27, 2014)

LVD Godrej Infotech NV (Incorporated in Belgium on December 18, 2009 and a subsidiary w.e.f. October 22, 2014)

Veromatic International BV (Incorporated in Netherlands)

Veromatic Services BV (Incorporated in Netherlands)

Prowama Trading B.V. (incorporated in Netherlands)

Mercury Mfg. Co. Ltd.

Busbar Systems (India) Ltd. (a wholly owned subsidiary)

Godrej Americas

First Rock Infrastructures Pvt. Ltd. (a wholly owned subsidiary w.e.f. March 31, 2015)

MiracleTouch Developers Pvt. Ltd. (a wholly owned subsidiary w.e.f. March 31, 2015)

East View Estates Pvt. Ltd. (a wholly owned subsidiary w.e.f. March 31, 2015)

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

Associate / Joint Venture Companies

Godrej Consumer Products Ltd. (also a fellow subsidiary)

Bhabhani Blunt Hairdressing Pvt. Ltd.

Great Lake Institute of Management

Creamline Dairy Products Ltd.

Polchem Hygiene Laboratories Pvt. Ltd.

Al Rahaba Trading International LLC

ACI Godrej Agrovvet Pvt. Ltd.

HDFC Venture Trustee Co. Ltd.

Red Fort India Real Estate Babur

HDFC PMS (up to June 1, 2013)

Milestone Real Estate Fund (Up to October 26, 2014)

India Realty Excellence Fund (Up to November 14, 2014)

Madhavi SA Investments LLC (Up to December 20, 2014)

Madhavi Ventures Ltd. (Up to December 20, 2014)

Ramesh P. Bhatia

Repton Landmarks LLP

ASK PMS Real Estate Special Opportunities Portfolio I (ASK PMS)

Lotus Land Developers LLP

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information (contd.)

Mr. Jag Pravesh
Shubh Properties Coöperatief U.A (COOP)
Piramal Fund Management Pvt. Ltd. (From October 27, 2014)
Oxford Shelters Pvt. Ltd.
Hritik Technologies & Realty Pvt. Ltd.
Karelidas Traders Pvt. Ltd.
Mr. Numazar Mehta
Mr. Jahan Mehta
Mr. M. R. Janki Ram
Mrs. R. Varalaksmi
Mr. K. Ramaswamy

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. C. G. Pinto - Chief Financial Officer (up to March 31, 2015)
Mr. K. R. Rajput - Company Secretary (up to March 31, 2015)

Relatives Key Management Personnel

Ms. P. A. Godrej - Wife of Mr. A. B. Godrej
Ms. N. A. Godrej - Daughter of Mr. A. B. Godrej
Mr. P. A. Godrej - Son 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
Mr. H. N. Godrej - Son of Mr. N. B. Godrej
Ms. N. N. Nabar - Wife of Mr. N. S. Nabar
Ms. J. C. Pinto - Wife of Mr. C. G. Pinto
Mr. R. G. Pinto - Brother of Mr. C. G. Pinto
Ms. P. Mathias - Sister of Mr. C. G. Pinto

Enterprises over which key management personnel exercise significant influence

Godrej South Africa Pty Ltd.
Laboratorio Cuenca S.A.
Anamudi Real Estates LLP
Godrej Global Mideast FZE
Godrej Investments P. Ltd.
Vora Soaps Ltd.
Godrej Tyson Foods Ltd.

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information (contd.)

b) Transactions with Related Parties

Nature of Transaction	Amount ₹ in 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	0.49	-	22.14	-	-	114.97	137.60
<i>Previous Year</i>	0.47	-	25.67	-	-	111.18	137.32
Advance received	5.62	-	19.54	0.79	-	22.98	48.93
<i>Previous Year</i>	10.66	-	10.58	0.20	-	-	21.44
Advance given	0.46	-	1.94	-	-	-	2.40
<i>Previous Year</i>	1.56	-	-	-	-	-	1.56
Sale of Fixed Assets	-	-	0.08	-	-	-	0.08
<i>Previous Year</i>	-	-	-	-	0.70	-	0.70
Purchase of goods	2.18	-	15.35	-	-	1.80	19.33
<i>Previous Year</i>	2.27	3.18	22.06	-	-	1.06	28.57
Purchase of Fixed Assets	34.55	-	-	-	-	104.97	139.52
<i>Previous Year</i>	2.38	-	-	-	-	-	2.38
Commission / Royalty received	-	-	0.10	-	-	-	0.10
<i>Previous Year</i>	-	-	-	-	-	-	-
Licence fees / Service charges / Storage Income	0.13	-	3.66	-	-	0.76	4.55
<i>Previous Year</i>	-	-	3.30	-	-	0.11	3.41
Other Income *	0.00	-	1.60	-	-	0.00	1.60
<i>Previous Year</i> *	0.00	0.00	1.23	-	-	-	1.23
Recovery of establishment & Other Expenses	45.07	-	8.21	-	-	0.42	53.70
<i>Previous Year</i>	54.58	0.02	5.45	-	-	0.44	60.49
Rent, Establishment & other expenses paid	40.77	0.12	6.72	-	2.67	0.03	50.31
<i>Previous Year</i>	25.45	0.20	1.69	-	2.68	0.01	30.03
Interest received	-	-	47.54	-	-	2.44	49.98
<i>Previous Year</i>	-	-	27.72	-	-	-	27.72
Interest paid	-	-	-	0.06	0.41	-	0.47
<i>Previous Year</i>	-	-	-	0.01	0.79	-	0.80
Dividend paid	84.76	-	-	5.26	3.77	0.40	94.19
<i>Previous Year</i>	81.07	-	-	3.81	4.79	0.32	89.99
Remuneration	-	-	-	9.36	-	-	9.36
<i>Previous Year</i>	-	-	-	9.00	0.84	-	9.84
Sale of Investments	-	-	-	-	-	-	-
<i>Previous Year</i>	86.00	-	-	-	-	-	86.00
Sale of Units	8.93	-	7.79	-	-	104.16	120.88
<i>Previous Year</i>	17.01	-	15.03	-	-	-	32.04
Iner Corporate Deposits advanced	-	-	-	-	-	13.30	13.30
<i>Previous Year</i>	-	-	-	-	-	-	-
Other Deposits accepted	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	1.40	-	1.40

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information (contd.)

Nature of Transaction	Amount ₹ in 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
Other Deposits refunded	-	-	0.03	-	6.68	-	6.71
<i>Previous Year</i>	-	-	0.09	-	-	-	0.09
Other Deposits - Advanced during the year	0.06	-	6.42	-	-	0.01	6.49
<i>Previous Year</i>	-	-	-	-	-	-	-
Other Deposits - Repayment received during the year	0.06	-	0.05	-	-	-	0.11
<i>Previous Year</i>	-	-	-	-	-	-	-
Issue of equity shares	-	-	5.61	-	-	-	5.61
<i>Previous Year</i>	11.39	-	45.95	28.02	-	-	85.36
Purchase of equity shares	-	-	177.66	-	-	-	177.66
<i>Previous Year</i>	-	-	191.70	-	-	-	191.70
Sale of equity shares	-	-	0.07	-	-	-	0.07
<i>Previous Year</i>	-	-	-	-	-	-	-
Investment in Debenture	-	-	97.85	-	-	-	97.85
<i>Previous Year</i>	-	-	183.47	-	-	-	183.47
Share of profit in LLP	-	-	4.63	-	-	-	4.63
<i>Previous Year</i>	-	-	7.17	-	-	-	7.17
Loan repaid	-	-	0.45	-	-	-	0.45
<i>Previous Year</i>	-	-	-	-	-	-	-
Sitting Fees	-	-	-	0.15	-	-	0.15
<i>Previous Year</i>	-	-	-	0.03	-	-	0.03
Balance Outstanding as on March 31, 2015							
Receivables	0.20	-	21.49	-	-	6.37	28.06
<i>Previous Year</i>	5.30	-	27.85	-	-	3.15	36.30
Payables	381.92	-	80.49	11.85	-	-	474.26
<i>Previous Year</i>	458.72	0.01	5.83	-	-	0.05	464.61
Guarantees Outstanding	-	-	19.94	-	-	-	19.94
<i>Previous Year</i>	-	-	18.99	-	-	-	18.99
Debentures Outstanding	-	-	326.45	0.03	-	-	326.48
<i>Previous Year</i>	-	-	255.30	-	-	-	255.30
Outstanding Inter Corporate Deposit Receivable	-	-	-	-	-	26.55	26.55
<i>Previous Year</i>	-	-	-	-	-	-	-
Public Deposits Outstanding	-	-	-	0.58	2.50	-	3.08
<i>Previous Year</i>	-	-	-	-	8.76	-	8.76

* Amount less than ₹ 0.01 crore

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information

c) The Significant Related Party transactions are as under :

Nature of Transaction			Nature of Transaction	Amount ₹ in Crore	
	Current Year	Previous Year		Current Year	Previous Year
Sale of goods			Inter Corporate Deposits Advanced		
- Godrej Tyson Foods Ltd.	109.76	107.40	- Vora Soaps Ltd.	11.20	-
- Godrej Consumer Products Ltd.	19.75	20.69	- Anamudi Real Estates LLP	2.10	-
- Laboratorio Cuenca S.A.	4.10	3.24			
- Creamline Dairy Products Ltd.	1.32	1.75	Other Deposits Accepted		
- Godrej South Africa Pty Ltd.	1.11	0.53	- Ms. P. A. Godrej	-	1.40
- ACI Godrej Agrovat P. Ltd.	0.74	3.23			
- Godrej & Boyce Mfg. Co. Ltd.	0.49	0.47	Other Deposits Refunded		
- Bhabhani Blunt Hairdressing P. Ltd.	0.33	-	- Ms. P. A. Godrej	6.63	-
			- Ms. N. N. Nabar	0.05	-
Advance received			- Godrej Consumer Products Ltd.	0.03	0.09
- Anamudi Real Estates LLP	22.98	-			
- Godrej Consumer Products Ltd.	9.89	10.58	Other Deposits - Advanced		
- Oasis Landmark LLP	9.65	-	- Oxford Shelters P. Ltd.	6.37	-
- Godrej & Boyce Mfg. Co. Ltd.	5.62	10.66	- Godrej & Boyce Mfg. Co. Ltd.	0.06	-
- Mr. P. A. Godrej	0.78	0.20	- Godrej Consumer Products Ltd.	0.05	-
Advance given			Other Deposits - Repayment Received		
- Godrej & Boyce Mfg. Co. Ltd.	0.46	1.56	- Godrej & Boyce Mfg. Co. Ltd.	0.06	-
- Mr. Numazar Mehta	0.88	-	- Godrej Consumer Products Ltd.	0.05	-
- Mr. Jahan Mehta	0.88	-			
- Lotus Land Developers LLP	0.18	-	Dividend paid		
			- Godrej & Boyce Mfg. Co. Ltd.	84.76	81.07
Sale of Fixed Assets			- Mr. N. B. Godrej	2.96	1.67
- Godrej Consumer Products Ltd.	0.08	-	- Mr. P. A. Godrej	1.44	1.41
- Mr. P. A. Godrej	-	0.70	- Mr. S. N. Godrej	0.97	1.31
			- Mr. B. N. Godrej	1.20	1.29
Purchase of goods			- Ms. T. A. Dubash	1.18	1.20
- Godrej Consumer Products Ltd.	12.10	18.97	- Ms. N. A. Godrej	1.18	1.20
- Polchem Hygiene Laboratories P. Ltd.	3.24	3.09	- Godrej Investments P. Ltd.	0.40	0.32
- Godrej & Boyce Mfg. Co. Ltd.	2.18	2.28	- Ms. R. N. Godrej	0.10	0.10
- Godrej Tyson Foods Ltd.	1.80	1.06	- Mr. H. N. Godrej	-	0.39
- Wadala Commodities Ltd.	-	3.18			
			Remuneration to Key Management Personnel		
Purchase of fixed assets			- Mr. N. B. Godrej	3.88	3.70
- Anamudi Real Estates LLP	104.94	-	- Ms. T. A. Dubash	3.25	3.01
- Godrej & Boyce Mfg. Co. Ltd.	34.55	2.38	- Mr. N. S. Nabar	1.37	0.99
- Godrej Tyson Foods Ltd.	0.03	-	- Others	0.85	-
			- Mr. M. Eipe	-	1.30
Commission / Royalty received					
- Godrej Consumer Products Ltd.	0.05	-	Remuneration to Relatives of Key Management Personnel		
			- Ms. N. A. Godrej	-	0.84
- Bhabhani Blunt Hairdressing P. Ltd.	0.05	-			
			Sale of Units		
Sale of Investments			- Anamudi Real Estates LLP	104.16	-
- Godrej & Boyce Mfg. Co. Ltd.	-	86.00	- Godrej & Boyce Mfg. Co. Ltd.	8.93	17.01
			- Godrej Consumer Products Ltd.	7.79	15.03

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information (contd.)

Nature of Transaction			Nature of Transaction	Amount ₹ in Crore	
	Current Year	Previous Year		Current Year	Previous Year
Licence fees / Service charges / Storage income			Share of Profit in LLP		
- Godrej Consumer Products Ltd.	3.66	3.30	- Repton Landmarks LLP	2.74	4.24
- Anamudi Real Estates LLP	0.54	-	- Ramesh P. Bhatia	1.89	2.93
- Godrej Tyson Foods Ltd.	0.22	0.11			
- Godrej & Boyce Mfg. Co. Ltd.	0.13	-	Sale of equity shares		
			- Shubh Properties Cooperatief U.A (COOP)	0.07	-
Other Income			Issue of equity shares		
- ACI Godrej Agrovet P . Ltd.	0.99	0.78	- Shubh Properties Cooperatief U.A (COOP)	5.08	45.94
- Godrej Consumer Products Ltd.	0.61	0.45	- Mr. M. R. Janki Ram	0.51	-
- Godrej & Boyce Mfg. Co. Ltd. *	0.00	0.00	- Mr. N. B. Godrej	-	14.01
- Wadala Commodities Ltd. *	-	0.00	- Mr. P. A. Godrej	-	14.01
			- Godrej & Boyce Mfg. Co. Ltd.	-	11.39
Recovery of Establishment & other expenses			Purchase of equity shares		
- Godrej & Boyce Mfg. Co. Ltd.	45.08	54.58	- India Realty Excellence Fund	93.53	-
- Godrej Consumer Products Ltd.	7.76	5.04	- Madhavi Ventures Ltd.	56.48	-
- Repton Landmarks LLP	0.39	0.35	- Madhavi SA Investments LLC	27.64	-
- Godrej Tyson Foods Ltd.	0.36	0.44	- HDFC PMS	-	189.70
- Ramesh P. Bhatia	0.06	0.06	- Redfort India Real Estate Babur	-	2.00
- Wadala Commodities Ltd.	-	0.02			
Rent, Establishment & other exps paid			Investment in Debenture		
- Godrej & Boyce Mfg. Co. Ltd.	40.56	25.45	- Shubh Properties Cooperatief U.A (COOP)	97.85	149.48
- Oxford Enterprises	5.94	-	- ASK PMS Real Estate Special Oppurtunities Portfolio I	-	33.99
- Ms. Parmeshwar Godrej	1.88	1.90			
- Godrej Consumer Products Ltd.	0.86	1.67	Loan repaid		
- Ms. R. N. Godrej	0.79	0.78	- Lotus Land Developers LLP	0.45	-
- Bhabhani Blunt Hairdressing P. Ltd.	0.09	-			
- Godrej Infotech Ltd.	0.12	0.06	Sitting fees		
- Godrej Tyson Foods Ltd.	0.02	0.01	- Mr. A. B. Godrej	0.15	0.03
- Wadala Commodities Ltd.	-	0.13			
- Ms. M. Mahendran	-	0.08			
- ACI Godrej Agrovet P . Ltd.	-	0.02			
Interest received					
- Shubh Properties Cooperatief U.A (COOP)	38.28	19.02			
- ASK PMS Real Estate Special Oppurtunities Portfolio I	7.62	5.47			
- Madhavi Investments LLC	1.61	-			
- Anamudi Real Estates LLP	1.94	-			
- HDFC Venture Trustee Co. Ltd.	0.03	0.03			
- Vora Soaps Ltd.	0.50	-			
- Madhavi Ventures Ltd.	-	3.20			
Interest paid					
- Mr. S. N. Godrej	0.14	0.12			
- Ms. P. A. Godrej	0.13	0.58			
- Mr. B. N. Godrej	0.08	0.08			
- Ms. N. N. Nabar	0.01	0.01			
- Mr. M. Eipe	-	0.01			

* 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-cancellable 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 ₹ in Crore	
	Current Year	Previous Year
Gross Carrying Amount of Premises	51.94	51.71
Accumulated Depreciation	5.76	4.48
Depreciation for the year	1.26	1.14

The aggregate future minimum lease receipts are as under :

	Amount ₹ in Crore	
	Current Year	Previous Year
Lease Income Recognised in the Statement of Profit and Loss	12.22	10.70
Future Lease Income		
- Within one year	14.56	6.30
- Later than one year and not later than five years	43.98	8.57
- Later than five years	48.82	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 ₹ in Crore	
	Current Year	Previous Year
Lease Payment recognised in the Statement of Profit and Loss	33.12	29.47
Future Lease Commitments		
- Within one year	47.34	32.86
- Later than one year and not later than five years	147.62	88.01
- Later than five years	39.21	28.47

b) Finance Leases :

The Group had acquired vehicles under Finance Lease. Liability for minimum lease payment was secured by hypothecation of the vehicles acquired under the lease. The minimum lease payments outstanding as on March 31, 2015, in respect of vehicles acquired under lease are as under :

Notes to the Consolidated Financial Statements

	Amount ₹ in Crore		
	Total minimum lease payments outstanding as at year end	Un-matured Interest	Present value of minimum lease payments
Within one year	-	-	-
<i>Previous Year</i>	<i>0.01</i>	-	<i>0.01</i>
Later than one year and not later than five years	-	-	-
<i>Previous Year</i>	-	-	-
Total	-	-	-
<i>Previous Year Total</i>	<i>0.01</i>	-	<i>0.01</i>

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 respective companies. 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
Total Number of Contracts Outstanding	22	21	30	22
Number of units under above contracts in MT.	23,960	21,460	22,810	14,860

b) Forward Exchange Contracts

	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total Number of Contracts Outstanding	12	22	83	34
Foreign Currency Value				
- US Dollar (crore)	0.24	0.96	3.18	1.11
- Euro (crore)	-	0.03	0.04	0.10

ii) Un-hedged Foreign Currency Exposures

Uncovered Foreign Exchange Exposure as at the year end

	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
- US Dollar (crore)	12.16 *	0.30	7.26 *	0.76
- Euro (crore) **	0.00	0.02	0.00	-
- UAE Dirams (crore)	0.02	-	-	-
- CHF (Crore) **	-	-	0.00	-

(*) Uncovered Foreign Exchange Exposure includes US Dollar 10.56 crore (previous year US Dollar 6 crore) of External Commercial Borrowings (ECB) and Foreign Currency Term Loan (FCTL) taken for Capital Expenditure. Impact of fluctuation in Foreign Currency Rates on these borrowings will be capitalised to Fixed Assets and would not impact Statement of Profit and Loss.

(**) Amount less than ₹ 0.01 crore

Notes to the Consolidated Financial Statements

Note 44 : EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLAN

Provident Fund :

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

b) DEFINED BENEFIT PLAN

Gratuity :

The Group participates in the Employees' Group Gratuity-cum-Life Assurance Schemes of various insurance companies which are funded defined benefit plans for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, or as per the Group's scheme whichever is more beneficial to the employees.

Provident Fund :

The Group manages the Provident Fund plan through a Provident Fund Trust for a majority of its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

Pension :

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

The amount recognised in the Group Financial Statements as at the year end are as under :

	Amount ₹ in Crore			
	Gratuity		Pension	
	Current Year	Previous Year	Current Year	Previous Year
a) Change in Present Value of Obligation				
Present value of the obligation at the beginning of the year	44.02	45.97	0.42	0.53
Current Service Cost	2.55	2.46	-	-
Interest Cost	3.95	3.69	-	-
Actuarial (Gain) / Loss on Obligation	11.07	(0.99)	(0.10)	(0.04)
Effect of Liability Transfer in / out	(0.60)	0.04	-	-
Benefits Paid	(7.00)	(7.16)	(0.06)	(0.07)
Present value of the obligation at the end of the year	54.00	44.02	0.26	0.42
b) Change in Plan Assets				
Fair value of Plan Assets at the beginning of the year	40.64	36.45	-	-
Expected return on Plan Assets	3.80	2.95	-	-
Actuarial (Gain) / Loss on Plan Assets	(1.48)	(0.82)	-	-
Contributions by the Employer	1.03	7.33	-	-
Benefits Paid	(6.57)	(6.92)	-	-
Fair value of Plan Assets at the end of the year	40.38	40.64	-	-

Notes to the Consolidated Financial Statements

	Gratuity		Pension	
	Current Year	Previous Year	Current Year	Previous Year
Amount ₹ in Crore				
c) Amounts Recognised in the Balance Sheet :				
Present value of Obligation at the end of the year	54.00	44.02	-	-
Fair value of Plan Assets at the end of the year	40.38	40.64	-	-
Net Obligation at the end of the year	13.61	3.38	-	-
d) Amounts Recognised in the statement of Profit and Loss :				
Current Service Cost	2.55	2.46	-	-
Interest cost on Obligation	3.95	3.69	-	-
Expected return on Plan Assets	(3.80)	(2.95)	-	-
Net Actuarial (Gain) / Loss recognised in the year	9.59	(1.81)	-	-
Net Cost Included in Personnel Expenses	12.29	1.40	-	-
e) Actual return on Plan Assets	5.28	3.78	-	-
f) Actuarial Assumptions				
i) Discount Rate	7.92%- 9.30% P.A.	9.30%- 9.35% P.A.	7.92% P.A.	9.35% P.A.
ii) Expected Rate of Return on Plan Assets	7.92%- 9.30% P.A.	6.01%- 9.35% P.A.	-	-
iii) Salary Escalation Rate	4%-5% P.A.	4%-5% P.A.	-	-
iv) Employee Turnover	1.00% P.A.	1.00% P.A.	1.00% P.A.	1.00% P.A.

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

Experience Adjustments

Experience Adjustments (Gain) / Loss

	Amount ₹ in Crore	
	On Plan Liabilities	On Plan Assets
April 10 to March 11	1.20	0.14
April 11 to March 12	2.13	0.26
April 12 to March 13	2.98	(0.23)
April 13 to March 14	1.16	(0.72)
April 14 to March 15	4.06	(0.95)

Notes to the Consolidated Financial Statements

Note 45 : Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries/Limited Liability Partnerships / Associates/ Joint Ventures.

Name of the entity in the	Net Assets - total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
1	2	3	4	5
Parent				
Godrej Industries Limited	51.38%	1,658.28	36.97%	148.81
Subsidiaries				
Indian				
1. Godrej Agrovet Limited	18.75%	605.03	50.47%	203.13
2. Godrej Seeds and Genetics Limited	(0.55)%	(17.60)	(2.12)%	(8.54)
3. Godrej Agrochem Limited	0.00%	0.12	0.04%	0.15
4. Godrej Properties Limited	59.44%	1,918.25	31.78%	127.92
5. Godrej Buildcon Private Limited	(0.04)%	(1.37)	(0.32)%	(1.27)
6. Godrej Buildwell Private Limited	0.00%	0.00	0.11%	0.44
7. Godrej Garden City Properties Private Limited	0.03%	1.00	0.20%	0.80
8. Godrej Green Homes Limited	0.00%	0.03	0.00%	(0.01)
9. Godrej Hillside Properties Private Limited	-	-	-	-
10. Godrej Home Developers Private Limited	-	-	-	-
11. Godrej Landmark Redevelopers Private Limited	0.99%	31.83	7.88%	31.72
12. Godrej Premium Builders Private Limited	2.45%	79.06	11.09%	44.62
13. Godrej Projects Development Private Limited	1.37%	44.25	(1.40)%	(5.64)
14. Godrej Real Estate Private Limited	(0.01)%	(0.18)	(0.01)%	(0.06)
15. Godrej Realty Private Limited	0.11%	3.66	(0.02)%	(0.08)
16. Godrej Redevelopers (Mumbai) Private Limited	0.27%	8.67	0.16%	0.65
17. Happy Highrises Limited	3.05%	98.47	4.59%	18.46
18. Amitis Developers LLP	-	-	-	-
19. Caroa Properties LLP	0.04%	1.27	0.26%	1.03
20. Dream World Landmarks LLP	0.00%	0.01	(0.02)%	(0.09)
21. Godrej Construction Projects LLP *	0.00%	(0.00)	0.00%	(0.01)
22. Godrej Housing Projects LLP	-	-	-	-
23. Godrej Vikhroli Properties LLP	11.33%	365.70	9.12%	36.71
24. M S Ramaiah Ventures LLP	0.06%	2.04	0.00%	0.02
25. Mosaic Landmarks LLP	0.75%	24.29	2.35%	9.45
26. Oasis Landmarks LLP	0.00%	(0.14)	(0.04)%	(0.15)
27. Oxford Realty LLP *	-	-	-	-
28. SSPDL Green Acres LLP	0.22%	7.02	0.00%	0.00
29. Nature's Basket Limited	0.45%	14.57	(10.59)%	(42.62)
30. Ensemble Holdings & Finance Limited	0.34%	10.96	0.20%	0.82

Notes to the Consolidated Financial Statements

Name of the entity in the	Net Assets - total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
1	2	3	4	5
Foreign				
1. Godrej International Ltd.	2.44%	78.71	2.43%	9.79
2. Godrej International Trading & Investments Pte. Ltd.	0.27%	8.83	0.15%	0.60
Minority interest in all subsidiaries	(35.59)%	(1,148.53)	(46.30)%	(186.35)
Associates (Investment as per equity method)				
Indian				
1. Godrej Consumer Products Limited	20.94%	675.71	49.68%	199.96
2. Creamline Dairy Products Limited	0.63%	20.43	0.57%	2.31
3. Polchem Hygiene Laboratories Private Limited	0.13%	4.22	0.25%	1.02
Foreign				
1. Al Rahaba International Trading LLC	0.12%	4.02	(0.27)%	(1.10)
Joint Ventures (as per proportionate consolidation / Investment as per equity method)				
Indian				
1. Godrej Tyson Foods Limited	(0.09)%	(2.98)	1.54%	6.21
2. Wonderspace Properties Private Limited	0.22%	6.97	0.05%	0.22
3. Wonder City Buildcon Private Limited	0.20%	6.55	0.04%	0.15
4. Godrej Property Developers LLP *	0.00%	(0.01)	0.00%	0.00
Foreign				
1. ACI Godrej Agrovvet Private Limited	0.69%	22.26	2.70%	10.86
Inter company Elimination & Consolidation Adjustments	(40.41)%	(1,304.14)	(51.54)%	(207.45)
TOTAL		3,227.25		402.47

*Amount less than ₹ 0.01 crore

Note 46 :

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law / Accounting Standards for material foreseeable losses on such long term contracts has been made in the books of account.

Note 47 :

Details of Loans Given, Investments made and Guarantee given covered under Section 186 (4) of the Companies Act, 2013 are given under the respective heads of Standalone Financial Statements.

Note 48 :

The figures of the current year are not strictly comparable with those of the corresponding figures of the previous year in view of amalgamation made since then, and the consolidation of the ESOP Trust.

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