

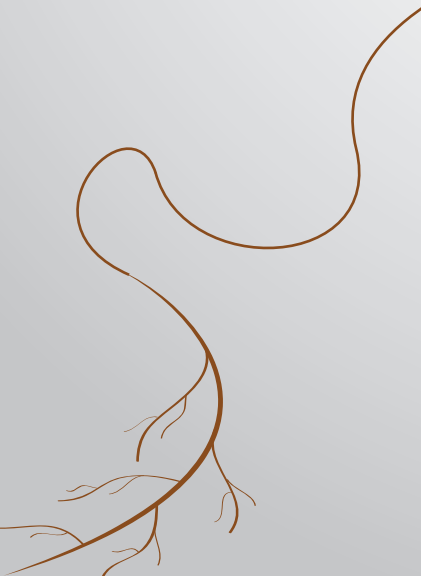
Creating and Fostering Sustainable Growth

In 2010, we had set out on a 10 x 10 journey; to grow 10 times in 10 years. Based on our CREATE strategy, we have been able to achieve the targets that we had set our eyes on and now we need to consolidate our achievements and nurture this sustainable growth that we have consistently focused and achieved. Going forward, this will enable us to create a brighter living for all our valued stakeholders.



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Board of Directors



A.B. Godrej
Chairman



N.B. Godrej
Managing Director



T.A. Dubash
Executive Director &
Chief Brand Officer



A.B. Choudhury



S.A. Ahmadullah



K.K. Dastur



J.N. Godrej



V.M. Crishna



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



K.M. Elavia



K.N. Petigara



Aspy Cooper

Corporate Information

AUDITORS : Kalyaniwalla & Mistry, Chartered Accountants

BOARD COMMITTEES

Audit Committee : K. K. Dastur (Chairman)
S. A. Ahmadullah
K. N. Petigara
A. B. Choudhury

Nomination &
Compensation Committee : S. A. Ahmadullah (Chairman)
A. B. Choudhury
K. N. Petigara

Stakeholders Relationship/
Shareholders Committee : A. B. Godrej (Chairman)
N. B. Godrej
T. A. Dubash
N. S. Nabar

Corporate Social
Responsibility Committee: : N. B. Godrej (Chairman)
T. A. Dubash
K. N. Petigara
A. B. Choudhury

Risk Management Committee : N. B. Godrej (Chairman)
T. A. Dubash
N. S. Nabar

Management Committee : A. B. Godrej (Chairman)
N. B. Godrej
T. A. Dubash
N. S. Nabar

CHIEF FINANCIAL OFFICER : Clement Pinto

COMPANY SECRETARY : Nilufer Shekhawat

REGISTERED OFFICE : Godrej One, Pirojshanagar, Eastern Express
Highway, Vikhroli (East), Mumbai 400 079.
Phone: 022-2518 8010, 2518 8020, 2518 8030
Fax: 022-2518 8066
website: www.godrejindustries.com
CIN No.: L24241MH1988PLC097781

REGISTRARS & TRANSFER AGENT : Computech Sharecap Ltd.
147, Mahatma Gandhi Road,
Opp. Jehangir Art Gallery, Fort,
Mumbai 400 001.
Phone: 022 - 2263 5000 to 2263 5002
Fax: 022 - 2263 5001
E-Mail: helpdesk@computechsharecap.com

FACTORIES

Ambernath : Plot No.N-73, Additional Ambernath
Industrial Area, Anand Nagar, Village Jambivali,
Taluka Ambernath (East), District Thane,
Maharashtra. Pin - 421 506
Phone: 0251 - 2624000

Valia : Burjorjinagar, Plot No. 3, Village Kanerao,
Taluka - Valia, District Bharuch,
Gujarat 393 135.
Phone: 02643 - 270756 to 270760
Fax: 02643 - 270018

Wadala : L.M. Nadkarni Marg, Near M.P.T. Hospital,
Wadala (East), Mumbai 400 037.
Phone: 022 - 2415 4816, 2414 8770
Fax: 022 - 2414 6204

Dombivali : Plot No: W-61, MIDC Phase II,
Sagaon, Sonarpada, Dombivali - East
Thane, Maharashtra, 421204
Phone: 0251 - 2871177

BANKERS

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

Chairman's Statement



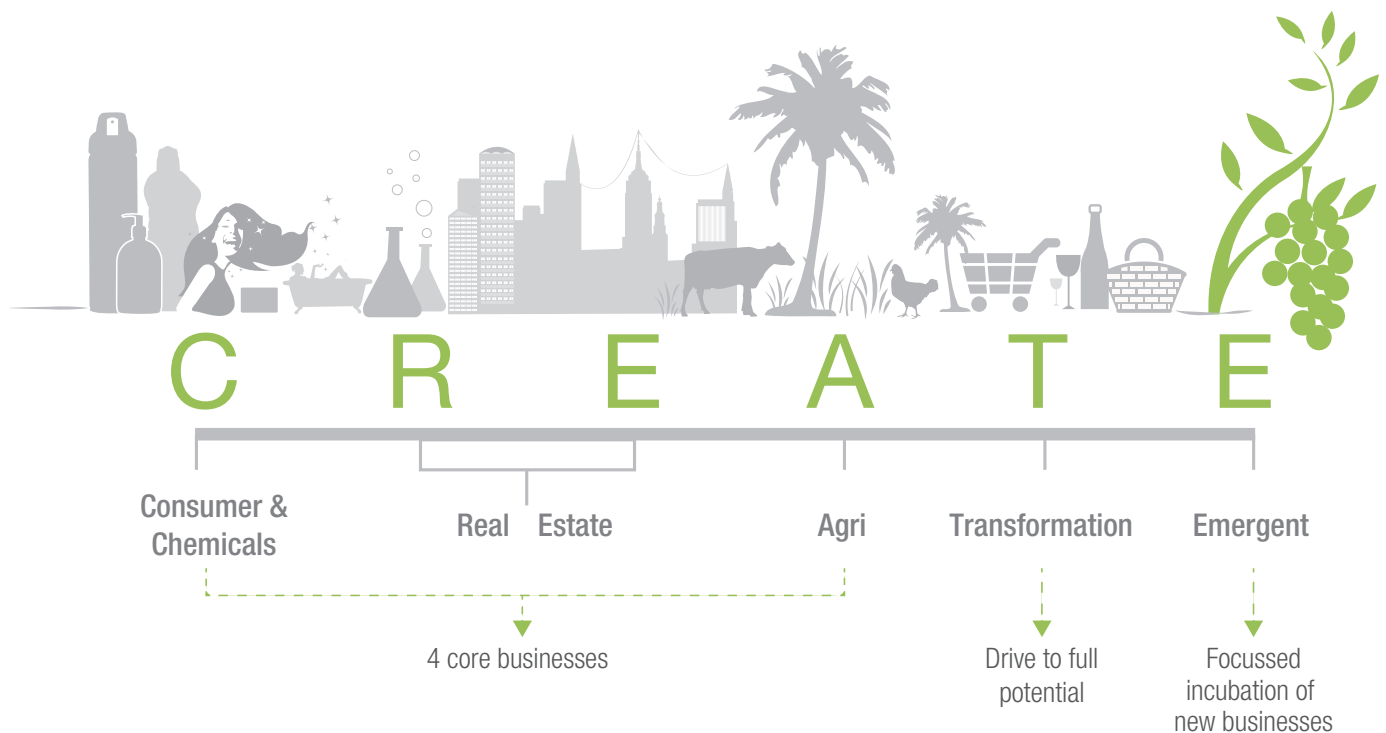
Dear Shareholders,

I am delighted to share with you the events and developments of your Company during course of financial year 2015-16. The overall performance of your Company has witnessed a healthy growth in profits with consolidated Net Profit increasing by 20%. We continued to do well in most of our core businesses. The year gone is representative of the value Godrej Industries continues to create for all its stakeholders.

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

This approach of your Company's business strategy is captured in the approach called CREATE which stands for:

Adi Godrej
Chairman



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

C – Consumer and Chemicals **Consumer (GCPL)**

Godrej Consumer Products Ltd is the largest home-grown home and personal care company in India. In FY15-16 GCPL delivered a strong performance with consolidated net profit increasing by 23%. At GCPL, we are constantly innovating to delight our consumers with more exciting, superior quality products at affordable prices.

One of GCPL's most important imperatives is to extend leadership in our core categories - home care, personal wash and hair care. We remain focused on delivering superior ahead of the market growth, driving consumption and penetration in our core categories, as well as extending into attractive adjacencies. The strategic pillars of GCPL is to sustain leadership position in its core categories, strengthen presence in emerging categories, drive growth in international business, accelerate the pace of innovation, strengthen brand portfolio, create a future ready sales organization, build a global best-in-class supply chain and continue

to execute different initiatives to foster an agile and high performance culture. I am pleased to share that GCPL is recognised among the top 10 best large workplaces in Asia by Great Place to Work. This is highest rank for any FMCG company. We are also ranked among Aon Hewitt's Best Employers in India 2016.

GCPL remains focused on its 3x3 strategy of building a presence in 3 emerging markets (Asia, Africa and Latin America) across 3 categories (home care, personal wash and hair care). This, we believe, will provide us immense opportunities across all our geographies and categories. GCPL is investing strategically in creating new growth vectors for the future, while continuing to drive the core to full potential. We will continue to invest competitively in our brands and enhance our go-to-market infrastructure. The medium and long-term growth prospects in India and our other emerging markets remain robust. I am confident that with our clear strategic focus, differentiated product portfolio, superior execution and top-notch team, we will continue to deliver industry-leading results in the future.

Chemicals

Our Chemicals business has delivered a strong fiscal with PBIT increasing by 114% over the previous year. The chemicals business continued its strong focus on cost control and operational efficiencies. This coupled with a strategic approach to front-end sales contributed to the good performance across product categories.

I am happy to share that our Chemicals business was recognized by Chemexcil (an industry council setup by the Ministry of Commerce and Industry) for its export performance and has received the 'Trishul Award' and 'Gold Award'. I am also happy to share that our Valia plant received the Green Co Best Practices Award 2015 for its carbon neutrality initiatives which include substituting primary energy sources with renewable energy, green power procurement and maximising energy efficiency among others and your company was also awarded the "Energy efficient unit" at the CII's National award for excellence in Energy Management 2015"

RE – Real Estate (GPL)

Godrej Properties, had its best ever financial year across parameters. It recorded highest ever bookings, revenues, EBITDA, net profit, cash flows and deliveries despite a challenging year for the real estate sector. Total income for the year grew by 42% and Net Profit increased by 21%. This performance demonstrates GPL's ability to maintain growth in difficult market conditions. I am happy to share that GPL had its best ever launch '**The Trees**', Vikhroli. In commercial space, GPL entered into the largest ever end-user commercial transaction in India, Godrej BKC where it sold 435,000 sq.ft. for ₹ 1,479 crore. On the business development front, GPL added 4 new projects to its development portfolio during the year with a saleable area of ~7 million sq. ft. With regards to operations, GPL successfully delivered 6 million sq. ft. in FY15-16 a growth of 71% over the previous year. The real estate sector in India holds huge potential and given our national presence, strong brand and large number

of new projects, we believe, we are well-positioned to fully capitalize on this opportunity.

A – Agri Business (GAVL)

The year at Godrej Agrovvet was tough on account of two back to back poor monsoons and subdued commodity prices. Despite this situation, Godrej Agrovvet's Total Income for the year has increased by 14% over the previous year. I am happy to share that during the year 2015-16 GAVL made two acquisitions, Astec Life-Science Ltd- a listed niche Agro Chemical Company and Creamline Dairy Products Ltd a prominent dairy company in South India. Astec's acquisition will strengthen GAVL's Agro Chemicals retail presence in the country. With the increase in stake in Creamline Dairy Products Ltd. GAVL intends to build an entire cattle feed to high quality milk/milk product value proposition. We continue our focus on operational efficiencies, R&D initiatives and building a strong relationship with our customers especially the farmers.

The Agri-inputs vertical performed well, growing by 13%, it outperformed the industry in a tough season when most players had a challenging year. With acquisition of Astec Life Sciences the business is expected to clock a healthy growth rate in future. Animal Feeds vertical had a rather challenging year due to muted agri commodity prices and sluggish rural demand for poultry, fish and eggs. In the Oil Palm vertical, sales in FY15-16 remained flat as compared to the previous year. This was mainly because in FY15-16 Crude Palm Oil prices were significantly subdued as compared to FY14-15. However higher production volume helped GAVL to offset the decline in realization in prices of Crude Palm Oil. In the Poultry segment, the business withstood non remunerative broiler prices during the year to deliver a 15% growth in FY15-16 as compared to FY14-15. Our strategy is to focus on building a brand based business and we launched several innovative products under the '**Real Good Chicken**' and '**Yummiez**' brands during the year. Overall, the future prospect of GAVL remains robust and I am confident that we will continue to deliver industry outperforming results in the coming years.

T – Transformation

As a Group, your Company believes in inclusive growth that aims at enhancing the competitiveness of the businesses while simultaneously advancing the economic and social conditions of the communities in which it operates. This focus is implemented Group wide through the ‘Godrej Good and Green’ initiative.

As part of Good & Green, the Group, by 2020, aspires to create a more employable Indian workforce, a greener India and innovate for products that are greener or cater to the bottom of the income pyramid. The Group has made good progress on each of these objectives during the last fiscal year. Through employability programs in beautician training, channel sales, rural entrepreneurship and animal husbandry, the Group has been able to train and empower thousands of unemployed or underemployed youth in the last year.

E – Emergent Businesses

Over the last few years, your Company has incubated new businesses and grown them successfully. The emergent business in your Company’s portfolio viz. Nature’s Basket is scaling up well.

Natures Basket (NBL), the gourmet food retailing business, is one such business where your Company sees immense growth potential given low penetration

levels and growing addressable market. This business is ramping up well with healthy increase in same store sales and good response to our private label portfolio. NBL is now spread across 5 key metros in India through 37 outlets. NBL has leveraged technology to build a web portal for a best in class user experience and has also strengthened its backend ecommerce functionality. NBL recorded a 30% increase in sales in FY15-16. I am pleased to share that NBL was recognised at multiple retail forums as the Specialty Retailer of the Year - including The Food Forum India, Food & Grocery Forum India and the CMO Asia Retail Summit.

To conclude, we have had a reasonably good year. We remain encouraged and confident of achieving our long term objectives of inclusive, sustainable and profitable growth. I am confident that our disciplined strategy, prudent approach, focus on agile execution and our committed team will enable us to improve performance further and create greater shareholder value.

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

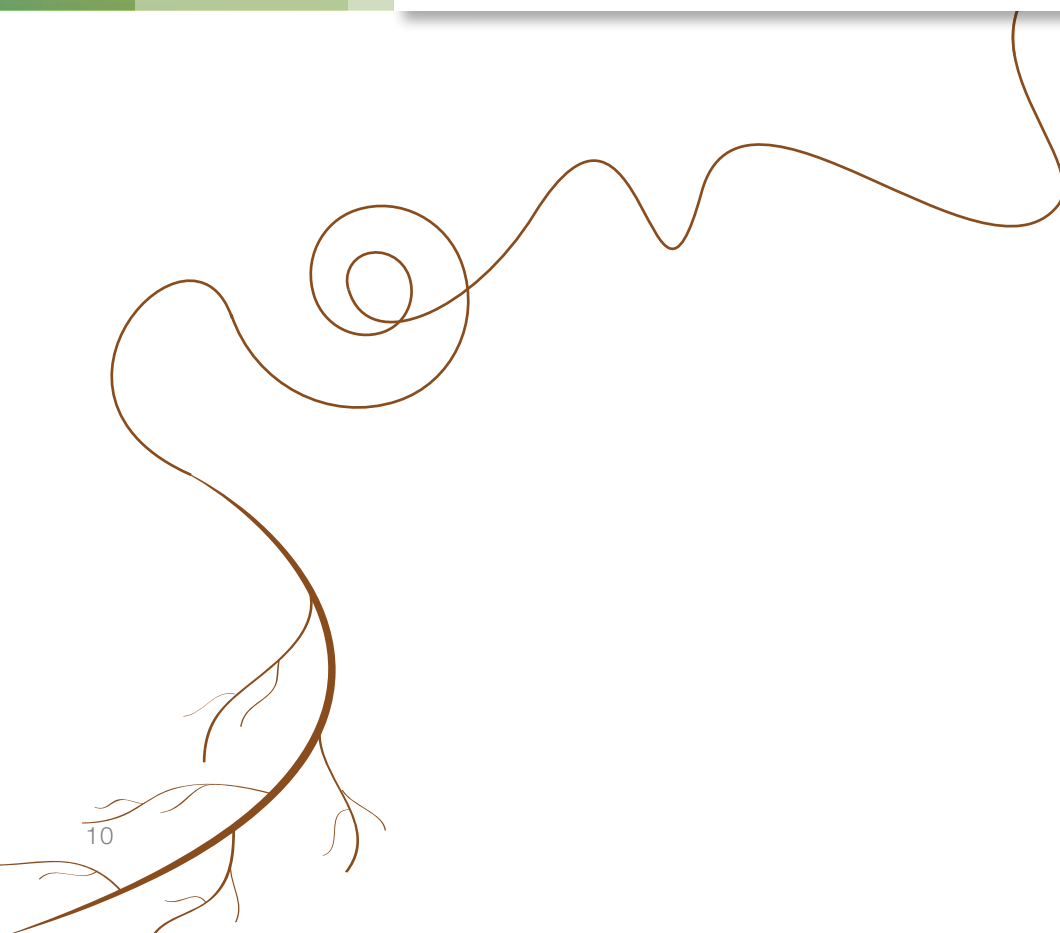
Yours sincerely,

Adi Godrej

Chairman, Godrej Industries Ltd.



FINANCIAL HIGHLIGHTS



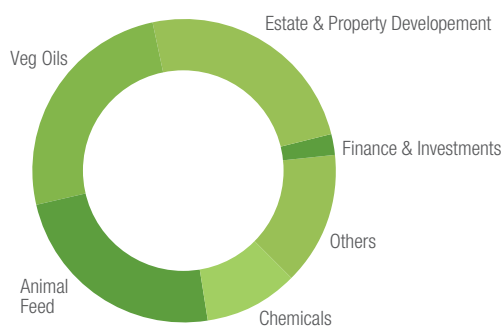
Financial Highlights

₹ Crore

FINANCIAL HIGHLIGHTS - CONSOLIDATED	2015-16	2014-15	2013-14	2012-13	2011-12
Total Income ⁺	11,171.18	9,548.23	8,116.27	7,197.45	5,803.86
Profit before Finance Costs, Depreciation and Amortisation and Tax [*]	1,043.95	803.75	656.04	595.61	457.34
Depreciation and Amortisation expense	130.21	93.23	70.44	59.45	56.35
Finance Costs (net)	273.19	191.73	118.88	110.34	110.83
Net Profit after Minority Interest #	484.43	402.47	326.37	391.18	291.61

⁺ Including other income and exceptional items ;
[#] With share of profit in associate companies and post reduction of minority interest

Total Income 2015-16

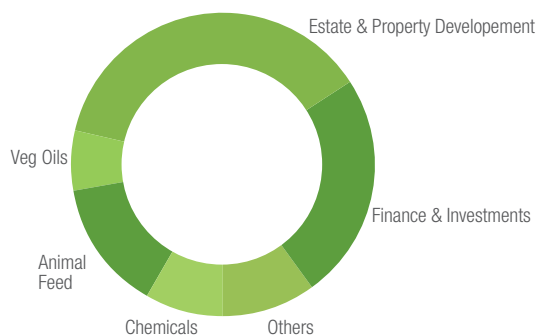


Break-up of Total Income* ₹ Crore

Chemicals	1,142.17
Animal Feed	2,665.50
Veg Oils	2,816.81
Estate & Property Development	2,727.64
Finance & Investments	265.21
Others	1,553.85
Total	11,171.18

* net of intersegment revenue

Total Profit before Interest & Tax (PBIT) 2015-16

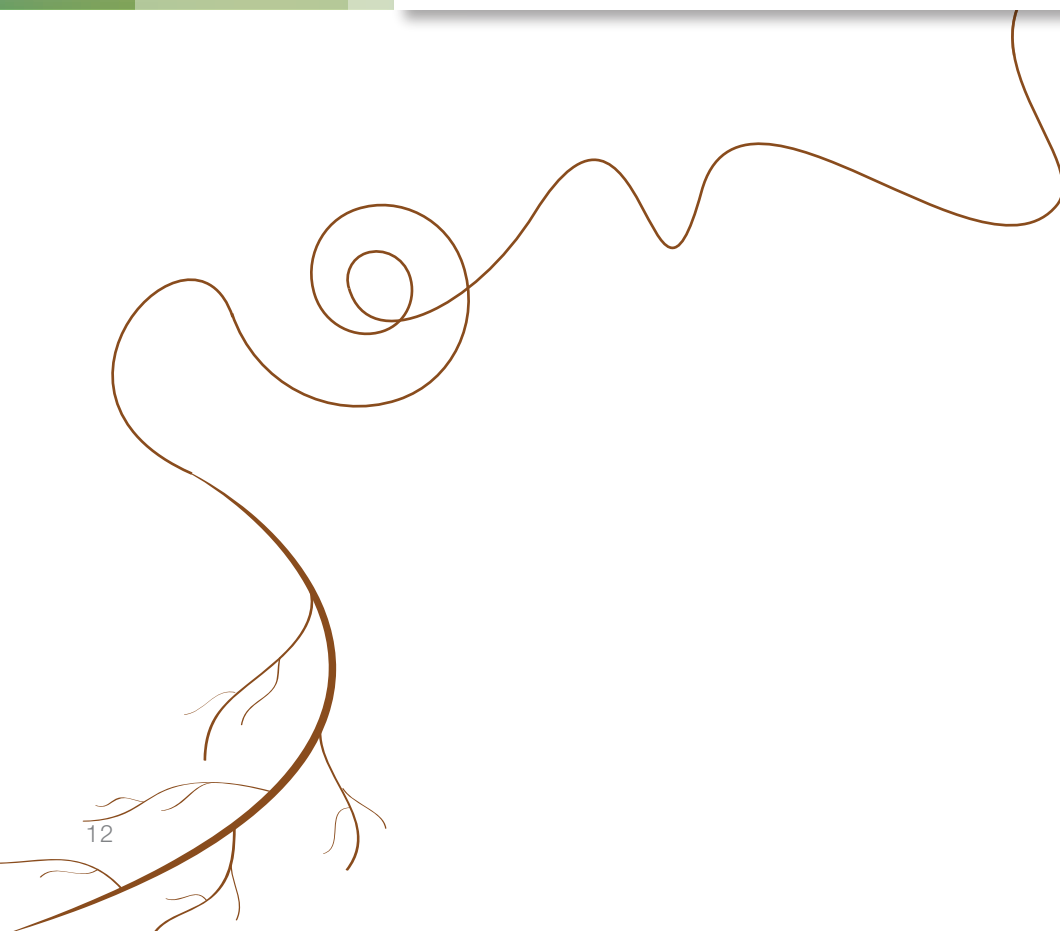


Break-up of Total PBIT* ₹ Crore

Chemicals	91.34
Animal Feed	152.47
Veg Oils	69.73
Estate & Property Development	403.06
Finance & Investments	265.20
Others	106.48
Total	1,088.28



NOTICE TO **SHAREHOLDERS**



Notice to Shareholders

NOTICE is hereby given that the TWENTY-EIGHTH ANNUAL GENERAL MEETING of the members of GODREJ INDUSTRIES LIMITED will be held on Thursday, August 11, 2016 at 3.30 P.M. at the Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079, to transact the following business:-

Ordinary Business:

1. To consider and adopt the Audited Financial Statements (both standalone and consolidated) of the Company for the year ended March 31, 2016 which includes the Statement of Profit & Loss, Cash Flow Statement, the Balance Sheet as at that date, the Auditor's Report thereon and the Board's Report.
2. To appoint a Director in place of Mr. J.N. Godrej (DIN:00076250), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. N.S. Nabar (DIN:06521655), who retires by rotation and being eligible, offers himself for re-appointment.
4. Ratification of appointment of Statutory Auditors and fixing their remuneration:

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration No. 104607W), as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.

Special Business:

5. Appointment of Mr. A. D. Cooper as a Director:

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED that Mr. A. D. Cooper (DIN: 00026134), who was appointed as an Additional Director of the Company with effect from October 28, 2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

FURTHER RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Rules made thereunder, as amended from time to time, read with Schedule IV to the Act, Mr. A. D. Cooper (DIN: 00026134), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years commencing from October 28, 2015.”

6. Reappointment of and remuneration payable to Mr. N. B. Godrej as Managing Director:

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

“RESOLVED that pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(including any statutory modification(s) or reenactment(s) thereof, for the time being in force), approval of the Company be and is hereby accorded for the reappointment and terms of remuneration of Mr. N. B. Godrej (DIN: 00066195), as Managing Director of the Company, for a period of three years from April 1, 2017 to March 31, 2020 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of appointment, with liberty to the Directors / Nomination and Compensation Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Directors and Mr. N. B. Godrej.”

7. Investment in Godrej Properties Limited upto a sum of ₹ 300 crore:

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

“RESOLVED that pursuant to the provisions of Section 186 of the Companies Act, 2013 (the Act), and the applicable provisions, rules and schedules, if any, including any statutory modifications(s) / amendment(s) / revision(s) thereof or any other law, as may be applicable (hereinafter referred to as “the Act”), and/or any other approvals, as may be required, the Company be and is hereby authorized to invest in/ acquire the securities of Godrej Properties Limited by way of subscription / purchase or otherwise, upto a sum of ₹ 300 crore (Rupees Three hundred crore only), notwithstanding that the aggregate of the investments so far made or to be made in, exceeds the limits / will exceed the limits laid down by the Act.

FURTHER RESOLVED that the Management Committee of the Board of Directors and/ or Mr. A. B. Godrej, Chairman, Mr. N. B. Godrej, Managing Director, Ms. T. A. Dubash, Executive Director & Chief Brand Officer, Mr. N. S. Nabar, Executive Director & President (Chemicals), and Mr. Clement Pinto, Chief

Financial Officer, be and are hereby severally authorized to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned investment, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer, sale, recall, renewal, divestment or otherwise, either in part or in full, as it/they may, in its/ their absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transaction.

FURTHER RESOLVED that the limits indicated hereinabove in case of divestment, transfer or sale of investment, as the case may be, be restored to the original sanctioned limit of ₹300 crore.”

8. Investment in Godrej Agrovet Limited upto a sum of ₹ 300 crore:

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

“RESOLVED that pursuant to the provisions of Section 186 of the Companies Act, 2013 (the Act), and the applicable provisions, rules and schedules, if any, including any statutory modifications(s) / amendment(s) / revision(s) thereof or any other law, as may be applicable (hereinafter referred to as “the Act”), and/or any other approvals, as may be required, the Company be and is hereby authorized to invest in/ acquire the securities of Godrej Agrovet Limited by way of subscription / purchase or otherwise, upto a sum of ₹ 300 crore (Rupees Three hundred crore only), notwithstanding that the aggregate of investments so far made or to be made in, exceeds the limits / will exceed the limits laid down by the Act.

FURTHER RESOLVED that the Management Committee of the Board of Directors and/ or Mr. A. B. Godrej, Chairman, Mr. N. B. Godrej, Managing Director, Ms. T. A. Dubash, Executive Director & Chief Brand Officer, Mr. N. S. Nabar, Executive Director & President (Chemicals), and Mr. Clement Pinto, Chief Financial Officer, be and are hereby severally

authorized to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned investment, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer, sale, recall, renewal, divestment or otherwise, either in part or in full, as it/they may, in its/their absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transaction.

FURTHER RESOLVED that the limits indicated hereinabove in case of divestment, transfer or sale of investment, as the case may be, be restored to the original sanctioned limit of ₹300 crore."

9. Investment in OPGS Power Gujarat Private Limited upto a sum of ₹ 4 lac:

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

"RESOLVED that pursuant to the provisions of Section 186 of the Companies Act, 2013 (the Act), and the applicable provisions, rules and schedules, if any, including any statutory modifications(s) / amendment(s) / revision(s) thereof or any other law, as may be applicable (hereinafter referred to as "the Act"), and/or any other approvals, as may be required, the Company be and is hereby authorized to invest in/ acquire the securities of OPGS Power Gujarat Private Limited by way of subscription / purchase or otherwise, upto a sum of ₹ 4 lac (Rupees Four Lac only), notwithstanding that the aggregate of the investments so far made or to be made in, exceeds the limits / will exceed the limits laid down by the Act.

FURTHER RESOLVED that the Management Committee of the Board of Directors and/or Mr. A. B. Godrej, Chairman, Mr. N. B. Godrej, Managing Director, Ms. T. A. Dubash, Executive Director & Chief Brand Officer, Mr. N. S. Nabar, Executive Director & President (Chemicals), and Mr. Clement Pinto, Chief Financial Officer, be and are hereby severally authorized to take from time to time all decisions

and steps necessary, expedient or proper, in respect of the above mentioned investment, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer, sale, recall, renewal, divestment or otherwise, either in part or in full, as it/they may, in its/their absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transaction.

FURTHER RESOLVED that the limits indicated hereinabove in case of divestment, transfer or sale of investment, as the case may be, be restored to the original sanctioned limit of ₹ 4 lac."

10. Remuneration of M/s. R. Nanabhoy & Co., Cost Auditors of the Company:

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the rules made thereunder, as amended from time to time, the remuneration payable to M/s. R. Nanabhoy & Co., Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, amounting to ₹ 2,64,000 per annum, plus service tax and actual out-of-pocket expenses, be and is hereby ratified and confirmed.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Nilufer Shekhawat
Company Secretary

Mumbai, May 25, 2016

Registered Office:

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

Tel.: +91 22 2518 8010/ 20/ 30;

Fax: +91 22 25188066;

Website: www.godrejindustries.com;

Email: investor@godrejinds.com;

CIN: L24241MH1988PLC097781

NOTES:

1. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (the Act) in respect of business under Item Nos. 5 to 10 as set out in the Notice is annexed hereto.
2. Brief resume of Directors/persons proposed to be appointed / re-appointed, as stipulated under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is provided after the explanatory statement to this notice.
3. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy so appointed shall not have any right to speak at the meeting. A person can act as a proxy on behalf of not more than fifty members holding in the aggregate, not more than 10% of the total share capital of the Company. Members holding more than 10% of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited Companies, Societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays, up to the date of the Annual General Meeting.
5. Corporate Members intending to send their

authorised representatives to attend the Annual General Meeting, pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant board resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the meeting.

6. Pursuant to section 101 and section 136 of the Act read with relevant rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. Members who have not registered their email addresses so far are requested to register their email address with their Depository Participant only, for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
7. Those Members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' established by the Central Government, pursuant to Section 205A of the Companies Act, 1956 on the respective dates mentioned there against. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 11, 2015 (date of last Annual General Meeting) on the website of the Company.

Dividend for the Financial Year ended	Date of Dividend Declaration	Due Date for Transfer
31.03.2009	29.07.2009	03.09.2016
31.03.2010	27.07.2010	01.09.2017
31.03.2011	30.07.2011	03.09.2018
31.03.2012	11.08.2012	16.09.2019
31.03.2013	10.08.2013	15.09.2020

31.03.2014	09.08.2014	16.09.2021
31.03.2015	11.08.2015	17.09.2022
31.03.2016*	08.03.2016	14.04.2023

**Interim Dividend*

8. Members/Proxies are requested to bring the Attendance Slip duly filled in for attending the Annual General Meeting.
9. Members are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.
10. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company
11. E-voting: In compliance with the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide the members the facility to exercise their vote for business to be transacted in this notice of Annual General Meeting (AGM) by electronic means through e-voting facility provided by Central Depository Services Limited (CDSL). Members who are holding shares in physical or dematerialized form as on August 4, 2016 shall exercise their vote by electronic means.

The e-voting instructions for members receiving an e-mail or a physical copy of this notice of AGM are as under:

- (i) The remote e-voting period begins on August 7, 2016 at 9:00 hrs. and ends on August 10, 2016 at 17:00 hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 4, 2016, may cast their vote electronically. The e-voting module shall

be disabled by CDSL for voting thereafter.

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

For Members holding shares in Demat / Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to enter the first five letters “NPGIL” and the 5 digits of the sequence number printed on the address label.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the Demat account number / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Godrej Industries Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store, respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. Members may also contact Mr. Mehboob Lakhani, Asst. Manager, CDSL on Ph: 18002005533.

12. In case of members who are attending the AGM and are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion for all businesses specified in the accompanying Notice. For clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off/ record date i.e. August 4, 2016. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Act read with the Companies (Management and Administration) Rules, 2014.
13. Mr. Kalidas Vanjpe, Practicing Company Secretary, (Membership no. FCS 7132) has been appointed as the Scrutinizer to scrutinize the e-voting process as well as the voting by way of poll, to be conducted at the AGM, in a fair and transparent manner.
14. The Scrutinizer, after scrutinizing the votes cast at the meeting and through e-voting, will, not later than forty eight hours of conclusion of the Meeting, make the Scrutinizer's report and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on the website of the Company www.godrejindustries.com. The results shall simultaneously be communicated to the Stock Exchanges.
15. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 11, 2016.
16. Route map showing directions to reach venue of the AGM is given at the end of the Annual Report.

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

Item No. 5

Mr. A. D. Cooper was appointed as an Additional

Director of the Company with effect from October 28, 2015 by the Board of Directors under Section 161(1) of the Companies Act, 2013 (the Act). In terms of Section 161(1) of the Act, Mr. A. D. Cooper holds office only upto the date of the forthcoming Annual General Meeting (AGM) but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose appointment of Mr. A. D. Cooper as a Director.

Mr. A. D. Cooper is a bachelor in Commerce from Mumbai University and is a Fellow member of The Institute of Chartered Accountants of India. He has nearly 40 years of experience in accounting, finance and consulting. He is widely known for his expertise in general management consultancy, implementing accounting and organisational control systems, and corporate performance management solutions. He is also adept in managing risks and change. He was a partner at B. E. Billimoria & Co. Limited and Deloitte Haskins & Sells. He also served as National Director – Consulting, Deloitte India and served on the boards of Trent Limited and Tata Asset Management Limited.

The Directors are of the view that the appointment of Mr. A. D. Cooper will be beneficial to the Company and that the Company should receive the benefit of his valuable experience and advice and commends his appointment.

It is also proposed to appoint him as an Independent Director, not liable to retire by rotation for a term of consecutive 5 years from October 28, 2015. The Company has received a certificate from Mr. Cooper confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act as well as the relevant regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations). Mr. A. D. Cooper is independent of the management and in the opinion of the Board fulfils the conditions specified in the Act and rules made thereunder for appointment as an Independent Director of the Company. A copy of the draft letter of appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee to the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Other than Mr. A. D. Cooper, none of the Directors and Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested in the resolution at Item No. 5 of the accompanying Notice.

Mr. A. D. Cooper is not related to any other Director of the Company.

The Board recommends passing of the resolution as set out at item no. 5 of the Notice.

Item No. 6

The tenure of Mr. N. B. Godrej, Managing Director will expire on March 31, 2017. It is proposed to reappoint him for a period of 3 years, from April 1, 2017 to March 31, 2020.

The Board reappointed Mr. N. B. Godrej as the Managing Director for a period of 3 years, from April 1, 2017 to March 31, 2020, vide resolution passed on May 25, 2016, subject to approval of shareholders and the Central Government.

The proposed remuneration and terms and conditions of appointment of Mr. N. B. Godrej (hereinafter referred to as the Managing Director) are as given below:

- a. The Managing Director shall perform his duties subject to the superintendence, control and direction of the Board of Directors of the Company.
- b. In consideration of the performance of his duties, the Managing Director shall be entitled to receive remuneration as stated herein below:-

This resolution does not constitute related party transaction under the provisions of Section 188 of the Act read with The Companies (Meetings of Board and its Powers) Rules, 2014. This resolution, though related party transaction under Listing Regulations, applicable accounting standards, is not a material related party transaction.

The remuneration payable to the Managing Director is given below:

(i) Fixed Compensation:

Fixed Compensation shall include Basic Salary

and the Company's Contribution to Provident Fund and Gratuity Fund. The Basic Salary shall be in the range of ₹ 1,75,00,000 p.a. to ₹ 2,50,00,000 p.a., payable monthly. The Basic Salary as approved by the Nomination and Compensation Committee to the Managing Director for the FY16-17 is ₹ 1,63,50,000/- p.a. The Annual Basic Salary and increments will be decided by the Nomination and Compensation Committee/Board of Directors depending on the performance of the Managing Director, the profitability of the Company and other relevant factors.

(ii) Performance Linked Variable Remuneration (PLVR):

Performance Linked Variable Remuneration according to the Scheme of the Company for each of the financial years as may be decided by the Nomination and Compensation Committee / Board of Directors of the Company based on Profit Before Tax and/or Economic Value Added (EVA) in the business and other relevant factors and having regard to the performance of the Managing Director for each year.

(iii) Flexible Compensation:

In addition to the Fixed Compensation and PLVR, the Managing Director shall be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Act (collectively called "perquisites and allowances").

These perquisites and allowances may be granted to the Managing Director in the manner as the Board may decide as per the rules of the Company.

- Housing (i.e. Unfurnished residential accommodation OR House Rent Allowance at 85% of Basic Salary)
- Furnishing at residence;
- Supplementary Allowance;
- Leave Travel Assistance;
- Payment/reimbursement of domiciliary medical expenses for self and family;
- Payment/reimbursement of food vouchers, fuel reimbursement;

- Company cars with drivers for official use, provision of telephone(s) at residence; payment/reimbursement of expenses thereof;
- Housing Loan and contingency loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- Earned/privilege leave, on full pay and allowance, not exceeding 30 days in a financial year. Encashment/ accumulation of leave will be permissible in accordance with the Rules specified by the Company. Casual/Sick leave as per the rules of the Company;
- Such other perquisites and allowances as per the rules of the Company in force and/ or as may be approved by the Board from time to time.

The maximum cost to the Company for the aggregate of the allowances listed above for the Managing Director shall be ₹2,60,00,000/- p.a., payable monthly, plus cars (including drivers salary, fuel, maintenance and other incidental expenses) plus housing (i.e. unfurnished residential accommodation OR House Rent Allowance at 85% of Basic Salary). In addition to the above, the Managing Director shall be eligible for club facilities, group insurance cover, group hospitalization cover, and/or any other allowances, perquisites and facilities as per the Rules of the Company.

Explanation:

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

(iv) Overall Remuneration:

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Managing Director from time to time, shall not exceed the limits prescribed from time to time under

Section 197 read with Schedule V and all other applicable provisions, if any of the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), unless approved by the Central Government.

(v) Loans:

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

Notes:

- I. Unless otherwise stipulated, for the purpose of the above, the perquisites shall be evaluated as per Income Tax Rules wherever actual cost cannot be determined
- II. Notwithstanding the foregoing, where in any Financial Year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the remuneration by way of salary, commission and perquisites shall not exceed, the maximum limits prescribed in Schedule V to the Act, except with the approval of the Central Government.
- III. The limits specified above are the maximum limits and the Nomination and Compensation Committee / Board may in its absolute discretion pay to the Managing Director lower remuneration and revise the same from time to time within the maximum limits stipulated above.
- IV. In the event of any re-enactment or re-codification of the Act or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Act or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued there under.
- V. If at any time the Managing Director ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be the Managing Director of the Company.
- VI. The Managing Director is appointed by virtue of his employment in the Company and his appointment is subject to the

provisions of Section 167 of the Act. The Managing Director is not liable to retire by rotation. The appointment is terminable by giving three months' notice in writing on either side.

The Directors are of the view that the appointment of Mr. N. B. Godrej as Managing Director will be beneficial to the operations of the Company and the remuneration payable to him is commensurate with his abilities and experience and accordingly commend the Resolution at Item No. 6 of the accompanying Notice for approval by the shareholders of the Company.

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

Other than Mr. N. B. Godrej and Mr. A. B. Godrej, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the resolution at Item No. 6 of the accompanying Notice.

The following additional information as required under Schedule V of the Companies Act, 2013 is given below:

I. General Information:

1. Nature of Industry

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

2. Date or expected date of commencement of commercial production: March, 1988.

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

Not Applicable.

4. Financial Performance based on given indicators:

Amount in ₹ crore

Particulars	Current Year	Previous Year
Total Income	1606.72	1688.52
Expenditure other than Interest and Depreciation	1220.13	1379.59
Profit before Interest, Depreciation and Tax	386.59	308.93
Interest (net)	191.98	148.17
Profit Before Depreciation and Tax	194.61	160.76
Depreciation	44.37	28.59
Profit Before Tax and Exceptional Items	150.24	132.17
Provision for Current Tax	9.96	4.23
Provision for Deferred Tax	(17.02)	(20.87)
Net Profit	157.30	148.81

5. Foreign Investments and Collaborations:

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

II. Information about the Appointees:

1. Background Details:

Mr. N. B. Godrej, aged 64 years, is the Managing Director of Godrej Industries Ltd. and Chairman, Godrej Agrovet Ltd. He was appointed on the Board of Godrej Industries Limited on March 7, 1988. He is also a Director of numerous companies including Godrej & Boyce Mfg. Co. Ltd. and Godrej Consumer Products Ltd.

Mr. N. B. Godrej is a Bachelor of Chemical Engineering from the Massachusetts Institute of Technology and a Master of Chemical Engineering from Stanford University. He has also done his MBA from the Harvard Business School.

The details pertaining to shareholding in the Company, other directorships, memberships/ chairmanships of the Committees of other Boards are given in the section on 'Brief Resume of Directors/persons seeking appointment/ re-appointment at this Annual General Meeting in pursuance of regulation 36(3) of SEBI (Listing

Obligations and Disclosure Requirements), 2015 of this Annual Report.

Mr. N. B. Godrej attended Six meetings of the Board during the year.

2. Past remuneration drawn by Mr. N. B. Godrej during the financial year ended March 31, 2016

During the financial year ended March 31, 2016, a sum of ₹ 4,56,28,033 /- was paid to Mr. N.B. Godrej as remuneration.

3. Recognition and Awards:

Currently, Mr. N. B. Godrej is the President of The Alliance Francaise de Bombay, Mumbai. For his contribution to Indo-French relations, the French Government has honored Mr. Godrej with the awards of “Chevalier de L’Ordre National due Merite” and “The National Order of the Legion of Honneur”.

4. Job profile Suitability:

A veteran of Indian industry, Mr. N. B. Godrej has played an important role in developing the animal feed, agricultural input and chemicals businesses owned by Godrej. His active interest in research related to these areas has resulted in several patents in the field of agricultural chemicals and surfactants.

With his tremendous experience and expertise Mr. N. B. Godrej has also contributed to the development of a variety of industries by participating keenly in industry bodies such as the Compound Livestock Feed Manufacturers Association of India, Indian Chemical Manufacturers Association and Oil Technologists’ Association of India.

5. Remuneration proposed:

Salary proposed to Mr. N. B. Godrej in the basic scale of ₹ 1,75,00,000/- p.a. to ₹ 2,50,00,000/- p.a., payable monthly and other perquisites, allowances, other benefits etc. respectively, as fully set out herein above.

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

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. N. B. Godrej, the remuneration proposed to be paid is commensurate with the remuneration package paid to his similar counterparts in other companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration proposed to be paid to Mr. N. B. Godrej, he has no other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors except Mr. A. B. Godrej.

III. Other Information:

1. Reasons of loss or inadequate profits:

Godrej Industries Limited (GIL) has interest in various businesses directly and through its subsidiaries and associates. GIL including its subsidiaries and associates has presence in oleochemicals, property development, oil palm plantation, animal feeds and agroproducts, poultry, personal care and household care, etc.

While GIL’s investments in Group Companies are strategic investments, GIL does encash some of the value created from time to time by sale of such investments resulting in profits on sale of investments. This profit is to be necessarily excluded from the calculations for determining the net profits under section 198 of the Act, in order to ascertain the limit for overall maximum managerial remuneration. If GIL was allowed to consider such profits (e.g. profit on sale of investments), the Company may be well within its limit.

2. Steps taken or proposed to be taken for improvement and expected increase in

productivity and profits in measurable terms:

As explained in the above point, if the profits on sale of investments are added then the Company may be well within the limits of Section 198 of the Act.

IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2016'.

Item Nos. 7 & 8

In terms of the provisions of Section 186 of the Companies Act, 2013 (the Act), the Company is required to seek prior approval from the shareholders through a special resolution for acquisition by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more.

The Company proposes to invest in its subsidiaries, Godrej Properties Limited (GPL) and Godrej Agrovet Ltd (GAVL) upto an amount of ₹ 300 crore, each, as it considers it to be a good investment opportunity. GPL is into real estate development and GAVL is a research & development backed agri-business Company. The Company's current investment in these 2 companies is as under:

Name of the Company	Amount (₹Crore)	Percentage of holding (%)
Godrej Properties Ltd.	726.78	56.73
Godrej Agrovet Ltd.	143.98	60.81

Further approval of the Members is being sought by way of a Special Resolution under Section 186 of the Act read with the Rules made thereunder, to enable the Company to acquire by way of

subscription, purchase or otherwise, the securities of GPL and GAVL, exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more.

The Board commends the resolutions at Item Nos. 7 & 8 of the accompanying Notice for approval by the Members of the Company.

The extent of shareholding interest of the promoters and directors in the resolutions at item Nos. 7 & 8 are as under:

Name	Shareholding (%)	
	GPL	GAVL
Mr. A. B. Godrej Jt. Mrs. Parmeshwar A. Godrej	Nil	0.003
Mr. J. N. Godrej	0.88	Nil
Mr. Jamshyd N. Godrej jt. Mrs. Pheroza J. Godrej Mr. Navroze J. Godrej (holding shares in trust as the trustees of the Raika Godrej Family Trust).	Nil	1.12
Mr. N. B. Godrej	1.84	2.24
Ms. Tanya Dubash	0.61	0.75
Mr. Rishad K. Naoroji	1.84	2.24
Mr. Freyan V. Crishna	0.96	1.12
Ms. Nisaba A. Godrej	0.61	0.75
Ms. Nyrika V. Crishna	0.88	1.12
Mr. Pirojsha A. Godrej	0.61	0.75
Mr. Navroze J. Godrej	0.96	1.12
Godrej & Boyce Mfg. Co. Ltd.	4.92	2.87
Ensemble Holdings and Finance Ltd.	0.64	Nil
Godrej Investments Private Ltd.	3.44	Nil
Total	18.19	14.083

Mr. A. B. Godrej, Mr. J. N. Godrej, Mr. N. B. Godrej, Ms. Tanya Dubash and Mr. V. M. Crishna are deemed to be interested in these resolutions. None of the other Directors or KMP of the Company or their respective relatives

are concerned or interested in the resolutions at Item Nos.7 & 8 of the accompanying Notice.

Item No. 9

The Company also proposes to enter into a Long Term Open Access Agreement with OPGS Power Gujarat Pvt. Ltd. (OPGS) for the power requirement of Valia unit. GIL and OPGS need to enter into an agreement for applying to Gujarat Energy Transmission Corporation Ltd. (GETCO) for permission to allow OPGS to transmit power using state power grid to Valia from their Bhadreshwar plant in Gujarat. This power supply agreement (PSA) would be under captive mechanism outlined by the Govt. of India under the Electricity Rules, 2005 ("Captive Scheme").

Under the captive scheme, the Company is required to purchase equity shares of OPGS. Subject to shareholders approval, the Board approved investment/acquisition of the securities of OPGS by way of subscription / purchase or otherwise, upto a sum of ₹ 4 lac.

Further approval of the Members is being sought by way of a Special Resolution under Section 186 of the Companies Act, 2013, read with the Rules made thereunder, to enable the Company to acquire by way of subscription, purchase or otherwise, the securities of OPGS, exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more.

The Board commends the Resolution at Item No. 9 of the accompanying Notice for approval by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.9 of the accompanying Notice.

Item No. 10

In pursuance of Section 148 of the Companies Act, 2013 and the rules made thereunder, the Board shall appoint an individual who is a cost accountant in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee at its meeting held on May 25, 2016, the Board considered and approved appointment of M/s. R. Nanabhoy & Co., Cost Accountants, for the conduct of the audit of the cost records of the Company at a remuneration of ₹ 2,64,000 per annum exclusive of service tax and out of pocket expenses for the financial year ending March 31, 2017.

The Board recommends passing of the resolution as set out at item no. 10 of the Notice.

None of the directors or KMP of the Company or their relatives are concerned or interested in the resolution at item no. 10 of the accompanying notice.

By Order of the Board of Directors

Nilufer Shekhawat
Company Secretary

Mumbai, May 25, 2016

Registered Office:

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

Tel.: +91 22 2518 8010/ 20/ 30,

Fax: +91 22 25188066,

Website: www.godrejindustries.com;

Email: investor@godrejinds.com;

CIN: L24241MH1988PLC097781

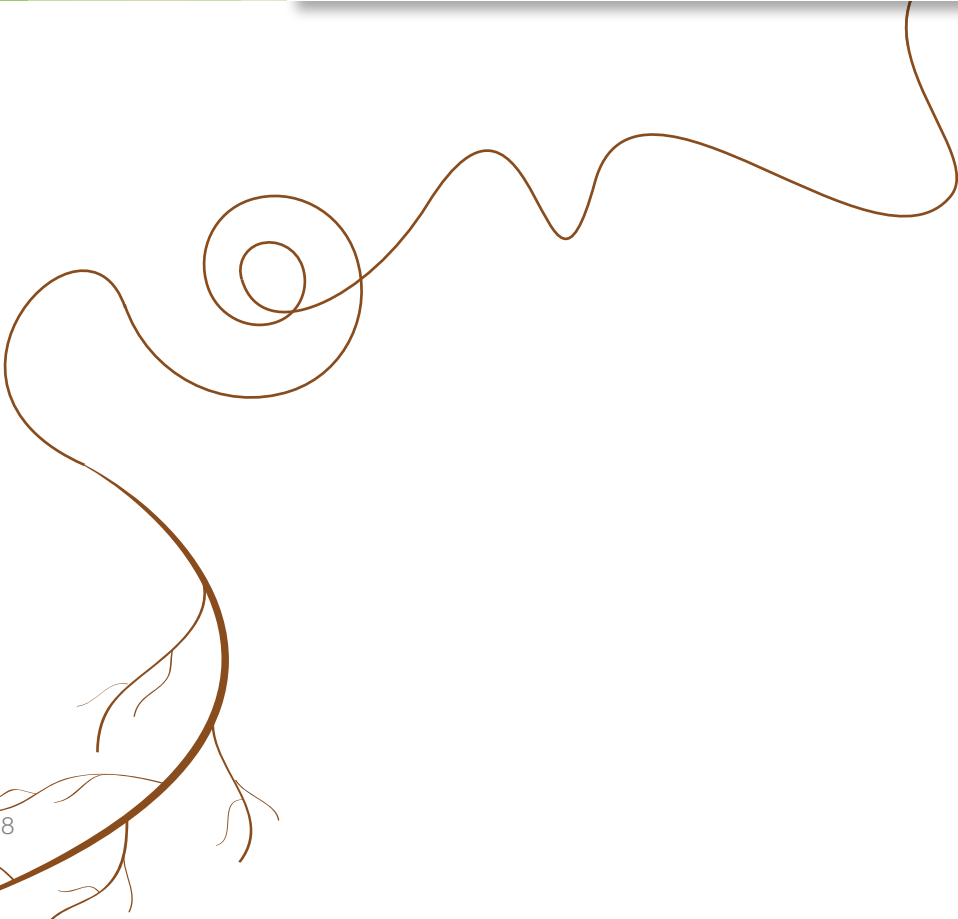
Brief Resume of Directors/persons seeking appointment/ re-appointment at this Annual General Meeting in pursuance of regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

Name of the Directors	Mr. J. N. Godrej	Mr. N. S. Nabar	Mr. A. D. Cooper	Mr. N. B. Godrej
Age	67	52	75	64
Nationality	Indian	Indian	Indian	Indian
Date of appointment	March 7, 1988	May 1, 2013	October 28, 2015	March 7, 1988
Qualification	B.E. Mechanical, Illinois Institute of Technology, USA	B.Sc (Tech.) University of Mumbai, Department of Chemical Technology and Management Graduate, Welingkar Institute of Management Development and Research, Mumbai	Chartered Accountant	B.S. from Massachusetts Institute of Technology, U.S.A., M.S. in Chem. Engg., Stanford University. MBA, Harvard Business School.
Expertise in specific functional area	Engineering and Management	Sales, Marketing, Commodities, Exports, Imports and Purchase	General management consultancy, implementing accounting and organisational control systems, and corporate performance management solutions.	Engineering and Management
Directorships held in other companies (excluding foreign companies and section 8 companies)	<ul style="list-style-type: none"> • Godrej Consumer Products Ltd. • Geometric Ltd. • Bajaj Auto Ltd., • Godrej & Boyce Mfg. Co. Ltd. • Godrej Properties Ltd. • Godrej Agrovet Ltd. • Godrej Investments Pvt. Ltd. • Illinois Institute of Technology (India) Pvt. Ltd. 	Ensemble Holdings & Finance Ltd.	<ul style="list-style-type: none"> • Godrej Buildcon Pvt. Ltd. • Godrej Landmark Redeveloper Pvt. Ltd. • Godrej Redeveloper (Mumbai) Pvt. Ltd. 	<ul style="list-style-type: none"> • Godrej Consumer Products Ltd. • Godrej Properties Ltd. • Mahindra and Mahindra Ltd. • The Indian Hotels Company Ltd • Astec Lifesciences Ltd. • Godrej & Boyce Mfg. Co. Ltd. • Godrej Agrovet Ltd. • Creamline Dairy Products Ltd. • Godrej Tyson Foods Ltd. • Isprava Vesta Private Limited

Name of the Directors	Mr. J. N. Godrej	Mr. N. S. Nabar	Mr. A. D. Cooper	Mr. N. B. Godrej
Chairmanships/ Memberships of Committees in other companies	<p>Stakeholder Relationship Committee</p> <p><u>Chairman</u> Geometric Ltd.</p> <p><u>Member</u></p> <ul style="list-style-type: none"> • Godrej Consumer Products Ltd. • Bajaj Auto Ltd. <p>Corporate Social Responsibility Committee</p> <p><u>Member</u> Godrej & Boyce Mfg. Co. Ltd.</p>	Nil	<p>Audit Committee</p> <p><u>Member</u></p> <ul style="list-style-type: none"> • Godrej Redevelopers (Mumbai) Pvt. Ltd. • Godrej Landmark Redeveloper Pvt. Ltd. • Godrej Buildcon Pvt. Ltd. <p>Nomination & Remuneration Committee</p> <p><u>Member</u></p> <ul style="list-style-type: none"> • Godrej Redevelopers (Mumbai) Pvt. Ltd. • Godrej Landmark Redeveloper Pvt. Ltd. • Godrej Buildcon Pvt. Ltd. 	<p>Audit Committee</p> <p><u>Member</u> Mahindra and Mahindra Ltd.</p> <p>Stakeholder Relationship Committee</p> <p><u>Chairman</u> Godrej Consumer Products Ltd.</p> <p>Nomination & Remuneration Committee</p> <p><u>Member</u></p> <ul style="list-style-type: none"> • Godrej Tyson Foods Ltd. • The Indian Hotels Company Ltd. • Mahindra and Mahindra Ltd. <p>Corporate Social Responsibility Committee</p> <p><u>Chairman</u></p> <ul style="list-style-type: none"> • Godrej Consumer Products Ltd. • Godrej Agrovet Ltd. <p><u>Member</u> The Indian Hotels Company Ltd</p> <p>Managing Committee</p> <p><u>Chairman</u> Godrej Agrovet Ltd.</p>
Relationship with other Directors	None	None	None	Brother of Mr. A. B. Godrej, Chairman
No. of shares held: (a) Own (b) For other persons on a beneficial basis	<p>Nil</p> <p>64,03,169 (as Trustee of Raika Godrej Family Trust)</p>	<p>12,450</p> <p>Nil</p>	<p>Nil</p> <p>Nil</p>	<p>12,20,572</p> <p>Nil</p>



BOARD'S REPORT



Board's Report

To the Members,

Your Directors have pleasure in presenting the Annual Report along with the Audited Accounts for the Financial Year ended March 31, 2016.

Review of Operations

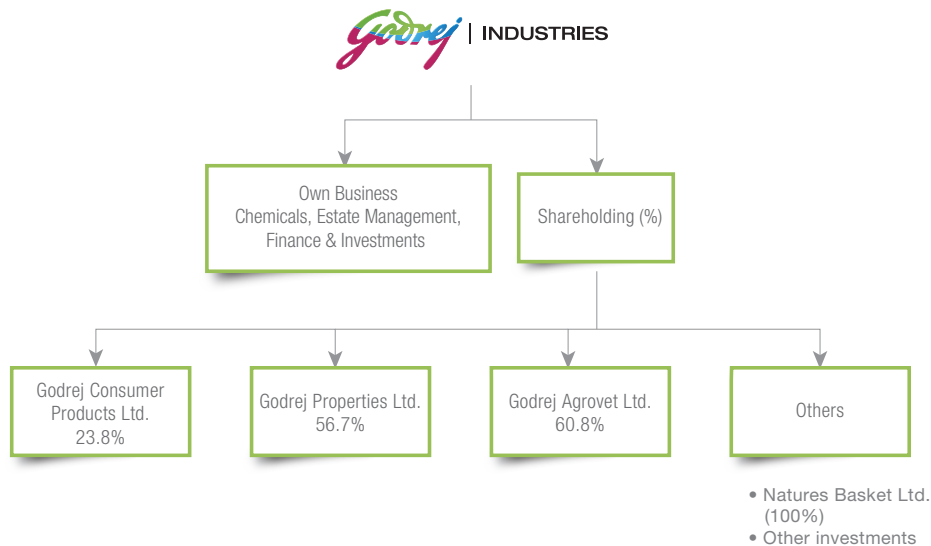
Your Company's performance during the year as compared with that during the previous year is summarized below:

	(₹ Crore) Year Ended March 31	(₹ Crore) Year Ended March 31
Particulars	2016	2015
Revenue from Operations	1,309.51	1,454.64
Other Income	297.21	233.88
Total Income	1,606.72	1,688.52
Total Expenditure other than Finance Costs and Depreciation and Amortisation	1,220.13	1,379.59
Profit before Finance Costs, Depreciation and Amortisation and Tax	386.59	308.93
Depreciation and Amortisation Expense	44.37	28.59
Profit before Finance Costs and Tax	342.22	280.34
Finance Costs (net)	191.98	148.17
Profit before Tax	150.24	132.17
Provision for Current Tax	9.96	4.23
Provision for Deferred Tax	(17.02)	(20.87)
Net Profit	157.30	148.81
Surplus brought forward	594.98	526.88
Profit after Tax available for appropriation	752.28	675.69
Appropriation		
Your Directors recommend appropriation as under:		
Interim dividend on Equity Shares	58.80	-
Dividend on Equity Shares	-	58.80
Tax on distributed profits	11.97	11.97
Excess Proposed Dividend provided for in previous year	(0.01)	-
Credit for Dividend Distribution Tax on Dividend Received from Subsidiaries	(9.75)	(7.96)
Depreciation (in transition to New Companies Act)	-	3.02
Transfer to General Reserve	-	14.88
Surplus Carried Forward	691.27	594.98
Total Appropriation	752.28	675.69

Dividend

The Board of Directors of your Company declared an interim dividend of ₹ 1.75 per equity share of ₹ 1/- each, aggregating ₹ 58.80 crore during FY15-16.

Business Structure



INDUSTRY STRUCTURE AND DEVELOPMENTS

The global economy was subdued for most part of 2015 and grew at a modest 3.1%, which was in line with what the UN and IMF had predicted last year. According to IMF, emerging market and developing economies- while still contributing to over 70 percent of global growth- declined for the fifth consecutive year. The advanced economies on the other hand showed a modest recovery. In its World Economic Outlook (WEO) update in January 2016, IMF highlighted three key transitions that significantly affected the world economy- 1) the rebalancing of economic activity in China away from manufacturing towards services 2) lower energy and commodity prices 3) tightening of monetary policy in the United States in the wake of the economic recovery.

Going forward, the IMF expects the world economy to grow at a slightly faster rate of 3.4% in 2016 and 3.7% in 2017. This is a downward revision of 0.2% from the WEO update by IMF in October 2015. Growth in advanced economies is projected to rise by 0.2% point in 2016 to 2.1%, and hold steady in 2017. On the other hand, the growth in emerging economies is projected to increase from 4 percent in 2015 to 4.3% and 4.7% in 2016 and 2017, respectively.

India experienced a slightly better financial year than FY15, with advance GDP estimates pegging the growth at 7.6%, compared to 7.4% last year (like for like comparison). Latest available IIP data also shows a growth of over 2 percent compared

to FY15. While some of the reform measures like deregulation of diesel prices and improving the power situation across the country have started to show results, delays in other reforms like the GST bill, have resulted in limiting the potential growth. In summary, the outlook on the economy remains bullish, with most global forums expecting India's GDP growth to remain in the 7.5% range.

India was hit by two consecutive droughts – a first in the last 25 years. As the El Nino phenomenon intensified during the year, it left significant distress for Indian farmers. The water levels in reservoirs of certain parts of the country are at multi-year low. The adverse conditions severely impacted all the agri input sectors i.e. seeds, agro-chemicals, farm mechanization. The poor monsoon was accompanied by a crash in the prices of livestock products – their alternate source of income. Milk powder prices (skimmed milk powder), broiler prices and egg prices remained non remunerative for large part of the year which adversely impacted the animal husbandry sector for the year, further dampening the rural income.

We look at this year as an exceptional year with respect to what happened in Indian Agriculture rather than the norm. The focus brought in by the Govt. of India to promote irrigation and higher spend allocated to MGNREGA will help reduce the rural distress in coming years. We do not expect any fundamental changes in the consumption pattern in India. The consumption of finer food items will keep on increasing as the population and per capita income rise in the country.

Volatility in commodity prices continued to affect the oleo-chemicals industry throughout the year. While the lower commodity and energy prices yielded some benefits, it also resulted in lower demand from the energy export oriented economies. The economic downturn in China, Brazil and some of the African economies also affected the export volumes from India, especially for vegetable oil based alcohols. While the Indian oleo-chemicals market was strong in FY16, bad monsoons significantly affected India's competitiveness in the rape-mustard seed based oleo-chemicals. Going forward, we continue to expect good growth in the

Indian market, while being more cautious in our global outlook.

Growth in the real estate sector continued to be lukewarm during FY16. Residential absorption rates declined from FY15 levels, but with a marginal decrease in the residential overhang, mainly due to decline in new launches. The RBI's consecutive rate cuts came in throughout the year but failed to revive the sales numbers for FY16, but should aid demand growth in FY17. Office space absorption levels have seen a rise in FY16, particularly due to improved business conditions in the country, as well as an uptake of office space by IT/ITES, banking and e-commerce companies. Costs of key input materials such as steel and cement have moved downward throughout FY16, continuing the trend seen during FY15. The passage of Real Estate Regulatory Bill will impose restrictions on developers, but being consumer friendly in nature is expected to boost consumer sentiments. This, along with continuing urbanization and migration, should drive growth in this sector in the long term. The Make in India campaign should also positively impact the commercial transactions space as well. In summary, we continue to remain bullish on the prospects for the real estate sector in India.

There is a separate section on Management Discussion and Analysis appended as Annexure A to this Report, which includes the following:

- Discussion on financial performance with respect to operational performance
- Segment wise performance
- Human Resources and Industrial Relations
- Opportunities and Threats
- Internal Control Systems and their adequacy
- Risks and Concerns
- Outlook

Subsidiary and Associate Companies

Your Company has interests in several industries including animal feeds, poultry, dairy and agro-products, oil palm plantation, property development, personal and home care, etc. through its subsidiary and associate companies.

GODREJ AGROVET

Improve the productivity of Indian farmers by innovating products and services that sustainably increase crop and livestock yields.



FY15-16 GAVL recorded consolidated revenue of ₹ 4,351 crore against ₹ 3,809 crore, a growth of 14% over FY14-15 sales.

GAVL acquired controlling stake in Creamline Dairy products limited marking its entry in the fast growing Dairy business



Godrej Agrovet Limited (GAVL)

Godrej Agrovet Ltd., a subsidiary of your company is a diversified Agri Business with interests in animal feed, agri inputs, and oil palm business along with Joint Venture with the ACI group in Bangladesh for the feed business and Tyson Inc. USA for the processed poultry business.

FY15-16 was an unusually tough year for Indian agriculture. Two back to back poor monsoons severely impacted the agri sector related businesses and crash in certain agri commodities prices compounded the rural distress in FY15-16.

GAVL was also impacted by these adverse operating conditions; however it leveraged the operating environment to expand inorganically in FY15-16. The company acquired Astec Life Sciences Ltd. (Astec) to strengthen its agro chemical play in the country and took controlling stake in Creamline Dairy Products Limited (Creamline) – A very strong regional dairy company operating from South India. Both these acquisitions have been partially consolidated in the FY15-16 reported sales and earnings.

In FY15-16 GAVL recorded consolidated revenue of ₹ 4,351 crore against ₹ 3,809 crore, a growth of 14% over FY14-15 sales. The reported Profit Before Tax for the year was down by 7% to ₹ 255 crore in FY15-16 against ₹ 274 crore in FY14-15 largely due to subdued volumes in the animal feed vertical and poor crude palm oil prices in FY15-16.

The animal feed business had a tough year, with farm gate prices of broiler, milk and eggs remaining low during the year. The same adversely impacted the volume growth. GAVL remains committed to invest in Research & Development in the animal feed space to

create differentiated offering to our customers over competition. We also commissioned two new animal feed capacities in Ajmer, Rajasthan and Hajipur, Bihar. The sales of the Animal feed vertical was flat at ₹ 2,666 crore in FY15-16 against ₹ 2,689 crore in FY14-15.

The agri input business grew by 13% to ₹419 crore in FY15-16 against a sale of ₹ 371 crore in FY14-15. The business was able to sustain its growth momentum in light of poor monsoon and with acquisition of Astec. The business is expected to clock a healthy growth rate in future. The Astec acquisition strengthens the agri Input business' retail product portfolio. The acquisition also helps GAVL partially de risk its India centric agri inputs business, as Astec has a strong export business spanning across many geographies.

Crude palm oil prices were significantly subdued in FY15-16 as compared to the prices in FY14-15. Higher production volume helped GAVL offset the decline in realization in the prices of crude palm oil and palm kernel oil. The sales of the oil palm business remained flat at ₹ 404 crore in FY15-16 against ₹ 394 crore in FY14-15.

The Joint venture business ACI Bangladesh recorded a strong growth of 35% in sales, in FY15-16 catapulting the business into top 3 animal feed companies in Bangladesh. Focus on brand building has started yielding results in processed poultry joint venture with Sales growing by 15%.

GAVL acquired controlling stake in Creamline marking its entry in the fast growing Dairy business. The value added products in dairy like curd, flavored milk, butter milk are growing at a faster pace as branded food makes inroads in the largely unorganized dairy sector in the country.

GODREJ PROPERTIES

GPL ranked amongst India's Top 50 Companies to Work for in a study by 'Great Place to Work' Institute.



GPL delivered 6 million sq. ft. in FY15-16, which includes 4.2 million sq. ft. of residential and 1.8 million sq. ft. of commercial space across seven cities and recorded a growth of 71% over the previous year.

Won 49 Prestigious Awards in FY15-16.



Godrej Properties Limited (GPL)

GPL registered its best ever financial year in FY15-16. GPL achieved its highest ever revenue, adjusted EBITDA, EBITDA, net profit, cash flow, booking value, and deliveries in FY15-16. The total revenue for the year stood at ₹ 2,728 crore, representing a 42% increase over the corresponding period of the previous year. The adjusted EBITDA grew by 40% to ₹ 714 crore. EBITDA increased by 30% to ₹ 445 crore and net profit increased by 21% to ₹ 231 crore. The booking value increased by 88% year-on-year to ₹ 5,038 crore despite a decline in the overall market. As a result, GPL has emerged as the largest publicly listed developer in India by sales value in FY15-16.

GPL delivered 6 million sq. ft. in FY15-16, which includes 4.2 million sq. ft. of residential and 1.8 million sq. ft. of commercial space across seven cities and recorded a growth of 71% over the previous year. To put this in perspective, it is greater than the area the company delivered in the first twenty years of its existence and the highest ever it has delivered in a single year.

GPL achieved three important strategic milestones in FY15-16. GPL sold 435,000 sq. ft. for ₹ 1,479 crore at Godrej BKC in the largest ever end-user commercial real estate transaction in India. The price of ₹ 34,000 per sq. ft. is 30% above the average price achieved in the project till date and the highest price achieved for any major commercial real estate deal in Mumbai. It allows GPL to fast-track its plans to unlock capital from the commercial portfolio, strengthen the balance sheet, and redeploy capital into the many high-return new project opportunities.

The second major milestone was the launch of The Trees, which was the most successful launch in GPL's history. GPL sold 470 apartments across two phases registering a booking value of ₹ 1,224 crore. In addition to the strong financial benefits, it is also a demonstration of GPL's ability to create a product that enhances the overall positioning of Vikhroli. Vikhroli is the Group's biggest opportunity and by successfully launching the residential phases at The Trees and moving into the new

headquarters at Godrej One, GPL has ensured that FY15-16 will go down as a key year in Vikhroli's development.

The third of the three major milestones for the year was the announcement of the creation of Godrej Fund Management. GPL raised \$ 275 million under Godrej Residential Investment Program II (GRIP II) with Dutch pension fund asset manager APG as the lead investor. GPL will hold a 20% stake in GRIP II. This demonstrates GPL's ability to attract long-term institutional capital to power the growth capital requirements and fits well into GPL's strategy of increasing the depth of operations across the country's real estate markets while maintaining an asset light strategy. It also opens up a whole new set of opportunities for the company and continues the track record of innovation in business development. Each of these three key strategic highlights has fundamentally strengthened GPL's long-term prospects.

High quality business development has played a key role in transforming GPL's project portfolio and its performance over the past 5 years. GPL added 4 new projects with saleable area of approximately 7 million sq. ft. in FY15-16. The year also marked GPL's entry into the Noida and Thane markets. The deal pipeline for new projects looks very exciting as there are a large number of projects across cities where GPL is in advanced stages of discussion with prospective partners. The availability of funds through the second residential investment program and tough market conditions present GPL with a great opportunity to disproportionately scale its business development. FY16-17 has the potential to be GPL's best ever year for business development.

GPL received a total of 49 awards in FY15-16. During the year, GPL was ranked amongst India's Top 50 Companies to Work for in a study by the Great Places to Work Institute in partnership with the Economic Times. Given its commitment to sustainable practices, GPL has co-founded the Sustainable Housing Leadership Consortium (SHLC); a voluntary collaborative effort with leading Indian housing sector companies to promote sustainable development in India.

GODREJ NATURE'S BASKET

Total 37-store chain of premium gourmet stores strategically located at high street locations in Mumbai, Delhi/NCR, Pune, Hyderabad and Bangalore



The sales turnover for NBL in FY15-16 was ₹ 271 crore, delivering a growth of 30% YOY.

NBL continued to win awards in forums like India Retail Forum, Food & grocery forum, Asia Retail Congress, Franchise India and CMO Asia awards etc.



Natures Basket Limited (NBL)

Natures Basket Ltd. continued on its growth path, much above industry standards. The sales turnover for NBL in FY15-16 was ₹ 271 crore, delivering a growth of 30% YOY.

With a strategy of consolidating and leveraging right catchments that was started 2 years ago, stores at Lokhandwala and Churchgate in Mumbai were expanded to offer wider assortment and range of services to customers. 2 stores (one each in Bangalore and Pune) were closed and 6 new stores were opened in Mumbai, Bengaluru and Delhi/NCR, taking the total store count to 37. Improved availability, aggressive introduction of new products and smart marketing initiatives ensured that growth for physical stores at 25% continued to be ahead of the industry.

Online sales contributed approx. 4.5% of total sales for the year and grew over the previous year by a very robust 750%, clearly signifying the importance of the channel in the future. 15 e-hubs that were co-located with the physical stores helped us achieve this benchmark. The brand also launched its updated website and mobile App during the year as well as made ambient products available to customers across 125 cities.

While the in-store consumer experience and brand imagery continued to be differentiated, our business wide programs drove growth in the contribution of gifting sales, private label brands as well as ready to go fresh foods as a % of total sales. Private label sales more than doubled to nearly 9.7% of total sales while gifting was at 7.4% of sales and fresh foods contributed nearly 2.5% of total sales. These programs delivered both sales growth as well as higher margins to the business.

The loyalty program base continued to grow and was at about 7.5 lac customers by the end of FY15-16 with nearly 79% of business being contributed by loyal customers.

Also, the brand continued to win awards in forums like India Retail Forum, Food & grocery forum, Asia Retail Congress, Franchise India and CMO Asia awards etc.

GODREJ CONSUMER PRODUCTS

GCPL was ranked number 9 on the 'Great Place to Work – Best Workplaces in Asia 2016' and ranked among the top 25 'Aon Hewitt Best Employers in India - 2016' survey



PERSONAL CARE

HAIR CARE



HOME CARE

Godrej Consumer Products Limited (GCPL)

GCPL, an associate of your Company, has continued to grow ahead of the overall FMCG sector, as well as the home and personal care categories that it participates in, despite a challenging macro environment.

On a consolidated basis, GCPL reported a total income of ₹ 8,968 crore during the FY15-16 compared to ₹ 8,276 crore for FY14-15. The Net Profit grew by 23% at ₹ 1,119 crore as compared to ₹ 907 crore during the FY14-15.

GCPL's expanding footprint is driven by a focused 3x3 strategy – a presence in three business categories (personal care, hair care and home care) in three geographies (Asia, Africa and Latin America) – to become an emerging markets FMCG leader. Despite challenges across geographies, its businesses have performed well, with the company's salience of international revenues at 47%. GCPL's focus has been to accelerate innovation and back new products with strong marketing investments. In the past year, GCPL made several new launches in the domestic and international businesses, expected to further enhance the company's competitiveness, improve the equity of its brands and drive increased penetration and consumption. Over 40% of GCPL's growth now comes from new products and renovations. It was also the highest ranked Indian company (at number 24) on Forbes' list of the 'World's 100 Most Innovative Growth Companies 2015', for the second year in a row.

Today, GCPL is one of the largest household and personal care companies in India; the leader in hair colour, household insecticides and liquid detergents, and the number two player in toilet soaps and air care. Significant marketing investments have driven higher consumption and penetration across the board. GCPL's superior global supply chain and future ready sales organisation leverage the latest technology for sharper execution and better decision making, thus strengthening market positions.

It was ranked the number 1 FMCG Company to work for in the 'Great Place to Work – Best Workplaces in India 2015' list; its twelfth consecutive year on the list. It was also ranked number 9 on the 'Great Place to Work – Best Workplaces in Asia 2016' list and ranked among the top 25 'Aon Hewitt Best Employers in India - 2016' survey".

Other Subsidiaries

Godrej International Limited (GINL), incorporated in the Isle of Man, is a wholly owned subsidiary of the Company. GINL trades worldwide in vegetable oils and concentrates on palm, lauric and soya oils.

The year under review saw the emergence of a powerful EL Nino weather phenomenon and that led to a sharp rise in prices. The Company was able to catch this big upward move in prices successfully. The EL Nino is likely to be followed by La Nina which may bring further volatility in weather conditions.

Godrej International Limited, Labuan is incorporated in the financial centre of Labuan. This Company has remained dormant and is not actively trading as yet. All trading activities have been successfully centred into the older and more mature entities incorporated in Isle of Man and in Singapore.

Our international companies have developed a worldwide reputation for research into commodity pricing and are often invited to make presentations at prestigious venues and are frequently quoted in the media.

Ensemble Holding and Finance Limited (EHFL), a wholly owned subsidiary of your Company, is a Non-Banking Finance Company. The total income of EHFL for FY15-16 was ₹ 1.03 crore as against that of ₹ 0.97 crore last year. The Profit before Tax of EHFL remained the same at ₹ 0.95 crore as against last year.

Pursuant to Regulation 16(1)(c) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 (Listing Regulations), your Company has formulated a policy for determining its 'material subsidiaries'. The said policy has been uploaded on the Company's website http://www.godrejindustries.com/Resources/pdf/compliances/material_subsidaries.pdf

Amalgamation

During the year under review, GIL Vikhroli Real Estate Limited, a wholly owned subsidiary of the Company, was amalgamated with GPL. In terms of the Scheme of Amalgamation ('Scheme') sanctioned by the Hon'ble Bombay High Court vide order dated February 26, 2016, the appointed date of the Scheme was August 01, 2015. The effective date of the scheme was March 15, 2016. Pursuant to the scheme, the Company was allotted 1,67,45,762 equity shares of GPL.

Financial Position

The loan funds at the end of the year stand at ₹ 2,661 crore as compared to ₹ 2,022 crore for the previous year. The debt equity ratio is 1.51 as compared to 1.16 last year. Your Company continues to hold the top most rating of [ICRA]A1+ from ICRA for its commercial paper program (₹ 1000 crore) (previous year ₹ 700 crore). ICRA has reaffirmed an [ICRA]A1+ rating for its short term debt instruments/other banking facilities (₹ 800 crore) (previous year ₹ 800 crore). This rating of ICRA represents highest-credit quality carrying lowest-credit risk. ICRA also reaffirmed [ICRA] AA rating with stable outlook for long-term debt, Non-convertible Debentures, working capital and other banking facilities (₹ 1015 crore) (previous year ₹ 940 crore). This rating represents high-credit quality carrying low-credit risk. ICRA has also assigned a rating of MAA+ with stable outlook for

our Public Deposit scheme. The Public Deposit scheme under the Companies Act, 1956 has been discontinued. Instruments with this rating are considered to have the high-credit quality and low credit risk.

Manufacturing Facilities

The chemicals division of your Company has manufacturing units at Ambernath, Valia, Wadala and Dombivali.

The Ambernath factory is ISO-9001:2008, ISO 14001:2004, ISO 18001:2007, ISO 27001: 2005 certified. Over the last year the factory also got certified for FSSC 22000 and ISO 22716 for Food safety and GMP respectively. The factory has also achieved considerable energy savings over the year.

The Valia factory is ISO-9001:2008, ISO 14001:2004, ISO 18001:2007, ISO 27001: 2005 certified. The Factory has also got certification from FDA, FSSAI and Kosher. We are member of Roundtable on Sustainable Palm Oil. The Valia factory has successfully got GMP +B2 certification for palmitic acid used as animal feed during this year. The Company has invested in plants for making specialty products.

The Vegoils Division (Wadala) was operating as contract processor of edible oils upto August 2015. From September 2015, the unit is manufacturing and selling edible oils under Godrej Brand. The total turnover has increased to ₹ 61 crore as against ₹ 6 crore in previous year.

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

Research and Development (R&D)

In the year under consideration our R&D activities have resulted in the launch of several new products, each of them being high value derivatives of fatty acids and fatty alcohols, having specialty applications in home and personal care products, animal feeds and agri products. Innovations in existing processes and the endeavor to develop new processes and technologies will be an ongoing activity. So too, will be our efforts to manufacture premium quality fatty acids and fatty alcohols from alternate raw materials. We will also continue to focus our attention on high value fractionated fatty acids and fatty alcohols for the polymer, oilfield, lubricant and paper industries. Parallel to all the above oleo-chemicals projects, R&D continues its efforts in developing improved and customized specialty surfactants & bio-surfactants through in house and external consultation routes.

Human Resource Development and Industrial Relations

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

Your Company emphasizes on the safety of people working in its premises. Structured safety meetings were held and safety programmes were organized for them throughout the year.

Business Responsibility Report

SEBI, vide its circular SEBI/LAD-NRO/GN/2015-16/27 dated December 22, 2015 had mandated inclusion of Business Responsibility Reports (BRR) as part of the Annual Reports for top 500 listed entities based on market capitalisation as on March, 31 of every financial year.

A detailed report on your Company's sustainability initiatives is published in the Business Responsibility Report, as 'Annexure B' and forms a part of this report. The BRR describes the initiatives taken by the company from an environmental, social and governance perspective.

Information Systems

Your Company has awarded IT outsourcing contracts to manage Infra and SAP application support to IBM & Numantra Technologies Ltd. for better support and savings on annual cost.

Mobile application was developed for Sales & Marketing team to have online access to product pricing policy thus helping them to get the online Net Realisation rates for quoting. It is also a two way communication tool whereby the field sales manager can give their feedback on competition pricing. It helps them in taking corrective action and decision making. Also, it carries out pricing trend analysis for various products.

Employee Stock Grant Scheme 2011 (ESGS) and Employee Stock Option Plan (ESOP)

On May 27, 2015, the Nomination and Compensation Committee approved a total of 1,68,084 stock grants equivalent to 1,68,084 equity shares of the Company to eligible employees in terms of the ESGS 2011 Scheme. The exercise price is ₹ 1/- per equity share. As on March 31, 2016 and in terms of the ESGS Scheme, 2011, a total of 1,09,370 grants were vested, out of which 1,06,748 were exercised and allotted.

Disclosure in compliance with section 62 of the Companies Act, 2013, Rule 12 of Companies (Share Capital and debentures) Rules, 2014, SEBI (Share Based Employee Benefits) Regulations, 2014 and The SEBI (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines 1999 is given in Annexure C attached and forms a part of this report.

Fixed Deposits

Your Company is currently not accepting public deposits. The management of the Company is thankful to all the investors for their continued trust in the Company. During the year ended March 31, 2016, deposits aggregating ₹ 32.11 crore. has been repaid on maturity. The Company has no overdue deposits other than unclaimed deposits.

Depository System

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2016, 99.80% of the equity shares of your Company were held in demat form.

Directors

In accordance with the Articles of Association of the Company, the following directors retire by

rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment;

- Mr. J. N. Godrej (DIN 00076250)
- Mr. N. S. Nabar (DIN 06521655)

Your Company had appointed following Non-Executive (Independent) Directors pursuant to Regulation 17 of the (Listing Regulations) and they are not liable to retire by rotation as per the Companies Act, 2013 (the Act);

- Mr. S. A. Ahmadullah (DIN 00037137)
- Mr. A. B. Choudhury (DIN 00557547)
- Mr. K. K. Dastur (DIN 00050199)
- Mr. K. M. Elavia (DIN 00003940)
- Mr. A. D. Cooper (DIN 00026134)
- Mr. K. N. Petigara (DIN 00066162)

Your Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (7) of Section 149 of the Act.

Your Company has conducted a formal Board Effectiveness Review as part of its efforts to evaluate, identify improvements and thus enhance the effectiveness of the Board, its Committees and Individual Directors. This was in line with the requirements mentioned in the Act.

The HR team of the Company worked directly with the Chairman and the Nomination and Compensation Committee of the Board, to design and execute this process which was adopted by the Board. Each Board Member completed a confidential online questionnaire, providing vital feedback on how the Board currently operates and how it might improve its effectiveness.

The survey comprised four sections and compiled feedback and suggestions on:

- Board Processes (including Board composition, strategic orientation and team dynamics);
- Individual Committees;
- Individual Board Members; and
- the Chairman

The following reports were created, as part of the evaluation:

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

The overall Board Feedback Report was facilitated by Mr. A. B. Godrej, Chairman. The Individual Committees and Board Members' feedback was shared with the Chairman. Following his evaluation, a Chairman's Feedback Report was also compiled.

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

Board Appointment Policy - Godrej Industries Limited (the “Company”)

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

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

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

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

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has familiarised the Directors on the implications of IND AS on its financials. A presentation was made to the Directors highlighting the key differences between Indian GAAP and IND AS and the impact on reported financials. The details of Directors familiarisation program is uploaded on the Company’s website.

<http://www.godrejindustries.com/listing-compliance.aspx>

Key Managerial Personnel

Mr Clement Pinto has been appointed as the Chief Financial Officer w.e.f from close of working hours on April 30, 2016 and Ms Nilufer Shekhawat has been appointed as Company Secretary with effect from May 25, 2016. She shall be the compliance officer and shall ensure compliances with effect from May 25, 2016. Mr. P. Ganesh, stepped down from the position of Chief Financial Officer and Company Secretary, with effect from close of working hours on April 30, 2016.

Statutory Auditors

Pursuant to section 139 of the Act, your Company has appointed M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Regn. No. 104607W) as Auditors of the Company to hold office from the conclusion of the Twenty Sixth Annual General meeting until the conclusion of fourth consecutive annual general meeting (AGM), subject to the ratification of re-appointment by the members at every AGM.

You are requested to ratify the re-appointment of Auditors and to authorise the Board to fix their remuneration. The auditors M/s. Kalyaniwalla & Mistry, Chartered Accountants, are eligible for reappointment. A certificate from the Auditors has been received to the effect that their reappointment, if made, would be within the prescribed limits. The Auditor’s Report for the FY15-16 does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors

Pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Act, M/s. R. Nanabhoy & Co., Cost Accountants have been appointed as Cost Auditors of the Company

for the financial year ending March 31, 2017. They are required to submit the report to the Central Government within 180 days from the end of the accounting year.

Secretarial Auditors

The Board has appointed M/s. A. N. Ramani & Co., Company Secretaries, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure 'G' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Audit Committee

The Audit Committee, constituted pursuant to the provisions of the Act, and the Listing Regulations, has reviewed the Accounts for the year ended March 31, 2016. The members of the Audit Committee are Mr. K. K. Dastur, Mr. S. A. Ahmadullah, Mr. K. N. Petigara and Mr. A. B. Choudhury, all Independent Directors.

Policy to Prevent Sexual Harassment at Work Place

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee. No complaints were received by the committee during the year under review. Since the number of complaints filed during the year was NIL, the Committee prepared a NIL complaints report. This is in compliance with section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Directors' Responsibility Statement

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

Pursuant to the provisions contained in Section 134 of the Act, the Directors of your Company confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or

- loss of the Company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing and detecting fraud and other irregularities;
 - d) that the annual accounts have been prepared on a going concern basis.
 - e) that the proper policies and procedures have been adopted for ensuring the orderly and efficient conduct of its business, including adherence to code of conduct and policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information and that such policies and procedures are adequate and were operating effectively.
 - f) that proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems are adequate and operating effectively.

Corporate Governance

As required by the existing Regulation 34(3) of the Listing Regulation, a detailed report on Corporate Governance is included in the Annual Report. The Auditors have certified the Company's compliance of the requirements of Corporate Governance in terms of Regulation 34(3) of the Listing Regulation and the same is annexed to the Report on Corporate Governance.

Disclosures and Information under the Companies Act, 2013

Pursuant to section 134 and any other applicable section of the Act, following disclosures and information is furnished to the shareholders:

(a) Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo

'Annexure D' to this Report gives information in respect of Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo, required under Section 134(3)(m) of the Act, and forms a part of the Board's Report.

(b) Extract of Annual return

The extract of the annual return as provided under sub section (3) of Section 92 of the Act is given in Form No. MGT 9 as 'Annexure E', attached and forms a part of this report.

(c) Board meetings

The Board of Directors of your Company met 6 (six) times during the year under review. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

(d) Loans, Guarantees & Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act, are given in the notes to the Financial Statements.

(e) Related Party Transactions

All related party transactions entered into by your Company during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with related parties. Prior omnibus approval of the Audit Committee was obtained for those transactions which were of routine nature. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Act, in Form AOC-2 is not applicable. Attention of members is also drawn to the disclosure of transactions with related parties set out in Note No. 44 of Standalone Financial Statements, forming part of the Annual Report. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The policy on Related Party Transactions is uploaded on the Company's website <http://www.godrejindustries.com/Resources/pdf/compliances/Policy-on-Related-Party-Transaction.pdf>.

(f) Particulars of Employees:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act, and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure 'F' to this Report. The information required pursuant to Section 197 of the Act read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company is available for inspection by the members at registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy would be sent.

(g) Risk Management

Your Company had formed a Risk Management Committee consisting of the Managing Director and the Whole time Directors. The Committee identifies, evaluate business risks and opportunities. This Committee has formulated and implemented a policy on risk management to ensure that the company's reporting system is reliable and that the company complies with relevant laws and regulations. The Board of Directors of your Company are of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.

Your Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

(h) Nomination & Remuneration Policy for Senior Management

The details relating to ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY15-16 is given in 'Annexure F' attached and forms part of this Report.

The policy of your Company on director's appointment and remuneration of the directors, key managerial personnel and other employees including criteria for determining qualifications, positive attributes, independence of a director, is stated below:

**TOTAL REWARDS PHILOSOPHY
GODREJ INDUSTRIES LIMITED (the “Company”)**

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

Highlights

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

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

Total Compensation

The total compensation has three components:

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

Long Term Incentives (Employee Stock Grant Scheme)

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

(i) Financials

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statement relates and the date of the report.

There are no qualifications, reservations or adverse remarks in the Auditors Report and the Secretarial Audit Report for FY15-16.

(j) Share Capital

During the year under review your company allotted 1,06,748 equity shares of ₹ 1 each upon exercise of stock option under Company's Employee Stock Grants Scheme and 85 bonus equity shares on ESGS in compliance with the scheme of amalgamation of Wadala Commodities Limited with the Company. Consequently, the paid up share capital of your Company has increased from ₹ 33,58,81,974/- divided into 33,58,81,974 equity shares of ₹ 1 each to ₹ 33,59,88,807 divided into 33,59,88,807 equity shares of ₹ 1 each.

(k) Significant Court Order received

During the year under review, the Hon'ble High Court of judicature at Bombay had, on February 26, 2016, passed an order approving the scheme of amalgamation of GIL Vikhroli Real Estate Limited with Godrej Properties Limited.

Additional Information

The consolidated financial statements of the Company forms a part of this Annual Report. Accordingly, this Annual Report of your Company does not contain the financial statements of its subsidiaries. The Audited Annual Accounts and related information of the Company's subsidiaries will be made available upon request. These documents will also be available for inspection during business hours at the Company's registered office in Mumbai, India. The subsidiary companies' documents will also be available for inspection at the respective registered offices of the subsidiary companies during business hours.

Acknowledgement

Your Directors thank the Union Government, the Governments of Maharashtra and Gujarat as also all the Government agencies, banks, financial institutions, shareholders, customers, employees, fixed deposit holders, vendors and other business associates, who, through their continued support and co-operation, have helped as partners in your Company's progress.

For and on behalf of the Board of Directors

A. B. Godrej
Chairman

Mumbai, May 25, 2016.

Annexure “A”

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The highlights of overall performance are as follows:

Particulars	₹ Crore	
	2015-16	2014-15
Revenue from Operations	1,309.51	1,454.64
Total Income	1,606.72	1,688.52
Profit Before Taxation	150.24	132.17
Profit After Current Taxation	140.28	127.94
Profit After Current & Deferred Taxation	157.30	148.81
Earnings per Equity Share (₹) - Basic	4.6827	4.4352
Earnings per Equity Share (₹) - Diluted	4.6783	4.4302

Profitability ratios are as follows:

PBDIT/Total Income	24.06%	18.30%
PBT/Total Income	9.35%	7.83%
PAT/Total Income	9.79%	8.81%
Return on Capital Employed *	8.43%	8.45%
Return on Net Worth *	9.16%	9.05%
Basic EPS (₹)	4.6827	4.4352
Diluted EPS (₹)	4.6783	4.4302

The Financial risk ratios are as follows:

Debt/Equity *	1.51	1.16
Interest coverage *	1.78	1.89

* The above figures are without consolidation of ESOP Trust.

GODREJ CHEMICALS

OUR CHEMICALS HELP MAKE LIFE BEAUTIFUL

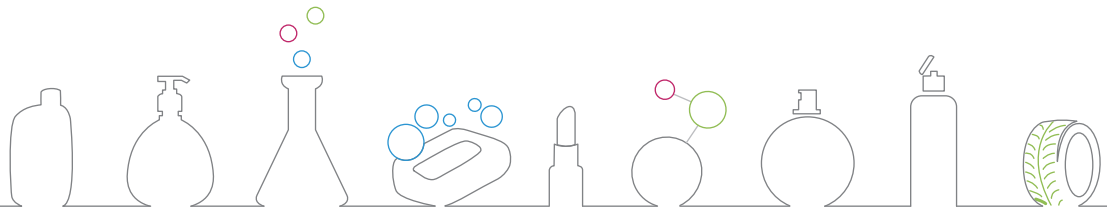


State of the art manufacturing facility at Ambarnath, Maharashtra and Valia, Gujarat

Valia Factory won CII Green Co-Best practice award for “Carbon Neutrality”

GreenCo Best Practices Award in “Carbon neutrality”





CHEMICALS DIVISION

The Chemicals division operates in the oleo-chemical and surfactant industries. The division has a blend of domestic and international operations and is one of the leading suppliers in the Indian market. The division achieved export turnover of ₹ 392 crore in this fiscal, accounting for about 34% of its turnover.

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

Despite a challenging macro-economic situation the division has increased its operating margin by efficient procurement, control over conversion cost and a wide distribution network.

The product category-wise review follows:

Fatty Acids

The Fatty Acids portfolio, comprising stearic acid, oleic acid, as well as value-added fatty acids, accounted for about 33% of the turnover of the division. The division plans to enhance the sales of its value-added fatty acids in the domestic as well as export markets.

Fatty Alcohol

Fatty alcohol contributed 36% to turnover of this division. Our GINOL grades have been approved internationally by leading multinational corporations. With customer centric business strategies, it is expected that the revenues and margins from this segment will be maintained and improved. The division is also expanding the product basket by focusing on value-added fatty alcohol and also long chain alcohol.

Surfactants

Surfactants contributed 23% to the turnover of the division.

We have continued to grow our Sodium Lauryl Sulphate (SLS) sales in the domestic as well as international markets.

Sales of SLS grew by 19% in value terms as compared to the previous year. Our products have been approved by several multi-national companies and we can now strongly participate in their global sourcing programs. Effective sourcing of raw material and increasing customer base are important for improving margins and division has done reasonably well on both the counts.

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

Glycerin

Glycerin accounted for 7% of the turnover of this division. Being largely a co-product, additional sales are mostly opportunistic, depending on market conditions. With the help of R & D and a new plant at Dombivli, the division is now manufacturing value added glycerin product. Our glycerin has been approved by many pharmaceutical companies and known for its consistent quality.



Other Initiatives

Your company's continued focus on operational efficiency has resulted in reduction in variable costs of production and helped improve yields.

We have been focusing on use of renewable energy over the years. In FY15-16, more than 33% of the total energy we consumed was through renewable sources. We achieved this through use of biomass briquettes and other initiatives.

Our Valia plant has recently installed a solar roof-top of 35kw capacity.

We have also initiated various other energy conservation technologies in our plants which has resulted in reducing our specific energy consumption by ~ 18%.

Outlook

The outlook for FY16-17 is good for the value-added fatty acids at this point in time. International demand is showing signs of improvement and procurement of indigenous raw material will be an edge over overseas competition.

Overall, across product categories, we expect stronger demand in FY16-17.

Finance and Investments

During the year, your company continued to earn return from its investments in the form of Dividend of ₹ 92 crore (previous year ₹ 108 crore) and realised capital appreciation of ₹ 247 crore (previous year ₹ 200 crore).

Your company acquired an additional stake in Godrej Consumer Products Limited (GCPL) by investing ₹ 79 crore. The stake of your company in GCPL now stands at 23.77%. Your company also invested ₹ 65 crore in Natures Basket Limited to support their growth plans. Your company sold part of its stake in Godrej Properties Limited (GPL). Post sale and merger of GIL Vikhroli Real Estate Ltd. with GPL, the stake of your company in GPL now stands at 56.73%.

Veg Oils

The veg oils business started direct sales of edible Oils under 'Godrej Brand' in bulk and consumer packs from September, 2015. The business clocked a revenue of ₹ 61 crore and has a reach of 5700+ retail outlets in Mumbai Metropolitan Region (MMR). The products of this business has been well received in the market and we have plans to ramp up sales and also introduce new products/blends.



We are expanding our reach globally and our products are exported to over 65+ countries in North and South America, Asia, Europe, Australia and Africa.



Human Resource Development and Industrial Relations

Industrial relations at all plant locations remained harmonious.

The total number of persons employed in your Company as on March 31, 2016 were 1229.

Policy to Prevent Sexual Harassment at the work place

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

A Complaints Committee as required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, headed by Tanya Dubash, Executive Director & Chief Brand Officer, exists to redress any complaints of sexual harassment. While the Act is applicable only to women employees, our Company policy would be covering all employees and all premises of the Company in India.

Internal Control Systems and Their Adequacy

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are

safeguarded and protected against loss from unauthorized use or disposal and that transactions are authorized, recorded and reported correctly. Your Company's Corporate Audit and Assurance Department which is ISO 9001 certified, issues well documented operating procedures and authorities with adequate built-in controls at the beginning of any activity and revised procedures if there is any major change. The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

Corporate Audit & Assurance Department during the year, facilitated a review of your company's risk management programme. The risks and mitigation measures were reviewed by your company's Risk Committee and corrective measures initiated.

During the year the Corporate Audit & Assurance Department carried out various reviews and provided assurance on compliances to lay down policies, processes and internal controls.

Information Security

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

Your Company has in place, all the procedures and practices that are in line with the ISO Security Standards. Your company is ISO 27001:2005 certified.

Opportunities and Threats

The improvement in the global economic situation coupled with protection given by Indian Government provides opportunity for growth. However disturbed political scenario in certain African and Middle East nations may impact growth. Duty protection imposed by developed countries may also reduce margins. Improvement in liquidity and stimulus/incentive package by Indian Government/R.B.I would help the business in terms of trade as well as profitability. At the same time, if new capacity additions go on stream, there could be an over-supply situation in the market which can put pressure on margins. Value-added products are expected to improve margin and strengthen your company's position in the oleo chemicals space.

Risks and Concerns

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

The Commodity based businesses are likely to be affected by vagaries of the weather, demand for edible oil, oilseed production, etc. The business is exposed to commodity price risks relating to raw materials

which account for the largest portion of the costs of both the Chemicals and Vegoils businesses. The Chemicals business growth will also depend on the growth of end user industries like polymer, detergent, cosmetic and personal care.

As a significant employer and chemicals producer, to ensure occupational safety, employment standards, production safety, and environmental protection, your Company maintains strict safety, health, environmental protection and quality control programs to monitor and control these operational risks.

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

Cautionary Statement

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

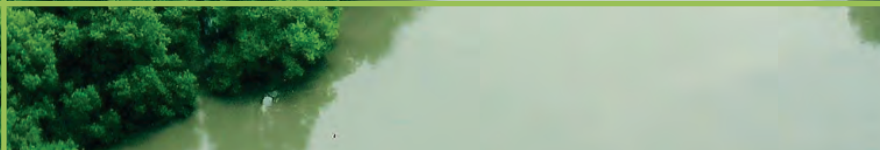
BUSINESS RESPONSIBILITY REPORT FOR GODREJ INDUSTRIES LIMITED



SUSTAINABILITY EFFORTS BY THE GODREJ GROUP

“We have always actively championed social responsibility and are committed to driving the social progress of the communities that our businesses operate in. As part of our Vision 2020, we are committed to creating a more employable workforce, building a greener India and innovating for good and green products.”

- Adi Godrej



SUSTAINABILITY EFFORTS BY THE GODREJ GROUP

Godrej Group has been one of the pioneers of Indian business industry. The group has its presence in various sectors from locks to realty, FMCG products to chemicals and many more in the business arena and environmental sustainability, education, healthcare, etc. in the social approach.

As a group, we constantly make efforts to contribute meaningfully to the communities that we are a part of. Twenty-five percent of the shares of our group's holding company are held in trusts that include The Pirojsha Godrej Foundation, The Soonabai Pirojsha Godrej Foundation and The Godrej Memorial Trust. Through these trusts we support healthcare, education and environmental sustainability.

We are proud to be part of the Godrej group which strongly believes in sustainability and social initiatives. We take this opportunity to pen down a few of the Group's achievements:

Mangroves

We are proud to own and care for the largest privately managed belt of Mangroves in Mumbai. This is supported by The Soonabai Pirojsha Godrej Foundation. It is the first such area in India to formally adopt ISO 14001 standards for Environment Management Systems.

Godrej Memorial Hospital

The Godrej Memorial Hospital was set up in September 2004 with the purpose of providing quality healthcare services at affordable cost. It is a state-of-the-art hospital that offers specialty and super-specialty services.

Udayachal Schools

The Godrej Udayachal schools (pre-primary, primary and secondary) have been offering quality education and care for children since 1955.

World Wide Fund for Nature (WWF)

We continue to be associated with India's largest conservation NGO, WWF - India. Over the years, WWF - India's perspective has broadened to encompass conservation of habitats and ecosystems.

Teach For India

We strongly support Teach For India, an arm of Teach For America, that brings together young graduates and volunteers to work with low income schools across India to improve the quality of teaching that they offer.

Smile Train

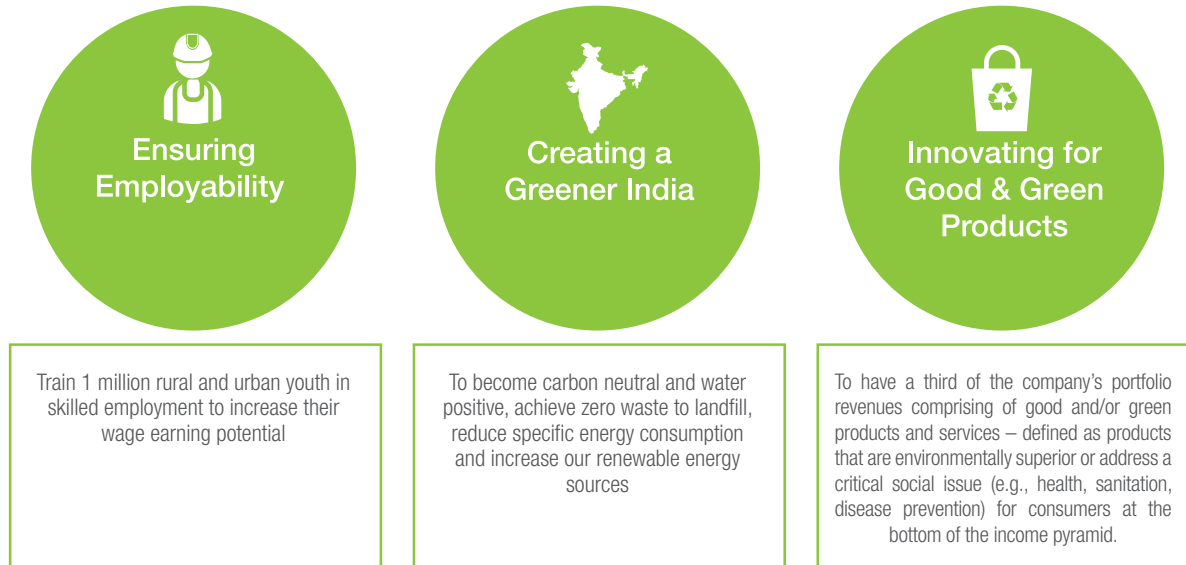
Millions of children in India are born with a deformity commonly known as a cleft lip. Godrej Memorial Hospital, along with the American based NGO 'Smile Train' conducts a programme to help children from low income families who are born with cleft lips.



SUSTAINABILITY IN GODREJ'S CORE VISION

Godrej Industries Limited (GIL), part of the larger Godrej Group shares the group's environmental, philanthropic and social ideologies and has been successfully able to VISUALIZE, STRATEGISE AND ACTUALIZE its sustainability and social initiative, 'Godrej Good & Green'.

The Groups desire and commitment to subserve the social and environmental needs of the country made them go a step ahead in the year 2011 when they embedded the 'Godrej Good & Green Initiative' as a part of group's 2020 Vision and Strategy. This vision is founded on shared value initiatives and aims to create societal value by:



The central premise behind creating shared value is that the competitiveness of a company and the health of the communities around it are mutually dependent. Recognizing and capitalizing on these connections between societal and economic progress has the power to unleash the next wave of global growth and to redefine capitalism.

ACTUALIZING THE VISION

With our continued desire to tread on the same path, we pen down a few of our social and environmental achievements for the year that helped us actualize our good and green vision

- ✔ Implemented Innovative Projects like Turbo Blower, Desuperheater, Water Jet Vacuum system to reduce specific energy consumption
- ✔ Achieved India Climate Disclosure Leadership Index (CDLI) 2015
- ✔ Valia Factory won CII Green Co-Best practice award for “Carbon Neutrality”
- ✔ Awarded the “Energy efficient unit” at the CII’s National award for excellence in Energy Management 2015
- ✔ Awarded the Energy Conservation and Management Award-2015 by Indian Chemical Council.
- ✔ Celebrated Energy Conservation week across company’s premises



GreenCo Best Practices Award in “Carbon neutrality”



CII National award for excellence in Energy management



GIL being awarded the ICC Energy Conservation and Management Award

The Securities and Exchange Board of India (SEBI), vide its circular CIR/CFD/DIL/8/2012 dated August 13, 2012 had proposed to mandate inclusion of Business Responsibility Reports as part of the Annual Reports for listed entities. Pursuant to notification of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the aforesaid circular dated August 13, 2012 was rescinded. As per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, the annual report shall now contain a business responsibility report describing the initiatives taken by the listed entity from an environmental, social and governance perspective, in the format as specified by SEBI. Accordingly, listed entities shall be guided by the format as per Annexure I shared in Circular CIR/CFD/CMD/10/2015 dated November 04, 2015

Annexure "B"

Forming Part of the Board's Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Godrej Industries Limited [GIL], is a part of the diversified conglomerate with a significant presence in home and personal care, animal feeds and agri-products, poultry, oil palm plantation, dairy, real estate development, oleo-chemicals and vegetable oils directly, through subsidiaries/associate companies.

Godrej & Boyce Manufacturing Company Limited and Godrej Family members are the Promoters of the Company and the shareholding of promoter/promoter group constitutes 74.81% of the paid up capital of the Company as at March 31, 2016.

- Name of Company Godrej Industries Limited
- Corporate Identity Number (CIN) L24241MH1988PLC097781
- Registered Office Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079.
- Email id investor@godrejinds.com
- Website www.godrejindustries.com
- The three key products that the company (standalone) manufactures and the Sector(s) that the Company is engaged in (industrial activity code-wise) are:

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

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

SECTION B: FINANCIAL DETAILS OF THE COMPANY

FY 2015-16	Amount (₹ crore)
Paid up Capital	33.60
Total Turnover	1,309.51
Net Profit after taxes	157.30
Total Spending on Corporate Social Responsibility (CSR) as a % of Net Profit after Tax	N.A.
Market capitalization (as on March 31, 2016)	11,909

SECTION C: OTHER DETAILS

GIL has 7 subsidiaries. The subsidiaries which are required to comply with Section 135 of the Companies Act, 2013 (the Act) have their own CSR projects, and other subsidiaries do not participate in the business responsibility initiatives of the parent company.

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

SECTION D: BR INFORMATION

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

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

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

The Committee met once in the last year to assess the CSR Requirements of the Company. CSR Requirements as per Section 135 of the Act is NIL for the current year as there was no legal obligation for CSR contribution for the said Financial Year. Consequently, no business responsibility initiatives undertaken by the company have been tagged and reported as CSR spends.

The CSR Committee comprises of the following members:

Name of the Director	Designation	DIN Number
Mr. N. B. Godrej	Managing Director	00066195
Ms. T. A. Dubash	Executive Director & Chief Brand Officer	00026028
Mr. K. N. Petigara	Director	00066162
Mr. A. B. Choudhury	Director	00557547

1 (b) Details of Business Responsibility Head

Name - Mr. N. B. Godrej
 Designation - Managing Director
 Telephone - 022-25188010
 Email id - nb.godrej@godrejinds.com

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

(a) Details of compliance (Reply in Y/N)

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

SECTION E: PRINCIPLE-WISE PERFORMANCE BY GODREJ INDUSTRIES LIMITED

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

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

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

Organization Structure

At the Apex is the Board of Directors headed by a non-executive Chairman. The Board provides guidance and support to the management in terms of broad strategy, direction, governance and compliance. The Company's Board of Directors has six committees of which five are statutory other than management committee.



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

Code of Conduct

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An annual confirmation affirming compliance with the code of conduct is obtained from Board Members and senior management every year and the same has been obtained for the year ended March 2016.

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

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

55 stakeholder complaints were received in the past financial year and all such complaints were satisfactorily resolved by the management.

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

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

Sustainable Sourcing

GIL (Chemicals) is one of the first Indian entity to become a member of the Roundtable on Sustainable Palm Oil (RSPO), a worldwide alliance of stake holders in the palm oil industry. Its aim is to prevent deforestation and to encourage sustainable oil palm plantations. GIL participates actively at the RSPO and sources palm products from suppliers who are themselves active members of the Roundtable. Additionally, biodegradable vegetable oils are used as the raw material for the manufacture of fatty acids, glycerin, fatty alcohols and surfactants.

Local Sourcing

GIL Chemicals consumed 69% of the requirement from local sources, where as 31% was imported.

Waste Recycling

Details relating to recycling of products and waste has been discussed later under Principle 6.

Principle 3: Promoting the well-being of all employees

The total number of persons employed in your Company as on March 31, 2016 were 1229. Your Company has made concerted efforts towards creating learning and development opportunities that continuously enhance the employee value in line with the organizational objectives.

Your Company focuses on ensuring well-being of all its employees. Safety and health of employees is extremely important to the Company and we are committed to building and maintaining a safe and healthy workplace. The following are essential parts of the Code of Conduct

Diversity & Zero discrimination | Health & Safety | Good working environment

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

Diversity & Zero discrimination

We value diversity within the Godrej Group and are committed to offering equal opportunities in employment. We do not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, gender, gender identity/ expression, sexual orientation, disability, age, or marital status and always allow for equal opportunities for all team members. We

are proud to share that out of the total employee count of 1229, the number of permanent female employees is 81.

Diversity & Inclusion initiatives are taken care of at the corporate level by the Diversity & Inclusion Department, and is supported by the Diversity Council comprising of business leaders and HR representatives from across businesses in the Godrej Industries Ltd. and Associate Companies (GILAC) group.

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

- **Godrej Careers 2.0**

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

- **Godrej Women's Leadership Network**

The Godrej Women's Leadership Network provides women at Godrej several opportunities to network, learn and grow. Some of the recent activities that the Godrej Women's Leadership Network has hosted include workshops on Session on Breast Cancer Awareness, Career Lessons from the Dance Floor, Women's Self Defence and a Talk on Investment Planning for Working Women.

- **Godrej Alliance for Parents [GAP]**

Godrej Alliance for Parents is a great resource for working parents and their spouses to share experiences and discuss issues ranging from childcare to children's education and their own work-life balance. GAP recently concluded a series of parenting workshops by The Swaddle team - The Balance Predicament, Decoding the 0-3 years, Parent Potential, Responsive Parenting, and Safety and First Aid.

- **Diversity Sensitization workshops:**

A special diversity sensitization workshop focusing on gender inclusion is being conducted for all people managers across the GILAC group. The workshop focuses on unconscious biases and how managers can tackle them in the workplace to create an inclusive culture.

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

The Company is committed to creating and maintaining an atmosphere in which all employees can work together, without fear of sexual harassment, exploitation or intimidation. A gender-neutral policy on prevention of sexual harassment has been in place for years. The existing policy was further strengthened by adoption of the Policy on Sexual Harassment of Women at Workplace Act, 2013 (also known as the Vishaka Guidelines).

A Complaints Committee has been formed to redress any complaints of sexual harassment. This committee is headed by Ms. Tanya Dubash, Executive Director & Chief Brand Officer.

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

Health & Safety

- **On-campus:**

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

All company premises are non-smoking zones. Smoking is strictly prohibited in the campus. An unfortunate incident took place at our Valia Plant in June, 2015, a leakage in the Hydrogen recycle compressor led to a fire in a small section of the plant. We regret to inform that we lost one of our colleagues, Mr. Bharat Rajput, Senior Officer (Production), who succumbed to the injuries. Four other employees were injured and were immediately rushed to the hospital for treatment. They have recovered fully and resumed work. As per the company's policy, adequate care and compensation has been provided to the injured and family of the deceased.

- **Health Check-up**

The Company has initiated a policy for health checkup of employees who are above the age of 40 years, wherein they can have the health checkup done at designated hospitals, once in two years.

Good Working Environment

- **Progressive Human Resource policies**

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

- **Engagement Forums**

There are multiple touch points for leadership team to interact with employees through forums like open houses, town halls, the long range plan and annual operating plan cascades, focus groups around engagement surveys, HR connect sessions, skip level meetings by senior leadership etc. The organization invests in functional training for all employees in line with their current and future career aspirations.

The learning suite encompasses functional training, leadership development programs and behavioral training geared towards leading self, leading others and leading business.

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

We at GIL have identified and prioritised our key stakeholders and continue our engagement with them through various mechanisms such as, consultations with local communities, supplier/ vendor meets, customer/ employee satisfaction surveys, investor forums, etc.

The identification of all relevant stakeholders and understanding their expectations is of high concern for the Company in our quest to remain sustainable. Key stakeholders are identified on the basis of their influence on the Company's operations and impact of the Company's operations on them.

Community Development

In order to align our community development programmes to UN's sustainable development goals we carried out a detailed community needs assessment. We invited an external agency, Ethica Strategy, to carry out the assessment. The team followed a three-step approach, where they connected with our plant and corporate office, held extensive field based assessments, backed by thorough secondary research to validate key facts and add on additional information available from official sources. The result is a comprehensive report of the community, their needs, gaps in the system and our way forward. We are now in the process of designing a framework to streamline our activities and plan and implement high impact programmes.

- We have directed our special efforts towards the less privileged in the society through various ways. Recruitment of candidates from the Scheduled Caste/Scheduled Tribe and Physically Challenged categories has been taken up as one of the major performance measures of the recruitment process owner.
- We participate in government fairs for recruiting candidates from the categories of Scheduled Caste/Scheduled Tribe and Physically Challenged. We have also partnered with NGOs to provide employment opportunities and counselling to marginalised people. Till March 2016, we have over 150 of our team members working with us that fall in one of these categories.
- As part of the employee referral policy, referrals of Scheduled Class/Scheduled Tribe/Physically Challenged candidates are offered higher referral amounts than that offered to the general category candidates
- We have interactions with NGO's like NSAEHO, ADAPT who work for the differently abled people. In order to strengthen the local health facility and provide easy access for underprivileged people to avail medical services, the unit donated a substantial amount to the Shree Sardar Vallabhbhai Patel Rotary General Hospital Trust, Ankleshwar and Bharuch Narmadanagari Rotary Club's hospital welfare trust, Bharuch.
- As part of the Godrej Global Volunteering day, our team members volunteered at the Primary School, Kanerao to spread the message of health, hygiene and sanitation. Additionally, we also provided a health and sanitation kit to the students. We provided regular assistance to the Primary School, Kanerao. The unit distributes school supplies to students at the start of the year and also supports the sports day activity.



- We have hosted over 160 students over the year from Shroff S R Rotary Institute of Chemical Technology, Vataria. These industrial visits help the students get a practical understanding of a Chemical factory and the industry. Our other initiatives range from supporting the local festival groups and the Valia Industry Association. Our Ambernath manufacturing facility is set-up within an industrial area with proximity to three villages. As part of our commitment to building an inclusive India, we have started working with the local community for their development. The key focus for the year has been education.
- As part of the Godrej Global Volunteering day, our team members volunteered at the Anugrah Seva Mandal School to spread the message of health, hygiene and sanitation.
- To encourage academic performance of students from underprivileged and economically challenged sections of society, the unit provides scholarships and support to the students. The unit made donation to Kalyan Ambernath Manufacturer's Association and they in turn provided schools supplies to students from tribal communities.
- Other initiatives by the unit included carrying out electrical repairs for a Zilla Parishad school in Bonivali village.
- Our Good & Green vision inspires each one of us at GIL to continue to work towards building a brighter, greener and more inclusive India. Employee volunteering at our corporate offices and factories is a key focus for us. Some of our employees ran the Standard Chartered Mumbai Marathon in January 2016 in support of Teach for India by spreading awareness about the movement and also raising funds.
- During the year 2015-16, the company made donations to several organizations. Our charitable donations span a wide range of good causes. The company also sponsors a lot of events to promote social causes.
- Additionally, every year, we contribute to the Akshaya Patra and the ISKCON food relief foundation to provide meals and fight malnutrition in school kids. Last year, our contribution supported over 360 kids from schools in Maharashtra and Rajasthan. As part of our disaster support, our team members also contributed to the Nepal earthquake relief and the Chennai flood relief fund.

Principle 5: Businesses should respect and promote human rights

GIL respects and promotes human rights for all individuals. No violations in this regard have occurred.

Our Code of Conduct covers aspects like diversity, anti-discrimination, equal opportunity, compliance with the law and integrity which all contribute to respecting and promoting human rights. We also have policies like Whistleblower, Prevention of Sexual Harassment that encourage respect and promotion of human rights. Any violation of the Code of Conduct can result in stern disciplinary action including termination of employment and/or other appropriate actions as permissible under the law.

The Company has a policy which is applicable to all employees. The Company encourages its business partners to follow the policy.

We have an initiative called '**Bedhadak Bolo**' whereby any employee can express his/her ideas and suggestions without any hesitation and fear. Another initiative called '**Ask HR**' is being practiced where an HR member meets employees on one to one basis to understand their concerns, ideas and suggestions.

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

Godrej as a group believes in conserving the various resources of mother earth. As part of its Good & Green vision there is a specific commitment at Godrej group to create a "Greener India". The details of our strategy is available at www.godrejgoodandgreen.com

We at GIL focus on five major areas related to climate change i.e.

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

A dedicated team of 'Good & Green' has been set up to identify the risks & opportunities for individual manufacturing facilities. After identifying the risks and opportunities, the team proposes necessary action to be taken. Several measures proposed by the 'Good & Green' team have been implemented which yielded excellent benefits.

We are proud to share that the emissions/waste generated by the company are within the permissible limits given by CPCB/SPCB for the financial year being reported.

Our business has undertaken various initiatives towards:

- Reducing specific energy consumption,
- Utilizing a higher proportion of renewable energy sources,
- Becoming carbon neutral and water positive, and
- Eliminating solid waste sent to landfills.

Reducing specific energy consumption

- **Signatory to CII**

GIL is a signatory to the Confederation of Indian Industry's (CII) Mission of Sustainable Growth that proposes to promote and champion conservation of natural resources in Indian industry without compromising on high and accelerated growth. We have implemented initiatives across our factories in India on clean technology, energy efficiency and renewable energy to meet the codes.

Additionally, we are continuously striving to achieve the goals and targets set under our Good and Green initiatives.

- **Specific Efforts for Energy Conservation**

Our efforts for energy conservation have resulted in reducing our specific energy consumption. In the last five years, we reduced our specific energy by 18% by implementing various technologies. Both Valia and Ambernath plants have adopted various energy conservation technologies and

implemented short-term and long-term projects to achieve our targets. Some of the major initiatives we undertook during FY15-16 are:

- Identification of high-energy consumption equipment and replaced them with cost effective energy efficient equipment like turbo blower, Desuperheater and water jet vacuum system.
- Monitoring the operations and building capacity optimisation of pumps, compressors, motors and cooling tower operations
- Implementation of thermal imaging of the plant to improve electrical condition as well as the safety parameters of the plant
- Carrying out natural gas conservation activities in our boiler system
- Also implementing steam and condensate heat recovery systems to reduce energy loss and utilise the same in the system.

Utilizing a higher proportion of renewable energy sources

- **Increasing use of renewable energy by 30%**

Renewable energy usage as a percentage of overall energy used has increased substantially over the years. In FY15-16, more than 33% of the total energy we consumed was through renewable sources. We achieved this through use of biomass briquettes and other initiatives.

In our Valia plant, we have recently installed a solar roof-top of 35kw capacity. We target to increase this capacity up to 180kw.



View of the Solar Roof Top Installed at Valia Factory

Becoming carbon neutral and water positive

- **Reducing Carbon footprint through Manufacturing Processes (Valia and Ambernath)**

Our specific GHG emission has reduced substantially by 25% from our baseline in FY11. We achieved this through various environment friendly projects such as, replacing of fossil fuel with biomass for boilers, utilisation of pitch in boilers that enables organic waste to be reused as fuel and reduce carbon emissions in the plant processes.

We have also shifted some of our transport from roadways to railways and minimised the distance of travel. We continue to drive a relentless focus on optimising the distance of travel, increasing loading ability of our products and enhance truck utilisation to reduce GHG emission. Till date, we have reduced 42% scope 3 emission through these initiatives.

- **Water Conservation through wastewater treatment plant**

In five years, we have reduced our specific water consumption by 14%. We treat waste water in our water treatment plants and reuse the same in our process. We have also reduced our dependency on raw water consumption by installing condensate recovery systems that recovers the condensate and reuses it in the process.



Water Treatment Plant at our Ambernath manufacturing plant

Reducing waste to landfill

We segregate biological and chemical sludge from ETP. This has reduced the amount of waste going to landfill substantially. Biological sludge is converted into compost and used in gardening.

We are also exploring waste to energy technologies to process our industrial waste. We are in the process of exploring trials to convert industrial waste into oil through pyrolysis or energy using plasma gasification process. Our specific waste to landfill has reduced by 62% from our baseline in FY11.

Awards & Accolades

- **Signatory to World Business Council for Sustainable Development (WBCSD) WASH Pledge**

We signed WBCSD’s WASH Pledge, a business-led initiative that secures access to safe water, sanitation and hygiene (WASH) for all team members in the workplace. We are one of the leading companies in India to sign the pledge. We have already setup the baseline across our manufacturing sites and over the year we will start tracking performance through our internal management system.



Godrej signed the WASH pledge in presence of co-chairs Nestle and Borealis

- **GIL ranks on the CDP India Climate Disclosure Leadership Index 2015**
GIL has appeared on the CDP India Climate Disclosure Leadership Index (CDLI) 2015, in the India climate change report.
- **Green Co: Best Practices Award 2015**
GIL, Valia Plant's approach towards carbon neutrality was recognised and the plant received the Green Co Best Practices Award 2015. Some of the plant's carbon neutrality initiatives include substituting primary energy sources with renewable energy, green power procurement and maximising energy efficiency among others.
- **CII's National award for excellence in Energy Management 2015**
This year GIL was awarded the "Energy efficient unit" at the CII's National award for excellence in Energy Management 2015.
- **ICC: Energy Conservation and Management award 2015**
GIL's effort have reduced specific energy significantly and it was awarded the Energy Conservation and Management award by Indian Chemical Council.

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

For any policy advocacy, GIL ensures that it does so with the highest degree of responsible and ethical behaviour and also works with collective platforms such as trade and industry chambers and associations.

GIL is a signatory to the Confederation of Indian Industry's (CII) Mission of Sustainable Growth and the CII-ASSOCHAM Code of Conduct for Affirmative Action. We are also a member of Indian Chemical Council which is the apex national body representing all branches of the chemical industry in India.

Principle 8: Businesses should support inclusive growth and equitable development

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

We work in collaboration with NGOs and social enterprises to design and run a number of employability training programmes across GILAC. The focus of these programmes is to improve the earning potential of our graduates, through skill building. We also help facilitate self-employment or job placements.

In FY15-16, the Godrej Group has trained over 72,000 people in skills that will enhance their earning potential. Since the inception of the programme, we have trained over 1,60,000 people. The Good & Green team undertakes impact assessments for the initiatives taken.

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

We are a customer centric company and greatly value the trust, satisfaction and loyalty of our customers

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

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

GIL regularly conducts consumer surveys to know the consumer satisfaction trends. No customer complaints/ consumer cases are pending as on the end of the financial year.

GIL displays adequate information to enable safe and effective usage of its products. GIL is a member of fatty alcohol consortium which was formed as per ECHA/REACH guidelines. REACH stands for Regulation for Evaluation, Authorization & Registration of all substances entering into Europe. As per REACH and GHS requirement we have developed MSDS where all the characteristics of the product are clearly stated with instructions how to handle and use the product safely.



Annexure “C”

Forming Part of the Board's Report

As per Section 62 of the Companies Act, 2013, Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, SEBI (Share Based Employee Benefits) Regulations, 2014 and The SEBI (Employee Stock Options Scheme And Employee Stock Purchase Scheme) Guidelines 1999, following information is disclosed for FY 15-16 in respect of Godrej Industries Limited Employee Stock Option Plan I and II and Employee Stock Grant Scheme, 2011:

Sr. No.	Heading	Particulars (ESOP)	Particulars (ESGS)
A	Options granted during the year	Nil	1,68,084
B	The pricing formula	<p>ESOP I : Market Price plus Interest at such a rate not being less than the Bank Rate then prevailing compoundable on an annual basis for the period commencing from the date of Grant of the Option and ending on the date of intimating Exercise of the Option to the Company or March 31, 2012, whichever is earlier.</p> <p>ESOP II : Grant Price* plus Interest at such a rate as may be decided from time to time compoundable on an annual basis for the period commencing from the date of Granting of the Options and ending on the date of intimating Exercise of the Option to the Company or March 31, 2012, whichever is earlier.</p> <p><i>* Grant Price means higher of market price or average cost of shares purchased by the Trust for that specific grant, including any unallotted shares lying with the Trust if utilized for that specific grant, plus interest on the loan taken to purchase the said shares at such rate as may be decided from time to time and compoundable on annual basis till the date of grant or March 31, 2012, whichever is earlier.</i></p>	₹ 1 per equity share
C	Options vested during the year	ESOP I : Nil ESOP II : 101,500	1,09,370
D	Options exercised during the year	ESOP I : 2,49,000 ESOP II : 68,250	1,06,748
E	The total number of shares arising as a result of exercise of option	Nil. As shares purchased from secondary market, there is no further issue of shares as a result of exercise of options.	1,06,748

Sr. No.	Heading	Particulars (ESOP)	Particulars (ESGS)
F	Options lapsed/revoked during the year	ESOP I : 1,48,500 ESOP II: 1,00,000	--
G	Variation of terms of options	None	Annexure 1 (Table 2)
H	Money realized by exercise of options	ESOP I : ₹ 6,21,84,500/- ESOP II : ₹ 2,51,88,345/-	₹ 1,06,748
I	Total number of options in force	ESOP I : 20,49,500 equity shares of nominal value of ₹ 1/- each ESOP II : 2,30,500 equity shares of nominal value of ₹ 1/- each.	3,33,096
J	Employee wise details of options granted to;- i) senior managerial personnel; ii) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year. iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	Nil Nil Nil	Annexure 1 (Table 1) Annexure 1 (Table 1) Nil
K	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'.	There is no fresh issue of shares hence, not applicable.	Basic EPS : ₹ 4.6827 Diluted EPS : ₹ 4.6783
L	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	The company has calculated the employee compensation cost using the intrinsic value of stock options. Had the fair value method been used, in respect of stock options granted the employee compensation cost would have been higher by ₹ 0.06 crore, profit after tax would be lower by ₹ 0.06 crore and basic EPS would have been lower by 0.0017.	The company has calculated the employee compensation cost using the intrinsic value of stock options. Had the fair value method been used, in respect of stock options granted the employee compensation cost would have been higher by ₹0.59 crore, Profit after tax would have been lower by ₹0.59 crore and basic EPS would have been lower by ₹0.018.

Sr. No.	Heading	Particulars (ESOP)	Particulars (ESGS)
M	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	No options were granted during the year hence the Weighted average exercise price and Weighted Average fair value has not been computed.	Weighted average exercise price of the options granted during the year is ₹ 1/-. Weighted Average fair value of the option granted during the year is ₹ 183.78 per option.
N	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information: i) risk-free interest rate, ii) expected life, iii) expected volatility, iv) expected dividends, and v) the price of the underlying share in market at the time of option grant	No options granted during the year.	The fair value of the options granted has been calculated using Black-Scholes Options pricing formula and the significant assumptions made in this regard are as follows: 7.94% - 8.02% 1 - 3 years 32% - 34% 0.48 % ₹ 1.75 per share Weighted average market price at the time of grant of option ₹ 363.73 per option.

Annexure 1 (ESGS)

Table 1: Senior Managerial Personnel:

Sr. No	Name	Options granted
1	Shireesh Joshi*	8,907
2	Sumit Mitra*	8,907
3	V. Swaminathan	5,937
4	V. Chakradhar	5,937
5	Robert Menzies	5,937
6	P. Ganesh	5,937
7	Shailesh Deshpande	4,620
8	Sujit Patil	3,960
9	Parmesh Shahani	3,300
10	Dharm Rakshit	2,748
11	Sanjivani Sadani	3,300
12	Manasi Narasimhan	3,300
13	Vikas Goswami	3,390
14	Mohit Khattar	5,937
15	Shekhar Iyer	7,545

Sr. No	Name	Options granted
16	Balram Singh Yadav*	17,817
17	P N Narkhede	5,772
18	Varadaraj S.	5,772
19	Praful J Bhat	5,772
20	Mangesh Wange	5,772
21	V. V. Mishra	4,125
22	Puneet Pokhriyal	4,125
23	Rakesh Dogra	4,125
24	N. S. Nabar*	14,847
25	Dorab Mistry	6,435
26	Atul Prakash	3,300
27	Arvinder Singh	3,300
28	Clement Pinto	3,300
29	Rohinton Khajotia	3,960
Total		168,084

* Options granted to all above is in excess of 5% of the total options granted during the year.

Table 2: Nomination & Compensation Committee approved deferment of exercise of grants given in earlier years for following employees:

Sr. No	Name	Options granted
1	Shireesh Joshi	7,070
2	V. Swaminathan	4,912
3	Sumit Mitra	6,669
4	V. Ravi	4,480
5	Clement Pinto	2,334
6	N. S. Nabar	8,233
7	Atul Prakash	2,334
8	Arvinder Singh	2,334
9	N. D. Elavia	2,334
10	D. E. Mistry	6,520
11	R. H. Khajotia	2,877
12	Balram Singh Yadav	18,226

Sr. No	Name	Options granted
13	Varadraj S.	4,316
14	Praful Bhat	4,316
15	P. N. Narkhede	4,316
16	V. V. Mishra	2,877
17	Punit Phokhriyal	2,877
18	Mohit Khattar	5,082
19	V. Chakradhar	1,988
20	Shailesh Deshpande	1,325
21	Mangesh Wange	1,988
22	Sujit Patil	1,525
	Total	98,933

Note: In the previous year, as per the Scheme of Amalgamation of Wadala Comomodities Limited with the Company, 303 bonus shares on ESGS were granted. In the current year 85 bonus shares (previous year 127 bonus shares) were vested and exercised.

Annexure “D”

Forming part of the Directors’ Report

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo.

A. Conservation of Energy

I. Steps taken or impact on conservation of energy:

Valia:

1. Installation of Turbo Blower in Sulphonation plant which saves 30% energy compared to conventional blowers
2. Installation of heat pumps for hot water generation boiler feed water.
3. Operation monitoring and optimization of pumps, compressors, motors and cooling towers
4. Thermal imaging of the plant to improve electrical condition and safety of the plant
5. Installation of the Desuper heater, water jet vacuum pump, magnetic flux energy saver are some of the newer technology adopted at site.
6. Energy efficiency in lightening systems like LED lighting, use of high energy efficient equipment's like IE 3 grade motors, provision of variable frequency drives.

Ambernath:

1. Installation of Water Jet Vacuum system installed in FSP & Hydrogenation plant to replace the conventional vacuum system.
2. Installation of Condensate Recovery System.
3. Installation of Energy Efficient Equipment and other energy conservation projects like pump replacement, Compressor operation optimisation & VFD installation in Cooling Tower Fans & Pump.
4. Installation of Turbo blower in AOS plant & Hybrid Vacuum system in FADP plant.

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

Use of briquette (renewable resource) as fuel in place of natural gas.

Use of Solar energy in the form of solar roof top.

Wadala:

1. Use of VFD at appropriate places.
2. Installation of LED light in refinery plant.
3. Change of steam nozzle (12 kg/Cm²) from high pressure to low pressure (9 Kg/Cm²).
4. Rain water collection from roof top and use in boiler during rainy season.
5. Power factor maintain at 1

III. Your Company made capital investments amounting to ₹ 10.10 crore during the financial year 2015-16 on energy conservation equipments.

B. Technology Absorption

I. Specific areas in which R&D carried out by the Company:

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

- Vegetable Oils
- Fatty Acids
- Fatty Alcohols
- Surfactants & Bio-surfactants
- Glycerin
- Derivatives of Fatty acids and Fatty alcohols, designed for Personal and Home care industries
- Customer centric support for Home, Personal and Oral Care Products, as well as Oilfield Chemicals
- Performance Evaluation

II. Benefits derived as a result of the above R&D:

- Premium quality fatty acids and fatty alcohols from alternate raw materials.
- Understanding the impact of raw material quality and manufacturing process on the quality of the finished goods.
- Value added fatty alcohol and fatty acid derivatives, so as to enter niche markets.
- Manufacture of high value, fractionated fatty acids and fatty alcohols, specifically for the lubricant, photography, oilfield, paper and polymer industries.

III. Future Plan of Action:

- Tailor-made value-added fatty alcohols and fatty acids for low volume, high value markets.
- Value-added chemicals, derived from Glycerin, Fatty Acids and Fatty Alcohols so as to enter niche markets in the field of Pharmaceuticals, Personal Care and Industrial Lubricants.
- Enhancing our knowledge base of product applications and formulations, through customer engagement.
- Development of Biosurfactant with viable applications.

IV. Expenditure on R&D:

₹ In Crore

Particulars	2015-16	2014-15
(a) Capital	0.15	0.01
(b) Recurring	2.55	1.53
(c) Total	2.70	1.54
(d) Total R & D expenditure as a percentage of total sales turn over	0.20	0.10

C. Foreign Exchange earnings and outgo

The Chemicals Division's exports were ₹ 391.8 crore in the current year as compared to ₹ 513.8 crore in the previous year. The Company continues to export refined glycerin, fatty alcohol and other chemicals to 65 plus countries including Brazil, Mexico, U.S.A., Japan, South Korea, Nigeria, Russia, Argentina, Belgium, China, U.A.E.

₹ In Crore

Particulars	2015-16	2014-15
Foreign exchange used	304.05	345.20
Foreign exchange earned	477.54	493.04

Annexure “E”

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L24241MH1988PLC097781
Registration Date	March 7, 1988
Name of the Company	Godrej Industries Limited
Category / Sub-Category of the Company	Public Company limited by shares
Address of the Registered Office and contact details	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079 Tel: +91-22-2518 8010/20/30
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Computech Sharecap Limited 147 Mahatma Gandhi Road, Fort, Mumbai 400 001 Tel: +91-22-2519 4392/ 2263-5000

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Fatty Acid	24118	33
2	Fatty Alcohol	24118	36
3	Surfactant	24243	23

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held
Holding Company [Section 2(46)]				
1	Godrej and Boyce Manufacturing Company Ltd. Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai- 400079	U28993MH1932PLC001828	Holding	57.71

Subsidiary Companies [Section 2{87}(ii)]				
1	Godrej Properties Ltd. [GPL]*	L74120MH1985PLC035308	Subsidiary	56.73
2	Godrej Agrovet Ltd. [GAVL] @	U15410MH1991PLC135359	Subsidiary	60.81
3	Natures Basket Ltd. @	U15310MH2008PLC182816	Subsidiary	100
4	Ensemble Holdings & Finance Ltd. Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai- 400079	U67120MH1992PLC065457	Subsidiary	100
5	Godrej International Ltd. (Labuan) Kensington Gardens, No. U1317, Lot 7616, Jalan Jumidar Buyong ,87000 Labuan F.T	Foreign Company	Subsidiary	100
6	Godrej International Ltd. 284A Chase Road, Southgate, London- N14 6HF	Foreign Company	Subsidiary	100
7	Godrej International Trading & Investments Pte. Ltd. 111 North Bridge Road, #16-04 Peninsula Plaza, Singapore 179098	Foreign Company	Subsidiary	100
8	Godrej Realty Private Ltd.*	U70100MH2005PTC154268	Subsidiary of GPL	-
9	Godrej Real Estates Private Ltd.*	U45200MH2007PTC168818	Subsidiary of GPL	-
10	Happy Highrises Ltd.*	U51909MH1993PLC180464	Subsidiary of GPL	-
11	Godrej Buildcon Private Ltd.*	U70102MH2010PTC207957	Subsidiary of GPL	-
12	Godrej Garden City Properties Private Ltd.*	U74900MH2011PTC213782	Subsidiary of GPL	-
13	Godrej Projects Development Private Ltd.*	U70102MH2010PTC210227	Subsidiary of GPL	-
14	Godrej Landmark Redevelopers Private Ltd.*	U70102MH2012PTC228114	Subsidiary of GPL	-
15	Godrej Redevelopers (Mumbai) Private Ltd.*	U70102MH2013PTC240297	Subsidiary of GPL	-
16	Godrej Green Homes Ltd.*	U70200MH2013PLC251378	Subsidiary of GPL	-
17	Godrej Home Developers Private Ltd. *	U70102MH2015PTC263223	Subsidiary of GPL	-
18	Godrej Hillside Properties Private Ltd.*	U70102MH2015PTC263237	Subsidiary of GPL	-
19	Godrej Greenview Housing Private Ltd*	U70102MH2015PTC264491	Subsidiary of GPL	-
20	Godrej Prakriti Facilities Private Limited *	U70102MH2015PTC265345	Subsidiary of GPL	-
21	Godrej Investment Advisers Private Limited*	U65190MH2015PTC265708	Subsidiary of GPL	-
22	Godrej Highrises Properties Private Limited*	U70200MH2015PTC266010	Subsidiary of GPL	-
23	Wonder Projects Development Private Limited*	U70102MH2015PTC265969	Subsidiary of GPL	-
24	Godrej Genesis Facilities Management Private Limited*	U70100MH2016PTC273316	Subsidiary of GPL	-

25	Godrej Fund Management Pte. Ltd. 8 Marina, Boulevard, #05-02, Marina Bay Financial Centre, Singapore 018981	Foreign Company	Subsidiary of GPL	-
26	Godrej Seeds And Genetics Ltd. Godrej Agrovet Building, Gate No. 2, Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai- 400079	U01403MH2011PLC218351	Subsidiary of GAVL	-
27	Godvet Agrochem Ltd. Godrej Agrovet Building, Gate No. 2, Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai- 400079	U01400MH2014PLC252382	Subsidiary of GAVL	-
28	Creamline Dairy Products Ltd. H.No.6-3-1238/B/21, Asif Avenue, Rajbhavan Road, Hyderabad-500082	U15201TG1986PLC006912	Subsidiary of GAVL	-
29	Astec Lifesciences Limited 7th Floor, Elite Square, 274 Perin Nariman Street, Fort, Mumbai-400001	L99999MH1994PLC076236	Subsidiary of GAVL	-
30	Behram Chemicals Private Limited Arman Residency, 1st Floor, 102, R.W. Sawant Road, Oss, Mumbai-Nasik Fly Over, Thane (W) Thane-400601	U24100MH1993PTC071480	Subsidiary of GAVL	-
31	Astec Crop Care Private Limited 7th Floor, Elite Square, 274 Perin Nariman Street, Fort, Mumbai – 400 001	U24232MH2010PTC209397	Subsidiary of GAVL	-
32	Astec Europe Sprl (Belgium), Belgium, Europe	Foreign Company	Subsidiary of GAVL	-
33	Comercializadora Agricola Agroastrachem Cia Ltda, Colombia Bogota, Columbia	Foreign Company	Subsidiary of GAVL	-
34	Nagavalli Milkline Private Limited H.No: 6-3-1238/B/21, Asif Avenue, Raj Bhavan Road, Hyderabad-500082	U15209TG1999PTC031625	Subsidiary of GAVL	-
35	Godrej Property Developers LLP*	AAA-4369	Subsidiary of GPL	-
36	Mosiac Landmark LLP*	AAA-5797	Subsidiary of GPL	-
37	Dream World Landmarks LLP*	AAA-8207	Subsidiary of GPL	-
38	Godrej Sspdl Green Acres LLP*	AAA-5137	Subsidiary of GPL	-
39	Oxford Realty LLP*	AAC-1059	Subsidiary of GPL	-
40	Oasis Landmark LLP*	AAC-4016	Subsidiary of GPL	-
41	M.S. Ramaiah Ventures LLP 80, Hulkul Ascent, 2nd Cross, Lavelle Road, Bangalore, Karnataka.	AAC-2431	Subsidiary of GPL	-
42	Caroa Properties LLP*	AAA-8234	Subsidiary of GPL	-
43	Amitis Developers LLP 10/1c, Diamond Harbour Road, Kolkata, West Bengal.	AAD-1617	Subsidiary of GPL	-

44	Godrej Housing Projects LLP*	AAD-0883	Subsidiary of GPL	-
45	Godrej Construction Projects LLP*	AAD-0882	Subsidiary of GPL	-
46	Godrej Highrises Realty LLP*	AAD-7994	Subsidiary of GPL	-
47	Godrej Land Developers LLP*	AAD-7998	Subsidiary of GPL	-
48	Godrej Developers & Properties LLP*	AAD-7997	Subsidiary of GPL	-
49	Godrej Project Developers & Properties LLP*	AAE-1835	Subsidiary of GPL	-
Associate Company [Section 2(6)]				
1	Godrej Consumer Products Ltd. [Gcpl]@	L24246MH2000PLC129806	Associate	23.77

@ Registered office at Godrej One, Pirojshanagar Eastern Express Highway, Vikhroli (East), Mumbai – 400079

*Registered office at Godrej One, 5th Floor, Pirojshanagar Eastern Express Highway, Vikhroli (East), Mumbai – 400079

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5,74,31,786	0	5,74,31,786	17.10	5,74,31,786	0	5,74,31,786	17.09	(0.01)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	19,39,04,681	0	19,39,04,681	57.73	19,39,04,681	0	19,39,04,681	57.71	(0.02)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	25,13,36,467	0	25,13,36,467	74.83	25,13,36,467	0	25,13,36,467	74.81	(0.03)
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other...	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0

Total shareholding of Promoter (A) = (A)(1)+(A)(2)	25,13,36,467	0	25,13,36,467	74.83	25,13,36,467	0	25,13,36,467	74.81	(0.03)
B. Public shareholding									
1. Institutions:									
a) Mutual Funds	11,35,280	0	11,35,280	0.34	11,98,857	0	11,98,857	0.36	0.02
b) Banks / FI	22,732	5,072	27,804	0.01	41,399	5,072	46,471	0.01	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	1,01,52,831	0	1,01,52,831	3.02	94,56,001	0	94,56,001	2.81	(0.21)
g) FIs	4,16,49,498	4,802	4,16,54,300	12.40	4,78,43,641	4,802	4,78,48,443	14.24	1.84
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1):-	5,29,60,341	9,874	5,29,70,215	15.77	5,85,39,898	9,874	5,85,49,772	17.43	1.66
2. Non-Institutions:									
a) Bodies Corp.	1,13,37,660	7,842	1,13,45,502	3.38	83,37,351	7,902	83,45,253	2.48	(0.90)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,18,58,000	8,07,360	1,26,65,360	3.77	1,07,98,816	6,16,830	1,14,15,646	3.40	(0.37)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	63,33,480	0	63,33,480	1.89	53,45,249	0	53,45,249	1.59	(0.30)
iii) Any others (NRIs)	11,97,014	33,936	12,30,950	0.37	9,63,744	32,676	9,96,420	0.30	(0.07)
Sub-total (B) (2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)	8,36,86,495	8,59,012	8,45,45,507	25.17	8,39,85,058	6,67,282	8,46,52,340	25.19	0.02
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	33,50,22,962	8,59,012	33,58,81,974	100	33,53,21,525	6,67,282	33,59,88,807	100	0

ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Shareholding at the end of the year 31.03.2016			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ Encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ Encumbered to total shares	
1	Mr. Adi Barjorji Godrej	0	0.00	0.00	0	0.00	0.00	0.00
2	Ms. Freyan Vijay Crishna	3103175	0.92	0.00	3103175	0.92	0.00	0.00
3	Godrej & Boyce Mfg. Co. Ltd.	193904681	57.73	0.00	193904681	57.71	0.00	(0.02)
4	Mr.Hormuzd Nadir Godrej	0	0.00	0.00	0	0.00	0.00	0.00
5	Mr. Nadir Barjorji Godrej	1220572	0.36	0.00	1220572	0.36	0.00	0.00
6	Mr. Navroze Jamshyd Godrej	6403181	1.91	0.00	6403181	1.91	0.00	0.00
7	Ms. Nisaba Adi Godrej	4268781	1.27	0.00	4268781	1.27	0.00	0.00
8	Ms. Nyrika Vijay Crishna	3103175	0.92	0.00	3103175	0.92	0.00	0.00
9	Ms. Pheroza Jamshyd Godrej	0	0.00	0.00	0	0.00	0.00	0.00
10	Mr. Pirojsha Adi Godrej	4268786	1.27	0.00	4268786	1.27	0.00	0.00
11	Ms. Raika Jamshyd Godrej	0	0.00	0.00	0	0.00	0.00	0.00
12	Mr. Jamshyd Naoroji Godrej	0	0.00	0.00	0	0.00	0.00	0.00
13	Ms. Rati Nadir Godrej	600000	0.18	0.00	600000	0.18	0.00	0.00
14	Mr. Rishad Kaikhushru Naoroji	12806350	3.81	0.00	12806350	3.81	0.00	0.00
15	Ms. Smita Vijay Crishna	0	0.00	0.00	0	0.00	0.00	0.00
16	Ms. Tanya Arvind Dubash	4268783	1.27	0.00	4268783	1.27	0.00	0.00
17	Mr. Vljay Mohan Crishna	0	0.00	0.00	0	0.00	0.00	0.00
18	Mr. Burjis Nadir Godrej	5446740	1.62	0.00	5446740	1.62	0.00	0.00
19	Mr. Sohrab Nadir Godrej	5539074	1.65	0.00	5539074	1.65	0.00	0.00
20	Ms. Parmeshwar A. Godrej	0	0.00	0.00	0	0.00	0.00	0.00
21	Mr. Jamshyd Naoroji Godrej (as Trustee of Raika Godrej Family Trust)	6403169	1.91	0.00	6403169	1.91	0.00	0.00
	Total	251336467	74.83	0.00	251336467	74.81	0.00	(0.02)

iii) Change in Promoters' Shareholding

There are no changes in the Promoter's shareholding during the FY 2015-16. The percentage change in the promoters shareholding is due to increase in the paid up share capital of the Company pursuant to allotment of shares under Godrej Industries Limited - Employee Stock Grant Scheme, 2011 and bonus shares allotted pursuant to the scheme of amalgamation of Wadala Commodities Limited with Godrej Industries Limited.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Life Insurance Corporation Of India				
	At the beginning of the year	1,01,52,831	3.02	1,01,52,831	3.02
	Bought / Sold during the year				
	11th Sep 2015	(13,199)	0.00	1,01,39,632	3.02
	20th Nov 2015	(2,21,323)	(0.07)	99,18,309	2.95
	27th Nov 2015	(2,70,653)	(0.08)	96,47,656	2.87
	4th Dec 2015	(1,91,655)	(0.06)	94,56,001	2.81
	At the end of the year	94,56,001	2.81	94,56,001	2.81
2	HDFC Standard Life Insurance Company Limited				
	At the beginning of the year	73,65,826	2.19	73,65,826	2.19
	Bought / Sold during the year				
	10th April 2015	(31,616)	(0.01)	73,34,210	2.18
	17th April 2015	(32,851)	(0.01)	73,01,359	2.17
	24th April 2015	(1,97,650)	(0.06)	71,03,709	2.11
	8th May 2015	(29,005)	(0.01)	70,74,704	2.11
	22nd May 2015	(1,34,489)	(0.04)	69,40,215	2.07
	29th May 2015	(7,03,113)	(0.21)	62,37,102	1.86
	5th June 2015	(2,753)	0.00	62,34,349	1.86
	12th June 2015	6,841	0.00	62,41,190	1.86
	19th June 2015	(1,146)	0.00	62,40,044	1.86
	26th June 2015	(1,185)	0.00	62,38,859	1.86
	30th June 2015	10,183	0.00	62,49,042	1.86
	3rd July 2015	28,665	0.01	62,77,707	1.87
	10th July 2015	(1,613)	0.00	62,76,094	1.87
	17th July 2015	(75,000)	(0.02)	62,01,094	1.85
	24th July 2015	(2,74,380)	(0.08)	59,26,714	1.76
	31st July 2015	(40,889)	(0.01)	58,85,825	1.75
	14th Aug 2015	(39,393)	(0.01)	58,46,432	1.74
	28th Aug 2015	(63,503)	(0.02)	57,82,929	1.72
	11th Sep 2015	43,027	0.01	58,25,956	1.73
	18th Sep 2015	(6,202)	0.00	58,19,754	1.73
	30th Sep 2015	(59,011)	(0.02)	57,60,743	1.72
	2nd Oct 2015	25,000	0.01	57,85,743	1.72
	9th Oct 2015	(41,722)	(0.01)	57,44,021	1.71

	16th Oct 2015	(3,89,923)	(0.12)	53,54,098	1.59
	23rd Oct 2015	(4,717)	0.00	53,49,381	1.59
	30th Oct 2015	(50,527)	(0.02)	52,98,854	1.58
	6th Nov 2015	(2,75,899)	(0.08)	50,22,955	1.50
	13th Nov 2015	(39,975)	(0.01)	49,82,980	1.48
	20th Nov 2015	50,000	0.01	50,32,980	1.50
	27th Nov 2015	(15,173)	0.00	50,17,807	1.49
	11th Dec 2015	2,25,000	0.07	52,42,807	1.56
	25th Dec 2015	1,87,830	0.06	54,30,637	1.62
	31st Dec 2015	(55,511)	0.02	53,75,126	1.60
	8th Jan 2016	(22,878)	(0.01)	53,52,248	1.59
	15th Jan 2016	(1,01,452)	(0.03)	52,50,796	1.56
	22nd Jan 2016	45,995	0.01	52,96,791	1.58
	29th Jan 2016	6,219	0.00	53,03,010	1.58
	5th Feb 2016	(50,000)	(0.01)	52,53,010	1.56
	12th Feb 2016	(2,94,003)	(0.09)	49,59,007	1.48
	19th Feb 2016	27,406	0.01	49,86,413	1.48
	4th Mar 2016	29,316	0.01	50,15,729	1.49
	11th Mar 2016	(95,803)	(0.03)	49,19,926	1.46
	16th Mar 2016	41,028	0.01	49,60,954	1.47
	18th Mar 2016	25,000	0.01	49,85,954	1.48
	25th Mar 2016	95,000	0.03	50,80,954	1.51
	31st Mar 2016	1,30,000	0.04	52,10,954	1.55
	At the end of the year	52,10,954	1.55	52,10,954	1.55
3	BLACKROCK GLOBAL FUNDS ASIAN DRAGON FUND				
	At the beginning of the year	41,88,623	1.25	41,88,623	1.25
	Bought / Sold during the year				
	10th April 2015	1,70,226	0.05	43,58,849	1.30
	17th April 2015	1,43,470	0.04	45,02,319	1.34
	24th April 2015	2,75,241	0.08	47,77,560	1.42
	15th May 2015	49,215	0.01	48,26,775	1.44
	22nd May 2015	1,04,354	0.03	49,31,129	1.47
	5th June 2015	1,60,150	0.05	50,91,279	1.52
	19th June 2015	62,490	0.02	51,53,769	1.53
	26th June 2015	1,20,602	0.04	52,74,371	1.57
	17th July 2015	1,42,777	0.04	54,17,148	1.61
	24th July 2015	2,46,469	0.07	56,63,617	1.69
	21st Aug 2015	(63,224)	(0.02)	56,00,393	1.67
	28th Aug 2015	(3,65,706)	(0.11)	52,34,687	1.56
	18th Sept 2015	(40,926)	(0.01)	51,93,761	1.55
	25th Sept 2015	(1,86,785)	(0.06)	50,06,976	1.49
	23rd Oct 2015	99,092	0.03	51,06,068	1.52
	At the end of the year	51,06,068	1.52	51,06,068	1.52

4	Acacia Partners, LP				
	At the beginning of the year	39,42,811	1.17	39,42,811	1.17
	Bought / sold during the year	-	-	-	-
	At the end of the year	39,42,811	1.17	39,42,811	1.17
5	JPMORGAN SICAV INVESTMENT COMPANY (MAURITIUS) LIMITED				
	At the beginning of the year	34,75,689	1.03	34,75,689	1.03
	Bought / Sold during the year				
	10th April 2015	44,575	0.01	35,20,264	1.04
	24th April 2015	2,632	0.00	35,22,896	1.05
	12th Feb 2016	(74,446)	(0.02)	34,48,450	1.03
	19th Feb 2016	(1,10,530)	(0.03)	33,37,920	0.99
	At the end of the year	33,37,920	0.99	33,37,920	0.99
6	IL AND FS TRUST COMPANY LIMITED				
	At the beginning of the year	43,97,463	1.31	43,97,463	1.31
	Bought / Sold during the year				
	10th April 2015	(20,000)	(0.01)	43,77,463	1.30
	3rd July 2015	(11,000)	0.00	43,66,463	1.30
	4th Dec 2015	(3,57,195)	(0.11)	40,09,268	1.19
	11th Dec 2015	(2,58,629)	(0.08)	37,50,639	1.12
	18th Dec 2015	(3,71,865)	(0.11)	33,78,774	1.01
	31st Dec 2015	(68,250)	(0.02)	33,10,524	0.99
	19th Feb 2015	(40,000)	(0.01)	32,70,524	0.97
	26th Feb 2015	(30,000)	(0.01)	32,40,524	0.96
	4th Mar 2015	(30,000)	(0.01)	32,10,524	0.96
	11th Mar 2015	(56,000)	(0.02)	31,54,524	0.94
	16th Mar 2015	(45,000)	(0.01)	31,09,524	0.93
	18th Mar 2015	4,59,500	0.14	35,69,024	1.06
	18th Mar 2015	(4,59,500)	(0.14)	31,09,524	0.93
	At the end of the year	31,09,524	0.93	31,09,524	0.93
7	JPMORGAN INDIA FUND				
	At the beginning of the year	26,93,525	0.80	26,93,525	0.80
	Bought / Sold during the year				
	10th April 2015	63,530	0.02	27,57,055	0.82
	24th April 2015	2,632	0.00	27,59,687	0.82
	22nd May 2015	2,50,000	0.07	30,09,687	0.90
	At the end of the year	30,09,687	0.90	30,09,687	0.90
8	ACACIA INSTITUTIONAL PARTNERS, LP				
	At the beginning of the year	25,95,545	0.77	25,95,545	0.77
	Bought / Sold during the year	-	-	-	-
	At the end of the year	25,95,545	0.77	25,95,545	0.77

9	Acacia Conservation Fund LP				
	At the beginning of the year	23,62,566	0.70	23,62,566	0.70
	Bought / sold during the year	-	-	-	-
	At the end of the year	23,62,566	0.70	23,62,566	0.70
10	JP MORGAN INDIAN INVESTMENT COMPANY (MAURITIUS) LIMITED				
	At the beginning of the year	23,43,228	0.70	23,43,228	0.70
	Bought / Sold during the year				
	10th April 2015	33,573	0.01	23,76,801	0.71
	24th April 2015	1,837	0.00	23,78,638	0.71
	23rd Oct 2015	1,48,769	0.04	25,27,407	0.75
At the end of the year	25,27,407	0.75	25,27,407	0.75	

v) Shareholding of Directors:

Sr. No.	Name of Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Mr. J. N. Godrej				
	At the beginning of the Year 01.04.2015	64,03,169	1.91	64,03,169	1.91
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	64,03,169	1.91	64,03,169	1.91
2	Mr. N. B. Godrej				
	At the beginning of the Year 01.04.2015	12,20,572	0.36	12,20,572	0.36
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	12,20,572	0.36	12,20,572	0.36
3	Mr. S. A. Ahmadullah				
	At the beginning of the Year 01.04.2015	6,004	0.00	6,004	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	6,004	0.00	6,004	0.00

4	Mr. K. K. Dastur				
	At the beginning of the Year 01.04.2015	3,608	0.00	3,608	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0
	At the end of the year 31.03.2016	3,608	0.00	3,608	0.00
5	Ms. T. A. Dubash				
	At the beginning of the year 01.04.2015	42,68,783	1.27	42,68,783	1.27
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	42,68,783	1.27	42,68,783	1.27
6	Mr. N. S. Nabar				
	At the beginning of the Year 01.04.2015	1,665	0.00	1,665	0.00
	Increase/Decrease in shareholding during the year				
	10th April 2015 @	11,537	0.00	13,202	0.00
	10th April 2015#	9	0.00	13,211	0.00
	11th Sept 2015 - Sale of Shares	(3,000)	0.00	10,211	0.00
	25th Sept 2015 @	8,233	0.00	18,444	0.00
	25th Sept 2015#	6	0.00	18,450	0.00
	27th Nov 2015 - Sale of Shares	(2,000)	0.00	16,450	0.00
	4th Dec 2015- Sale of Shares	(1,000)	0.00	15,450	0.00
	At the end of the year	15,450	0.00	15,450	0.00

@ Allotment of Shares through Godrej Industries Limited - Employee Stock Grant Scheme, 2011

Bonus Shares issued pursuant to the court approved scheme of amalgamation of Wadala Commodities Limited with Godrej Industries Limited.

The following directors did not hold any shares during FY 2015-16

Mr. A. B. Godrej
Mr. A. B. Choudhury
Mr. V. M. Crishna
Mr. K. N. Petigara
Mr. K. M. Elavia
Mr. A. D. Cooper – appointed on October 28, 2015

vi) Shareholding of Key Managerial Personnel:

Sr. No.	Name of key Managerial Personnel	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Mr. P. Ganesh*				
	At the beginning of the year	10	0.00	10	0.00
	Increase/Decrease in shareholding during the year	0	0	0	0
	At the end of the year	10	0.00	10	0.00

*Resigned on 30th April 2016

vii) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ Crore

Sr. No.	Particulars	Secured Loans	Unsecured Loans	Deposits	Total
	Indebtedness at the beginning of the financial year				
i	Principal amount	-	1,967	55	2,022
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	-	7	4	11
	Total (i+ii+iii)	-	1,974	59	2,033
	Change in Indebtedness during the financial year				
	Addition	-	2,570	-	2,570
	Reduction	-	(1,897)	(36)	(1,933)
	Net Change	-	673	(36)	637
	Indebtedness at the end of the financial year				
i	Principal amount	-	2,640	21	2,661
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	-	7	2	9
	Total (i+ii+iii)	-	2,647	23	2,670

viii) Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to MD/WTD/Manager and Remuneration to KMP other than MD/Manager/WTD (CEO, CS & CFO)

₹ Crore

Sr. no.	Particulars of Remuneration	Name of Managing Director and Whole-time Directors			Total	KMP other than MD/Manager/WTD
		N. B. Godrej (Managing Director)	T. A. Dubash (Executive Director & Chief Brand Officer)	N. S. Nabar (Executive Director & President-Chemicals)	Amount	P. Ganesh (Chief Financial Officer & Company Secretary)
1	Gross salary:					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.35	3.17	2.17	9.69	1.81
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.21	0.30	0.28	0.79	0.01
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	0.30	0.30	0.11
3	Sweat Equity	-	-	-	-	-
4	Commission - as a % of profit - others , specify	-	-	-	-	-
5	Others	-	-	-	-	-
	Total(A)	4.56	3.47	2.75	10.78	1.93
	Ceiling as per the Act	Remuneration paid to the Managing Director and the Whole time Directors is as per approval received from the Ministry of Corporate Affairs (MCA) and / or Circular no. 07/2015 dated 10th April, 2015 issued by MCA				

B. Remuneration to other directors:

₹

Sr. No.	Particulars of Remuneration	Non Executive			Independent Directors							Total
		A.B. Godrej	J.N. Godrej	V.M. Crishna	S.A. Ahmadullah	A.B. Choudhury	K.K. Dastur	K.M. Elavia	N.D. Forbes	K.N. Petigara	A. D. Cooper	Amount
1	Fee for attending Board/Committee Meetings	1,020,000	500,000	300,000	800,000	800,000	740,000	300,000	100,000	820,000	300,000	5,680,000
2	Commission	-	-	-	-	-	-	-	-	-	-	-
3	Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	Total	1,020,000	500,000	300,000	800,000	800,000	740,000	300,000	100,000	820,000	300,000	5,680,000
	Ceiling as per Act	Sitting Fees paid to all the Non Executive Directors was within the limits as prescribed under the Act										

viii). Penalties / punishment/ compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty			None		
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

Annexure “F”

Forming Part of the Board's Report

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

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

- (1) **Ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year;**

Sr. No.	Name of Director	Ratio
1	Nadir Godrej	76:1
2	Tanya Dubash	58:1
3	Nitin S Nabar	47:1

- (2) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

The percentage increase in the remuneration of each director ranges between 17% to 55%. The percentage increase in the remuneration of Mr. P. Ganesh, Chief Financial officer & Company Secretary is not comparable as he was appointed w.e.f April 1, 2015 and resigned on close of working hours on April 30, 2016.

- (3) The percentage increase in the median remuneration of employees in the financial year was 2.2%
- (4) The number of permanent employees on the rolls of company as on 31st March, 2016: 1229.
- (5) The Net Profit of the company grew by 6% year- on- year and the average increase in remuneration of the employees was 3.3% year-on-year. Average increase in remuneration is guided by factors like economic growth, inflation, mandatory increases, external competitiveness and talent retention. On the other hand, the overall wage bill is impacted by the increase in remuneration as well as inorganic changes such as mergers, restructuring, VRS, attrition, and other structural changes in manufacturing processes, etc.

Whilst the Company has a strong cost focus, employee cost being one of the key areas for cost monitoring and control, the results of any structural initiatives needs to be measured over a long term horizon and cannot be strictly compared with annual performance indicators.

- (6) The increase in remuneration of the Key Managerial Personnel is in the range of 0.19-0.31% compared to an increase in net profit of current year over previous year by 6%.
- (7) The market capitalization of the company and the price earnings ratio as at the closing date of the current financial year and previous financial year is tabled below;

	As at March 31, 2015	As at March 31, 2016	Percentage increase/ (decrease)
Market capitalization	₹ 11,601 Cr.	₹ 11,909 Cr.	3
Price earnings ratio	77.87	75.68	(3)
Current Market Price	345.4	354.4	3

- (8) The closing market price of the shares of the Company as at March 31, 2016 was ₹ 354.45 (BSE) and ₹ 355.00 (NSE), and as at March 31, 2015 was ₹ 345.40 (BSE & NSE). The Company came out with the Last Public Offer in the year 1993 at an issue price of Rs 24 per share. The increase/ decrease in the market quotations of the shares of the company is as tabled below;

Date	Last Public Offer (LPO)	March 31, 2015	March 31, 2016
Market price as on	₹ 10	₹ 345.4	₹ 354.4
Increase from LPO Price	-	2059%	2115%

However, these prices are strictly not comparable since there have been many corporate actions, acquisitions and disposals since last public offer of Gujrat Godrej Innovative Checmicals Limited in 1993.

- (9) Average increase in salary of Company's employees other than the managerial personnel was 0.1% in the last financial year. On the other hand, managerial remuneration increased by 46.9% year-on-year. The total managerial remuneration comprises of remuneration of the Managing Director, Executive Director, Chief Financial Officer and Company Secretary. The remuneration to Managerial personnel is as approved by the shareholders under the provisions of Companies Act 2013.
- (10) Comparison of the remuneration of each Key Managerial Personnel against the performance of the company :

The percentage increase in remuneration of all Key Managerial Personnel of the Company is indicated at point (2) above. Remuneration to Key Managerial Personnel comprises of fixed and variable components.

The Variable pay is based on

- Individual performance
- Leadership assessment, and
- Company's performance.

The Fixed component of the remuneration is attributable to employee skills and experience.

- (11) There is no employee drawing remuneration more than the highest paid director.
- (12) Remuneration is as per the remuneration policy of the company.

Annexure “G”

Form No MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Godrej Industries Limited

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

Based on our verification of the Godrej Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Godrej Industries Limited for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') wherever applicable:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Share based Employee Benefit) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The following laws are specifically applicable to the Company, as per the representation given by the company :
- (a) The Food Safety and Standards Act, 2006 & Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
 - (b) The Boilers Act, 1923 & The Boiler Attendant's Rules, 2011.

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

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

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

We further report that

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

During the year an independent director resigned from the Board. The Board appointed another person as an Additional (Independent) Director. As informed by the company, it is proposed to appoint the said director in the ensuing annual general meeting of the company.

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

All the decisions were passed unanimously in the meetings of the Board.

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

We further report that during the audit period the company has :

- i. Shifted its registered office within the city.
- ii. Issued shares upon exercising ESGS & amalgamation of Wadala Commodities Ltd., with the company.
- iii. Enhanced commercial paper limit from ₹ 700 Crores to ₹ 1,000 Crores.
- iv. Informed the stock exchange about a minor fire in its plant in Gujarat. According to the company, it did not have a material impact on the financial performance of the company.
- v. Passed a special resolution by postal ballot for investing a sum of ₹ 152 crores in its subsidiary GIL Vikhroli Real Estate Limited, admitting them as a 40% partner in Godrej Vikhroli Properties LLP & simultaneous retirement of the company from the said LLP.
- vi. Passed a special resolution by postal ballot for investing in Godrej One Facility Management Private Limited.

For A. N. Ramani & Co.,
Company Secretaries
Unique Identification code - P2003MH000900

Place:- Thane
Date:- 25th May 2016

Bhavana Shewakramani
Partner
ACS – 26572, COP – 9577

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

‘Annexure A’

To,
The members
Godrej Industries Limited

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

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

For A. N. Ramani & Co.,
Company Secretaries
Unique Identification code - P2003MH000900

Place:- Thane
Date:- 25th May 2016

Bhavana Shewakramani
Partner
ACS – 26572, COP – 9577



**REPORT ON
CORPORATE GOVERNANCE**

Report on Corporate Governance

The Company is in compliance with the requirements stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with regard to corporate governance.

1. THE COMPANY'S PHILOSOPHY

The Company is a part of the Godrej Group which has established a reputation for honesty and integrity. The Company's philosophy of corporate governance is to achieve business excellence by enhancing the long-term welfare of all its stakeholders. The Company believes that corporate governance is about creating organisations that succeed in the marketplace with the right approach and values. This will enhance the value for all its stakeholders.

THE GOVERNANCE STRUCTURE

2. BOARD OF DIRECTORS

a) Board Structure

The Board of Directors of the Company comprises twelve Directors, which includes a Managing Director i.e. Mr. N. B. Godrej and two Whole-time Executive Directors, i.e. Ms. T. A. Dubash and Mr. N. S. Nabar. The remaining nine are Non-Executive Directors, with six of them being Independent Directors. No Director is related to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 2013, except (1) Mr. A. B. Godrej and Mr. N. B. Godrej, who are brothers, (2) Ms. T. A. Dubash who is the daughter of Mr. A. B. Godrej. The details are given in Table 1.

b) Board meetings held and Directors' attendance record

The Board meets at least once in a quarter to consider among other businesses, quarterly performance of the Company and financial results. To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information is made available to the Board. During the year six Board meetings were held on April 30, 2015, May 27, 2015, August 11, 2015, November 6, 2015, February 12, 2016 and March 8, 2016. One separate meeting of Independent Directors was also held on February 12, 2016, which was attended by all the Independent Directors except Mr. K. M. Elavia. The details are given in Table 1.

Table 1: The names and categories of the Directors on the Board, number of Board meetings held during the year under review (FY16) and their attendance at Board Meetings and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee positions held by them in other companies as on 31st March 2016 is given hereunder:

Name of Director	Category	Board meetings attended during the year	Attendance at last AGM held on August 11, 2015	Directorships held in other public companies incorporated in India as at year-end ^{\$}	Number of Chairmanship/ membership in Board Committees in other companies as at the year-end [@]	
					Chairmanship (excluding membership of committees)	Membership
Mr. A. B. Godrej	Chairman, Non-Executive, Promoter	6	Yes	5(2)	1	1
Mr. J. N. Godrej	Non-Executive, Promoter	5	Yes	6(4)	1	2
Mr. N. B. Godrej	Managing Director, Promoter	6	Yes	9(5)	1	1
Mr. S. A. Ahmadullah	Non-Executive-Independent	6	Yes	-	-	-
Mr. V. M. Crishna	Non-Executive, Promoter	3	Yes	3	-	-
Mr. K. K. Dastur	Non-Executive-Independent	6	Yes	1	-	-
Mr. N. D. Forbes	Non-Executive-Independent	1	No	-	-	-
Mr. A. D. Cooper*	Non-Executive, Independent	3	No	-	-	-
Mr. A. B. Choudhury	Non-Executive-Independent	6	Yes	3(1)	-	3
Mr. K. N. Petigara	Non-Executive - Independent	6	Yes	3	2	1
Mr. K. M. Elavia	Non-Executive - Independent	3	Yes	9(6)	5	4
Ms. T. A. Dubash	Whole-time, Promoter	4	Yes	4(1)	1	-
Mr. N. S. Nabar	Whole-time	6	Yes	1	-	-

Note:

1. \$ Alternate Directorships and Directorships in private companies, section 8 companies, foreign companies are excluded.
2. Figures in () denote listed companies.
3. Dr. N. D. Forbes resigned as a Director of the Company w.e.f. August 11, 2015 and he attended one Board meeting - April 30, 2015.
4. *Mr. A. D. Cooper was appointed as Additional Director on October 28, 2015.
5. @ Represents Chairmanships / Memberships of Audit Committee and Stakeholders Relationship Committee of Indian companies.
6. None of the Directors of the Company were members of more than 10 Committees or acted as

Chairperson of more than 5 Committees, across all the companies in which he / she was a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

7. None of the Directors held directorship in more than 10 public limited companies.
8. None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.
9. Mr. N. B. Godrej, Managing Director, is an Independent Director of two listed Companies and Ms. Tanya Dubash and Mr. Nitin Nabar, Executive Directors, are not Independent Directors of any other listed company.
10. All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act). Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website: www.godrejindustries.com.
11. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

c) Information supplied to the Board

Among others, this includes:

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

d) Familiarization Programme

The details of the familiarization programme have been disclosed on the Company's website www.godrejindustries.com. During the financial year the Company has also familiarized the Directors on the implications of IND-AS on its financials.

3. COMMITTEES OF THE BOARD

(A) Audit Committee

The Company has set up an Audit Committee in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations.

Table 2: Composition of the Audit Committee of Directors (Audit Committee) and details of meetings attended by the Directors during the year under review:

Names of Directors	Category	No. of meetings attended
Mr. K. K. Dastur (Chairman)	Independent, Non-executive	7
Mr. S. A. Ahmadullah		7
Mr. A. B. Choudhury		6
Mr. K. N. Petigara		7

7 Audit Committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates of the meetings are as under:

April 30, 2015, May 27, 2015, August 11, 2015, November 6, 2015, December 4, 2015, February 12, 2016 and March 8, 2016.

The necessary quorum was present for all the meetings.

The terms of reference for the Audit Committee include the matters as specified in Section 177 of the Act and Regulation 18(3) of the Listing Regulations, as follows:

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, re-appointment and terms of appointment of the statutory auditor and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Modified opinion(s) in the draft audit report.
- Reviewing along with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making

- appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, whenever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience & background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Review of information by Audit Committee
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;
 - Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in the terms of Regulation 32(7) of the Listing Regulations.
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the Listing Regulations.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function), to be present at its meetings. Mr. P. Ganesh, Chief Financial Officer & Company Secretary was the Secretary for all the Board Committees during FY 2015-16.

(B) Nomination and Compensation Committee

Nomination and Compensation Committee (NCC) is formed in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations.

Table 3: Composition of the NCC and details of meetings attended by the Directors during the year under review:

Names of Directors	Category	No. of meetings attended
Mr. S. A. Ahmadullah (Chairman)	Independent, Non-executive	3
Mr. A. B. Choudhury		3
Mr. K. N. Petigara		3

Nomination and Compensation Committee meetings were held on April 30, 2015, May 27, 2015, and March 8, 2016.

The terms of reference of Nomination and Compensation Committee are as below:

- Review the human resources policies and practices of the Company and in particular, policies regarding remuneration of Directors and senior managers of the Company.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Devising a policy on diversity of board of directors.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to Board their appointment and removal, and evaluate every Director's performance.
- Formulate the criteria in determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of Directors, key management personnel and other employees.
- Matters required under Securities and Exchange Board (SEBI) of India (Share Based Employee Benefits) Regulations.
- Such other matters as may be required under the Act/Listing Regulations.

The NCC is also responsible for recommending to the Board a policy relating to the appointment of the Directors, Key Managerial Personnel, Senior Management and their remuneration. In line with this requirement, the Board has adopted the 'Board Appointment Policy' and the 'Total Rewards Philosophy of Godrej Industries Ltd.' These policies form part of the Board's Report.

Remuneration of Directors

The details of remuneration package of Directors and their relationships with each other are given in table below:

Table 4: Details of Remuneration to Non-Executive Directors (NEDs) for the year ended March 31, 2016:

Names of Directors	Relationship with Directors	Sitting fees (₹)	Commission
Mr. A. B. Godrej	Brother of Mr. N. B. Godrej Father of Ms. T. A. Dubash	1,020,000	Nil
Mr. J. N. Godrej	None	500,000	Nil
Mr. S. A. Ahmadullah	None	800,000	Nil
Mr. A. B. Choudhury	None	800,000	Nil
Mr. V. M. Krishna	None	300,000	Nil
Mr. K. K. Dastur	None	740,000	Nil
Dr. N. D. Forbes \$	None	100,000	Nil

Mr. A. D. Cooper*	None	300,000	Nil
Mr. K. N. Petigara	None	820,000	Nil
Mr. K. M. Elavia	None	300,000	Nil

\$ Dr. N. D. Forbes resigned w.e.f August 11, 2015.

* Mr. A. D. Cooper was appointed as an Independent Director w.e.f. October 28, 2015.

Table 5: Details of remuneration and perquisites paid and/or value calculated as per the Income-tax Act, 1961, to the Managing Director and Executive Directors:

Names of Directors	Relationship with Directors	Salary and Allowances (₹)	Perquisites (₹)	Retirement Benefits (₹)	Total (₹)
Mr. N. B. Godrej	Brother of Mr. A. B. Godrej	41,025,215	2,081,318	2,521,500	45,628,033
Ms. T. A. Dubash	Daughter of Mr. A. B. Godrej	30,002,997	2,978,382	1,710,418	34,691,797
Mr. N. S. Nabar	None	24,051,260	2,775,082	672,400	27,498,742

Notes:

The service contract of Mr. N. B. Godrej is for a period of three years beginning from April 1, 2014. The service contracts of Ms. T. A. Dubash and Mr. N. S. Nabar are for a period of three years beginning from April 1, 2016. The Agreements may be terminated by either party giving to the other party three months' notice in writing. There is no separate provision for payment of severance fees.

The Total Rewards Philosophy of the Company is given in the section on 'Board's Report' of this Annual Report.

None of the NEDs had any pecuniary relationship or transactions with the Company other than the Directors' fees received by them.

Table 6: Number of shares and convertible instruments held by Non-Executive Directors as on March 31, 2016 is given below:

Names of Non-Executive Directors	Equity Shares	Convertible Instruments
Mr. A. B. Godrej	-	Nil
Mr. A. B. Godrej *	1,121,226	Nil
Mr. J. N. Godrej@	6,403,169	Nil
Mr. J. N. Godrej *	3,221,472	Nil
Mr. S. A. Ahmadullah	6,004	Nil
Mr. S. A. Ahmadullah *	11,708	Nil
Mr. K. M. Elavia	-	Nil
Mr. V. M. Crishna	-	Nil
Mr. A. D. Cooper	-	Nil
Mr. A. B. Choudhury	-	Nil
Mr. K. K. Dastur	3,608	Nil

Mr. K. K. Dastur **	27,421	Nil
Mr. K. K. Dastur *	10,677	Nil
Mr. K. N. Petigara	-	Nil

* Shares held as second holder

** Shares held as third holder

@ Shares held as trustee of Raika Godrej Family Trust.

Stock Options:

The Company has not granted any Stock Options to any of its Promoter Directors and Independent Directors. Mr. N. S. Nabar, Executive Director & President (Chemicals) was allotted 8,233 equity shares under the Employee Stock Grant Scheme.

(C) Stakeholders Relationship/Shareholders Committee

The Stakeholder's Relationship / shareholders Committee (SRC) is formed in accordance with Section 178 of the Act and Regulation 20 of the Listing Regulations. This committee looks into redressal of shareholder complaints regarding transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends, as well as those required under Act and the Listing Regulations.

Table 7: Composition of the SRC and details of meetings attended by the Directors during the year under review:

Names of Directors	Category	No. of meetings attended
Mr. A. B. Godrej (Chairman)	Non-executive Director	12
Mr. N. B. Godrej	Executive Director	9
Ms. T. A. Dubash		10
Mr. N. S. Nabar		12

During the year under review 12 SRC meetings were held on April 16, 2015, May 13, 2015, June 18, 2015, July 14, 2015, August 26, 2015, September 10, 2015, October 14, 2015, November 18, 2015, December 28, 2015, January 27, 2016, February 19, 2016, and March 10, 2016.

Name, designation and address of Compliance Officer:

Mr. P. Ganesh, Chief Financial Officer & Company Secretary was the Compliance Officer during FY 2015-16. He has stepped down from his position with effect from close of business hours on April 30, 2016. Ms. Nilufer Shekhawat has been appointed as a Company Secretary & Compliance Officer of the Company w.e.f. May 25, 2016.

Address:

Godrej Industries Limited
 Godrej One, Pirojshanagar, Eastern Express Highway,
 Vikhroli (East), Mumbai – 400079.
 Tel: 022-25188010 Fax:022-25188066

Number of Shareholder's complaints during the year:

Complaints outstanding as on April 1, 2015	Nil
Complaints received during the year ended March 31, 2016	55
Complaints resolved during the year ended March 31, 2016	55
Complaints outstanding as on March 31, 2016	Nil

D) Risk Management Committee

A Risk Management Committee (RMC) is constituted under Regulation 21 of the Listing Regulations

Table 8: Composition of the RMC and details of meetings attended by the Directors during the year under review:

Names of Directors	Category	No. of meetings attended
Mr. N. B. Godrej (Chairman)	Executive Director	5
Ms. T. A. Dubash		4
Mr. N. S. Nabar		5

Risk Management Committee meetings were held on May 13, 2015, July 31, 2015, October 28, 2015, December 17, 2015, and January 27, 2016.

The Company's Risk Management Committee has the following role, duties, responsibilities and authority:

- Risk Policy and its periodic review.
- Ensuring appropriate risk management systems and controls are in place and its evaluation and review.
- Risk assessment and risk minimisation procedures.

This Committee shall be responsible to monitor and review the risk management plan of the Company and the existing Forex Committee and the Business Risk Committee of the Company shall report to this Committee

(E) Corporate Social Responsibility Committee

Table 9: Composition of the Corporate Social Responsibility (CSR) Committee and details of meetings attended by the Directors during the year under review:

Names of Directors	Category	No. of meetings attended
Mr. N. B. Godrej (Chairman)	Executive Director	1
Ms. T. A. Dubash		1
Mr. K. N. Petigara	Non-executive Director	1
Mr. A. B. Choudhury		1

The CSR Committee met once in the year under review on February 12, 2016.

4. GENERAL BODY MEETINGS

(a) Details of last three Annual General Meetings (AGMs)

Year	Venue	Date	Time
2012-13	Y. B. Chavan Centre, Nariman Point, Mumbai 400 021.	August 10, 2013	3.30 P.M
2013-14		August 9, 2014	
2014-15	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079	August 11, 2015	

(b) Details of Special Resolutions passed in previous three Annual General Meetings:

Date of AGM	Number of Special Resolution passed	Details of Special Resolution passed
August 10, 2013	4	<ol style="list-style-type: none"> 1. Appointment of and remuneration payable to Mr. N. S. Nabar as a Whole-time Director. 2. Reappointment of and remuneration payable to Mr. N. B. Godrej, Managing Director. 3. Modification of Godrej Industries Limited Employee Stock Option Plan I. 4. Modification of Godrej Industries Limited Employee Stock Option Plan II.
August 9, 2014	1	<ol style="list-style-type: none"> 1. Investment in Verseon Corporation u/s 186 of the Companies Act, 2013.
August 11, 2015	2	<ol style="list-style-type: none"> 1. Reappointment and remuneration payable to Ms. T. A. Dubash as Whole-time Director. 2. Reappointment and remuneration payable to Mr. N. S. Nabar as Whole-time Director.

(c) Details of Special Resolutions passed at the Extraordinary General Meetings (EGM) in the last three years- Nil

(d) Postal Ballot

During the year, pursuant to the provisions of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules 2014, certain resolutions were passed by shareholders by postal ballot. The Notice of postal ballot was mailed to all shareholders along with postage prepaid envelopes. E-voting facility was also offered to eligible shareholders to enable them to cast their votes electronically. Mr. B. M. Shemlani, Chartered Accountant, had been appointed as scrutinizer for the postal ballots, who submitted his reports to the Chairman, Mr. A. B. Godrej. The details of the postal ballots are given below:-

Sr. No.	Date of announcement of results	Nature of resolution	Item	Total no. of votes polled	Votes in favour (%)	Votes against (%)
1.	June 23, 2015	Special	To invest/acquire the securities in 100% subsidiary GIL Vikhroli Real Estate Limited ('GVREL') (or any other name as may be approved by the regulatory authority(ies)) to be formed or incorporated, by way of subscription/purchase or otherwise, a sum of Rs.152 crores (Rupees One Hundred and Fifty Two Crores Only), notwithstanding that the aggregate of the loan(s) and/or investment(s) and/or inter-corporate deposit(s) and/or contribution(s) so far made in or to be made in and/or any other form of debt and/or the guarantee(s) and/or security(ies) so far given or to be given, to any other person(s) in connection with such loan(s), exceeds the limits/will exceed the limits laid down by the Companies Act, 2013.	277,357,345	99.85	0.15
2.	June 23, 2015	Special	To admit GIL Vikhroli Real Estate Limited ('GVREL') (100% subsidiary of the Company) as 40% partner in Godrej Vikhroli Properties LLP ('GVP-LLP') by contributing amount equivalent to the capital balance of the Company in the books of GVP-LLP as on date of admission of GVREL and simultaneous retirement of the Company as partner from the said GVP-LLP	277,357,345	99.85	0.15

3	April 8, 2015	Special	To make investment(s) in/ acquire by way of subscription, purchase or otherwise, any security(ies) of Godrej One Facility Management Private Limited or any other name as may be approved by the regulatory authority(ies), to be formed / incorporated in Mumbai, and/ or Limited Liability Partnerships/entities and/or body corporates including any other permissible form of entity(ies) or organization(s) to be formed or incorporated, for an overall aggregate amount not exceeding Rs. 1 lac (Rupees One Lac only), and/or to give loan(s) to and/or place inter-corporate deposit(s) with and/or provide any other form of debt and/or to provide any security(ies) in connection with such loan(s) and/or give guarantee(s) and/or give guarantees in connection with loan(s) given to any other person(s), notwithstanding that the aggregate of the investments and loans so far made or to be made and the guarantees/securities so far given or to be given by the Company and the deposits placed and the contribution so far made or to be made, exceeds the limits/will exceed the limits laid down by the Companies Act.	279,676,392	100.00	0.00
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e) Procedure adopted for Postal Ballot:

- (i) The Board at its meeting approves the items to be passed through postal ballot and authorizes one of the functional Directors and the Company Secretary to be responsible for the entire process of postal ballot.
- (ii) A professional such as a Chartered Accountant/ Company Secretary, who is not in employment

of the Company, is appointed as the Scrutinizer for the poll process.

- (iii) Notice of postal ballot along with the ballot papers are sent to the shareholders along with a self-addressed envelope addressed to the Scrutinizer. E-voting facility is also offered to eligible shareholders to enable them to cast their votes electronically.
- (iv) An advertisement is published in a National newspaper and a vernacular newspaper about the dispatch of ballot papers and notice of postal ballot.
- (v) The duly completed postal ballot papers are received by the Scrutinizer.
- (vi) Scrutinizer gives his report to the Chairman.
- (vii) The Chairman announces the results of the postal ballot in a meeting convened for the same.
- (viii) Results are intimated to the Stock Exchange and are put up on the Notice Board of the Company as well as on the Company's Website.

5. MEANS OF COMMUNICATION

All vital information relating to the Company and its performance, including quarterly results, official press releases and presentations made to institutional investors / analysts are posted on the website of the Company. The Company's web-site address is www.godrejindustries.com. The quarterly and annual results of the Company's performance are published in leading English dailies like Economic Times, Business Line, etc. and regional language daily, Maharashtra Times. The quarterly results of the Company are also available on the websites of BSE Ltd. and National Stock Exchange of India Ltd viz. www.bseindia.com and www.nseindia.com, respectively.

The Company files electronically the quarterly results, Corporate Governance report, Share holding pattern, etc in the BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).

6. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting:

Date : August 11, 2016
Time : 3.30 p.m.
Venue : Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079.

b) Financial Year :

Financial year : April 1, 2015 to March 31, 2016

For the Year Ended March 31, 2016, results announced on:

- August 11, 2015 : First quarter
- November 6, 2015 : Half year
- February 12, 2016 : Third quarter
- May 25, 2016 : Annual

c) Dividend Payment Date:

An interim dividend of ₹ 1.75 per equity share of ₹ 1 each was declared on March 8, 2016, by the Board of Directors of the Company. The Record Date for ascertaining the names of the shareholders who were eligible to receive the said dividend was March 16, 2016.

The said interim dividend, was paid before March 30, 2016.

d) Listing information:

The Company's equity shares are listed on the following Stock Exchanges:

Name of Stock Exchange and address	Stock Code
BSE Limited (BSE), Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001.	500164
National Stock Exchange of India Limited (NSE) 'Exchange Plaza', Bandra-Kurla Complex Bandra (E), Mumbai 400 051.	GODREJIND

The Company has paid the requisite Annual Listing Fees to the 2 Stock Exchanges for the financial year 2016-17. The Securities have not been suspended from trading.

The ISIN Number of the Company is INE233A01035.

e) Market Information:

Market Price Data: High, Low during each month and trading volumes of the Company's Equity Shares during the last financial year at BSE and NSE are given below :

Stock Exchange	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of Shares)
April 2015	385.60	331.75	6,32,246	385.00	331.05	59,73,987
May 2015	409.50	338.00	15,41,385	409.70	337.60	1,24,60,631
June 2015	385.00	319.00	10,86,991	385.30	318.75	77,44,257
July 2015	411.00	356.25	7,20,634	411.10	355.65	73,71,474
Aug 2015	411.55	328.65	10,84,192	412.00	316.60	99,93,284
Sept 2015	378.90	334.15	8,24,291	379.95	336.00	62,99,651
Oct 2015	398.65	346.80	4,64,122	399.90	346.00	60,66,936
Nov 2015	406.10	370.00	4,64,056	406.50	370.15	53,34,479
Dec 2015	390.00	351.50	5,85,751	390.00	351.00	64,54,199
Jan 2016	389.75	332.30	4,94,772	390.00	332.00	49,90,571
Feb 2016	358.45	290.35	7,38,824	358.35	290.00	67,36,387
Mar 2016	368.90	290.60	7,48,914	371.00	290.00	51,92,732

Chart A – The Company’s share performance compared to the BSE Sensex for FY 2015-2016

**Godrej Industries Share Performance compared to the BSE Sensex
for F.Y. 2015-16**



f) Registrar and Share Transfer Agents:

Computech Sharecap Limited
 147, M.G. Road, Opp. Jehangir Art Gallery, Fort, Mumbai 400 001.
 Tel: 022-22635000 to 22635002; Fax: 022-22635001
 Email: helpdesk@computechsharecap.com

Investor correspondence should be addressed to them.

g) Share Transfer system:

Share transfers and related operations for the Company are conducted by Computech Sharecap Limited, which is registered with the SEBI as a Category 1 Registrar. Share transfer is normally effected within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted.

h) Distribution of shareholding:

Table 10 and 11 gives the distribution pattern of shareholding of the Company by size and ownership respectively as on March 31, 2016.

Table 10: Distribution of shareholding by size as on March 31, 2016:

Number of shares	Number of share-holders	Shareholders (%)	Number of shares held	Shareholding (%)
1 – 500	42,611	90.66	3,636,857	1.08
501 – 1000	2,326	4.95	1,806,476	0.54
1001 – 2000	918	1.95	1,293,232	0.38
2001 – 3000	363	0.77	844,089	0.25
3001 – 4000	174	0.37	577,779	0.17
4001 – 5000	95	0.20	418,127	0.12
5001 – 10000	203	0.43	1,353,435	0.40
10001 & above	313	0.67	326,058,812	97.04
Total	47,003	100.00	335,988,807	100.00

Table 11: Distribution of shareholding by ownership as on March 31, 2016:

Category	No. of shares held	Percentage of share holding (%)
PROMOTER'S HOLDING		
Promoters		
-Indian Promoters	251,336,467	74.81
-Foreign Promoters	0	0.00
Persons acting in Concert	0	0.00
Sub-Total	251,336,467	74.81
NON-PROMOTER'S HOLDING		
Institutional Investors		
Mutual Funds & UTI	1,198,857	0.36
Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions /Non-Government Institutions)	9,502,472	2.83
Foreign Institutional Investors	47,848,443	14.24
Sub-Total	58,549,772	17.43
Others		
Private Corporate Bodies	8,345,253	2.48
Indian Public	16,760,895	4.99
NRIs/OCBs	996,420	0.30
Any other (please specify)	0	0.00
Sub-Total	26,102,568	7.77
Total	335,988,807	100.00

i) Dematerialization of shares and liquidity:

As on March 31, 2016, 99.80 percent of the Company's shares were held in dematerialized form and the remaining 0.20 percent in physical form. The break up is listed below:

Category	Number of shareholders	Shareholders	Number of shares held	Shareholding (%)
Physical	2,225	4.73	667,282	0.20
Electronic	44,778	95.27	335,321,525	99.80
Total	47,003	100.00	335,988,807	100.00

j) Outstanding GDRs/ADRs/Warrants/Convertible instruments and their impact on equity

The Company does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

k) Plant locations

Location	Address
Ambarnath	Plot No. N - 73, Additional Ambarnath Industrial Area, Village Jambivali, Taluka Ambarnath East, District Thane, Maharashtra. 421 506.
Valia	Burjorjinagar, Plot No. 3, Village Kanerao, Taluka - Valia, District Bharuch, Gujarat 393 135.
Wadala	L.M. Nadkarni Marg, Near M.P.T. Hospital, Wadala (East), Mumbai 400 037.
Dombivli	Plot No: W-61, MIDC Phase II, Sagaon, Sonarpada, Dombivali - East, Thane, Maharashtra , 421204.

l) Address for Correspondence:

Godrej Industries Limited
Godrej One, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai – 400079.
Tel: 022-25188010 Fax:022-25188066

7. OTHER DISCLOSURES

a) Materially significant related party transactions that may have potential conflict of interests of Company at large.

During the year 2015-16, there were no materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The Policy on related party transactions and policy for determining material subsidiaries is available on www.godrejindustries.com. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Financial Statements, forming part of the Annual Report.

b) Details of Non-compliance

There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.

c) Whistle Blower Policy

With a view to establish a mechanism for protecting the employees reporting unethical behaviour, fraud, violation of Company's Code of Conduct, the Board had a Whistle Blower Policy during the year 2015-16. The Board amended the existing Whistle Blower Policy to extend the applicability of the Policy to all the stakeholders of the Company and incorporate the applicable provisions of the Listing Regulations in the Policy and no personnel have been denied access to the Audit Committee.

d) Policy to Prevent Sexual Harassment at the work place

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the Godrej group. The Company has formed an Internal Complaints Committee headed by Ms. T. A. Dubash, Executive Director & Chief Brand Officer, pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. While the Act is applicable only to the women employees, our company policy covers all employees.

e) Details of compliance with mandatory requirement

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of listing regulations. The Company has submitted quarterly compliance report on Corporate Governance with Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

Corporate Governance Report for the whole of financial year is given in table below:

I. Disclosure on website in terms of Listing Regulations:	
Item	Compliance status (Yes / No / NA)
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Not Applicable
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes

Details of agreements entered into with the media companies and/or their associates	Not Applicable
New name and the old name of the listed entity	Not Applicable

II. Annual Affirmations:		
Particulars	Regulation Number	Compliance status (Yes / No / NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

f) Commodity price risk or foreign exchange risk and hedging activities:

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

Commodities form a major part of the raw materials required for Company's Products portfolio and hence Commodity price risk is one of the important market risk for the Company. Your Company has a robust framework and governance mechanism in place to ensure that the organization is adequately protected from the market volatility in terms of price and availability.

g) Discretionary Disclosures:

The status of compliance with non-mandatory recommendations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.
- Audit Qualifications: The Company's financial statements for the financial year 2015-16 do not contain any audit qualification.
- Separate posts of Chairman and CEO: The positions of the Chairman and the CEO in the Company are separate.
- Reporting of Internal Auditor: The Internal Auditors of the Company make presentation to the Audit Committee on their reports.

8. DECLARATION BY MANAGING DIRECTOR

The declaration by the Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the laid down code of conduct for the year ended March 31, 2016, is annexed to the Corporate Governance Report.

9. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India, the auditor's certificate regarding compliance of conditions of corporate governance is annexed to the Board's Report.

Declaration by Managing Director

I, N. B. Godrej, Managing Director of Godrej Industries Limited (GIL), hereby confirm pursuant to Regulation 34(3) read with Schedule V (D) of the SEBI, (Listing Obligations and disclosure Requirements) Regulations, 2015 that:

The Board of Directors of GIL has laid down a code of conduct for all Board members and senior management of the Company. The said code of conduct has also been posted on the Company's website viz. www.godrejindustries.com. All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2016.

Mumbai, May 25, 2016

N. B. Godrej
Managing Director

Auditor's Certificate on Corporate Governance

We have examined the compliance of conditions of corporate governance by Godrej Industries Limited ('the Company') for the year ended March 31, 2016, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607 W

Daraius Z. Fraser
PARTNER
M. No.: 42454

Place : Mumbai
Date : May 25, 2016.



**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, 2016, 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. 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 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, 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

Independent Auditor's Report

Emphasis of Matters

We draw attention to the following Notes to the Consolidated Financial Results for the year ended on March 31, 2016, in respect of various Schemes of Amalgamation approved by The Honourable High Court of Judicature at Bombay :

- a) Sub-note (3) of Note 4: Reserves and Surplus, regarding the Scheme of Arrangement whereby the Seeds business of Godrej Seeds and Genetics Limited (Transferor Company) merged into Godrej Agrovet Limited (Transferee Company) with effect from April 1, 2015, vide Order of the Court dated January 8, 2016.

In accordance with the Scheme:

- i) The excess of the face value of the preference shares held by the Transferee Company over the book value of the net assets of the Transferor Company taken over, along with face value of preference shares issued on account of amalgamation, amounting to ₹ 16.94 crore has been debited to Surplus as per the Scheme.

- ii) The cost and expenses arising out of or incurred in carrying out and implementing the Scheme amounting to ₹ 0.19 crore, have been directly charged to Surplus of the Transferee Company.

Had the Scheme not prescribed the above treatment, the Surplus would have been higher by ₹ 15.25 crore, the Goodwill would have been higher by ₹ 15.25 crore and profit of the year would have been lower by ₹ 1.89 crore.

- b) Sub-note (4) of Note 4: Reserves and Surplus, regarding the Scheme of Amalgamation between Goldmuhor Agrochem & Feeds Limited (Transferor Company) with Godrej Agrovet Limited (Transferee Company), whereby the assets and liabilities of the Transferor Company have been taken over by the Transferee Company with effect from October 1, 2013.

In accordance with the Scheme:

- i) 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 on account of Goodwill on Merger has been debited to the General Reserve of the Transferee Company instead of amortising the same in the Statement of Profit and Loss over a period of ten years.

- ii) The cost and expenses arising out of or incurred in carrying out and implementing the Scheme amounting to ₹ 0.41 crore have been directly charged against the balance in General Reserve of the Transferee Company.

- iii) An amount of ₹ 20.00 crore has been transferred from the General Reserve of the Transferee Company and has been utilised to increase the Reserve for Employee Compensation Expenses of the Transferee Company.

Had the Scheme not prescribed the above treatment, the balance in General Reserve would have been higher by ₹ 21.12 crore, Goodwill would have been higher by ₹ 0.53 crore, the Reserve for Employee Compensation Expense Account would have been lower by ₹ 20.00 crore and the profit for the year would have been lower by ₹ 0.07 crore.

- c) Sub-note (5) of Note 4: Reserves and Surplus, regarding the Scheme of Amalgamation for the amalgamation of Golden Feed Products Limited (Transferor Company), with Godrej Agrovet Limited (Transferee Company), whereby the assets and liabilities of the Transferor Company have been taken over by the Transferee Company with effect from March 31, 2014.

In accordance with the Scheme:

- i) 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 Surplus instead of amortising the same in the Statement of Profit and Loss over a period of ten years.

- ii) An amount of ₹ 35.06 crore standing to the credit of Surplus of the Transferee Company has been utilised to restate / revise the value of certain assets of the Transferee Company.

- iii) The cost and expenses arising out of or incurred in carrying out and implementing the Scheme amounting to ₹ 0.14 crore have been directly charged against Surplus of the Transferee Company.

Had the Scheme not prescribed the above treatment, the Surplus would have been higher by ₹ 36.16 crore, the Goodwill would have been higher by ₹ 0.78 crore and profit of the year would have been lower by ₹ 0.10 crore.

- d) Sub-note (6) of Note 4: Reserves and Surplus, regarding the Scheme of Amalgamation whereby the assets and liabilities of certain subsidiary companies viz. Godrej Gokarna Oil Palm Ltd. (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery

Independent Auditor's Report

Palm Oil Ltd. (CPOL), (Transferor Companies), have been taken over by Godrej Agrovet Limited (Transferee Company) with effect from April 1, 2011.

In accordance with the Scheme:

- i) Amortisation of Intangible Assets of the Transferor Companies amounting to ₹ 4.25 crore in the current year and ₹ 17.00 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.
- ii) An amount of ₹ 60.55 crore on account of Goodwill on Merger has been charged to the Securities Premium Account instead of amortising the same in the Statement of Profit and Loss over a period of ten years.

Had the Scheme not prescribed the above treatment, the Goodwill would have been higher by ₹ 30.28 crore, the balance in the Securities Premium Account would have been higher by ₹ 60.55 crore, the balance in General Reserve have been higher by ₹ 21.26 crore, the opening balance in Surplus would have been lower by ₹ 41.23 crore and the profit for the year would have been lower by ₹ 10.31 crore.

- e) Sub-note (7) of Note 4: Reserves and Surplus, regarding the Scheme of Amalgamation of Godrej Gold Coin Aquafeed Ltd. (Transferor Company), with Godrej Agrovet Limited (Transferee Company) whereby the assets and liabilities of the Transferor Company have been taken over by the Transferee Company with effect from April 1, 2010.

In accordance with the Scheme, an amount of ₹ 16.69 crore on account of the book value of the intangible assets and an amount of ₹ 25.06 crore on account of Goodwill on Merger, aggregating to ₹ 41.75 crore, 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 the case of Goodwill over a period of ten years.

Had the Scheme not prescribed this treatment, the balance in Securities Premium Account would have been higher by ₹ 41.75 crore, Intangibles would have been higher by ₹ 1.57 crore, Goodwill would have been higher by ₹ 10.02 crore, the opening balance in Surplus would have been lower by 25.13 crore and the profit for the year would have been lower by ₹ 5.03 crore.

- f) Sub-note (8) of Note 4: Reserves and Surplus, regarding the Scheme for the Reduction of Capital (Securities Premium Account) by a Subsidiary Company, in accordance with which an amount of ₹ 110.04 crores has been transferred from the Securities Premium Account and has been utilised to create the Reserve for Employee Compensation Expenses of which ₹ 11.35 crore for Employee Compensation Expenses incurred during the year and ₹ 94.74 crore for previous years has been adjusted.

Had the Scheme not prescribed the above treatment, the Employee Benefit Expenses would have been higher by ₹ 11.35 crore, the profit for the year would have been lower by ₹ 11.35 crore, the Opening Balance in the Surplus would have been lower by ₹ 94.74 crore, the Reserve for Employee Compensation Expenses would have been lower by ₹ 3.96 crore and the Securities Premium Account would have been higher by ₹ 110.04 crore.

- g) Sub-note (9) of Note 4: Reserves and Surplus, regarding the Scheme of Amalgamation of Godrej Premium Builders Private Limited with Godrej Projects Development Private Limited. The Appointed date for the Amalgamation is April 1, 2015 and the Effective Date is August 21, 2015.

In accordance with the Scheme:

- i) An amount of ₹ 53.28 crore on account of Goodwill on Amalgamation has been adjusted against 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 ₹ 0.22 crore have been adjusted against the Surplus.
- iii) 25,500, 7% Redeemable Non-cumulative preference shares having a face value of ₹ 10 of the Transferee Company have been issued in lieu of 25,500 equity shares having a face value of ₹ 10 of the Transferor Company held by members other than the Transferee Company.

Independent Auditor's Report

Had this amount been charged to the Statement of Profit and Loss, the profit for the year would have been lower by ₹ 10.88 crore, the Goodwill would have been higher by ₹ 42.62 crore (net written down value), Surplus would have been higher by ₹ 42.62 crore.

The above treatment prescribed under the respective Court Schemes differs from the treatment prescribed under the Accounting Standards according to which, the said amounts should have been debited to Goodwill, Intangibles or the Statement of Profit and Loss, as the case may be. Had the Schemes not prescribed this accounting treatment, the Company's share in the profit for the year ended March 31, 2016, would have been lower by ₹ 23.72 crore, the Surplus would have been lower by ₹ 42.25 crore, Employee Compensation Reserve would have been lower by ₹ 14.57 crore, General Reserve would have been higher by ₹ 25.77 crore, the Securities Premium would have been higher by ₹ 129.12 crore, Goodwill would have been higher by ₹ 59.03 crore, and Intangibles would have been higher by ₹ 0.95 crore.

- h) Sub-note (1b) of 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 independent trust. The ESOP Trust has been advanced loans which along with interest thereon and net of provision of ₹ 5.89 crore, amounts to ₹ 38.02 crore. As at March 31, 2016, 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 ₹ 8.81 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. In view of which, provision for diminution is not considered necessary in the financial statements.

Our opinion is not modified in respect of these matters.

Other Matters

- a) We did not audit the financial statements of five subsidiaries and one jointly controlled entity, whose financial statements reflect total assets of ₹ 528.98 crores as at March 31, 2016, total revenues of ₹ 2,752.22 crore and net cash flows amounting to ₹ 4.65 crores for the year ended on that date, as considered in the Consolidated Financial Statements. We also did not audit the financial statements of an associate, whose financial statements reflect the Group's share of associates' profit for the year ended March 31, 2016, amounting to ₹ 1.14 crore. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and 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 jointly controlled entity, is based solely on the reports of the other auditors.
- b) We did not audit the financial statements of three associates, whose financial statements reflect the Group's share of net profit of ₹ 0.42 crores for the year ended March 31, 2016, as considered in the Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these 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 associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on the separate financial statements of certain subsidiaries, and a jointly controlled entity, as noted in paragraph (a) of the Other Matters paragraph above, we report, to the extent applicable that:

Independent Auditor's Report

- 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, 2016 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company and its jointly controlled company incorporated in India, none of the Directors of the Group companies, its associate companies and jointly controlled company incorporated in India, are disqualified as on March 31, 2016, from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group, its associates and jointly controlled entities and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the separate financial statements of certain subsidiaries and a jointly controlled entity, as noted in 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) Provisions have been made in the Consolidated Financial Statements, as required under applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts, including derivative contracts. Refer Notes 2.14 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 Group companies and jointly controlled entities incorporated in India.

For KALYANIWALLA & MISTRY

Chartered Accountants
Firm Regn. No.: 104607W

Daraius Z. Fraser

Partner
M. No.: 42454

Mumbai : May 25, 2016.

Annexure A to the Independent Auditor's Report

Referred to in paragraph (f) '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, 2016.

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

We have audited the internal financial controls over financial reporting of **GODREJ INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled entities, which are companies incorporated in India, as of March 31, 2016 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act" or the "Companies Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Annexure A to the Independent Auditor's Report

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies, one associate company and one jointly controlled company is based on the corresponding reports of the auditors of such companies incorporated in India.

For KALYANIWALLA & MISTRY

Chartered Accountants
Firm Regn. No.: 104607W

Daraius Z. Fraser

Partner
M. No.: 42454

Mumbai : May 25, 2016.

Consolidated Balance Sheet as at March 31, 2016

	Note No.	Current Year	Amount ₹ in Crore Previous Year
Equity and Liabilities			
Shareholders' Funds			
(a) Share Capital	3	33.60	33.59
(b) Reserves and Surplus	4	3,448.54	3,193.66
		3,482.14	3,227.25
Minority Interest			
		1,486.22	1,148.53
Non-Current Liabilities			
(a) Long Term Borrowings	5	1,686.70	1,728.16
(b) Deferred Tax Liabilities (Net)	6	116.06	72.96
(c) Other Long Term Liabilities	7	35.61	1.42
(d) Long Term Provisions	8	15.17	15.11
		1,853.54	1,817.65
Current Liabilities			
(a) Short Term Borrowings	9	4,883.35	3,723.60
(b) Trade Payables	10	1,799.36	1,793.35
(c) Other Current Liabilities	11	2,160.11	1,698.42
(d) Short Term Provisions	12	35.96	100.15
		8,878.78	7,315.52
TOTAL		15,700.68	13,508.95
Assets			
Non Current Assets			
(a) Fixed Assets	13		
(i) Tangible Assets		2,239.53	1,284.28
(ii) Intangible Assets		32.67	35.74
(iii) Capital Work in Progress		349.12	774.01
(iv) Intangible Assets Under Development		2.11	0.67
		2,623.43	2,094.70
(b) Goodwill on Consolidation		563.98	517.09
(c) Non Current Investments	14	2,301.40	2,004.13
(d) Deferred Tax Assets (Net)	15	-	4.48
(e) Long Term Loans and Advances	16	370.81	285.33
(f) Other Non-Current Assets	17	68.68	32.00
		5,928.30	4,937.73
Current Assets			
(a) Current Investments	18	571.77	686.70
(b) Inventories	19	6,172.50	5,355.05
(c) Trade Receivables	20	926.88	633.85
(d) Cash and Bank Balances	21	221.97	242.13
(e) Short Term Loans and Advances	22	1,123.73	1,070.49
(f) Other Current Assets	23	755.53	583.00
		9,772.38	8,571.22
TOTAL		15,700.68	13,508.95

Notes to the Consolidated Financial Statements 1 to 48

As per our Report attached

For Kalyaniwalla & MistryChartered Accountants
Firm Regn. No. 104607W**Daraius Z. Fraser**Partner
M. No. 42454

Mumbai, May 25, 2016.

For and on behalf of the Board

A. B. Godrej

Chairman

N. S. NabarExecutive Director
& President (Chemicals)**N. B. Godrej**

Managing Director

Clement Pinto

Chief Financial Officer

Nilufer Shekhawat

Company Secretary

Statement of Consolidated Profit and Loss for the year ended March 31, 2016

Amount ₹ in Crore

	Note No.	Current Year	Previous Year
Revenue from Operations (Gross)	26	10,846.80	9,323.04
Less: Excise Duty		93.65	93.15
		10,753.15	9,229.89
Other Income	27	177.10	125.93
Total Revenue		10,930.25	9,355.82
Expenses			
(a) Cost of Materials Consumed	28	3,896.08	3,644.76
(b) Purchases of Stock in Trade		2,730.66	2,392.77
(c) Cost of Sales - Property Development	29	2,133.84	1,466.94
(d) Changes in Inventory of Finished Goods, Work in Progress and Stock In Trade	30	(121.46)	(15.64)
(e) Employee Benefits Expense	31	383.64	322.52
(f) Finance Costs	32	273.19	191.73
(g) Depreciation and Amortisation Expense		130.21	93.23
(h) Other Expenses	33	1,099.60	933.13
Total Expenses		10,525.76	9,029.44
Profit Before Exceptional Items and Tax		404.49	326.38
Exceptional Items	34	236.06	192.41
Profit Before Tax		640.55	518.79
Tax Expense			
(a) Current Tax		175.40	160.08
(b) MAT Credit Entitlement		(27.12)	(9.61)
(c) Deferred Tax		44.57	(13.89)
(d) Adjustment for Tax of Previous Years (net)		(5.95)	(0.03)
Total Tax		186.90	136.55
Profit After Taxation		453.65	382.24
Share of Profit in Associates		265.30	206.58
Profit Before Minority Interest		718.95	588.82
Minority Interest		(234.52)	(186.35)
Profit for the Year		484.43	402.47
Earnings Per Share (Face Value ₹ 1 per share)	35		
(a) Basic		14.42	12.00
(b) Diluted		14.41	11.98
Notes to the Consolidated Financial Statements	1 to 48		

As per our Report attached

For Kalyaniwalla & MistryChartered Accountants
Firm Regn. No. 104607W

For and on behalf of the Board

A. B. Godrej
Chairman**N. B. Godrej**
Managing Director**Darius Z. Fraser**Partner
M. No. 42454**N. S. Nabar**Executive Director
& President (Chemicals)**Clement Pinto**

Chief Financial Officer

Nilufer Shekhawat

Company Secretary

Mumbai, May 25, 2016.

Consolidated Cash Flow Statement for the year ended March 31, 2016

Amount ₹ in Crore

	Current Year	Previous Year
A. Cash Flow from Operating Activities :		
Profit Before Tax	640.55	518.79
Adjustments for :		
Depreciation	130.21	93.23
Unrealised Foreign Exchange Revaluation	(1.27)	1.90
Profit on Sale of Investments (net)	(316.14)	(261.01)
Profit on Sale of Fixed Assets (net)	4.81	(3.44)
Share Issue Expenses	0.05	-
Write Off of Fixed Assets	0.25	-
Dividend Income	(0.02)	(0.07)
Interest Income	(33.50)	(36.97)
Interest & Finance Charges	273.19	191.73
Employee Stock Grant Scheme Compensation	9.41	7.12
(Write back) / Provision for Diminution in Value of Investments	(24.03)	8.12
ESOP Loan Write Back	(11.00)	-
Provision for Doubtful Debts /Advances	9.00	10.08
Others	3.99	(0.91)
Operating Profit Before Working Capital Changes	685.50	528.57
Adjustments for :		
Inventories	(698.01)	(1,050.21)
Trade Receivables	(262.42)	(70.64)
Other Current Assets	127.06	(219.07)
Non Current Assets	(25.92)	(24.72)
Trade Payables	(63.84)	(196.78)
Other Current Liabilities	396.45	158.62
Non Current Liabilities	(2.16)	3.18
Cash Generated / Used In Operations	156.66	(871.05)
Direct Taxes Paid	(201.08)	(178.51)
Net Cash Used in Operating Activities	(44.42)	(1,049.56)
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(397.39)	(495.52)
Proceeds from Sale of Fixed Assets	8.91	11.92
Purchase of Investments (Current and Non - Current)	(1,247.85)	(1,286.75)
Proceeds from Sale of Investments - Long term	209.73	256.78
Proceeds from Sale of Investments - Others	1,078.45	1,025.14
Intercompany Deposits / Loans (net)	(31.41)	4.91
Interest Received	38.25	25.35
Dividend Received	0.00	0.06
Other Income	0.50	-
Net Cash Used in Investing Activities	(340.81)	(458.11)

Consolidated Cash Flow Statement for the year ended March 31, 2016 (Contd.)

Amount ₹ in Crore

	Current Year	Previous Year
C. Cash Flow from Financing Activities :		
Proceeds from Issue of Equity Shares	2.59	0.40
Capital (withdrawn) / contribution into Limited Liability Partnership	(31.64)	1.30
Share Issue Expenses	(0.05)	-
Proceeds from Borrowings	3,311.32	2,419.03
Repayment of Borrowings	(2,460.66)	(733.11)
Bank Overdrafts (net)	20.82	(5.06)
Interest & Finance Charges Paid	(272.48)	(189.34)
Dividend Paid	(154.97)	(60.86)
Merger Expenses	(0.19)	-
Tax on Distributed Profits	(31.34)	(22.89)
Net Cash Generated from Financing Activities	383.40	1,409.47
Net Decrease in Cash and Cash Equivalents	(1.83)	(98.20)
Cash and Cash Equivalents (Opening Balance)	187.91	286.67
Add : Cash and Cash Equivalents taken over pursuant to Business Acquisition	18.79	0.18
Less : Cash and Cash Equivalents on Demerger	(0.52)	-
Less : Cash and Cash Equivalents on consolidation of ESOP Trusts	-	(0.74)
Cash and Cash Equivalents (Closing Balance)	204.35	187.91
(including share in jointly controlled entities - ₹ 20.94 crore; previous year - ₹ 13.55 crore)		
Notes :	Current year	Previous year
1. Cash and Cash Equivalents		
Cash on Hand and Balances with Banks	221.97	242.13
Closing balances of Fixed deposit (more than 3 months but less than 12 months)	(17.06)	(53.87)
Other bank balances	(0.56)	(0.35)
Cash and Cash Equivalents	204.35	187.91
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

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

N. B. Godrej
Managing Director

Daraius Z. Fraser
Partner
M. No. 42454

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

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Mumbai, May 25, 2016.

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 unrealized profits or losses are fully eliminated.

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

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

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

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

- 1.2 The financial statements of the subsidiaries, joint ventures and associates used in the consolidation are drawn upto the same reporting date as of the Company i.e. March 31, 2016.

The accounts of Al Rahaba International Trading Ltd. (Associates of Godrej Agrovet Ltd.) have not been audited for the year ended March 31, 2016 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') the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

2.2 Use of Estimates

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

2.3 Fixed Assets

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

Notes to the Consolidated Financial Statements

it's 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. Development costs incurred on internally generated intangible assets are capitalised and any other related expenditure incurred is reflected in the statement of profit & loss in the period in which the expenditure is incurred.

Product registration costs generally comprise of costs incurred towards creating product dossiers, fees paid to registration consultants, application fees to the ministries, data compensation costs, data call-in costs and fees for task force membership. In situations where consideration for data compensation is under negotiation and is pending finalisation of contractual agreements, cost is determined on a best estimate basis by the management, and revised to actual amounts on conclusion of agreements.

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 Grants / Subsidies

- (i) Investment Subsidy under the Central / State investment incentive scheme is credited to Capital Investment Subsidy Reserve and treated as part of the shareholders' funds.
- (ii) Grants / Subsidies related to specific fixed assets are shown as a deduction from the gross value of the asset concerned in arriving at its book value.
- (iii) Grants / Subsidies related to revenue are presented as a credit to the profit and loss statement or are deducted in reporting the related expense.

In respect of Creamline Dairy Products Ltd. (a subsidiary of Godrej Agrovet Limited), subsidies received towards acquisition of assets are treated as deferred Government grants and the amount in proportion to the depreciation is transferred to statement of Profit and Loss.

2.5 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.

2.6 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.

2.7 Investments

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

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

Notes to the Consolidated Financial Statements

2.8 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.

2.9 Provisions and Contingent Liabilities

Provisions are recognised 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

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) 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.”

2.10 Revenue Recognition

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

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

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

Interest income is recognised on a time proportion basis.

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

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

Effective April 1, 2012, in accordance with the “Guidance Note on Accounting for Real Estate Transactions (Revised 2012)” (Guidance Note), all projects commencing on or after the said date or projects which have already commenced, but where the revenue is 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

Notes to the Consolidated Financial Statements

estimated construction and development costs; (c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and (d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenue under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined. Losses, if any, are fully provided for immediately.

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

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

The Subsidiary Company has been entering into Development & Project Management agreements with landlords. Accounting for income from such projects is done on accrual basis on percentage of completion or as per the terms of the agreement.

Subsidiary Company receives maintenance amount from the customers of Township / Projects and utilizes the same towards the maintenance of Township / Projects. Revenue is recognised to the extent of maintenance expenses incurred by the Subsidiary Company towards maintenance of Township / Projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

2.11 Research and Development Expenditure

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

2.12 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.

2.13 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.

Notes to the Consolidated Financial Statements

- (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.

2.14 Hedging

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

2.15 Employee Benefits

(i) Short term Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are 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 either Economic Value Added (EVA) or Profit Before Tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

(ii) Post Employment Benefits

(a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund, Super Annuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, 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 recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

Provident Fund

Provident Fund contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the 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

Notes to the Consolidated Financial Statements

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.

2.16 Depreciation & 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. Biological assets are depreciated over their estimated useful life of 10 years.

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 :

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
Tree Development Cost	15 years

2.17 Taxes on Income

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

Deferred tax subject to consideration of prudence, is recognised on timing differences; being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset / liabilities in respect of timing differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets/liabilities in respect of timing

Notes to the Consolidated Financial Statements

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.

2.18 Cash and Cash Equivalents

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

2.19 Earnings Per Share

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

2.20 Segment Reporting

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

Notes to the Consolidated Financial Statements

Note 3 : Share Capital

	Current Year		Amount ₹ 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
		180.00		180.00
Issued, Subscribed and Paid-up Share Capital				
Equity Shares of ₹ 1 each fully paid-up	335,988,807	33.60	335,881,974	33.59
Total	335,988,807	33.60	335,881,974	33.59
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	335,881,974	33.59	335,455,260	33.55
Issued during the year	106,833	0.01	426,714	0.04
Number of Shares outstanding at the end of the year	335,988,807	33.60	335,881,974	33.59
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	193,904,681	19.39

Notes to the Consolidated Financial Statements

Note 3 : Share Capital (Contd.)

	Current Year		Amount ₹ in Crore Previous Year	
	Number	Value	Number	Value
(b) Shareholders holding more than 5% of Equity Shares in the Company Godrej & Boyce Manufacturing Company Limited - 57.71% (previous year 57.73%)	193,904,681	19.39	193,904,681	19.39
Equity Shares Reserved for Issue Under Employee Stock Grant (₹ 1 each)				
(a) Employee Stock Grant vesting on 31/03/15 (*)	-	-	5,487	0.00
(b) Employee Stock Grant vesting on 31/05/15	-	-	98,987	0.01
(c) Employee Stock Grant vesting on 31/07/15 (*)	-	-	2,274	0.00
(d) Employee Stock Grant vesting on 31/03/16 (*)	1,297	0.00	1,297	0.00
(e) Employee Stock Grant vesting on 31/05/16	164,102	0.02	108,074	0.01
(f) Employee Stock Grant vesting on 31/05/17	111,669	0.01	55,641	0.01
(g) Employee Stock Grant vesting on 31/05/18	56,028	0.01	-	-

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

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

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

- (i) 200,243 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) 67,589 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 previous 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 was November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC. Accordingly, the Company had issued 200,243 equity shares 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.

In current year, the Company has issued 85 bonus equity shares in the Company to the non-promoter shareholders on exercise of ESGS options.

Notes to the Consolidated Financial Statements

Note 4 : Reserves and Surplus

	Current Year	Amount ₹ in Crore	
		Previous Year	
Capital Investment Subsidy Reserve			
As Per Last Balance Sheet	0.95	0.95	
Adjustment on Share of Minority	(0.12)	-	
	0.83		0.95
Capital Redemption Reserve	31.46		31.46
Capital Reserve			
As Per Last Balance Sheet - refer note 1 below	9.88	8.58	
Additions during the year (net) - refer note 10 below	1.45	1.30	
	11.33		9.88
Securities Premium Account - refer notes 6, 7 & 10 below			
As Per Last Balance Sheet	1,469.21	1,529.03	
Additions for shares issued during the year	6.84	7.69	
Utilisation during the year :			
Share issue expenses	(0.45)	-	
Adjustments due to change in holdings in subsidiaries during the year	(8.17)	(67.51)	
	1,467.43		1,469.21
Special Reserve u/s 45IC of RBI Act,1934			
As Per Last Balance Sheet	3.84	3.67	
Transfer from Surplus	0.17	0.17	
	4.01		3.84
Employee Stock Grants Outstanding			
Stock Grants at the beginning of the year	70.64	65.37	
Add : Compensation for Stock Granted during the Year	14.08	14.11	
Less : Grants Lapsed	-	(1.15)	
Less : Transfer to Securities Premium on exercise of stock grants during the year	(6.84)	(7.69)	
	77.88	70.64	
Less: Deferred Employee Stock Grants Compensation	(4.14)	(3.94)	
	73.74		66.70
Reserve for Employee Compensation Expenses			
As Per Last Balance Sheet	22.90	29.78	
Adjustment for employee compensation expense - refer note 8 below	(11.35)	(11.35)	
Adjustment on Acquisition / Deletion and Share of Minority	3.01	4.47	
	14.56		22.90

Notes to the Consolidated Financial Statements

Note 4 : Reserves and Surplus (Contd.)

	Current Year	Amount ₹ in Crore Previous Year
General Reserve - refer notes 4 & 6 below		
As Per Last Balance Sheet	62.22	55.97
Transfer from Surplus	1.33	14.96
Utilisation during the year pursuant to Scheme of Amalgamation :		
Excess of Investment over book value adjusted as per scheme of Merger	-	(9.80)
Restatement / Revision of certain Assets / Amortisation of Intangibles as per Merger Scheme	(4.25)	(4.25)
Issue of Bonus Shares pursuant to Scheme of Amalgamation	-	(0.01)
Adjustment on Acquisition / Deletion and Share of Minority	(0.71)	5.35
	58.59	62.22
Debenture Redemption Reserve		
As Per Last Balance Sheet	-	-
Addition during the year	18.75	-
Adjustment on Acquisition / Deletion and Share of Minority	(7.35)	-
	11.40	-
Foreign Exchange Fluctuation Reserve		
As Per Last Balance Sheet	16.46	13.62
Additions during the Year	4.05	2.84
	20.51	16.46
Surplus		
As Per Last Balance Sheet	1,510.04	1,108.64
Surplus as per Statement of Profit and Loss - refer note 10 below	484.43	402.47
Utilisation during the year :		
Credit for Dividend Distribution Tax on Dividend Received from Subsidiaries	9.75	7.96
Interim Dividend	(58.80)	-
Proposed Dividend - Final	-	(58.80)
Tax on Distributed Profit	(20.49)	(26.02)
Transfer to Special Reserve	(0.17)	(0.17)
Transfer to General Reserve	(1.33)	(14.96)
Transfer to Debenture Redemption Reserve	(18.75)	-
Adjustment on Acquisition / Deletion - refer notes 3, 5 & 9 below	(54.40)	(127.81)
Depreciation in transition to New Companies Act	-	(4.91)
Issue of Bonus Shares	-	(31.10)
Adjustment on Acquisition / Addition and Share of Minority	(95.60)	254.74
	1,754.68	1,510.04
Total	3,448.54	3,193.66

Notes :

- (1) In the previous 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 was November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC.

Notes to the Consolidated Financial Statements

Note 4 : Reserves and Surplus (Contd.)

In accordance with the Scheme :

- a) The Company had followed Purchase Method of accounting and as per the Scheme of Arrangement approved by the Bombay High Court.
 - b) All the assets and liabilities of the erstwhile WCL had been transferred to and vest in the Company and had 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 was credited to Capital Reserves.
 - c) Income of ₹ 0.09 crore and Expense of ₹ 0.25 crore of WCL from April 2014 to November 2014 had been considered in Statement of Profit and Loss of the previous year of the Company.
- (2) The Board recommended and paid an interim dividend of ₹ 1.75 per share (175% of face value ₹ 1 each) in March 2016.
- (3) A scheme of Arrangement (“the Scheme”) for the demerger of Seeds business of Godrej Seeds and Genetics Limited (called “the Demerged Company”) into Godrej Agrovet Limited (“the Resulting Company”) with effect from April 1, 2015, (“the Appointed date”) was sanctioned by the Honourable High Court of Judicature at Bombay (“the Court”), vide its Order dated January 8, 2016 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on February 9, 2016 (the “Effective Date”).

To give effect to the Honourable Bombay High Court’s Order dated January 8, 2016 regarding Scheme of the Arrangement, the following actions have been performed.

- (a) The excess of face value of the preference shares held by the Transferee Company over book value of the net assets of the Transferor Company taken over, along with face value of preference shares issued on account the amalgamation, amounting to ₹ 16.94 crore has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.
 - (b) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.19 crore have been directly charged against the Surplus in Statement of Profit and Loss of the Resulting Company.
- (4) 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 Honourable 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.

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.

Had the Scheme not prescribed the above treatment, the balance in General Reserve would have been higher by ₹ 0.71 crore, the Goodwill would have been higher by ₹ 0.53 crore (net written down value) and the profit for the year would have been lower by ₹ 0.04 crore

- (5) 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 Honourable 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”).

Notes to the Consolidated Financial Statements

Note 4 : Reserves and Surplus (Contd.)

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.

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.

Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by ₹ 0.78 crore, the Goodwill would have been higher by ₹ 0.78 crore (net written down value) and profit of the year would have been lower by ₹ 0.06 crore.

(6) 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 Honourable High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been passed.

- a) Amortisation on Intangible Assets of the Transferor Companies amounting to ₹ 4.25 crore in the current year and ₹ 17 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.
- b) 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.

Had the Scheme not prescribed the above treatment, the Goodwill would have been higher by ₹ 30.28 crore, the balance in the Securities Premium Account would have been higher by ₹ 60.55 crore, the balance in General Reserve have been higher by ₹ 21.26 crore, the opening balance in the Surplus in Statement of Profit & Loss would have been lower by ₹ 41.23 crore and the profit for the year would have been lower by ₹ 6.27 crore.

(7) 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 Honourable High Court of Judicature at Bombay ("the Court"), vide its Order dated January 5, 2011, the following entries have been passed.

- a) The Intangible assets held by Transferor Company amounting to ₹ 16.69 crore were adjusted against the balance in the Securities Premium Account of the Holding Company.
- b) 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 charged to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the above treatment of adjusting Intangibles against the balance in the Securities Premium Account, The balance in Securities Premium Account would have been higher by ₹ 41.75 crore, the Intangible Assets would have been higher by ₹ 1.57 crore, Goodwill would have been higher by ₹ 10.02 crore, the opening balance in the Surplus in Statement of Profit & Loss would have been lower by ₹ 25.13 crore and the profit for the year would have been lower by ₹ 3.06 crore

(8) To give effect to the Honourable 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 of which ₹ 11.35 crore (previous year ₹ 94.74 crore) for Employee Compensation Expenses incurred has been adjusted.

(9) 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 Honourable High Court of Judicature at Bombay on July 3, 2015 and filed with the Registrar of Companies

Notes to the Consolidated Financial Statements

Note 4 : Reserves and Surplus (Contd.)

on August 21, 2015, Godrej Premium Builders Private Limited, a Subsidiary of Godrej Projects Development Private Limited, is amalgamated with Godrej Projects Development Private Limited w.e.f. April 1, 2015, the Appointed Date.

As per the said Scheme :

- a) 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.
- b) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.22 crore have been directly adjusted against the Surplus in the Statement of Profit and Loss of the Transferee Company.
- c) The amount of ₹ 53.28 crore arising out of the difference between the book 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 Surplus in the Statement of Profit and Loss of the Transferee Company.

In accordance with the Scheme, 25,500, 7% redeemable non-cumulative preference shares of face value of ₹ 10/- each of the Transferee Company has been issued in lieu of 25,500 equity share of face value of ₹ 10/- each of Transferor Company held by members other than Transferee Company.

- (10) A Scheme of Amalgamation ("the Scheme") for amalgamation of GIL Vikhroli Real Estate Limited ("GVREL" or "the Transferor Company") with Godrej Properties Limited ("GPL" or "the Transferee Company"), with effect from August 1, 2015, ("the Appointed date") was sanctioned by the Honourable High Court of Judicature at Bombay ("the Court"), vide its Order dated February 26, 2016 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on March 15, 2016 (the "Effective Date"). Consequent to the above scheme, GPL now holds 100% shares in Profit of GVP LLP.

The Transferee Company has carried out the accounting treatment prescribed in the Scheme as sanctioned by the Honourable High Court of Judicature at Bombay. Accordingly, the Scheme has been given effect to in these accounts and all the assets and liabilities of GVREL stands transferred to and vested in the Transferee Company with effect from the Appointed Date. In accordance with the Scheme, the assets and liabilities of GVREL have been taken over and recorded at their book values as on August 1, 2015.

Pursuant to the Scheme of Amalgamation sanctioned by the Honourable High Court of Judicature at Bombay vide its order dated February 26, 2016, the following actions have been performed.

- (a) The amount of ₹ 132.62 crore (net of consolidation adjustment of ₹ 9 crore) arising out of the difference between the book value of the net assets of the Transferor Company taken over and face value of shares issued has been transferred to Capital Reserve Account.
- (b) Upon the Scheme becoming effective, 16,745,762 Equity Shares of face value of ₹ 5/- each of the Transferee Company have been allotted to the shareholders of Transferor Company based on the exchange ratio of 13 (Thirteen Only) Equity Shares of the Transferee Company of ₹ 5 each fully paid up for 118 (One Hundred Eighteen Only) equity shares of Transferor Company of ₹ 10 each fully paid up and the entire equity share capital of GVREL stands cancelled.
- (c) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 3.90 crore have been debited in the Statement of Profit & Loss of the Transferee Company. The Cost and expenses incurred in issuing shares to the shareholders of the Transferor Company amounting to ₹ 0.45 crore has been adjusted against Securities Premium Account pursuant to provisions of Section 52 of the Companies Act, 2013.

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	83.92	61.58
(b) Term Loans		
(i) From Bank - refer note 2 below	525.71	509.47
(ii) From Others - refer note 3 below	19.61	24.90
	545.32	534.37
Unsecured		
(a) Term Loans		
(i) From Banks - refer note 4 below	924.73	984.29
(ii) From Others - refer note 5 below	100.00	75.00
	1,024.73	1,059.29
(b) Deferred Payment Liabilities - refer note 6 below	3.77	3.93
(c) Deposits		
(i) Fixed Deposit - refer note 7 below	-	26.98
Share in Jointly Controlled Entities	28.96	42.01
Total	1,686.70	1,728.16

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) 810,496, 17.45% Compulsorily Convertible Debentures of face value of ₹ 1,000/- each. These Compulsorily Convertible Debentures will be converted in to equity shares in the year 2019 based on the fair value.
- (2) (a) Secured term loan : Total Sanction amount ₹ 500 crore bearing interest @ CPLR minus 630 BPS and secured by way of exclusive mortgage and charge of movable and immovable property, right, title, interest in the designated account / escrow account and receivables of the project situated at Bandra Kurla Complex at Mumbai and pledge of 51% of equity shares of Godrej Buildcon Private Limited held by the Subsidiary Company. This will be repaid at a certain percentage of all sales receipts from the project, which percentage receivables is subject to review on a quarterly basis. The loan would be repaid over a period of 60 months.
- (b) Term loan from Axis Bank of ₹ 9.35 crore (previous year ₹ 10.93 crore) carrying interest rate ranging from 9.90% to 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 of funded stores. This loan is repayable over a period of 53 months. Installments falling due in respect of the loan upto March 31, 2017 amounting to ₹ 2.20 crore (previous year ₹ 1.46 crore) have been regrouped under Current Maturities of Long Term debt.
 - (c) Term loan from Yes Bank of ₹ 10 crore (previous year ₹ NIL) carrying interest at 10.30% p.a., is secured by hypothecation of moveable plant and machinery, furniture, fixtures consisting of refrigeration and interior work, both present and future of funded stores. This loan is repayable over a period of 60 months commencing from December 2017.
 - (d) Term Loans from banks are secured by way of first mortgage / charge over entire movable and immovable Fixed Assets (Present and Future) of Astec Life Sciences Limited and second pari-passu charge over current assets of the Astec Life Sciences Limited.

Notes to the Consolidated Financial Statements

Note 5 : Long Term Borrowings (Contd.)

- (e) Vehicle Loans from NBFC's & Banks for ₹ 2.14 crore, carrying an interest rate of 9.52% to 11.33% p.a., repayable in 35 to 60 months. The loan is secured by 1st charge on the vehicle specifically financed out of Loan. Installments falling due in respect of the loan upto March 31, 2017 amounting to ₹ 0.68 crore have been regrouped under Current Maturities of Long Term debt.
- (f) Term Loan of ₹ 4.44 crore (previous year ₹ 6.11 crore) from IDBI Bank Ltd having Interest rate of BBR Plus 3% p.a. which is 13% p.a. (previous year - 13.25% p.a.) are repayable in 18 Quarterly Installments of ₹ 0.56 crore each. Last Installment due on December 31, 2018. Installments falling due in respect of the loan upto March 31, 2017 amounting to ₹ 2.22 crore have been regrouped under Current Maturities of Long Term debt.
- (g) Term Loans (FCNR) of ₹ 6.50 crore (previous year ₹ 2.54 crore) from ICICI Bank Ltd. having Interest rate of 12.55% are repayable in 16 equal quarterly installments starting from April 2016. The Loan is fully hedged. Installments falling due in respect of the loan upto March 31, 2017 amounting to ₹ 1.62 crore have been regrouped under Current Maturities of Long Term debt.
- (3) Term loan from Tata Capital Financial Services Ltd. of ₹ 27.92 crore (previous year ₹ 32.87 crore) carrying interest rate ranging from 10.35% to 10.80% p.a. This loan is secured by hypothecation of the fixed assets and current assets of the funded stores and head office and is repayable over a period of 48 months. Installments falling due in respect of the loan upto March 31, 2017 amounting to ₹ 8.31 crore (previous year ₹ 7.97 crore) have been regrouped under Current Maturities of Long Term debt.
- (4) Terms of Repayment for Unsecured Borrowings from Banks :
- (a) Loan from Bank amounting to ₹ 66.25 crore (previous year ₹ 125.00 crore) carries interest at LIBOR + 2.50% p.a., is for an original term of 60 months and repayable by December 2017.
Loan from Bank amounting to ₹ 99.38 crore (previous year ₹ 125.00 crore) carries interest at LIBOR + 2.05% p.a., is for an original term of 60 months and repayable by August 2018.
- (b) Loan from Bank amounting to ₹ 18.75 crore (previous year ₹ 93.73 crore) carries interest at Base Rate + 0.70% p.a. (previous year 0.95% p.a.), is for an original term upto 60 months and repayable by April 2017.
Loan amounting to ₹ 100 crore (previous year ₹ NIL) carries interest at Base Rate, is for an original term upto 36 months and repayable starting September 2018 upto March 2019.
- (c) Loan from Bank amounting to ₹ 167.42 crore (previous year ₹ 157.96 crore) which carries interest at LIBOR + 2.40% p.a. has now been fixed under IRS at 4.28% p.a., is for an original term of 60 months and repayable by July 2019.
Loan amounting to ₹ 112.27 crore (previous year ₹ 105.91 crore) which carries interest at LIBOR + 2.35% p.a. has now been fixed under IRS at 4.25% p.a. is for an original term of 60 months and repayable by July 2019.
Loan amounting to ₹ 55.59 crore (previous year ₹ 52.44 crore) which carries interest at LIBOR + 2.45% p.a., has now been fixed under IRS at 4.39% p.a., is for an original term of 60 months and repayable by August 2019.
- (d) Loan from Bank amounting to ₹ 100 crore (previous year ₹ 100 crore) carries interest at Base Rate + 0.50% p.a., is for an original term upto 36 months and repayable during the period May 2017 to February 2018.
Loan amounting to ₹ 100 crore (previous year ₹ NIL) carries interest at Base Rate + 0.20% p.a., is for an original term upto 36 months and repayable starting June 2018 upto March 2019.

Notes to the Consolidated Financial Statements

Note 5 : Long Term Borrowings (Contd.)

- (e) Loan amounting to ₹ 75 crore (previous year ₹ 75 crore) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 36 months and repayable by January 2018.
- Loan amounting to ₹ 25 crore (previous year ₹ Nil) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 36 months and repayable by April 2018.
- (f) Term Loans from Kotak Mahindra Bank for ₹ 9.00 crore with outstanding as of March 31, 2016 for ₹ 5.70 crore, carrying an interest rate of 9.50% p.a., repayable in 18 equal quarterly instalments, commencing from 6 months from the date of 1st disbursement. Interest of ₹ 0.63 crore has been classified as Unsecured Loan from Bank under Other Current Liabilities.
- (g) During previous year, 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.
- (5) Unsecured loan from Others :
- (a) Loan amounting to ₹ 37.50 crore (previous year ₹ 37.50 crore) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 60 months and repayable by June 2019.
- Loan amounting to ₹ 12.50 crore (previous year ₹ Nil) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 60 months and repayable starting September 2019 upto March 2020.
- (b) Loan amounting to ₹ 37.50 crore (previous year ₹ 37.50 crore) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 60 months and repayable by June 2019.
- Loan amounting to ₹ 12.50 crore (previous year ₹ Nil) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 60 months and repayable starting September 2019 upto March 2020.
- (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 2021. Total loan availed was ₹ 4.67 crore and outstanding is ₹ 3.94 crore with current maturity disclosed separately in Note 11 Other Current Liabilities at ₹ 0.17 crore.
- (7) Fixed deposits from public in previous year had a maturity period of 13, 24 or 36 months.
- (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	184.02	139.23
(b) VRS Expenses	-	0.22
(c) Others	55.51	-
Assets		
(a) Provision for Retirement Benefits	2.38	2.91
(b) Provision for Doubtful Debts / Advances	8.82	7.64
(c) Others	12.67	23.21
(d) Unabsorbed Depreciation	100.38	36.19
(e) Unabsorbed Loss	3.76	-
Share in Jointly Controlled Entities	4.54	3.46
Total	116.06	72.96

Note 7 : Other Long Term Liabilities

	Amount ₹ in Crore	
	Current Year	Previous Year
Deposits	7.43	-
Interest Accrued but not due	0.09	-
Trade Payables	28.09	1.42
Total	35.61	1.42

Note 8 : Long Term Provisions

	Amount ₹ in Crore	
	Current Year	Previous Year
Provision for Employee Benefits	14.66	14.58
Share in Jointly Controlled Entities	0.51	0.53
Total	15.17	15.11

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	41.93	76.25
(b) Term loan from Bank - refer note 2 below	700.00	200.00
(c) Loans Repayable on Demand		
(i) From Bank - refer note 3 below	615.36	604.70
(ii) From Others	15.22	750.00
Unsecured		
(a) Loans Repayable on Demand		
(i) From Bank - refer notes 4, 5 & 6 below	1,867.78	958.65
(ii) From Others - refer note 7 below	314.19	36.24
(b) Other Loans and Advances		
(i) Commercial Papers - refer note 8 below	1,275.00	1,085.50
Share in Jointly Controlled Entities	53.87	12.26
Total	4,883.35	3,723.60

Notes :

- (1) 4,192,900, 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)
 - (a) Secured Short Term Loan of ₹ 200 crore availed from Bank is secured by hypothecation of the current assets and Immovable property of the Subsidiary Company at Vikhroli, Mumbai - Godrej One (5th Floor), and current assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) and carries interest rate at Base Rate + 0.05% p.a., present effective rate 9.35% p.a. repayable on June 22, 2016.
 - (b) Secured Working Capital Demand Loan of ₹ 200 crore is secured by hypothecation of the current assets of the Subsidiary Company, Immovable property of the Subsidiary Company at Vikhroli, Mumbai - Godrej One (5th Floor) and current assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security at interest rate at Base Rate 9.30% p.a. repayable on April 10, 2016.
 - (c) Secured Working Capital Demand Loan of ₹ 100 crore is secured by hypothecation of the current assets of the Subsidiary Company. Immovable property of the Subsidiary Company at Vikhroli, Mumbai - Godrej One (5th Floor) and current assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at Base Rate + 0.15% p.a., present effective rate 9.45% p.a. repayable on May 6, 2016.
 - (d) Secured Working Capital Demand Loan of ₹ 200 crore is secured by hypothecation of Immovable property of the Subsidiary Company at Vikhroli, Mumbai - Godrej One (5th Floor) and current assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at Base Rate + 0.15% p.a., present effective rate 9.45% p.a. repayable on April 23, 2016.
- (3)
 - (a) Secured Cash Credit of ₹ 571.72 crore availed from Bank is secured by hypothecation of the current assets. Immovable property of the Subsidiary Company at Vikhroli, Mumbai - Godrej One (5th Floor) and current

Notes to the Consolidated Financial Statements

Note 9 : Short Term Borrowings (Contd.)

assets of Godrej Real Estate Private Limited & Godrej Projects Development Private Limited (both wholly owned subsidiaries) are provided as collateral security and carries interest at Base Rate + 0.35% p.a., effective rate 9.65% p.a.

- (b) Cash Credit of ₹ 20.89 crore from banks are secured by hypothecation of stocks and book debts (both present and future).
 - (c) Loans repayable on demand from Banks (Working Capital Loans) are secured by first pari-passu charge on the entire current assets of the company both present and future and further secured by second pari-passu charge on entire fixed assets both present and future.
 - (d) Loans repayable on demand consists Cash Credit, Working Capital Demand Loan, Packing Credit, Buyers Credit & Overdraft facilities, having interest rate of 9.50% to 17.00% p.a. for facilities other than buyers credit and for buyers credit having interest rate at 3 months LIBOR plus 100 BPS to LIBOR plus 115 BPS.
 - (e) Working capital facilities of ₹ 22.75 crore sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.
- (4)
- (a) Unsecured loan from bank of ₹ 53.27 crore repayable on demand is at Base Rate and repayable within 6 months.
 - (b) Unsecured loan from Bank amounting to ₹ 135 crore (previous year ₹ 50 crore) carries interest at Base Rate and is repayable by May 2016.
 - (c) Unsecured loan from Bank amounting to ₹ 75 crore (previous year ₹ Nil) carries interest at Base Rate and is repayable by August 2016.
 - (d) Unsecured loans from Bank aggregating to ₹ 50 crore (previous year ₹ Nil) carries interest at Base Rate and is repayable by May 2016.
 - (e) Unsecured loans from Bank aggregating to ₹ 50 crore (previous year ₹ 50 crore) carries interest at Base Rate and is repayable by September 2016.
 - (f) Unsecured loans from Bank aggregating to ₹ 50 crore (previous year ₹ Nil) carries interest at Base Rate and is repayable by April 2016.
- (5)
- (a) Unsecured Cash Credit / Invoice Financing includes : Over Draft facility amounting to ₹ 0.37 crore carrying interest at Base Rate + 0.25% basis point, present effective rate is 9.45% p.a., Over Draft of ₹ 10.45 crore at Bank Base Rate, present effective rate at 9.75%.p.a. Unsecured Invoice Financing availed amounting to ₹ 11.20 crore carrying interest of 9.30% p.a.
 - (b) Short Term Loan amounting to ₹ 200 crore availed carrying interest at Base Rate + 0.10% basis point p.a., present effective rate is 9.60% p.a. Out of the above, ₹ 100 crore is repayable on September 17, 2016 and ₹ 100 crore is repayable on October 25, 2016.
 - (c) Short Term Loan amounting to ₹ 120 crore is availed at interest rate of 9.20 % p.a. (Fixed) repayable on August 26, 2016.
 - (d) Short Term Loan amounting to ₹ 100 crore availed carrying interest at Base Rate + 0.05% p.a., present effective rate is 9.35% p.a. repayable on August 24, 2016.
 - (e) ₹ 150 crore availed from Commercial Papers carrying interest at 7.94% p.a., repayable on May 19, 2016.
 - (f) ₹ 100 crore availed from Commercial Papers carrying interest at 7.94% p.a., repayable on May 23, 2016.
 - (g) ₹ 75 crore availed from Commercial Papers carrying interest at 9.00% p.a., repayable on June 13, 2016.

Notes to the Consolidated Financial Statements

Note 9 : Short Term Borrowings (Contd.)

- (h) ₹ 75 crore availed from Commercial Papers carrying interest at 9.00% p.a., repayable on June 15, 2016.
- (i) ₹ 60 crore availed from Commercial Papers carrying interest at 9.00% p.a., repayable on May 16, 2016.
- (j) ₹ 150 crore availed from Commercial Papers carrying interest at 8.95% p.a., repayable on April 22, 2016.
- (6) (a) Term Loans from Banks of ₹ 393.95 crore are at an Interest Rate of 8.50% to 13.60% p.a. These loans are repayable on different dates upto 3 months from the date of the Financial Statements.
- (b) Cash Credit of ₹ 8.54 crore from Banks is repayable on demand and carries interest at 9.65% to 11.25% p.a.
- (7) Other loans include :
- (a) ₹ 75 crore availed from Commercial Papers carrying interest at 9.12% p.a., repayable on May 11, 2016.
- (b) ₹ 160 crore availed from Commercial Papers carrying interest at 8.95% p.a., repayable on June 09, 2016.
- (c) ₹ 70 crore availed from Commercial Papers carrying interest at 8.70.% p.a., repayable on June 16, 2016.
- (d) ₹ 9.17 crore loans from partners out of which ₹ 3 crore carries interest at 18.00% p.a.
- (8) (a) Commercial Papers of ₹ 875 crore (previous year ₹ 590 crore) carries interest at 7.69% to 8.65% p.a. are repayable during the period April to August 2016.
- (b) Commercial Papers of ₹ 400 crore (previous year ₹ 125 crore) carrying interest rates of 7.15% to 9.15% p.a. and are repayable during the period April to May 2016.
- (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	21.98	2.08
(b) Others	1,304.97	1,107.65
Acceptances	454.84	669.27
Share in Jointly Controlled Entities	17.57	14.35
Total	1,799.36	1,793.35

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, 2016 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

	Current Year	Amount ₹ in Crore Previous Year
Current Maturities of Long Term Debts		
(a) Secured Loan from Banks (refer note 1, 2 below and sub note 2 (b), 2 (e), 2(f), 2 (g) and 3 of Note 5 Long term Borrowings)	24.24	9.43
(b) Unsecured		
(i) Loan from Bank - refer sub note 4 (f) of Note 5 Long Term Borrowings	309.85	193.74
(ii) Debentures - refer note 4 below	75.00	-
(iii) Fixed Deposit - refer note 3 below	26.79	230.17
	435.88	433.34
Current Maturities of Deferred Sales Tax Liability - refer sub note 6 of Note 5 Long Term Borrowings	0.17	0.31
Interest Accrued but not Due on Borrowings	42.01	26.51
Unclaimed Dividends	0.61	0.39
Unclaimed Matured Deposit - refer note 5 below		
(a) Principal Amount	5.10	5.11
(b) Interest Accrued Thereon	0.17	0.17
	5.27	5.28
Other Payables		
(a) Advances from Customers	1,120.45	831.61
(b) Sundry Creditors	112.82	66.98
(c) Unamortised Forward Cover Premium	0.16	0.96
(d) Due to Management Projects	1.60	1.66
(e) Statutory Liabilities	74.59	62.54
(f) Deposits	62.07	59.00
(g) Other Liabilities	261.99	187.26
	1,633.68	1,210.01
Share in Jointly Controlled Entities	42.49	22.58
Total	2,160.11	1,698.42

Notes :

- (1) Secured Term Loans from Banks for ₹ 30 crore with outstanding as of March 31, 2016 for ₹ 3.18 crore, carrying an interest rate of 11.50% p.a., repayable in 20 equal quarterly instalments, commencing from 6 months from the date of 1st disbursement. The loan is secured by first pari-passu charge on fixed assets of the Subsidiary Company apart from extension of first charge on movable and immovable fixed assets of the Subsidiary Company already charged with ICICI Bank Ltd. on pari-passu basis of the Subsidiary Company.
- (2) Term Loans (Foreign Currency) of ₹ 6.03 crore (previous year ₹ 11.35 crore) from IDBI Bank Ltd. having Interest rate of 6 months LIBOR plus 3.50 % p.a. and service fees @ 3% p.a. are repayable in 8 semi annual installments. Last installment due on January 1, 2017.
- (3) Deposits having maturity of less than 1 year amounting to ₹ 5.49 crore bearing interest rate at 9.50 % to 10.50% p.a. payable half yearly.
- (4) 8.63% Debentures are redeemable at par at the end of 15 months from the date of allotment on December 7, 2016.
- (5) 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	6.69	8.70
Proposed Dividend - refer note 1 below	-	58.80
Provision for Tax on Distributed Profit	0.08	20.21
Provision for Tax (net of Advance Tax and Tax deducted at source of ₹ 228.62 crore, previous year ₹ 156.26 crore)	25.85	10.72
Other Provision	-	0.30
Share in Jointly Controlled Entities	3.34	1.42
Total	35.96	100.15

Note :

- (1) In the previous year, the Board of Directors of the Company had proposed a dividend of ₹ 1.75 per equity share - 175%.

Notes to the Consolidated Financial Statements

Note 13 : Fixed Assets

Amount ₹ in Crore

ASSETS	GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK	
	As on 01.04.2015	Additions	Deductions/ Adjustments	As on 31.03.2016	Upto 31.03.2015	Deductions/ Adjustments	For the Year	Upto 31.03.2016	As on 31.03.2016	As on 31.03.2015
Tangible Assets										
(a) Land										
(i) Freehold	47.44	13.89	15.29	46.04	-	-	-	-	46.04	47.44
(ii) Leasehold	35.00	22.85	-	57.85	1.83	(0.18)	0.48	2.49	55.36	33.17
(b) Live / Biological assets	0.46	0.12	0.11	0.47	0.02	0.01	0.04	0.05	0.42	0.44
(c) Buildings	412.24	696.52	(12.93)	1,121.69	74.21	(14.17)	30.54	118.92	1,002.77	338.03
(d) Plant and Equipment	1,067.32	411.30	40.99	1,437.63	372.01	(95.07)	51.01	518.09	919.54	695.31
(e) Computer Hardware	20.59	14.84	0.22	35.21	15.53	(0.42)	6.23	22.18	13.03	5.06
(f) Research Centre	0.84	11.63	0.76	11.71	0.46	(5.96)	0.29	6.71	5.00	0.38
(g) Furniture and Fixtures	39.13	35.45	8.84	65.74	18.92	(0.25)	6.79	25.96	39.78	20.21
(h) Office and Other Equipment	51.96	43.87	9.17	86.66	24.78	(10.89)	10.38	46.05	40.61	27.18
(i) Vehicles / Vessels										
(i) Own	59.15	15.88	4.95	70.08	22.14	(0.36)	7.13	29.63	40.45	37.01
(ii) Under Finance Lease	0.03	-	-	0.03	0.03	-	-	0.03	-	-
(j) Tree Development Cost	4.15	-	-	4.15	3.34	-	0.40	3.74	0.41	0.81
(k) Share in Jointly Controlled Entities	120.54	7.04	3.08	124.50	41.30	2.10	9.18	48.38	76.12	79.24
Total Tangible Assets	1,858.85	1,273.39	70.48	3,061.76	574.57	(125.19)	122.47	822.23	2,239.53	1,284.28
Intangible Assets										
(a) Trademarks	54.30	5.90	5.90	54.30	32.75	0.08	6.12	38.79	15.51	21.55
(b) Technical Knowhow Fees	2.00	-	-	2.00	2.00	-	-	2.00	-	-
(c) Software	38.90	7.29	(0.19)	46.38	25.10	(1.87)	4.34	31.31	15.07	13.80
(d) Research & Development Expenditure	-	0.64	0.04	0.60	-	(0.64)	(0.04)	0.60	-	-
(e) Product Registration	-	3.52	-	3.52	-	(0.99)	0.98	1.97	1.55	-
(f) Share in Jointly Controlled Entities	1.12	0.12	(1.18)	2.42	0.73	(0.56)	0.59	1.88	0.54	0.39
Total Intangible Assets	96.32	17.47	4.57	109.22	60.58	(3.98)	11.99	76.55	32.67	35.74
Total - Current Year	1,955.17	1,290.86	75.05	3,170.98	635.15	(129.17)	134.46	898.78	2,272.20	
- Previous Year	1,756.21	231.17	32.21	1,955.17	550.27	12.60	97.48	635.15		1,320.02
Capital Work In Progress									349.12	774.01
Intangible Assets Under Development									2.11	0.67
Total									2,623.43	2,094.70

Notes :

- Accumulated depreciation includes impairment loss of ₹ 5.10 crore (previous year ₹ 5.10 crore) on certain Plant and Equipment.
- Capital work in progress is net of impairment loss of ₹ Nil crore (previous year ₹ 2.04 crore) provided on an infructuous asset under construction.
- Capital work-in-progress includes ₹ 35.29 crore (previous year ₹ 16.31 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets. Capital work in progress also includes net borrowing cost capitalised amounting to ₹ Nil (previous year ₹ 76.06 crore).
- Addition to Fixed Assets includes ₹ 43.01 crore (previous year ₹ 15.74 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets.
- Plant and Machinery at Vikhroli location having written down value of ₹ 7.58 crore (previous year ₹ 3.93 crore) are Assets held for Sale and is classified under Other Current Assets.
- Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Hyderabad (as part of the merger of Godrej Plant Biotech Limited), Dhule (as part of the merger of Goldmohur Foods & Feeds Ltd), Hanuman Jn. (as part of the merger of Golden Feed Products Ltd.), Chintampalli (as part of the merger of Godrej Gokarna Oil Palm Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited) and at Kolkata are being complied with. Stamp duty payable thereon is not presently determinable.
- To give effect to the Order of the Honourable 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 amounting to ₹ 4.25 crore are charged against the balance in the General Reserve Account.
- Capital expenses incurred on Research & Development Centre Activities are included under the respective heads.
- Plant & Machinery is net of capital subsidy received during the year of ₹ 3 crore (previous year ₹ 0.50 crore).
- During the year opening balance of tangible asset of a Joint Venture with gross block of ₹ 1.20 crore and accumulated depreciation of ₹ 0.58 crore has been reclassified as intangible asset.
- Incase of Research and Development Expenditure, excess depreciation provided written back during the period.

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	80,937,620	80,277,620		2,253.34	1,962.57
(ii) Unquoted						
Polchem Hygiene Laboratories Private Limited	10	-	455,000	(e)	-	5.85
Al Rahaba International Trading Limited Liability Company	AED 1500	24	24		3.16	4.07
Godrej One Premises Management Pvt. Ltd. *	10	5,800	-		0.00	-
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	393,158	407,050		3.08	3.25
Ruchi Soya Industries Ltd.	2	801,442	374,923		3.13	1.51
Hindustan Unilever Ltd. *	1	751	751		0.01	0.01
Bajaj Finance Ltd.	10	300	-		0.15	-
Cera Sanitaryware Ltd.	5	360	-		0.07	-
HDFC Bank Ltd.	2	722	-		0.08	-
Infosys Ltd.	5	305	-		0.03	-
Just Dial Ltd.	10	1,282	-		0.11	-
Maruti Suzuki India Ltd.	5	400	-		0.17	-
KSE Limited	10	2,000	-		0.09	-
Others					0.01	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		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		2.33	2.33
Less : Provision for Diminution in the Value of Investments					(2.33)	(2.33)
Gharda Chemicals Ltd.	100	114	114	(a)	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		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	(b)	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)
The Saraswat Co-op. Bank Ltd.*	10	6,000	6,000		0.00	0.00
Sachin Industrial Co-operative Society Ltd.*	500	3	3		0.00	0.00
New Market Limited	£ 1	-	100	(g)	-	12.84
Isprava Technologies Ltd. (formerly karROX Technologies Ltd.)	10	125,000	125,000		0.50	0.50
Indian Fund for Sustainable Energy (Infuse Capital)	100	294,570	101,952		2.95	1.02
Clean Max Enviro Energy Solution Pvt. Ltd.	10	3,093	-		1.00	-
Others *					0.00	0.00

Notes to the Consolidated Financial Statements

Investee Company / Entity	Face value (₹)	Number		Notes	Amount ₹ in Crore	
		Current Year	Previous Year		Current Year	Previous Year
2 Investment in Preference Shares (Fully paid unless stated otherwise)						
Unquoted						
Tahir Properties Ltd. (Class - A) (partly paid) *	100	-	25	(b)	-	0.00
Verseon Corporation - Class A Preferred Shares	\$0.001	-	2,631,578	(c)	-	11.42
Less : Provision for Diminution in the Value of Investments					-	(11.42)
						-
Verseon Corporation - Class B Preferred Shares	\$0.001	-	715,668	(c)	-	10.62
Less : Provision for Diminution in the Value of Investments					-	(10.62)
						-
3 Investment in Partnership Firm						
View Group LP *		-	-	(d)	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
(b) Investment in Units of Venture Capital Fund						
Omnivore India Capital Trust	100,000	1,875	1,250		18.75	12.49
(c) Investment Property						
Freehold Land				(f)	14.77	-
Total					2,301.40	2,004.13
Aggregate Amount of Quoted Investments					2,260.27	1,967.34
Aggregate Amount of Unquoted Investments					63.90	81.59
Aggregate Provision for Diminution in the Value of Investments					22.77	44.80
Market Value of Quoted Investments					11,170.70	8,363.48

* Amount less than ₹ 0.01 crore.

Notes :

- (a) The said shares have been refused for registration by the investee company.
- (b) Uncalled Liability on partly paid shares
- Tahir Properties Ltd. - Equity - ₹ 80 per share (previous year - ₹ 80 per share).
- Tahir Properties Ltd. - Preference shares forfeited (previous year - ₹ 30 per share).
- (c) (i) During the previous 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 was fully provided for.
(ii) In the current year, the Company's holding of 2,631,578 Class A Preferred Shares and 715,668 Class B Preferred Shares were converted into 6,694,492 New Common Shares in Verseon Corporation. The Company invested in warrants in respect of 85,587 Class B Preferred shares which were converted into 171,174 New Common Shares in Verseon Corporation.
(iii) Verseon Corporation was listed on Alternate Investment Market on London Stock Exchange. The entire investment in Common Shares have been sold during the year. The provision made against our investment in Verseon Corporation was written back.
- (d) View Group LP has been dissolved on December 14, 2012, however, the Company has still not received an approval from RBI for writing off the investment.
- (e) In the current year, the management has decided to divest its stake in Polchem Hygiene Laboratories Private Limited. Consequently the same has been reclassified as Current Investment as at the Balance Sheet date.
- (f) Reclassified as Investment Property during the year. Until the previous year, it was classified as Fixed Assets.
- (g) Reclassified as Non-Current Receivable during the year. Until the previous year, it was classified as Non-Current Investment.

Note 15 : Deferred Tax Assets (Net)

Liabilities	Amount ₹ in Crore	
	Current Year	Previous Year
(a) WDV of Assets	-	2.13
Assets		
(a) On Fixed Assets	-	0.33
(b) Others	-	6.28
Total	-	4.48

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	109.17	115.88
Unsecured and Considered Good (Unless otherwise stated)		
(a) Capital Advances		
Considered Good	16.61	26.48
Considered Doubtful - refer note 3 below	0.38	0.03
Less : Provision for Doubtful Advances	<u>(0.38)</u>	<u>(0.03)</u>
	16.61	26.48
(b) Deposits		
Considered Good	28.96	26.91
Considered Doubtful	0.67	-
Less : Provision for Doubtful Advances	<u>(0.67)</u>	<u>-</u>
	28.96	26.91
(c) Prepaid Expense	0.05	0.32
(d) Advances to Suppliers		
Considered Good	3.15	3.20
Considered Doubtful	0.58	0.19
Less : Provision for Doubtful Advances	<u>(0.58)</u>	<u>(0.19)</u>
	3.15	3.20
(e) Other Loans and Advances		
(i) Loans to Employees	0.99	0.95
(ii) Advance Tax (Net of Provision for Tax of ₹ 556.19 crore, previous year ₹ 498.72 crore)	140.77	76.78
(iii) Statutory Deposits	51.46	25.39
(iv) Other Loans	0.01	3.35
(v) Inter Corporate Deposit	13.61	-
Share in Jointly Controlled Entities	6.03	6.07
Total	<u>370.81</u>	<u>285.33</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 Honourable High Court against the order of the Company Law Board under Section 10 F of the Companies Act, which is disposed of with the direction to keep the transfer of shares in abeyance till the arbitration proceedings between the parties are on. The Honourable 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 Honourable Bombay High Court which the Supreme Court has dismissed and the matter is presently before the Arbitrator. The Management is confident of recovery of this amount as underlying value of the said shares is substantially greater than the amount of loan and interest thereon. However, on a conservative basis, the Company has provided for the entire amount of ₹ 10.33 crore in the books of account.
- (2) Secured Deposits - Projects are secured against Terms of Development Agreement.
- (3) Advance paid towards share application money of ₹ 0.03 crore (previous year ₹ 0.03 crore) 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		
Interest Accrued on Loans		
Considered Doubtful - refer note 1 below	3.15	3.15
Less : Provision for Doubtful Loans	(3.15)	(3.15)
	-	-
Unsecured		
(a) Interest Accrued on Investments		
Considered Doubtful	1.03	1.11
Less : Provision for Doubtful Interest Accrued	(1.03)	(1.11)
	-	-
(b) Other Long Term Receivables		
Considered Doubtful	4.25	2.08
Less : Provision for Doubtful receivables	(4.25)	(2.08)
	-	-
(c) Claims / Expenses Recoverable	1.47	2.21
(d) Bank Deposit with more than 12 months maturity - refer note 2 below	63.91	25.71
(e) Others	0.04	0.03
Share in Jointly Controlled Entities	3.26	4.05
Total	68.68	32.00

Notes :

- (1) Interest on loan referred to in sub note 1 of Note 16 Long term Loans and Advances , 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 of ₹ 63.24 crore (previous year ₹ 25.08 crore) held as Margin Money and lien marked for issuing bank guarantee.
 (b) Fixed Deposits of ₹ 0.15 crore (previous year ₹ 0.31 crore) are pledged with bank for guarantees issued.
 (c) Fixed Deposit of ₹ Nil (previous year ₹ 0.10 crore) is held by bank as security against guarantees issued.

Notes to the Consolidated Financial Statements

Note 18 : Current Investments

Investee Company / Entity	Notes	Amount ₹ in Crore	
		Current Year	Previous Year
1 Investment in Mutual Funds			
Unquoted			
UTI Money Market - Institutional Plan - Growth		14.13	1.07
Taurus - Liquid Fund - Super Institutional Growth		42.46	41.97
HDFC Banking & PSU Debt Fund Regular - Growth		-	56.00
UTI Liquid Fund Cash Plan - IP - Growth		24.17	25.00
Reliance Liquid Fund - TP - Growth		82.37	73.25
Religare Invesco Liquid Fund - Growth Plan		58.36	30.73
Religare Invesco Credit Opportunities Fund - Growth		62.74	51.65
Axis Liquid Fund - Growth		-	0.09
Birla Sun Life Cash Plus - Growth - Regular Plan		36.61	10.86
Birla Sun Life Floating Rate Fund - STP - Reg - Growth		30.74	-
HDFC Cash Management Fund - Saving Plan - Growth		-	2.79
ICICI Prudential Liquid - Regular - Growth Plan		54.15	0.50
L&T Liquid Fund - Growth		-	25.00
Sundaram Money Fund - Reg - Growth		-	42.25
Baroda Pioneer Liquid Fund - Plan A - Growth		48.45	61.95
HDFC Liquid Fund - Growth		13.48	60.59
Tata Money Market Fund Plan - Growth		-	25.00
SBI Premier Liquid fund (Growth)		1.24	4.36
DSP Blackrock Liquidity Fund - IP - Growth		34.34	16.00
ICICI Prudential Money Market Fund - Regular - Growth Plan		9.91	90.22
DSP Black Rock Ultra Short Term Fund		5.00	-
ICICI Prudential Ultra Short Term Fund		8.00	-
ICICI Prudential Savings Fund		6.00	-
IDFC Ultra Short Term Fund Growth		5.00	-
Kotak Low Duration Fund Standard Growth		12.00	-
Reliance Medium Term Fund		15.00	-
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		(3.00)	(3.00)
		-	-
Boston Analytics Inc. (20%)	(a)	6.73	6.73
Less : Provision for Diminution in the Value of Investments		(6.73)	(6.73)
		-	-
Boston Analytics Inc. (12%)	(b)	4.69	4.69
Less : Provision for Diminution in the Value of Investments		(4.69)	(4.69)
		-	-

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 :			
Investment in Equity Instruments (Fully paid, Quoted)			
Future Consumer Enterprises Limited	(c)	-	38.60
Less : Provision for Diminution in the Value of Investments		-	(1.99)
		-	36.61
Unquoted :			
Investment in Associate Companies (Fully paid, Unquoted)			
Creamline Dairy Products Limited (upto December 20, 2015)		-	30.81
Polchem Hygiene Laboratories Private Limited	(d)	7.62	-
	Total	571.77	686.70
Aggregate Amount of Quoted Investments		-	38.60
Aggregate Amount of Unquoted Investments		586.19	664.51
Aggregate Provision for Diminution in the Value of Investments		14.42	16.41
Market Value of Quoted Investments		-	36.64

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 did 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) During the previous year, a Subsidiary Company has sold its investment in shares of Aadhaar Wholesale Trading & Distribution Ltd. 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 & Loss as an Exceptional Income.
- (d) In the current year, the Management has decided to divest its stake in Polchem Hygiene Laboratories Private Limited. 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	532.14	295.85
Packing Material	2.83	2.19
Work In Progress	96.62	94.53
Construction Work in Progress	5,041.98	4,661.61
Stock Under Cultivation	8.46	10.01
Finished Goods	168.69	98.94
Finished Goods - Property Development - refer note 3 below	56.74	46.16
Poultry Stock	-	1.99
Stock in Trade	87.47	68.90
Stores and Spares	28.17	18.00
Share in Jointly Controlled Entities	72.33	37.52
Share in Jointly Controlled Entities - Property Development	77.07	19.35
Total	6,172.50	5,355.05

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 case of Creamline Dairy Products Ltd. (Subsidiary Company of Godrej Agrovet Limited) Raw Material, Finished Goods and Work in Progress are valued on FIFO basis.
- (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	11.57	5.90
(b) Others	76.81	83.31
Unsecured		
Considered Good		
(a) Outstanding for a period exceeding six months from the date they are due for payment	152.35	90.70
(b) Others	667.30	437.29
Considered Doubtful		
(a) Outstanding for a period exceeding six months from the date they are due for payment	1.70	1.41
(b) Allowance for Doubtful Debts	(1.70)	(1.41)
Share in Jointly Controlled Entities	18.85	16.65
Total	926.88	633.85

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 notes 1 & 3 below	126.45	85.71
(b) Deposit having Maturity less than 3 months - refer note 2 below	47.43	85.28
Cheques, drafts on hand	4.28	1.16
Cash on Hand	5.25	2.21
Share in Jointly Controlled Entities	20.94	13.55
	204.35	187.91
Other Bank Balances		
(a) Deposit with more than 3 months but less than 12 months maturity - refer note 1 below	17.06	53.87
(b) Other Bank Balances - Unclaimed Dividend	0.56	0.35
Total	221.97	242.13

Notes :

- (1) (a) Margin Money Balance of ₹ 3.76 crore held towards security for Letter of Credit / Bank Guarantees.
(b) Fixed Deposit of ₹ 0.46 crore (previous year ₹ 0.48 crore) is held by bank as security against guarantees issued.
- (2) Balances with Scheduled Banks on Deposit Accounts include ₹ 3.84 crore (previous year ₹ 3.80 crore) received from flat buyers and held in trust on their behalf in a corpus fund.
- (3) Balances with Banks in Current Accounts include ₹ 0.61 crore (previous year ₹ 0.39 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	55.86	60.24
(b) Secured Deposits - Projects - refer note 2 below	291.44	352.74
Unsecured		
(a) Advances to Related Parties	31.81	17.08
(b) Loans And Advance		
(i) Loans to Employees	0.77	0.61
(ii) Loans and Advances to others	291.25	209.40
(iii) Loan to ESOP Trusts		
Considered Good	115.74	149.00
Considered Doubtful	26.53	43.88
	<u>142.27</u>	<u>192.88</u>
Less : Provision for Doubtful Loans	(26.53)	(43.88)
	115.74	149.00
(iv) Due on Management Projects	15.95	19.73
(v) Development Manager Fees Accrued but not due - refer note 3 below	4.45	4.45
(vi) Advances to Suppliers		
Considered Good	25.01	20.48
Considered Doubtful	0.65	0.37
Less : Provision for Doubtful Advances	(0.65)	(0.37)
	25.01	20.48
(vii) Advance Tax	9.89	0.01
(viii) Other Advances		
Considered Good	32.27	56.00
Considered Doubtful	0.09	0.28
Less : Provision for Doubtful Advances	(0.09)	(0.28)
	32.27	56.00
(c) Inter Corporate Deposits		
Considered Good	68.55	31.63
Considered Doubtful	5.77	5.77
Less : Provision for Doubtful Deposits	(5.77)	(5.77)
	68.55	31.63
(d) Deposits		
(i) Statutory Authorities	36.59	21.51
(ii) Others	69.51	64.31
Share in Jointly Controlled Entities	74.64	63.30
Total	<u>1,123.73</u>	<u>1,070.49</u>

Notes :

- (1) Secured Loans & Advances are secured against Bank Guarantee received from vendors.
- (2) Secured Deposits - Projects are Secured against Terms of Development Agreement.
- (3) 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.

Notes to the Consolidated Financial Statements

Note 23 : Other Current Assets

	Amount ₹ in Crore	
	Current Year	Previous Year
Unbilled Revenue	519.80	530.36
Other Receivables	209.86	23.94
Interest Accrued on Loans and Deposits	17.15	20.12
Forward Cover Contracts Receivable	1.10	2.02
Assets held for Sale	7.58	3.93
Less : Provision for write down in value	(4.00)	-
	3.58	3.93
Share in Jointly Controlled Entities	4.04	2.63
Total	755.53	583.00

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.	204.16	107.89
(ii) Customs Duty demands relating to lower charge, differential duty, classification, etc.	4.41	4.34
(iii) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales etc. at various levels.	85.58	48.15
(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.	35.44	3.31
(vi) Income tax demands against which the Group has preferred appeals.	93.37	89.44
(vii) Industrial relations matters under appeal.	2.38	2.53
(viii) Others	28.86	22.38
b) Guarantees / Surety Bonds :		
(i) Guarantees issued by banks, including guarantees issued in respect of matters reported in (a) above.	130.41	37.00
(ii) Surety Bonds given by the Company in respect of refund received from excise authority for exempted units of associate company - refer note 1 below.	24.88	19.86
(iii) Guarantees given by the Group in respect of credit / guarantee limits sanctioned by banks to subsidiary and other companies.	7.75	96.47
c) Other Money for which the Company is Contingently Liable :		
(i) Letter of credit issued by bank on behalf of the Group.	11.07	22.49
(ii) Case / Claim filed by Processors for claiming various expense.	72.32	6.71
(iii) Bonds issued by Group on behalf of fellow subsidiary.	1.21	20.28
d) Share in Jointly Controlled Entities	0.06	0.19
e) Share in Associates	124.06	68.38

Notes :

- (1) The Corporate Surety Bonds of ₹ 24.88 crore is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.
- (2) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its Financial Statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its Financial Results.

Notes to the Consolidated Financial Statements

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.	57.28	70.02
b) Uncalled liability on partly paid shares / debentures (*)	0.00	0.00
c) Other Commitments :		
(i) Contracts for Purchase of Raw Material	175.85	78.88
(ii) Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work, etc.	0.60	1.34
d) Share in Jointly Controlled Entities	0.41	0.99
e) Share in Associates	9.57	6.24

* Amount less than ₹ 0.01 crore

Note 26 : Revenue from Operations

	Amount ₹ in Crore	
	Current Year	Previous Year
Sales	10,306.87	8,884.01
Licence Fees and Service Charges	2.11	12.22
Other Operating Revenues		
(a) Export Incentives	14.29	15.11
(b) Processing Charges	2.15	2.66
(c) Sale of Scrap	24.28	25.30
(d) Sale of Services	89.82	76.69
(e) Compensation Received from Project	15.04	4.63
(f) Others	25.83	16.61
Share in Jointly Controlled Entities	366.41	285.81
Total Gross Revenue From Operations	10,846.80	9,323.04
Excise Duty	(93.65)	(93.15)
Total	10,753.15	9,229.89

Note 27 : Other Income

	Amount ₹ in Crore	
	Current Year	Previous Year
Interest Income	33.50	36.97
Profit on Sale of Long Term Investments	0.17	0.54
Profit on Sale of Current Investments	97.08	68.06
Profit on Sale of Fixed Assets (Net)	4.95	4.55
Dividend	0.02	0.07
Miscellaneous Income	38.23	13.30
Share in Jointly Controlled Entities	3.15	2.44
Total	177.10	125.93

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	295.85	313.32
(b) Add : Purchases (net)	3,902.46	3,432.39
	4,198.31	3,745.71
(c) Less : Inventory at the Close of the Year	(532.14)	(295.85)
	3,666.17	3,449.86
Share in Jointly Controlled Entities	191.59	158.97
Packing Materials Consumed		
(a) Inventory at the Commencement of the Year	2.19	1.91
(b) Add : Purchases (net)	38.96	36.21
	41.15	38.12
(c) Less : Inventory at the Close of the Year	(2.83)	(2.19)
	38.32	35.93
Total	3,896.08	3,644.76

Note 29 : Cost of Sales - Property Development

	Amount ₹ in Crore	
	Current Year	Previous Year
(a) Inventory at the Commencement of the Year	4,727.12	3,726.79
(b) Add : Purchases (net)	2,582.51	2,467.27
	7,309.63	6,194.06
(c) Less : Inventory at the Close of the Year	(5,175.79)	(4,727.12)
Total	2,133.84	1,466.94

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	98.94	103.80
(b) Work in Progress	94.53	78.21
(c) Stock Under Cultivation	10.01	15.12
(d) Poultry Stock	1.99	2.11
(e) Stock in Trade	68.90	61.38
	274.37	260.62
Less : Stock Adjustment for subsidiaries merged	(30.16)	-
Less : Inventory at the Close of the Year		
(a) Finished Goods	(168.69)	(98.94)
(b) Work in Progress	(96.62)	(94.53)
(c) Stock Under Cultivation	(8.46)	(10.01)
(d) Poultry Stock	-	(1.99)
(e) Stock in Trade	(87.47)	(68.90)
	(361.24)	(274.37)
Share in Jointly Controlled Entities	(4.43)	(1.89)
Total	(121.46)	(15.64)

Notes to the Consolidated Financial Statements

Note 31 : Employee Benefits Expense

	Amount ₹ in Crore	
	Current Year	Previous Year
Salaries and Wages	310.07	256.10
Contribution to Provident and Other Funds	27.53	26.43
Expense on Employee Stock Option Scheme	9.41	7.12
Staff Welfare Expense	24.46	21.68
Share in Jointly Controlled Entities	12.17	11.19
Total	383.64	322.52

Note 32 : Finance Costs

	Amount ₹ in Crore	
	Current Year	Previous Year
Interest Expense (Gross)	563.60	618.08
Less : Interest Capitalised to Projects / Fixed Assets	(399.38)	(541.64)
Interest Expense (Net)	164.22	76.44
Other Borrowing Costs	104.47	110.34
Share in Jointly Controlled Entities	4.50	4.95
Total	273.19	191.73

Notes to the Consolidated Financial Statements

Note 33 : Other Expenses

	Amount ₹ in Crore	
	Current Year	Previous Year
Consumption of Stores and Spares	24.94	21.51
Power and Fuel	156.76	164.98
Processing Charges	71.07	72.90
Rent - refer note 1 below	37.12	33.12
Rates and Taxes	17.06	14.49
Repairs and Maintenance		
(a) Machinery	23.95	15.80
(b) Buildings	11.28	5.52
(c) Other assets	4.83	3.70
Insurance	4.60	4.03
Freight	86.84	93.57
Commission	4.33	3.90
Discount	124.10	128.54
Advertisement and Publicity	26.80	25.74
Selling and Distribution Expenses	102.10	73.11
Bad Debts Written Off	4.57	4.27
Provision for Doubtful Debts and Advances	4.43	5.81
(Write back) / Provision for Depletion in the value of Investment	(1.99)	8.12
Provision / (Write back) for Excise Duty on Closing Inventory	2.06	(1.94)
Loss on Foreign Exchange Translation	2.80	6.21
Loss on Sale of Fixed Assets	1.75	1.11
Research Expense	2.46	3.10
Miscellaneous Expenses - refer notes 2 & 3 below	271.86	168.03
Share in Jointly Controlled Entities	115.88	77.51
Total	1,099.60	933.13

Notes :

- (1) The rental expenses amounting to ₹ 5.84 crore (previous year ₹ Nil) are netted off with rental income in respect of certain premises in the same building.
- (2) In the previous year, 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 had been considered as expenses of the Company.
- (3) The Subsidiary Companies have spent ₹ 4.46 crore (previous year ₹ 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.
- (4) 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	218.89	192.41
(ii) Write back of Diminution in Value of Investments	22.04	-
(ii) Others	(4.87)	-
Total	236.06	192.41

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	335,881,974	335,455,260
(b) Number of equity shares issued during the year	106,833	426,714
(c) Number of equity shares outstanding at the end of the year	335,988,807	335,881,974
Weighted average number of equity shares outstanding during the year	335,914,188	335,517,405
2. Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year	336,153,734	335,825,871
(b) Number of potential equity shares outstanding at the end of the year	336,321,903	336,153,734
Weighted average number of potential equity shares outstanding during the year	336,235,519	335,896,235
3. Net Profit After Tax (Amount ₹ in crore)	484.43	402.47
4. Basic Earnings per share of ₹ 1 each	14.42	12.00
5. Diluted Earnings per share of ₹ 1 each	14.41	11.98

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 Agrovvet Ltd.	India	60.81%	60.81%
2.	Godrej Seeds and Genetics Ltd. (90% subsidiary of Godrej Agrovvet Ltd.)	India	54.73%	54.73%
3.	Godvet Agrochem Ltd.	India	60.81%	60.81%
4.	Astec Lifesciences Ltd. (With effect from November 6, 2015)	India	32.62%	0.00%
5.	Creamline Dairy Products Ltd. (With effect from December 21, 2015)	India	31.57%	0.00%
6.	Natures Basket Ltd.	India	100.00%	100.00%
7.	Godrej Properties Ltd.	India	57.37%	57.10%
8.	Godrej Realty Pvt. Ltd.	India	29.26%	29.12%
9.	Godrej Real Estate Pvt. Ltd.	India	57.37%	57.10%
10.	Happy Highrises Ltd.	India	29.26%	29.12%
11.	Godrej Buildcon Pvt. Ltd.	India	57.37%	57.10%
12.	Godrej Project Development Pvt. Ltd.	India	57.37%	57.10%
13.	Godrej Premium Builders Pvt. Ltd.	India	-	57.10%
14.	Godrej Garden City Properties Pvt. Ltd.	India	57.37%	57.10%
15.	Godrej Landmark Redevelopers Pvt. Ltd.	India	29.26%	29.12%
16.	Godrej Redevelopers (Mumbai) Pvt. Ltd.	India	29.26%	29.12%
17.	Godrej Hillside Properties Pvt. Ltd.	India	57.37%	57.10%
18.	Godrej Home Developers Pvt. Ltd.	India	57.37%	57.10%
19.	Godrej Green Homes Ltd.	India	57.37%	57.10%
20.	Godrej Greenview Housing Pvt. Ltd. (100% subsidiary from May 15,2015)	India	57.37%	0.00%
21.	Godrej Investment Advisers Pvt. Ltd. (100% subsidiary from June 17,2015)	India	57.37%	0.00%
22.	Godrej Prakriti Facilities Pvt. Ltd. (51% subsidiary from June 9, 2015)	India	29.26%	0.00%
23.	Wonder Projects Development Pvt. Ltd. (100% subsidiary from June 24, 2015)	India	57.37%	0.00%
24.	Godrej Highrises Properties Pvt. Ltd. (100% subsidiary from June 26, 2015)	India	57.37%	0.00%
25.	Godrej Genesis Facilities Management Pvt. Ltd. (100% subsidiary from February 19, 2016)	India	57.37%	0.00%
26.	Godrej Fund Management Pte. Ltd. (100% subsidiary from January 25, 2016) (100% Subsidiary of Godrej Investment Advisers Pvt. Ltd.)	Singapore	57.37%	0.00%
27.	Ensemble Holdings & Finance Ltd.	India	100%	100%
28.	Godrej International Ltd.	Isle of Man	100%	100%
29.	Godrej International Ltd. (w.e.f. March 11, 2015)	Labuan	100%	100%
30.	Godrej International Trading & Investments Pte. Ltd.	Singapore	100%	100%

Notes to the Consolidated Financial Statements

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

(b) The Limited Liability Partnership (LLP) considered in the Consolidated Financial Statements are :

Sr. No.	Name of Limited Liability Partnership	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
1.	Godrej Vikhroli Properties LLP (w.e.f. August 1, 2015)	India	57.37%	74.26%
2.	Mosiac Landmarks LLP (w.e.f. April 1, 2015) (Control through Majority Voting Rights)	India	0.57%	29.12%
3.	Dream World Landmarks LLP (Control through Majority Voting Rights)	India	22.95%	22.84%
4.	Oxford Realty LLP (Control through Majority Voting Rights) (w.e.f. March 21, 2015)	India	15.30%	15.23%
5.	Godrej SSPDL Green Acres LLP, Formerly known as SSPDL Green Acres LLP (Control through Majority Voting Rights)	India	25.24%	25.12%
6.	Oasis Landmarks LLP (Control through Majority Voting Rights)	India	21.80%	21.70%
7.	M S Ramaiah Ventures LLP (Control through Majority Voting Rights)	India	28.40%	28.26%
8.	Caroa Properties LLP (Control through Majority Voting Rights)	India	20.08%	19.99%
9.	Godrej Construction Projects LLP (w.e.f. June 1, 2015) (Control through Majority Voting Rights)	India	22.95%	57.10%
10.	Godrej Housing Projects LLP (Control through Majority Voting Rights)	India	22.95%	22.84%
11.	Amitis Developers LLP (w.e.f. March 10, 2015) (Control through Majority Voting Rights)	India	26.39%	26.27%
12.	Godrej Land Developers LLP (incorporated on April 22, 2015)	India	57.37%	0.00%
13.	Godrej Developers & Properties LLP (incorporated on April 22, 2015)	India	57.37%	0.00%
14.	Godrej Highrises Realty LLP (incorporated on April 22, 2015)	India	57.37%	0.00%
15.	Godrej Project Developers & Properties LLP (incorporated on June 16, 2015)	India	57.37%	0.00%

Notes to the Consolidated Financial Statements

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

(c) Interests in Joint Ventures :

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
1.	ACI Godrej Agrovet Pvt. Ltd. (joint venture partner of Godrej Agrovet Ltd.)	Bangladesh	30.41%	30.41%
2.	Godrej Tyson Foods Ltd. (joint venture partner of Godrej Agrovet Ltd.)	India	29.80%	29.80%
3.	Godrej Property Developers LLP (joint venture partner of Godrej Properties Ltd.)	India	18.36%	18.27%
4.	Wonder Space Properties Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	14.40%	14.33%
5.	Wonder City Buildcon Pvt. Ltd. (w.e.f. June 24, 2014) (joint venture partner of Godrej Properties Ltd.)	India	14.40%	14.33%
6.	Godrej Home Constructions Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.) (incorporated on April 15, 2015, 100% upto July 10, 2015)	India	14.40%	-

(d) 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	23.77%	23.58%
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. Upto December 20, 2015)	India	0.00%	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%
6.	Godrej One Premises Management Pvt. Ltd.	India	39.72%	-

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.

Notes to the Consolidated Financial Statements

Note 38 : Break up of Investment in Associates

Amount ₹ in Crore						
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 Limited	1,366.21	1,117.83	887.13	-	2,253.34
	<i>Previous Year</i>	<i>1,286.86</i>	<i>1,047.44</i>	<i>675.71</i>	-	<i>1,962.57</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>	-
3	Creamline Dairy Products Ltd. (upto December 20, 2015)	10.38	3.98	4.93	-	-
	<i>Previous Year</i>	<i>10.38</i>	<i>3.98</i>	<i>20.43</i>	-	<i>30.81</i>
4	Al Rahaba International Trading LLC	0.04	(2.46)	3.12	-	3.16
	<i>Previous Year</i>	<i>0.04</i>	<i>(2.46)</i>	<i>4.02</i>	-	<i>4.06</i>
5	Polchem Hygiene Laboratories Pvt. Ltd.	1.63	0.89	5.99	-	7.62
	<i>Previous Year</i>	<i>1.63</i>	<i>0.89</i>	<i>4.22</i>	-	<i>5.85</i>
6	Godrej One Premises Management Pvt. Ltd.	0.00	-	0.00	-	0.00
	<i>Previous Year</i>	-	-	-	-	-
Total Current Year		1,379.36	1,120.67	900.75	0.68	2,264.12
<i>Total Previous Year</i>		<i>1,300.01</i>	<i>1,050.28</i>	<i>703.96</i>	<i>0.68</i>	<i>2,003.29</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	2,447,000	399.70	2,923,450	391.21
Options Exercised During the Year	249,000	249.74	214,000	250.05
Options Forfeited / Expired During the Year	148,500	239.09	262,450	286.17
Options Outstanding at the Year End	2,049,500	420.63	2,447,000	399.70

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	398,750	376.84	511,250	372.37
Options Exercised During the Year	68,250	369.06	7,500	231.93
Options Forfeited / Expired During the Year	100,000	355.60	105,000	310.07
Options Outstanding at the Year End	230,500	377.99	398,750	376.84

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

During the previous year, GIL ESOP Trust had received 3,348 bonus shares. The total excess shares at the year end are 5,66,298 (previous year 12,68,487).

The overall weighted average balance life of options outstanding as on March 31, 2016 is 0.96 years.

Notes to the Consolidated Financial Statements

The weighted average balance life of options outstanding as on March 31, 2016 for ESOP I is 1.01 years and for ESOP II is 0.45 years.

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

- b) Prior to the SEBI notification mentioned in Para 1(a) above, the independent ESOP Trust had purchased equity shares of the Company from the market equivalent to the number of stock options granted from time to time to the eligible employees. These purchases are financed by loans from the respective participating companies. The Company has given a loan which along with interest thereon amounts to ₹ 24.62 crore (previous year ₹ 63.45 crore) (Net of provision ₹ 5.70 crore, previous year ₹ 16.70 crore) for financing the purchase of equity shares from the market equivalent to the number of option granted to the employees of the Company.

The repayment of the loans granted to the ESOP Trust and the interest payable by the Trust on the said loans is dependent on the exercise of the options by the employees during the exercise period and / or the market price of the underlying equity shares of the unexercised options at the end of the exercise period.

(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 8,85,400 options convertible into 8,85,400 Equity Shares of GPL of ₹ 5/- each to eligible employees of GPL 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	No. of
	Options	Options
Options Outstanding at the Beginning of the Year	357,400	515,400
Options Forfeited / Expired During the Year	112,000	158,000
Options Outstanding at the Year End	245,400	357,400

(*) 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, 2016 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 ₹ 4.50 crore (previous year ₹ 5.56 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.

Notes to the Consolidated Financial Statements

(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).

GAVL has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of GAVL 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 ₹ 1.87 crore (previous year ₹ 1.35 crore) for the aforesaid eligible employees for the current financial year.

In December 2012, 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	4,107,348	10	586,764	10
Bonus shares issued against the initial allotment	-	-	3,520,584	-
Options granted during the Year	124,000	-	-	-
Options Forfeited / Expired During the Year	-	-	-	-
Options Outstanding at the Year End	4,231,348	10	4,107,348	10

The overall weighted average balance life of options outstanding as on March 31, 2016 is 1.79 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.

- b) One of the Subsidiary Companies of the Company has initiated an Employee Stock Option Plan for the benefit of eligible employees. The Scheme is administered by an independent trust created with IL&FS Trust Co. Ltd. The ESOP Trust has been advanced loans, which along with interest thereon and net of provision of ₹ 5.89 crore, amounts to ₹ 38.02 crore. As at March 31, 2016, 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 ₹ 8.81 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

Notes to the Consolidated Financial Statements

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.

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 ESGS 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
Options Outstanding at the Beginning of the Year	271,760	370,611
Options Granted	168,084	112,747
Options Vested	109,370	158,957
Options Exercised	106,748	158,957
Options Lapsed / Forfeited	-	52,641
Total Number of Options Outstanding at the End of the year	333,096	271,760

Notes to the Consolidated Financial Statements

(ii) Employee Stock Grant Scheme of Godrej Properties Limited

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 730,505 options convertible into 730,505 equity shares of ₹ 5/- each (previous year ₹ 5/- each) to eligible employees of Godrej Properties Limited, its Holding and its Subsidiary Companies (the Participating Companies). Out of these 82,406 options w.e.f. 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, 720 options w.e.f. February 1, 2013, 30,000 options w.e.f. June 1, 2013 and 125,744 options w.e.f. June 1, 2013, 182,485 options w.e.f. June 1, 2014 and 40,000 options w.e.f. June 1, 2014, 2305 options w.e.f. November 1, 2014, 109,273 options w.e.f. June 1, 2015, 45,896 options w.e.f. June 1, 2015, 6,218 options w.e.f. September 1, 2015, and 2,120 options w.e.f. February 1, 2016. Out of the total 730,505 stock grants 111,718 stock grants have lapsed on account of employees leaving the service of the company before the vesting date, 367,772 stock grants has been vested and 364,190, options have been exercised, hence 254,597 stock grants are outstanding as at March 31, 2016.

	No. of Options		Exercise Price (₹)
	As on March 31, 2016	As on March 31, 2015	
Options Outstanding at the Beginning of the Year	298,380	223,358	5.00
Options granted	163,507	224,790	
Options exercised	156,816	123,758	
Less : Options lapsed	50,474	26,010	
Options Outstanding at the year end	254,597	298,380	5.00

Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of outstanding option is ₹ 10.96 per share as on March 31, 2016.

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

The employee stock grant schemes have been accounted based on the intrinsic value method and compensation expense of ₹ 9.41 crore has been recognized 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.

	Amount ₹ in Crore	
	Current Year	Previous Year
Net Profit (as reported)	484.43	402.47
Less : Employee Stock Option Plans compensation expense determined under fair value based method (Proforma)	(0.06)	(0.64)
Add : Difference in Employee Stock Grant Scheme compensation expense determined under fair value method and intrinsic value method (Proforma)	(0.58)	0.46
Net Profit (Proforma)	483.79	402.29
Basic Earnings ₹ per share (as reported)	14.42	12.00
Basic Earnings ₹ per share (Proforma)	14.40	11.99
Diluted Earnings ₹ per share (as reported)	14.41	11.98
Diluted Earnings ₹ per share (Proforma)	14.39	11.98

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	1,142.17	1,311.24	2,665.50	2,688.53	2,816.81	2,492.60	2,727.64	1,904.68	265.21	184.28	1,553.85	966.90	11,171.18	9,548.23
Intersegment Sales	-	(0.49)	-	-	-	-	15.28	71.57	120.24	147.01	1.92	8.60	137.44	226.69
Total Sales	1,142.17	1,310.75	2,665.50	2,688.53	2,816.81	2,492.60	2,742.92	1,976.25	385.45	331.29	1,555.77	975.50	11,308.62	9,774.92
Less: Intersegment Sales	-	0.49	-	-	-	-	(15.28)	(71.57)	(120.24)	(147.01)	(1.92)	(8.60)	(137.44)	(226.69)
Total Revenue	1,142.17	1,311.24	2,665.50	2,688.53	2,816.81	2,492.60	2,727.64	1,904.68	265.21	184.28	1,553.85	966.90	11,171.18	9,548.23
(B) Results														
Segment result before interest and tax	91.34	42.77	152.47	181.84	69.73	69.14	403.06	311.82	265.20	181.24	106.48	105.96	1,088.28	892.77
Unallocated expenses													(174.54)	(182.25)
Finance Costs													(273.19)	(191.73)
Profit before tax													640.55	518.79
Taxes													(186.90)	(136.55)
Profit after taxes													453.65	382.24
Share of profit in Associates													265.30	206.58
Profit before Minority Interest													718.95	588.82
Share of Minority Interest													(234.52)	(186.35)
Net Profit for the year													484.43	402.47
Segment Assets	1,417.37	1,143.07	955.42	809.76	335.48	280.81	7,823.05	7,432.50	3,375.75	2,803.81	942.25	446.84	14,849.32	12,916.79
Unallocated Assets													851.36	592.16
Total Assets													15,700.68	13,508.95
Segment Liabilities	213.97	450.84	579.02	614.39	70.70	39.44	6,589.28	6,150.83	3.83	4.42	826.08	209.04	8,282.88	7,468.96
Unallocated Liabilities													3,935.66	2,812.74
Total Liabilities													12,218.54	10,281.70
Cost incurred during the year to acquire segment assets	114.01	165.30	51.90	73.70	31.01	11.75	157.49	203.13	0.15	0.02	494.88	76.43	849.44	530.33
Cost incurred on unallocated assets													17.97	9.94
Total Cost incurred during the year to acquire segment assets													867.41	540.27
Segment Depreciation	24.28	21.09	23.55	20.13	11.79	10.93	29.83	13.27	-	-	33.16	21.49	122.61	86.91
Unallocated Depreciation													7.60	6.32
Total Depreciation													130.21	93.23

Information about Secondary Business Segments	Amount ₹ in Crore	
Revenue by Geographical markets	Current Year	Previous Year
India	8,087.69	6,744.13
Outside India	3,083.49	2,804.10
Total	11,171.18	9,548.23

Carrying Amount of Segment assets	Amount ₹ in Crore	
	Current Year	Previous Year
India	15,510.99	13,315.79
Outside India	189.69	193.16
Total	15,700.68	13,508.95

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, Dairy, 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 :

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)

Godrej Infotech Ltd.

- Godrej Infotech Americas Inc. (wholly-owned subsidiary incorporated in North Carolina, USA)

- Godrej Infotech (Singapore) Pte. Ltd. (wholly-owned subsidiary incorporated in Singapore)

- LVD Godrej Infotech NV (Incorporated in Belgium)

Veromatic International BV (Incorporated in Netherlands)

Veromatic Services BV (Incorporated in Netherlands)

- Prowama Trading BV (Incorporated in Netherlands) (formerly Water Wonder Benelux BV) liquidated on December 28, 2015

Mercury Mfg. Co. Ltd.

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

Godrej Americas Inc. (wholly-owned subsidiary incorporated in USA)

First Rock Infrastructures Pvt. Ltd. (wholly-owned subsidiary)

MiracleTouch Developers Pvt. Ltd. (wholly-owned subsidiary)

India Circus Retail Pvt. Ltd. (subsidiary w.e.f. December 16, 2015)

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

Godrej South Africa Pty Ltd.

Laboratorio Cuenca S.A.

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

Associate / Joint Venture Companies

Godrej One Premises Management Pvt. Ltd. (w.e.f. July 22, 2015)

Godrej Consumer Products Ltd. (also a fellow subsidiary)

Bhabhani Blunt Hairdressing Pvt. Ltd.

Great Lakes Institute of Management

Godrej Netherlands BV

- Godrej Consumer Investments (Chile) Spa

- Godrej Holdings (Chile) Limitada, (Incorporated in Chile)

- Cosmetica Nacional, (Incorporated in Chile)

- Plasticos Nacional, (Incorporated in Chile)

- Godrej UK Ltd.

- Godrej Consumer Products (UK) Ltd.

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information (Contd.)

Godrej Global Mid East FZE

Godrej Consumer Products Mauritius Ltd.

- Godrej Nigeria Ltd. (Incorporated in Nigeria)

Godrej Consumer Products Holding (Mauritius) Ltd. (Incorporated in Mauritius)

- Indovest Capital Ltd. (Incorporated in Malaysia)
- Godrej Consumer Products Dutch Cooperatief UA, (Incorporated in the Netherlands)
 - Godrej Argentina Dutch Cooperatief UA (Incorporated in Netherlands) (subsidiary of Godrej Consumer Products Mauritius Ltd.) merged into Godrej Consumer Products Dutch Cooperatief UA w.e.f. March 31, 2016
- Godrej Consumer Products (Netherlands) BV (Incorporated in Netherlands)
 - Godrej Netherlands Argentina Holding BV (Incorporated in Netherlands) (subsidiary of Godrej Argentina Dutch Cooperatief UA) merged into Godrej Consumer Products Netherlands BV w.e.f. March 31, 2016
- Godrej Consumer Holdings (Netherlands) BV (Incorporated in Netherlands)
 - Godrej Netherlands Argentina BV (Incorporated in Netherlands) (subsidiary of Godrej Argentina Dutch Cooperatief UA) merged into Godrej Consumer Holding Netherlands BV w.e.f. March 31, 2016
 - Panamar Produccioness S.A (Incorporated in Argentina)
 - Argencos S.A. (Incorporated in Argentina)
 - Issue Group Brazil Ltda. (Incorporated in Brazil)
 - Deciral S.A. (Incorporated in Uruguay)
 - Consell S.A . (Incorporated in Argentina)
 - PT Megasari Makmur (Incorporated in Indonesia)
 - PT Intrasari Raya (Incorporated in Indonesia)
 - PT Ekamas Sarijaya (Incorporated in Indonesia)
 - PT Indomas Susemi Jaya (Incorporated in Indonesia)
 - PT Sarico Indah (Incorporated in Indonesia)
 - Godrej Indonesia IP Holdings Ltd. (Incorporated in Mauritius)

Godrej Household Products Lanka (Pvt.) Ltd. (Incorporated in Sri Lanka)

Godrej Household Products (Bangladesh) Pvt. Ltd. (Incorporated in Bangladesh)

Godrej Consumer Products (Bangladesh) Ltd. (Incorporated in Bangladesh)

Godrej Mauritius Africa Holdings Ltd.

- Godrej West Africa Holdings Ltd.
 - Subinite Pty Ltd. (Incorporated in South Africa)
 - Weave IP Holding Mauritius Pvt. Ltd. (Incorporated in Mauritius)
 - Weave Mozambique Limitada (Incorporated in Mozambique)
- Weave Trading Mauritius Pvt. Ltd. (Incorporated in Mauritius)
 - Hair Trading (Offshore) S. A. L. (Incorporated in Lebanon)
- Weave Ghana Ltd. (Incorporated in Ghana)
- Lorna Nigeria Ltd (Incorporated in Nigeria)
- Kinky Group (Proprietary) Limited
- Darling Trading Company Mauritius Ltd. (Incorporated in Mauritius)
- Godrej Africa Holdings Ltd. (Incorporated in Mauritius)
- Frika Weave (Pty) Ltd. (Incorporated in South Africa)

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information (Contd.)

Godrej Indonesia IP Holdings Limited
- Godrej Mideast Holdings Limited (Incorporated in Dubai)
Godrej East Africa Holdings Ltd. (Incorporated in Mauritius)
- DGH Phase Two Mauritius (Incorporated in Mauritius)
- Style Industries Ltd. (Incorporated in Kenya)
Godrej Tanzania Holdings Ltd. (Incorporated in Mauritius)
- DGH Tanzania Ltd (Incorporated in Tanzania)
- Sigma Hair Ind Ltd. (Incorporated in Tanzania)
Godrej Consumer Products US Holding Limited (Incorporated in Mauritius) (w.e.f. March 29, 2016)
Belaza Mozambique LDA (w.e.f. April 30, 2015)
Charm Industries Ltd. (w.e.f. August 14, 2015)
DGH Angola (name changed from Godrej Megasari Holdings)
Godrej Hair Care Nigeria Limited (w.e.f. January 12, 2016)
Godrej Household Insecticide Nigeria Ltd. (w.e.f. January 12, 2016)
Hair Credentials Zambia Limited (w.e.f. December 23, 2015)
Godrej SON Holdings Inc. (Incorporated in USA) (w.e.f. March 24, 2016)
ACI Godrej Agrovet Private Limited, Bangladesh
Polchem Hygiene Laboratories Private Limited
Crop Science Advisors LLP
Al Rhaba International Trading LLC
HDFC Venture Trustee Co. Ltd.
Milestone Real Estate Fund (Up to October 26, 2014)
India Realty Excellence Fund (Up to November 13, 2014)
Madhvi Ventures Limited (Up to December 28, 2014)
Madhvi SA Investments LLC (Up to December 28, 2014)
GIL Ventures Real Estate Ltd. (Up to July 31, 2015)
Mr. Ramesh P . Bhatia
Repton Landmarks LLP
Ask PMS Real Estate Special Opportunities Portfolio I (ASK PMS).
Shubh Properties Cooperatief U.A (COOP)
Oxford Shelters Pvt Ltd
Lotus Land Developers LLP
Mr. Jag Pravesh
Hritik Technologies & Realty Pvt. Ltd.
Piramal Fund Management Pvt. Ltd. (w.e.f. October 27, 2014)
Mr. Numazar Mehta
Mr. Jahan Mehta
Oxford Enterprises Pvt. Ltd.
Mr. M R Janki Ram
Mr. K. Ramaswamy
Mrs. R. Varalaksmi
Karelidas Traders Pvt. Ltd.
Mr. Divya Swaroop

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information (Contd.)

Key Management Personnel

Mr. A. B. Godrej - Chairman

Mr. N. B. Godrej - Managing Director

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

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

Mr. P. Ganesh - Chief Financial Officer & Company Secretary (upto April 30, 2016)

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

Enterprises over which key management personnel exercise significant influence

Anamudi Real Estates LLP

Godrej Investments Pvt. Ltd.

Vora Soaps Ltd.

Godrej Tyson Foods Ltd.

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information

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 Mangement Personnel exercise significant influence	Total
Sale of Goods	0.77	4.75	24.28	-	-	64.52	94.32
<i>Previous Year</i>	<i>0.49</i>	<i>5.21</i>	<i>22.14</i>	-	-	<i>109.76</i>	<i>137.60</i>
Advance received	-	-	1.91	-	-	-	1.91
<i>Previous Year</i>	<i>5.62</i>	-	<i>19.54</i>	<i>0.79</i>	-	<i>22.98</i>	<i>48.93</i>
Advance given	1.56	-	13.15	-	-	-	14.71
<i>Previous Year</i>	<i>0.46</i>	-	<i>1.94</i>	-	-	-	<i>2.40</i>
Sale of Fixed Assets	-	-	-	-	-	0.04	0.04
<i>Previous Year</i>	-	-	<i>0.08</i>	-	-	-	<i>0.08</i>
Purchase of Goods	0.53	-	10.55	-	-	1.00	12.08
<i>Previous Year</i>	<i>2.18</i>	-	<i>15.35</i>	-	-	<i>1.80</i>	<i>19.33</i>
Purchase of Fixed Assets	29.21	-	-	-	-	-	29.21
<i>Previous Year</i>	<i>34.55</i>	-	-	-	-	<i>104.97</i>	<i>139.52</i>
Commission / Royalty received	-	-	0.33	-	-	-	0.33
<i>Previous Year</i>	-	-	<i>0.10</i>	-	-	-	<i>0.10</i>
Licence fees / Service charges / Storage Income	0.01	-	5.95	-	-	0.04	6.00
<i>Previous Year</i>	<i>0.13</i>	-	<i>3.66</i>	-	-	<i>0.76</i>	<i>4.55</i>
Other Income	0.01	-	1.56	-	-	0.06	1.63
<i>Previous Year</i> *	<i>0.00</i>	-	<i>1.60</i>	-	-	<i>0.00</i>	<i>1.60</i>
Recovery of Establishment & Other Expenses	3.38	-	11.34	-	-	2.88	17.60
<i>Previous Year</i>	<i>45.07</i>	-	<i>8.21</i>	-	-	<i>0.42</i>	<i>53.70</i>
Rent, Establishment & Other Expenses paid	56.74	0.04	8.13	-	2.71	0.12	67.74
<i>Previous Year</i>	<i>40.77</i>	<i>0.12</i>	<i>6.72</i>	-	<i>2.67</i>	<i>0.03</i>	<i>50.31</i>
Interest received	-	-	67.25	-	-	2.08	69.33
<i>Previous Year</i>	-	-	<i>47.54</i>	-	-	<i>2.44</i>	<i>49.98</i>
Interest paid	-	-	-	-	0.11	-	0.11
<i>Previous Year</i>	-	-	-	<i>0.06</i>	<i>0.41</i>	-	<i>0.47</i>
Dividend paid	120.79	-	-	1.93	7.04	-	129.76
<i>Previous Year</i>	<i>84.76</i>	-	-	<i>5.26</i>	<i>3.77</i>	<i>0.40</i>	<i>94.19</i>
Remuneration	-	-	-	12.71	-	-	12.71
<i>Previous Year</i>	-	-	-	<i>9.36</i>	-	-	<i>9.36</i>
Redemption of Debenture	-	-	34.32	-	-	-	34.32
<i>Previous Year</i>	-	-	-	-	-	-	-

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 Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Total
Purchase of Investments	79.34	-	-	-	-	-	79.34
<i>Previous Year</i>	316.74	-	-	-	-	-	316.74
Sale of Investments	175.28	-	0.01	-	-	-	175.29
<i>Previous Year</i>	255.64	-	-	-	-	-	255.64
Sale of Units	1.08	-	1.35	-	-	4.92	7.35
<i>Previous Year</i>	8.93	-	7.79	-	-	104.16	120.88
Inter Corporate Deposits advanced	-	-	-	-	-	35.75	35.75
<i>Previous Year</i>	-	-	-	-	-	13.30	13.30
Other Deposits Refunded	-	-	-	-	2.03	1.65	3.68
<i>Previous Year</i>	-	-	0.03	-	6.68	-	6.71
Other Deposits - Advanced during the year	-	-	-	-	-	8.76	8.76
<i>Previous Year</i>	0.06	-	6.42	-	-	0.01	6.49
Other Deposits - Repayment received during the year	-	-	-	-	-	-	-
<i>Previous Year</i>	0.06	-	0.05	-	-	-	0.11
Issue of Equity Shares	-	-	1.14	-	-	-	1.14
<i>Previous Year</i>	-	-	5.61	-	-	-	5.61
Purchase of Equity Shares	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	177.66	-	-	-	177.66
Sale of Equity Shares	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	0.07	-	-	-	0.07
Investment in Debenture	-	-	140.88	-	-	-	140.88
<i>Previous Year</i>	-	-	97.85	-	-	-	97.85
Share of profit in LLP	-	-	16.56	-	-	-	16.56
<i>Previous Year</i>	-	-	4.63	-	-	-	4.63
Loan repaid	-	-	5.64	-	-	-	5.64
<i>Previous Year</i>	-	-	0.45	-	-	-	0.45
Sale of Services	35.34	-	-	-	-	-	35.34
<i>Previous Year</i>	-	-	-	-	-	-	-
Sitting Fees	-	-	-	0.10	-	-	0.10
<i>Previous Year</i>	-	-	-	0.15	-	-	0.15

Notes to the Consolidated Financial Statements

Note 41 : Related Party Information (Contd.)

Amount ₹ in Crore

Nature of Transaction	Holding Company	Fellow Subsidiaries	Associate/ Joint Venture Companies	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Total
Balance Outstanding as on March 31, 2016							
Receivables	4.65	1.12	7.96	-	-	10.41	24.14
<i>Previous Year</i>	<i>0.20</i>	<i>0.70</i>	<i>21.49</i>	-	-	<i>5.67</i>	<i>28.06</i>
Payables	264.76	-	92.13	-	-	0.12	357.01
<i>Previous Year</i>	<i>381.92</i>	-	<i>80.49</i>	<i>11.85</i>	-	-	<i>474.26</i>
Guarantees Outstanding	-	-	0.92	-	-	-	0.92
<i>Previous Year</i>	-	-	<i>19.94</i>	-	-	-	<i>19.94</i>
Debentures Outstanding	-	-	433.01	-	-	-	433.01
<i>Previous Year</i>	-	-	<i>326.45</i>	<i>0.03</i>	-	-	<i>326.48</i>
Outstanding Inter Corporate Deposit Receivable	-	-	-	-	-	56.30	56.30
<i>Previous Year</i>	-	-	-	-	-	<i>26.55</i>	<i>26.55</i>
Public Deposits Outstanding	-	-	-	-	0.02	-	0.02
<i>Previous Year</i>	-	-	-	<i>0.58</i>	<i>2.50</i>	-	<i>3.08</i>

* 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	Amount ₹ in Crore				
	Current Year	Previous Year	Nature of Transaction	Current Year	Previous Year
Sale of Goods			Dividend paid		
- Godrej Tyson Foods Ltd.	64.52	109.76	- Godrej & Boyce Mfg. Co. Ltd.	120.79	84.76
- Godrej Consumer Products Ltd.	22.00	19.75	- Mr. S. N. Godrej	1.94	0.97
- Laboratorio Cuenca S.A.	3.99	4.10	- Mr. B. N. Godrej	1.91	1.20
- ACI Godrej Agrovet Pvt. Ltd.	1.22	0.74	- Ms. T. A. Dubash	1.49	1.18
- Godrej & Boyce Mfg. Co. Ltd.	0.77	0.49	- Ms. N. A. Godrej	1.49	1.18
- Godrej South Africa Pty Ltd.	0.76	1.11	- Mr. P. A. Godrej	1.49	1.44
- Creamline Dairy Products Ltd.	0.58	1.32	- Mr. N. B. Godrej	0.43	2.96
- Bhabhani Blunt Hairdressing Pvt. Ltd.	0.48	0.33	- Ms. R. N. Godrej	0.21	0.10
			- Godrej Investments Pvt. Ltd.	-	0.40
Advance received			Remuneration to Key Management Personnel		
- Jag Pravesh	1.91		- Mr. N. B. Godrej	4.56	3.88
- Anamudi Real Estates LLP	-	22.98	- Ms. T. A. Dubash	3.47	3.25
- Godrej Consumer Products Ltd.	-	9.89	- Mr. N. S. Nabar	2.75	1.37
- Oasis Landmark LLP	-	9.65	- Others	1.93	0.85
- Godrej & Boyce Mfg. Co. Ltd.	-	5.62			
- Mr. P. A. Godrej	-	0.78			
Advance given			Redemption of Debenture		
- Mr. Numazar Mehta	3.52	0.88	- ASK PMS Real Estate Special Oppurtunities Portfolio I	34.32	-
- Mr. Jahan Mehta	3.52	0.88			
- Oxford Shelters Pvt. Ltd.	3.09		Purchase of Investments		
- Lotus Land Developers LLP	3.02	0.18	- Godrej & Boyce Mfg. Co. Ltd.	79.34	316.75
- Godrej & Boyce Mfg. Co. Ltd.	1.56	0.46	Sale of Investments		
			- Godrej & Boyce Mfg. Co. Ltd.	175.28	255.64
Sale of Fixed Assets			- Shubh Properties Cooperatief U.A (COOP)	0.01	-
- Godrej Tyson Foods Ltd.	0.04	-			
- Godrej Consumer Products Ltd.	-	0.08	Sale of Units		
Purchase of Goods			- Anamudi Real Estates LLP	4.92	104.16
- Godrej Consumer Products Ltd.	8.18	12.10	- Godrej Consumer Products Ltd.	1.35	7.79
- Polchem Hygiene Laboratories Pvt. Ltd.	2.37	3.24	- Godrej & Boyce Mfg. Co. Ltd.	1.08	8.93
- Godrej Tyson Foods Ltd.	1.00	1.80	Inter Corporate Deposits Advanced		
- Godrej & Boyce Mfg. Co. Ltd.	0.53	2.18	- Anamudi Real Estates LLP	35.75	2.10
			- Vora Soaps Ltd.	-	11.20
Purchase of Fixed Assets			Other Deposits Refunded		
- Godrej & Boyce Mfg. Co. Ltd.	29.21	34.55	- Oxford Shelters Pvt. Ltd.	1.55	-
- Anamudi Real Estates LLP	-	104.94	- Mr. S. N. Godrej	1.25	-
- Godrej Tyson Foods Ltd.	-	0.03	- Mr. B. N. Godrej	0.75	-
			- Godrej Tyson Foods Ltd.	0.10	-
Commission / Royalty received			- Ms. N. N. Nabar	0.03	0.05
- Bhabhani Blunt Hairdressing Pvt. Ltd.	0.22	0.05	- Ms. P. A. Godrej	-	6.63
- Godrej Consumer Products Ltd.	0.11	0.05	- Godrej Consumer Products Ltd.	-	0.03

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			Other Deposits - Advanced		
- Godrej Consumer Products Ltd.	5.95	3.66	- Divya Swaroop	7.10	-
- Godrej Tyson Foods Ltd.	0.04	0.22	- Anamudi Real Estates LLP	1.66	-
- Godrej & Boyce Mfg. Co. Ltd.	0.01	0.13	- Oxford Shelters Pvt. Ltd.	-	6.37
- Anamudi Real Estates LLP	-	0.54	- Godrej & Boyce Mfg. Co. Ltd.	-	0.06
			- Godrej Consumer Products Ltd.	-	0.05
Other Income			Other Deposits - Repayment received		
- Godrej Consumer Products Ltd.	0.85	0.61	- Godrej & Boyce Mfg. Co. Ltd.	-	0.06
- ACI Godrej Agrovet Pvt. Ltd.	0.71	0.99	- Godrej Consumer Products Ltd.	-	0.05
- Godrej Tyson Foods Ltd.	0.06	-			
- Godrej & Boyce Mfg. Co. Ltd. *	0.01	0.00			
Recovery of Establishment & Other Expenses			Issue of Equity Shares		
- Godrej Consumer Products Ltd.	11.32	7.76	- Shubh Properties Cooperatief U.A (COOP)	1.14	5.08
- Godrej & Boyce Mfg. Co. Ltd.	3.38	45.08	- Mr. M. R. Janki Ram	-	0.51
- Anamudi Real Estates LLP	2.06	-			
- Godrej Tyson Foods Ltd.	0.82	0.36	Purchase of Equity Shares		
- Repton Landmarks LLP	-	0.39	- India Realty Excellence Fund	-	93.53
- Ramesh P. Bhatia	-	0.06	- Madhavi Ventures Ltd.	-	56.48
			- Madhavi SA Investments LLC	-	27.64
Rent, Establishment & Other Expenses paid			Sale of Equity Shares		
- Godrej & Boyce Mfg. Co. Ltd.	56.74	40.56	- Shubh Properties Cooperatief U.A (COOP)	-	0.07
- Godrej Consumer Products Ltd.	6.94	0.86			
- Ms. Parmeshwar Godrej	1.87	1.88	Investment in Debenture		
- Oxford Enterprises	1.03	5.94	- Shubh Properties Cooperatief U.A (COOP)	140.88	97.85
- Ms. R. N. Godrej	0.84	0.79			
- Bhabhani Blunt Hairdressing Pvt. Ltd.	0.15	0.09	Share of Profit in LLP		
- Godrej Tyson Foods Ltd.	0.11	0.02	- Jag Pravesh	8.57	-
- Godrej Infotech Ltd.	0.04	0.12	- Repton Landmarks LLP	5.81	2.74
			- Ramesh P. Bhatia	2.18	1.89
Interest received			Loan repaid		
- Shubh Properties Cooperatief U.A (COOP)	60.45	38.28	- Ramesh P. Bhatia	0.76	-
- ASK PMS Real Estate Special Oppurtunities Portfolio I	6.52	7.62	- Repton Landmarks LLP	4.88	-
- Anamudi Real Estates LLP	2.08	1.94	- Lotus Land Developers LLP	-	0.45
- Lotus Land Developers LLP	0.25	0.03			
- HDFC Venture Trustee Co. Ltd.	0.03	0.03	Sale of Services		
- Madhavi Investments LLC	-	1.61	- Godrej & Boyce Mfg. Co. Ltd.	35.34	-
- Vora Soaps Ltd.	-	0.50			
Interest paid			Sitting Fees		
- Mr. S. N. Godrej	0.06	0.14	- Mr. A. B. Godrej	0.10	0.15
- Mr. B. N. Godrej	0.04	0.08			
- Ms. N. N. Nabar *	0.00	0.01			
- Ms. P. A. Godrej	-	0.13			

* 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 60 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	200.44	51.94
Accumulated Depreciation	8.92	5.76
Depreciation for the year	3.16	1.26

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	2.11	12.22
Future Lease Income		
- Within one year	11.10	14.56
- Later than one year and not later than five years	28.28	43.98
- Later than five years	30.42	48.82

(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	37.12	33.12
Future Lease Commitments		
- Within one year	47.86	47.34
- Later than one year and not later than five years	145.59	147.62
- Later than five years	15.11	39.21

Notes to the Consolidated Financial Statements

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	2	20,001	22	31
Number of units under above contracts in MT.	2,480	730	23,960	21,460

b) Forward Exchange Contracts

	Current Year		Previous Year	
	Payable	Receivable	Payable	Receivable
Total Number of Contracts Outstanding	15	12	12	22
Foreign Currency Value				
- US Dollar (crore)	0.17	0.36	0.24	0.96
- Euro (crore)	0.46	0.05	-	0.03

c) Currency

	Current Year		Previous Year	
	Payable	Receivable	Payable	Receivable
US Dollar (crore)	0.02	0.08	-	-

ii) Un-hedged Foreign Currency Exposures

	Current Year		Previous Year	
	Payable	Receivable	Payable	Receivable
Uncovered Foreign Exchange Exposure as at the year end				
- US Dollar (crore)	12.29*	1.14	12.16 *	0.30
- Euro (crore) **	0.00	0.27	0.00	0.02
- UAE Dirams (crore)	0.07	-	0.02	-
- Singapore Dollar (crore)	0.01	-	-	-
- JPY (crore)	9.95	-	-	-
- GBP (crore)	-	1.03	-	-

(*) Uncovered Foreign Exchange Exposure includes US Dollar 9.56 crore (previous year US Dollar 10.56 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	54.00	44.03	0.26	0.42
Current Service Cost	3.57	2.55	-	-
Interest Cost	4.43	3.95	-	-
Actuarial (Gain) / Loss on Obligation	4.62	11.07	0.27	(0.10)
Effect of Liability Transfer in / out	0.07	(0.60)	-	-
Benefits Paid	(8.83)	(7.00)	(0.07)	(0.06)
Amalgamations	2.20	-	-	-
Present value of the obligation at the end of the year	60.06	54.00	0.46	0.26
b) Change in Plan Assets				
Fair value of Plan Assets at the beginning of the year	40.38	40.64	-	-
Expected return on Plan Assets	3.33	3.80	-	-
Actuarial (Gain) / Loss on Plan Assets	0.84	(1.48)	-	-
Contributions by the Employer	9.18	1.03	-	-
Benefits Paid	(7.39)	(6.57)	-	-
Amalgamations	2.06	-	-	-
Settlements	-	-	-	-
Fair value of Plan Assets at the end of the year	46.72	40.38	-	-

Notes to the Consolidated Financial Statements

Note 44 : Employee Benefits (Contd.)

	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	60.06	54.00	-	-
Fair value of Plan Assets at the end of the year	46.72	40.38	-	-
Net Obligation at the end of the year	13.34	13.61	-	-
d) Amounts Recognised in the statement of Profit and Loss				
Current Service Cost	3.57	2.55	-	-
Interest cost on Obligation	4.43	3.95	-	-
Expected return on Plan Assets	(3.33)	(3.80)	-	-
Net Actuarial (Gain) / Loss recognised in the year	3.02	9.59	-	-
Net Cost Included in Personnel Expenses	7.69	12.29	-	-
e) Actual return on Plan Assets	2.49	5.28	-	-
f) Actuarial Assumptions				
i) Discount Rate	7.86%- 12% p.a.	7.92%- 9.30% p.a.	7.86% p.a.	7.92% p.a.
ii) Expected Rate of Return on Plan Assets	7.86%- 8.07% p.a.	7.92%- 9.30% p.a.	-	-
iii) Salary Escalation Rate	4%-7.5% 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 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)
April 15 to March 16	1.92	(0.42)

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	50.53%	1,759.48	32.47%	157.30
Subsidiaries				
Indian				
1. Godrej Agrovvet Limited	10.10%	351.63	32.49%	157.41
2. Godrej Seeds and Genetics Limited	-0.03%	(1.01)	-0.08%	(0.40)
3. Godvet Agrochem Limited	0.28%	9.91	0.08%	0.41
4. Astec Lifesciences Limited	3.36%	116.85	-0.45%	(2.20)
5. Creamline Dairy Products Limited	4.64%	161.51	0.70%	3.38
6. Godrej Properties Limited	60.35%	2,101.38	6.27%	30.37
7. Godrej Buildcon Private Limited	2.85%	99.32	20.79%	100.69
8. Godrej Garden City Properties Private Limited	0.06%	2.08	0.22%	1.08
9. Godrej Green Homes Limited	0.01%	0.40	-0.01%	(0.03)
10. Godrej Hillside Properties Private Limited	0.01%	0.39	0.00%	(0.02)
11. Godrej Home Developers Private Limited	0.01%	0.39	0.00%	(0.02)
12. Godrej Landmark Redevelopers Private Limited	2.35%	81.81	10.32%	49.98
13. Godrej Projects Development Private Limited	3.89%	135.44	16.04%	77.69
14. Godrej Real Estate Private Limited	0.01%	0.19	-0.00%	(0.02)
15. Godrej Realty Private Limited	0.10%	3.46	-0.04%	(0.19)
16. Godrej Redevelopers (Mumbai) Private Limited	0.36%	12.64	0.32%	1.57
17. Happy Highrises Limited	2.66%	92.60	-1.21%	(5.87)
18. Godrej Investment Advisers Private Limited	0.05%	1.61	-0.02%	(0.09)
19. Godrej Greenview Housing Private Limited	0.17%	5.96	0.00%	-
20. Godrej Prakriti Facilities Private Limited	0.00%	0.06	0.01%	0.05
21. Wonder Projects Development Private Limited*	0.00%	0.00	0.00%	(0.01)
22. Godrej Highrises Properties Private Limited*	0.00%	0.00	0.00%	(0.01)
23. Amitis Developers LLP	0.00%	0.10	0.00%	-
24. Caroa Properties LLP	0.03%	1.18	-0.02%	(0.09)
25. Dream World Landmarks LLP	0.26%	9.13	1.88%	9.12
26. Godrej Construction Projects LLP *	0.00%	0.00	-0.00%	(0.00)
27. Godrej Housing Projects LLP	0.00%	-	0.00%	-
28. Godrej Vikhroli Properties LLP	10.58%	368.44	0.57%	2.75
29. M S Ramaiah Ventures LLP	0.06%	2.04	0.00%	-
30. Mosaic Landmarks LLP	0.77%	26.70	1.66%	8.06
31. Oasis Landmarks LLP *	0.00%	0.01	7.11%	34.43
32. Oxford Realty LLP	0.00%	0.12	0.02%	0.12
33. Godrej SSPDL Green Acres LLP (formerly known as SSPDL Green Acres LLP)	0.06%	2.20	0.00%	(0.01)
34. Godrej Developers & Properties LLP	0.00%	(0.01)	0.00%	(0.01)
35. Godrej Highrises Realty LLP*	0.00%	0.00	0.00%	(0.00)
36. Godrej Land Developers LLP	0.00%	(0.01)	0.00%	(0.01)
37. Godrej Project Developers & Properties LLP*	0.00%	(0.01)	0.00%	(0.01)
38. Nature's Basket Limited	0.49%	16.93	-12.94%	(62.69)
39. Ensemble Holdings and Finance Limited	0.38%	13.18	0.14%	0.70

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 Limited	2.65%	92.43	1.84%	8.89
2. Godrej International Trading & Investments Pte. Ltd.	0.29%	10.09	0.15%	0.71
3. Godrej Fund Management Pte. Limited	0.03%	1.09	-0.01%	(0.04)
Minority interest in all subsidiaries	-42.68%	(1,486.22)	-48.41%	(234.52)
Associates (Investment as per equity method)				
Indian				
1. Godrej Consumer Products Limited	25.48%	887.14	52.78%	255.70
2. Polchem Hygiene Laboratories Private Limited	0.17%	5.99	0.39%	1.87
3. Godrej One Premises Management Pvt. Ltd.*	0.00%	0.00	0.00%	0.00
Foreign				
1. Al Rahaba International Trading LLC	0.09%	3.12	-0.19%	(0.91)
2. Astec Lifesciences Limited (from October 11, 2015 to November 6, 2015)	0.00%	-	0.08%	0.41
3. Creamline Dairy Products Limited (upto December 20, 2015)	0.00%	-	1.02%	4.93
Joint Ventures (as per proportionate consolidation / Investment as per equity method)				
Indian				
1. Godrej Tyson Foods Limited	2.01%	69.83	1.40%	6.77
2. Wonderspace Properties Private Limited	0.20%	7.04	0.01%	0.07
3. Wonder City Buildcon Private Limited	0.23%	8.17	0.33%	1.61
4. Godrej Home Constructions Private Limited	0.25%	8.78	0.02%	0.09
5. Godrej Property Developers LLP	0.00%	(0.03)	0.00%	(0.02)
Foreign				
1. ACI Godrej Agrovet Private Limited	1.47%	51.34	3.67%	17.79
Inter-company Elimination & Consolidation Adjustments	-44.59%	(1,552.73)	-29.39%	(142.35)
TOTAL		3,482.14	484.43	

*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 accounts.

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.

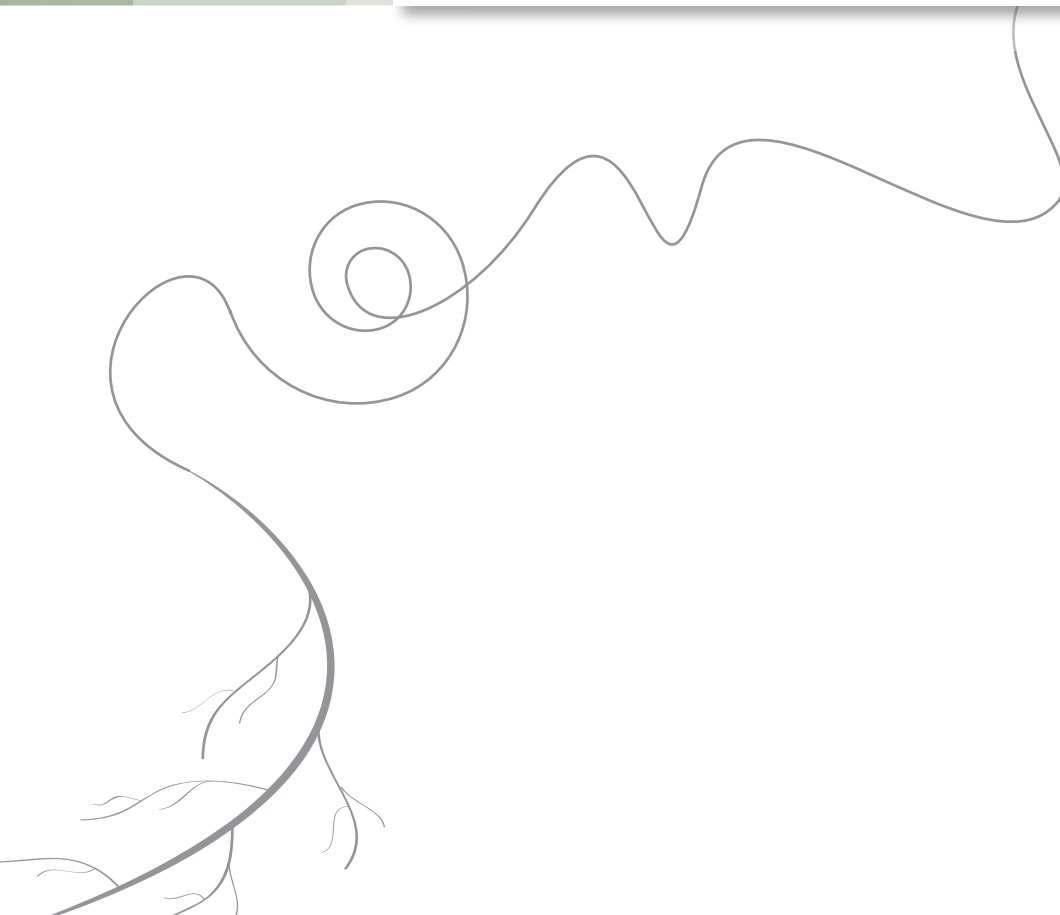
Note 48

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.

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



STANDALONE
FINANCIAL STATEMENTS



Independent Auditor's Report

TO THE MEMBERS OF

GODREJ INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **GODREJ INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our 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 financial statements are free from material misstatement.

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

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

Independent Auditor's Report

2. As required by Section 143(3) of the Act, we report that :
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the 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 Company as on March 31, 2016 and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2016, from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i) The financial statements disclose the impact of pending litigations on the financial position of the Company. Refer Note 22 to the Standalone Financial Statements.
 - ii) The Company has made provision, as required under the applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts. Refer Notes 2.13 and 46 to the Standalone Financial Statements.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For KALYANIWALLA & MISTRY

Chartered Accountants
Firm Regn. No.: 104607W

Daraius Z. Fraser

Partner
M. No.: 42454

Mumbai: May 25, 2016

Annexure A to the Independent Auditor's Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2016 :

Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 :

1. Fixed Assets :
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a programme 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 Company and the nature of its assets. The discrepancies noticed on such verification are not material and have been properly dealt with in the books of account.
 - c) According to the information and explanations given to us and on the basis of the records of the Company examined by us, the title deeds of immovable properties are held in the name of the Company except in four cases of freehold land having an aggregate book value of ₹ 0.64 crore where the Management is in the process of obtaining copies of title deeds from the concerned Authority.
2. The Management has conducted physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of sub-clauses (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to parties or granted securities covered under section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us and records examined by us, the provisions of section 186 of the Companies Act, 2013 in respect of loans given, guarantees given and investments made have been complied with by the Company.
5. In our opinion and according to the information and explanations given to us, the Company has 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, 2013 and the Rules framed thereunder in respect of the deposits accepted from the public. 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 and records maintained by the Company in respect of products covered under the Rules made by the Central Government for maintenance of cost records, under sub-section (l) of Section 148 of the Companies Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. Statutory Dues :
 - a) According to the information and explanations given to us and on the basis of the records examined by us, the Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other statutory dues with the appropriate authorities wherever applicable. 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, there are no dues of Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax or Cess outstanding on account of any dispute, other than the following :

Annexure A 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	Excise Duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc., which the Company has contested and is in appeals at various levels.	0.41	2002-03, 2004-07, 2005-08, 2007-12, 2008-09, 2009-10, 2009-11, 2009-14, 2010-11, 2011-12, 2013-14	Assistant Commissioner
		0.73	1993-97, 2009-13, 2012-14, 2013-14	Joint Commissioner
		1.18	2008-09, 2009-13, 2009-15, 2010-11, 2011-12, 2012-13, 2013-14, 2013-15, 2014-15	Additional Commissioner
		0.01	2006-10, 2009-10	Deputy Commissioner
		0.14	2010-11	Commissioner
		6.77	1993-96, 2005-06, 2009-10	Commissioner (Appeals)
		0.00	2009-10, 2012-13, 2012-14, 2013-14, 2013-15, 2014-15, 2015-16	Superintendent
		3.55	2008-11, 2009-13, 2010-11	CESTAT
		0.28	1997-98	Tribunal
		0.04	1995-96	High Court
The Customs Act, 1962	Custom Duty demands relating to lower charge, differential duty, classifications, etc.	3.91	1993-97	The Supreme Court
		2.63	2010-11	Commissioner (Appeals)
		0.26	2003-04	Deputy Commissioner
VAT Acts of Various States	Sales Tax demands relating to purchase tax on Branch Transfer / Disallowance of high sea sales.	1.32	1978-93	High Court
		0.07	1996-97, 1997-98	Sales Tax Officer
		0.07	2000-01	Commissioner (Appeals)
		11.07	2003-04, 2005-06, 2010-11	Deputy Commissioner
		30.95	2000-01, 2002-03, 2003-04, 2007-08, 2009-10, 2011-12	Joint Commissioner
Income-tax Act, 1961	Income-tax demands against which the company has preferred appeals.	4.51	2003-04, 2004-05, 2005-06, 2006-07	Tribunal
		2.96	A.Y. 2007-08, 2010-11	Assessing Officer
		13.54	A.Y. 1993-94, 1994-95, 1995-96, 1996-97, 1997-98, 2012-13, 2013-14	CIT
		7.13	A.Y. 2006-07, 2011-12	Deputy Commissioner
		16.74	A.Y. 1986-87, 1988-89, 1990-91, 1991-92, 1996-97, 1998-99, 2000-01, 2001-02, 2002-03, 2003-04	ITAT
16.90	A.Y. 1989-90, 1993-94, 1997-98, 2000-01, 2001-02, 2002-03	High Court		

Annexure A 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
Octroi	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 Company.	1.82	2000-01	Controlling Revenue Authority

8. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions, Government or debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and the term loans obtained by the Company were applied for the purpose for which the loans were obtained.
10. During the course of our examination of the books of account and records of the Company, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the Company, has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with him.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For KALYANIWALLA & MISTRY

Chartered Accountants
Firm Regn. No.: 104607W

Darius Z. Fraser

Partner
M. No.: 42454

Mumbai: May 25, 2016.

Annexure B to the Independent Auditor's Report

Referred to in paragraph 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2016.

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

We have audited the internal financial controls over financial reporting of **GODREJ INDUSTRIES LIMITED** ("the Company") as of March 31, 2016, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act" or the "Companies Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Annexure B to the Independent Auditor's Report

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For KALYANIWALLA & MISTRY

Chartered Accountants
Firm Regn. No.: 104607W

Daraius Z. Fraser

Partner
M. No.: 42454

Mumbai: May 25, 2016

Balance Sheet as at March 31, 2016

		Amount ₹ in Crore	
	Note No.	Current Year	Previous Year
Equity and Liabilities			
Shareholders' Funds			
(a) Share Capital	3	33.60	33.59
(b) Reserves and Surplus	4	1,725.88	1,624.69
		1,759.48	1,658.28
Non Current Liabilities			
(a) Long Term Borrowings	5	1,019.66	1,012.78
(b) Deferred Tax Liabilities (Net)	6	-	17.02
(c) Long Term Provisions	7	5.76	8.30
		1,025.42	1,038.10
Current Liabilities			
(a) Short Term Borrowings	8	1,311.03	782.37
(b) Trade Payables	9	148.05	397.13
(c) Other Current Liabilities	10	440.84	317.63
(d) Short Term Provisions	11	5.04	77.26
		1,904.96	1,574.39
TOTAL		4,689.86	4,270.77
Assets			
Non Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		1,300.09	647.13
(ii) Intangible Assets		0.70	0.67
(iii) Capital Work in Progress		209.72	666.96
		1,510.51	1,314.76
(b) Non Current Investments	13	2,494.54	2,377.78
(c) Long Term Loans and Advances	14	36.50	52.96
(d) Other Non Current Assets	15	-	0.10
		4,041.55	3,745.60
Current Assets			
(a) Current Investments	16	-	-
(b) Inventories	17	226.47	166.34
(c) Trade Receivables	18	205.45	104.30
(d) Cash and Bank Balances	19	11.63	107.30
(e) Short Term Loans and Advances	20	73.52	111.62
(f) Other Current Assets	21	131.24	35.61
		648.31	525.17
TOTAL		4,689.86	4,270.77
Notes to the Standalone Financial Statements	1 to 50		

As per our Report attached

For Kalyaniwalla & Mistry

Chartered Accountants
Firm Regn. No. 104607W

Daraius Z. Fraser

Partner
M. No. 42454

For and on behalf of the Board

A. B. Godrej
Chairman

N. S. Nabar

Executive Director
& President (Chemicals)

N. B. Godrej
Managing Director

Clement Pinto

Chief Financial Officer

Nilufer Shekhawat

Company Secretary

Mumbai, May 25, 2016.

Statement of Profit and Loss for the year ended March 31, 2016

		Amount ₹ in Crore	
	Note No.	Current Year	Previous Year
Revenue from Operations (Gross)	24	1,398.37	1,547.79
Less : Excise Duty		88.86	93.15
		1,309.51	1,454.64
Other Income	25	28.23	34.27
Total Revenue		1,337.74	1,488.91
Expenses			
(a) Cost of Materials Consumed	26	828.81	942.41
(b) Purchases of Stock in Trade		1.73	3.39
(c) Changes in Inventory of Finished Goods, Work in Progress and Stock in Trade	27	(7.05)	26.13
(d) Employee Benefits Expense	28	140.56	123.82
(e) Finance Costs	29	191.98	148.17
(f) Depreciation and Amortisation Expense		44.37	28.59
(g) Other Expenses	30	256.08	283.84
Total Expenses		1,456.48	1,556.35
Loss Before Exceptional Items and Tax		(118.74)	(67.44)
Exceptional Items	31	268.98	199.61
Profit Before Tax		150.24	132.17
Tax Expense			
(a) Current Tax		9.96	4.23
(b) Deferred Tax		(17.02)	(20.87)
Total Tax		(7.06)	(16.64)
Profit For The Year		157.30	148.81
Earnings Per Share (Face Value ₹ 1 per share)	32		
(a) Basic		4.6827	4.4352
(b) Diluted		4.6783	4.4302
Notes to the Standalone Financial Statements	1 to 50		

As per our Report attached

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

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

N. B. Godrej
Managing Director

Daraius Z. Fraser
Partner
M. No. 42454

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

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Mumbai, May 25, 2016.

Cash Flow Statement for the year ended March 31, 2016

Amount ₹ in Crore

	Current Year	Previous Year
A. Cash Flow From Operating Activities :		
Profit Before Tax	150.24	132.17
Adjustments for :		
Depreciation	44.37	28.59
Unrealised Foreign Exchange revaluation	(1.10)	1.51
Profit on Sale of Investments	(250.22)	(201.62)
Loss / (Profit) on Sale, Write off and Provision of Fixed Assets	4.79	(3.99)
Dividend Income	(92.18)	(108.45)
Share of Profit from LLP	(1.17)	(14.69)
Interest Income	(2.63)	(18.19)
Interest & Finance Charges	191.98	148.17
Write Back of Provision of Doubtful Loan	(11.00)	-
Employee Stock Grant Scheme Compensation	3.54	1.29
(Write-back) / Provision of Diminution in Value of Investments	(22.04)	6.13
Provision for Doubtful Debts and Sundry Balances (net)	0.48	0.68
Operating Profit / (Loss) Before Working Capital Changes	15.06	(28.40)
Adjustments for :		
Inventories	(60.13)	65.83
Trade Receivables	(99.28)	(10.09)
Other Current Assets	9.00	19.32
Non Current Assets	4.68	12.70
Trade Payables	(248.85)	(156.36)
Other Current Liabilities	18.84	(24.26)
Non Current Liabilities	(2.54)	1.07
Cash Used in Operations	(363.22)	(120.19)
Direct Taxes Paid	(5.44)	(3.59)
Net Cash Used in Operating Activities	(368.66)	(123.78)
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(197.72)	(325.73)
Proceeds from Sale of Fixed Assets	0.82	8.18
Purchase of Investments (Current and Non-Current)	(986.73)	(1,326.93)
Proceeds from Sale of Investments - Long term	209.33	255.64
Proceeds from Sale of Investments - Others	837.69	958.09
Intercompany Deposits / Loans (net)	40.12	12.78
Interest Received	2.63	11.36
Dividend Received	92.18	108.45
Net Cash Used in Investing Activities	(1.68)	(298.16)

Cash Flow Statement for the year ended March 31, 2016

Amount ₹ in Crore

C. Cash Flow from Financing Activities :

	Current Year	Previous Year
Proceeds from issue of Equity shares	1.34	0.02
Proceeds from Borrowings	2,512.65	1,260.34
Repayment of Borrowings	(1,931.07)	(590.51)
Bank Overdrafts (net)	20.82	(5.06)
Interest & Finance Charges Paid	(192.94)	(146.39)
Dividend Paid	(117.59)	(58.68)
Tax on Distributed Profits	(14.19)	(4.05)
Net Cash Generated from Financing Activities	279.02	455.67
Net (Decrease) / Increase in Cash and Cash Equivalents	(91.32)	33.73
Cash and Cash Equivalents (Opening Balance)	98.43	64.72
Add : Cash received on account of merger of Wadala Commodities Ltd. with the Company	-	0.18
Less : Cash and Cash Equivalents of GIL ESOP Trust	-	(0.20)
Cash and Cash Equivalents (Closing Balance)	7.11	98.43

Notes :

1. Cash and Cash Equivalents

	Current Year	Previous Year
Cash on Hand and Balances with Banks	11.63	107.30
Closing balances of Fixed deposit (more than 3 months but less than 12 months)	(4.00)	(8.52)
Other Bank Balances	(0.52)	(0.35)
Cash and Cash Equivalents	7.11	98.43

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

As per our Report attached

For Kalyaniwalla & Mistry

Chartered Accountants
Firm Regn. No. 104607W

Darius Z. Fraser

Partner
M. No. 42454

Mumbai, May 25, 2016.

For and on behalf of the Board

A. B. Godrej

Chairman

N. S. Nabar

Executive Director
& President (Chemicals)

N. B. Godrej

Managing Director

Clement Pinto

Chief Financial Officer

Nilufer Shekhawat

Company Secretary

Notes to Standalone Financial Statements

Note 1 : General Information

The Company was incorporated under the Companies Act, 1956 on March 7, 1988 under the name of Gujarat-Godrej Innovative Chemicals Limited. The Company is engaged in the businesses of manufacture and marketing of oleo-chemicals, their precursors and derivatives, bulk edible oils, estate management and investment activities. The business and undertaking of the erstwhile Godrej Soaps Limited was transferred to the Company under a Scheme of Amalgamation with effect from April 1, 1994 and the Company's name was changed to Godrej Soaps Limited. Subsequently, under a Scheme of Arrangement the Consumer Products division of the Company was demerged with effect from April 1, 2001 into a separate company, Godrej Consumer Products Limited (GCPL).

The Company's name was changed to Godrej Industries Limited on April 2, 2001. The Vegetable Oils and Processed Foods Manufacturing business of Godrej Foods Limited was transferred to the Company with effect from June 30, 2001. The Foods division (except Wadala factory) was then sold to Godrej Hershey Limited, on March 31, 2006. Swadeshi Detergents Limited, 100% subsidiary of the Company, was amalgamated with the Company effective from April 1, 2013. Wadala Commodities Limited was amalgamated with the Company effective from April 1, 2014.

Note 2 : Significant Accounting Policies

2.1 Accounting Convention

The financial statements are prepared under the historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 on the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

2.3 Fixed Assets

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

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

2.4 Asset Impairment

The Company 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.

Notes to Standalone Financial Statements

2.6 Investments

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

Investments other than Current Investments are classified as 'Non Current Investments'. Non Current Investments are carried at cost of acquisition which includes all costs directly incurred on the acquisition of the investment. Provision for diminution, if any, in the value of each Non Current investments is made to recognize a decline, other than of a temporary nature. The fair value of 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 centvat. 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.

2.8 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No Provision is recognised for :

- (i) 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 Company; or
- (ii) 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.

Notes to Standalone Financial Statements

2.10 Research and Development Expenditure

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

2.11 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition 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.

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

2.14 Employee Benefits

(i) Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are 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 Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit Before Tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

Notes to Standalone 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 Company'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 recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

Provident Fund

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

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.

Intangible Assets

Intangible assets are amortised on straight line basis as given below :

- (i) Trade marks are amortised equally over a period of ten years.
- (ii) Computer software is amortised over a period of three years.

Notes to Standalone Financial Statements

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 recognised. Deferred tax assets / liabilities in respect of timing differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only to the extent that there is virtual certainty supported by convincing evidence of their realisation and on other items when there is reasonable certainty of realisation. The tax effect is calculated on the accumulated timing differences at the year end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

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

2.17 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.

Notes to Standalone 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
		180.00		180.00
Issued, Subscribed and Paid up Share Capital				
Equity Shares of ₹ 1 each fully paid up	335,988,807	33.60	335,881,974	33.59
Total	335,988,807	33.60	335,881,974	33.59
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	335,881,974	33.59	335,455,260	33.55
Issued during the year	106,833	0.01	426,714	0.04
Number of Shares outstanding at the end of the year	335,988,807	33.60	335,881,974	33.59
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	193,904,681	19.39
(b) Shareholders holding more than 5% of Equity Shares in the Company				
Godrej & Boyce Manufacturing Company Limited - 57.71% (Previous Year 57.73%)	193,904,681	19.39	193,904,681	19.39

Notes to Standalone Financial Statements

Note 3 : Share Capital (Contd.)

	Current Year		Amount ₹ in Crore Previous Year	
	Number	Value	Number	Value
Equity Shares Reserved for Issue Under Employee Stock Grant (₹ 1 each)				
(a) Employee Stock Grant vesting on 31/03/15 (*)	-	-	5,487	0.00
(b) Employee Stock Grant vesting on 31/05/15	-	-	98,987	0.01
(c) Employee Stock Grant vesting on 31/07/15 (*)	-	-	2,274	0.00
(d) Employee Stock Grant vesting on 31/03/16 (*)	1,297	0.00	1,297	0.00
(e) Employee Stock Grant vesting on 31/05/16	164,102	0.02	108,074	0.01
(f) Employee Stock Grant vesting on 31/05/17	111,669	0.01	55,641	0.01
(g) Employee Stock Grant vesting on 31/05/18	56,028	0.01	-	-

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

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

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) 67,589 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 previous 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 was November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC. Accordingly, the Company had issued 200,243 equity shares of the Company in lieu of the equity shares in WCL and 10 equity shares of the Company in lieu of the preference shares in WCL held by the shareholders of the erstwhile WCL and also issued 67,504 bonus equity shares of the Company to the non-promoter shareholders of the Company.

In current year, the Company has issued 85 bonus equity shares of the Company to the non-promoter shareholders on exercise of ESGS options.

Notes to Standalone Financial Statements

Note 4 : Reserves and Surplus

Particulars	Amount ₹ in Crore	
	Current Year	Previous Year
Capital Investment Subsidy Reserve	0.25	0.25
Capital Redemption Reserve	31.46	31.46
Securities Premium Account		
As Per Last Balance Sheet	931.37	927.45
Add : Transfer from Employee Stock Grants Outstanding	2.97	3.92
	934.34	931.37
Capital Reserve		
As Per Last Balance Sheet	9.88	8.58
Add : Created During the year - refer note 1 below	-	1.30
	9.88	9.88
Foreign Currency Monetary Item Translation Difference Account	(0.98)	-
Employee Stock Grants Outstanding		
Stock Grants at the beginning of the year	7.99	9.60
Add : Compensation for Stock Granted During the Year	6.08	3.46
Less : Grants Lapsed	-	(1.15)
Less : Transfer to Securities Premium on exercise of Stock Grants during the year	(2.97)	(3.92)
	11.10	7.99
Less : Deferred Employee Stock Grants Compensation	(4.14)	(3.94)
	6.96	4.05
General Reserve		
As Per Last Balance Sheet	52.70	37.83
Add : Transfer from Surplus	-	14.88
Less : Utilisation during the year pursuant to Scheme of Amalgamation - refer note 1 below	-	(0.01)
	52.70	52.70
Surplus		
As Per Last Balance Sheet	594.98	526.88
Surplus as per Statement of Profit and Loss	157.30	148.81
Utilisation during the year :		
Credit for Excess Proposed Dividend provided for in previous year	0.01	-
Credit for Dividend Distribution Tax on Dividend Received from Subsidiaries	9.75	7.96
Interim Dividend	(58.80)	-
Proposed Dividend - Final	-	(58.80)
Tax on Distributed Profit	(11.97)	(11.97)
Depreciation in transition to New Companies Act	-	(3.02)
Transfer to General Reserve	-	(14.88)
	691.27	594.98
Total	1,725.88	1,624.69

Notes to Standalone Financial Statements

Note 4 : Reserves and Surplus (Contd.)

Notes :

- (1) In the previous 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 was November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC.

In accordance with the Scheme :

- a) All the assets and liabilities of the erstwhile WCL had been transferred to and vest in the Company and had 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 was credited to Capital Reserve.
- b) Income of ₹ 0.09 crore and Expense of ₹ 0.25 crore of WCL from April 2014 to November 2014 had been considered in Statement of Profit and Loss of the previous year of the Company.
- (2) The Board recommended and paid an interim dividend of ₹ 1.75 per share (175% of face value ₹ 1 each) in March 2016.

Note 5 : Long Term Borrowings

	Amount ₹ in Crore	
	Current Year	Previous Year
Unsecured		
(a) Term Loans		
(i) From Banks - refer note 1 (i) below	919.66	916.29
(ii) From Others - refer note 1 (ii) below	100.00	75.00
(b) Deposits		
(i) Fixed Deposit- refer note 1 (iii) below	-	21.49
Total	1,019.66	1,012.78

Notes :

- (1) Terms of Repayment for Unsecured Borrowings :

- (i) Unsecured Loans from Banks :

- (a) Loan amounting to ₹ 66.25 crore (previous year ₹ 125.00 crore) carries interest at LIBOR + 2.5% p.a., is for an original term of 60 months and repayable by December 2017.

Loan amounting to ₹ 99.38 crore (previous year ₹ 125.00 crore) carries interest at LIBOR + 2.05% p.a., is for an original term of 60 months and repayable by August 2018.

- (b) Loan amounting to ₹ 18.75 crore (previous year ₹ 93.73 crore) carries interest at Base Rate + 0.70% p.a. (Previous year 0.95% p.a.), is for an original term upto 60 months and repayable by April 2017.

Loan amounting to ₹ 100 crore (previous year ₹ NIL) carries interest at Base Rate, is for an original term upto 36 months and repayable starting September 2018 to March 2019.

- (c) Loan amounting to ₹ 167.42 crore (previous year ₹ 157.96 crore) which carries interest at LIBOR + 2.40% p.a. has now been fixed under IRS at 4.28% p.a., is for an original term of 60 months and repayable by July 2019.

Loan amounting to ₹ 112.27 crore (previous year ₹ 105.91 crore) which carries interest at LIBOR + 2.35% p.a. has now been fixed under IRS at 4.25% p.a., is for an original term of 60 months and repayable by July 2019.

Notes to Standalone Financial Statements

Note 5 : Long Term Borrowings (Contd.)

Loan amounting to ₹ 55.59 crore (previous year ₹ 52.44 crore) which carries interest at LIBOR + 2.45% p.a., has now been fixed under IRS at 4.39% p.a., is for an original term of 60 months and repayable by August 2019.

- (d) Loan amounting to ₹ 100 crore (previous year ₹ 100 crore) carries interest at Base Rate + 0.50% p.a., is for an original term upto 36 months and repayable by February 2018.

Loan amounting to ₹ 100 crore (previous year ₹ NIL) carries interest at Base Rate + 0.20% p.a., is for an original term upto 36 months and repayable starting June 2018 to March 2019.

- (e) Loan amounting to ₹ 75 crore (previous year ₹ 75 crore) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 36 months and repayable by January 2018.

Loan amounting to ₹ 25 crore (previous year ₹ Nil) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 36 months and repayable by April 2018.

- (ii) Unsecured Loan from Others :

- (a) Loan amounting to ₹ 37.50 crore (previous year ₹ 37.50 crore) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 60 months and repayable by June 2019.

Loan amounting to ₹ 12.50 crore (previous year ₹ Nil) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 60 months and repayable starting September 2019 to March 2020.

- (b) Loan amounting to ₹ 37.50 crore (previous year ₹ 37.50 crore) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 60 months and repayable by June 2019.

Loan amounting to ₹ 12.50 crore (previous year ₹ Nil) carries interest at SBI Base Rate + 0.35% p.a., is for an original term upto 60 months and repayable starting September 2019 to March 2020.

- (iii) Fixed deposits from public had a maturity period of 13, 24 or 36 months.

- (2) The Company does not have any default as on the Balance Sheet date in repayment of loan or interest.

Note 6 : Deferred Tax Liabilities (Net)

	Amount ₹ in Crore	
	Current Year	Previous Year
Liabilities		
(a) WDV of Assets	114.80	78.24
(b) VRS Expenses	-	0.22
Assets		
(a) Provision for Retirement Benefits	2.38	2.91
(b) Provision for Doubtful Debts / Advances	6.66	6.58
(c) Other Provisions	9.59	15.76
(d) Unabsorbed Depreciation	96.17	36.19
Total	-	17.02

Note 7 : Long Term Provisions

	Amount ₹ in Crore	
	Current Year	Previous Year
Provision For Employee Benefits	5.76	8.30
Total	5.76	8.30

Notes to Standalone Financial Statements

Note 8 : Short Term Borrowings

	Amount ₹ in Crore	
	Current Year	Previous Year
Secured		
(a) Loans Repayable On Demand		
(i) From Bank - refer note 1 below	22.76	1.93
Unsecured		
(a) Loans Repayable On Demand		
From Bank - refer note 2 below	53.27	90.44
(b) Short Term Loans from Banks - refer note 3 below	360.00	100.00
(c) Other Loans		
Commercial Papers - refer note 4 below	875.00	590.00
Total	1,311.03	782.37

Notes :

- (1) Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.
- (2) Unsecured loan from bank repayable on demand is at base rate and repayable within 6 months.
- (3) Unsecured loan from banks in current year :
 - (a) Loan amounting to ₹ 135 crore carries interest at Base Rate, and is repayable by May 2016.
 - (b) Loan amounting to ₹ 75 crore carries interest at Base Rate, and is repayable by August 2016.
 - (c) Loan amounting to ₹ 50 crore carries interest at Base Rate, and is repayable by May 2016.
 - (d) Loan amounting to ₹ 50 crore carries interest at Base Rate, and is repayable by September 2016.
 - (e) Loan amounting to ₹ 50 crore carries interest at Base Rate, and is repayable by April 2016.
- Unsecured loan from banks in previous year :
 - (a) Loan amounting to ₹ 25 crore carries interest at Base Rate and is repayable by April 2015.
 - (b) Loan amounting to ₹ 25 crore carries interest at Base Rate + 0.10% p.a and is repayable by June 2015.
 - (c) Loan amounting to ₹ 50 crore carries interest at Base Rate + 0.20% p.a and is repayable by September 2015.
- (4) Commercial Papers of ₹ 875 crore (previous year ₹ 590 crore) carries interest at 7.69% to 8.65% p.a. and are repayable during the period April to August 2016.
- (5) The company does not have any default as on the Balance Sheet date in repayment of loan or Interest.

Note 9 : Trade Payables

	Amount ₹ in Crore	
	Current Year	Previous Year
Trade Payables		
(a) Outstanding dues of Micro and Small Enterprise - refer note 1 below	1.40	2.08
(b) Others	146.65	146.96
Acceptances	-	248.09
Total	148.05	397.13

Note :

- (1) Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2016, to Micro, Small and Medium Enterprises on account of principal or interest (previous year ₹ Nil).

Notes to Standalone Financial Statements

Note 10 : Other Current Liabilities

	Amount ₹ in Crore	
	Current Year	Previous Year
Current Maturities of Long Term Debts		
(a) Unsecured Loan		
(i) From Bank	309.22	193.74
(b) Unsecured Deposits		
(i) Fixed Deposits	21.30	33.49
	330.52	227.23
Interest Accrued but not Due on Borrowings	8.56	10.27
Unclaimed Dividends	0.51	0.35
Unclaimed Matured Deposits		
(a) Principal Amount	2.89	1.71
(b) Interest Accrued Thereon	0.17	0.17
	3.06	1.88
Other Payables		
(a) Advances from Customers	6.21	4.10
(b) Sundry Creditors	69.60	50.24
(c) Unamortised Forward Cover Premium	0.16	0.96
(d) Other Liabilities	1.46	0.66
(e) Statutory Liabilities	13.20	14.14
(f) Deposits	7.56	7.80
	98.19	77.90
Total	440.84	317.63

Note 11 : Short Term Provisions

	Amount ₹ in Crore	
	Current Year	Previous Year
Provision For Employee Benefits	5.04	6.49
Proposed Dividend - refer note 1 below	-	58.80
Provision for Tax on Distributed Profit	-	11.97
Total	5.04	77.26

Note :

- (1) In the previous year, the Board of Directors of the Company had proposed a dividend of ₹ 1.75 per equity share - 175%.

Notes to Standalone Financial Statements

Note 12 : Fixed Assets

Amount ₹ in Crore

ASSETS	GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK	
	As on 01.04.2015	Additions	Deductions/ Adjustments	As on 31.03.2016	Upto 31.03.2015	Deductions/ Adjustments	For the Year	Upto 31.03.2016	As on 31.03.2016	As on 31.03.2015
1. Tangible Assets										
(a) Land										
(i) Freehold	1.14	-	-	1.14	-	-	-	-	1.14	1.14
(ii) Leasehold	20.66	3.61	-	24.27	1.20	-	0.24	1.44	22.83	19.46
(b) Buildings	239.92	575.49	(15.37)	830.78	36.27	(1.24)	15.57	53.08	777.70	203.65
(c) Plant and Equipment	660.31	82.72	32.85	710.18	268.55	29.23	17.12	256.44	453.74	391.76
(d) Computers and Hardware	9.61	10.06	-	19.67	8.28	(0.59)	2.49	11.36	8.31	1.33
(e) Research Centre	0.67	0.15	-	0.82	0.30	(0.11)	0.01	0.42	0.40	0.37
(f) Furniture and Fixtures	14.80	13.97	6.99	21.78	9.74	0.06	2.14	11.82	9.96	5.06
(g) Office and Other Equipment	14.95	12.82	6.49	21.28	11.20	0.21	3.18	14.17	7.11	3.75
(h) Vehicles/Vessels										
(i) Own	36.18	3.36	3.06	36.48	15.57	1.53	3.54	17.58	18.90	20.61
(ii) Under Finance Lease	0.03	-	-	0.03	0.03	-	-	0.03	-	-
Total Tangible Assets	998.27	702.18	34.02	1,666.43	351.14	29.09	44.29	366.34	1,300.09	647.13
2. Intangible Assets										
(a) Trademarks	4.63	-	-	4.63	4.63	-	-	4.63	-	-
(b) Software	11.54	0.45	(0.20)	12.19	10.87	(0.54)	0.08	11.49	0.70	0.67
Total Intangible Assets	16.17	0.45	(0.20)	16.82	15.50	(0.54)	0.08	16.12	0.70	0.67
TOTAL - Current Year	1,014.44	702.63	33.82	1,683.25	366.64	28.55	44.37	382.46	1,300.79	
- Previous Year	960.03	75.00	20.59	1,014.44	345.40	7.35	28.59	366.64		647.80
3. Capital Work-in-Progress									209.72	666.96
TOTAL									1,510.51	1,314.76

Notes :

- Accumulated depreciation includes impairment loss of ₹ 5.10 crore (previous year ₹ 5.10 crore) on certain Plant and Equipment.
- Capital work-in-progress is net of impairment loss of ₹ Nil (previous year ₹ 2.04 crore) provided on an infructuous asset under construction.
- Capital work-in-progress includes ₹ 35.29 crore (previous year ₹ 16.31 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets. Capital work-in-progress also includes net borrowing cost capitalised amounting to ₹ Nil (previous year ₹ 76.06 crore).
- Addition to Fixed Assets includes ₹ 43.01 crore (previous year ₹ 15.74 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets.
- Plant and Machinery at Vikhroli location having written down value of ₹ 7.58 crore (previous year ₹ 3.93 crore) are Assets held for Sale and is classified under Note 21 Other Current Assets.

Notes to Standalone Financial Statements

NOTE 13 : 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 Subsidiary Companies						
(i) Quoted						
Godrej Properties Ltd.	5	122,681,066	112,450,304	(a)	726.78	610.13
(ii) Unquoted						
Ensemble Holdings & Finance Ltd.	10	5,774,160	3,774,160		15.19	13.19
Godrej Agrovet Ltd.	10	56,286,482	56,286,482		143.98	143.98
Godrej International Ltd. (Isle of Man)	£1	2,105,000	2,105,000		14.76	14.76
Godrej International Trading & Investments Pte. Ltd.	\$1	1,000,000	1,000,000		4.43	4.43
Godrej International Ltd. (Labuan) *	\$1	1	1		0.00	0.00
GIL Vikhroli Real Estate Ltd.	10	-	-	(a)	-	-
Natures Basket Ltd.	10	225,230,000	160,190,000		223.19	158.15
(b) Investment in Associate Companies						
Quoted						
Godrej Consumer Products Ltd.	1	80,937,620	80,277,620		1,366.21	1,286.86
(c) Others						
Unquoted						
Bharuch Eco-Aqua Infrastructure Ltd.	10	440,000	440,000		0.44	0.44
Less : Provision for Diminution in the Value of Investment					(0.44)	(0.44)
					-	-
Avesthagen Ltd.	7	469,399	469,399		12.43	12.43
Less : Provision for Diminution in the Value of Investment					(12.43)	(12.43)
					-	-
CBay Infotech Ventures Pvt. Ltd.	10	112,579	112,579		2.33	2.33
Less : Provision for Diminution in the Value of Investment					(2.33)	(2.33)
					-	-
Gharda Chemicals Ltd.	100	114	114	(b)	0.12	0.12
Less : Provision for Diminution in the Value of Investment					(0.12)	(0.12)
					-	-
HyCa Technologies Pvt. Ltd.	10	12,436	12,436		1.24	1.24
Less : Provision for Diminution in the Value of Investment					(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 Investment					(6.91)	(6.91)
					-	-
The Saraswat Co-op. Bank Ltd.*	10	1,000	1,000		0.00	0.00
Godrej One Premises Management Pvt. Ltd.*	10	1,400	-		-	0.00

Notes to Standalone Financial Statements

NOTE 13 : Non Current Investments (Contd.)

Investee Company / Entity	Face value (₹)	Number		Notes	Amount in ₹ Crore	
		Current Year	Previous Year		Current Year	Previous Year
2. Investment in Preference Shares (Fully paid unless stated otherwise)						
Unquoted						
Tahir Properties Ltd. (Class - A) (partly paid) *	100	-	25	(c)	-	0.00
Verseon Corporation - Class A Preferred Shares	\$0.001	-	2,631,578	(d)	-	11.42
Less : Provision for Diminution in the Value of Investment					-	(11.42)
Verseon Corporation - Class B Preferred Shares	\$0.001	-	715,668	(d)	-	10.62
Less : Provision for Diminution in the Value of Investment					-	(10.62)
3. Investment in Common Shares (Fully paid)						
Quoted						
Verseon Corporation, USA	\$0.001	-	-	(d)	-	-
4. Investment in Partnership Firm						
View Group LP *		-	-	(e)	0.00	0.00
Less : Provision for Diminution in the Value of Investment					(0.00)	(0.00)
5. Other Non Current Investments						
(a) Limited Liability Partnership						
Godrej Vikhroli Properties LLP					-	0.80
Profit Accrued on share in Godrej Vikhroli Properties LLP					-	145.48
					-	146.28
Total					2,494.54	2,377.78
Aggregate Amount of Quoted Investments					2,092.99	1,896.99
Aggregate Amount of Unquoted Investments					425.02	526.30
Aggregate Provision for Diminution in the Value of Investments					23.47	45.51
Market Value of Quoted Investments					14,799.17	11,180.05

* Amount less than ₹ 0.01 crore.

Notes :

- (a) During the year, the Company has invested ₹152 crore in its 100% subsidiary, GIL Vikhroli Real Estate Limited (GVREL). GVREL has been admitted as a 40% stake partner in Godrej Vikhroli Properties LLP (GVPLLP), in respect of which it has invested an amount of ₹ 147.45 crore. The Company has retired from GVPLLP and has received from GVPLLP a sum of ₹ 147.45 crore for its 40% stake in GVPLLP. The Board of Directors of GVREL and Godrej Properties Limited (GPL) have approved the Scheme of Amalgamation of GVREL with GPL under the provisions of Sections 391 to 394 of the Companies Act, 1956. The Honourable High Court of Judicature at Bombay has, vide order dated February 26, 2016, sanctioned a Scheme of Amalgamation of GVREL with GPL. The appointed date for the Amalgamation is August 01, 2015 and the effective date is March 15, 2016. Upon the scheme becoming effective, 16,745,762 equity shares of face value ₹ 5 each of GPL have been allotted to the Company.
- (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 shares forfeited (previous year - ₹ 30 per share).
- (d) (i) During the previous 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 was fully provided for.
- (ii) In the current year, the Company's holding of 2,631,578 Class A Preferred Shares and 715,668 Class B Preferred Shares were converted into 6,694,492 New Common Shares in Verseon Corporation. The Company invested in warrants in respect of 85,587 Class B Preferred shares which were converted into 171,174 New Common Shares in Verseon Corporation.
- (iii) Verseon Corporation was listed on Alternate Investment Market on London Stock Exchange. The entire investment in Common Shares have been sold during the year. The provision made against our investment in Verseon Corporation was written back.
- (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.

Notes to Standalone Financial Statements

Note 14 : Long Term Loans and Advances

	Current Year	Amount ₹ in Crore Previous Year
Secured Loans and Advances - refer note 1 below		
Loans given		
Considered Doubtful	10.33	10.33
Less : Provision for Doubtful Advances	(10.33)	(10.33)
	-	-
Unsecured and Considered Good (Unless otherwise stated)		
(a) Capital Advances	3.31	15.11
(b) Other Loans and Advances		
(i) Loans to Employees	0.51	0.59
(ii) Statutory Deposits	21.74	21.80
(iii) Advance Tax and Tax Deducted at Source (Net of Provision for Taxation ₹ 67.66 crore, previous year ₹ 57.96 crore)	10.94	15.46
Total	36.50	52.96

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 Honourable High Court against the order of the Company Law Board under section 10 F of the Companies Act, which was disposed of with the direction to keep the transfer of shares in abeyance till the arbitration proceedings between the parties are on. The Honourable 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 Honourable Bombay High Court which the Supreme Court has dismissed and the matter is presently before the Arbitrator.

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

Notes to Standalone Financial Statements

Note 14 : Long Term Loans and Advances (Contd.)

(2) Details of Loans as per Section 186 (4) of Companies Act, 2013.

	Amount ₹ in Crore	
	Maximum Balance during the year	Amount
(a) Loans where there is no repayment schedule		
(i) Federal & Rashmikant	5.83	5.83
<i>Previous Year</i>	5.83	5.83
(ii) M/s. Dhruv & Co. (Regd.)	4.18	4.18
<i>Previous Year</i>	4.18	4.18
(iii) D. R. Kavasmaneek & Dr. P. R. Kavasmaneek	0.32	0.32
<i>Previous Year</i>	0.32	0.32
(b) Loans to Employees (as per Policy of the Company)	0.78	0.70
<i>Previous Year</i>	0.60	0.59

Note 15 : Other Non Current Assets

	Amount ₹ in Crore	
	Current Year	Previous Year
Secured		
(a) Interest Accrued on loans		
Considered Doubtful - refer note 1 below	3.15	3.15
Less : Provision for Doubtful Interest Accrued	(3.15)	(3.15)
	-	-
Unsecured		
(a) Interest Accrued on Investments		
Considered Doubtful	1.03	1.11
Less : Provision for Doubtful Interest Accrued	(1.03)	(1.11)
	-	-
(b) Bank Deposit with more than 12 months maturity - refer note 2 below	-	0.10
Total	-	0.10

Notes :

- (1) Interest on loan referred to in sub-note 1 under Note 14 Long Term Loans and Advances, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.
- (2) Fixed Deposit of ₹ Nil (previous year ₹ 0.10 crore) is held by bank as security against guarantees issued.

Notes to Standalone Financial Statements

Note 16 : Current Investments

Investee Company / Entity	Face value			Notes	Amount in ₹ Crore	
		Current Year	Previous Year		Current Year	Previous Year
Optionally Convertible Loan Notes / Promissory Notes :						
Unquoted :						
Boston Analytics Inc. (15%)	\$750,000	-	-	(a)	3.00	3.00
Less : Provision for Diminution in the Value of Investment					<u>(3.00)</u>	<u>(3.00)</u>
					-	-
Boston Analytics Inc. (20%)	\$1,550,000	-	-	(a)	6.73	6.73
Less : Provision for Diminution in the Value of Investment					<u>(6.73)</u>	<u>(6.73)</u>
					-	-
Boston Analytics Inc. (12%)	\$950,000	-	-	(b)	4.69	4.69
Less : Provision for Diminution in the Value of Investment					<u>(4.69)</u>	<u>(4.69)</u>
					-	-
Total					<u>-</u>	<u>-</u>
Aggregate Amount of Quoted Investments					-	-
Aggregate Amount of Unquoted Investments					14.42	14.42
Aggregate Provision for Diminution in Value of Investments					14.42	14.42
Market Value of Quoted Investments					-	-

Notes :

- (a) The Optionally Convertible Promissory Notes (15%) of Boston Analytics Inc. in respect of which the Company did not exercise the conversion option and Boston Analytics Inc. promissory notes (20%) where there was a partial conversion option which the Company did not exercise, were due for redemption on June 30, 2009 and August 21, 2009, respectively. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
- (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.

Notes to Standalone Financial Statements

Note 17 : Inventories

	Amount ₹ in Crore	
	Current Year	Previous Year
Raw Material	103.07	50.40
Packing Material	2.83	2.19
Work in Progress	73.93	71.51
Finished Goods (Includes In Transit ₹ 0.01 crore, previous year ₹ 0.00 crore*)	38.93	35.15
Stock in Trade	0.90	0.05
Stores and Spares	6.81	7.04
Total	226.47	166.34

* Amount less than ₹ 0.01 crore

Note :

- (1) Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of cenvat.

Note 18 : 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	0.01	-
(b) Others	8.12	11.45
Unsecured		
Considered Good		
(a) Outstanding for a period exceeding six months from the date they are due for payment	0.58	-
(b) Others	196.74	92.85
Considered Doubtful		
(a) Outstanding for a period exceeding six months from the date they are due for payment	1.14	0.99
(b) Allowance for Doubtful Debts	(1.14)	(0.99)
Total	205.45	104.30

Note :

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

Notes to Standalone Financial Statements

Note 19 : Cash and Bank Balances

	Amount ₹ in Crore	
	Current Year	Previous Year
Cash and Cash Equivalents		
Balances with Banks		
(a) Current Accounts	6.63	12.97
(b) Deposits having maturity less than 3 months - refer note 1 below	0.19	85.09
Stamps on Hand*	0.00	0.00
Cash on Hand	0.29	0.37
	7.11	98.43
Other Bank Balances		
(a) Deposit with more than 3 months but less than 12 months maturity - refer note 1 below	4.00	8.52
(b) Other Bank Balances - Unclaimed Dividend	0.52	0.35
Total	11.63	107.30

* Amount less than ₹ 0.01 crore

Note :

(1) Fixed Deposit of ₹ 0.19 crore (previous year ₹ 0.21 crore) is held by bank as security against guarantees issued.

Notes to Standalone Financial Statements

Note 20 : Short Term Loans and Advances

	Current Year	Amount ₹ in Crore Previous Year
Unsecured		
(a) Loans and Advance		
(i) Loans to Employees	0.18	0.19
(ii) Loan to GIL ESOP Trust		
Considered Good	18.91	46.75
Considered Doubtful	5.70	16.70
	<u>24.61</u>	<u>63.45</u>
Less : Provision for Doubtful Loans	(5.70)	(16.70)
	18.91	46.75
(iii) Advances to Vendors		
Considered Good	11.10	0.94
Considered Doubtful	0.65	0.37
Less : Provision for Doubtful Advances	(0.65)	(0.37)
	11.10	0.94
(iv) Other Advances		
Considered Good	18.30	39.28
Considered Doubtful	0.09	0.28
Less : Provision for Doubtful Advances	(0.09)	(0.28)
	18.30	39.28
(b) Inter Corporate Deposit		
Considered Doubtful	5.77	5.77
Less : Provision for Doubtful Inter Corporate Deposit	(5.77)	(5.77)
	-	-
(c) Deposits		
(i) Statutory Authorities	20.75	17.08
(ii) Others	4.28	7.38
Total	<u>73.52</u>	<u>111.62</u>

Notes to Standalone Financial Statements

Note 20 : Short-Term Loans and Advances (Contd.)

(1) Details of Loans as per Section 186 (4) of Companies Act, 2013.

	Amount ₹ in Crore	
	Maximum Balance during the year	Amount
(a) Investments by the loanee in the shares of parent company and subsidiary company (without considering the ESOP Trust Loan Liability)		
(i) GIL ESOP Trust	63.45	24.62
<i>Previous Year</i>	66.77	63.45
(b) Loans to Employees (as per Policy of the Company)	0.19	0.18
<i>Previous Year</i>	0.23	0.19
(c) Other Loans		
Mr. A. Mahendran	-	-
<i>Previous Year</i>	9.46	-
(d) Inter Corporate Deposit		
Tricom India Limited	5.77	5.77
<i>Previous Year</i>	5.77	5.77

Note 21 : Other Current Assets

	Amount ₹ in Crore	
	Current Year	Previous Year
Interest Accrued on Loans and Deposits	-	1.20
Other Receivables	126.56	28.46
Forward Cover Contracts Receivable	1.10	2.02
Assets held for Sale	7.58	3.93
Less : Provision for write down in value	(4.00)	-
	3.58	3.93
Total	131.24	35.61

Notes to Standalone Financial Statements

Note 22 : Contingent Liabilities

	Amount ₹ in Crore	
	Current Year	Previous Year
a) Claims against the Company not acknowledged as debts :		
(i) Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Company has contested and is in appeal at various levels.	17.03	17.35
(ii) Customs Duty demands relating to lower charge, differential duty, classification, etc.	4.21	4.21
(iii) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales etc. at various levels.	46.68	45.59
(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 Company.	1.82	1.82
(vi) Income tax demands against which the Company has preferred appeals.	57.28	59.61
(vii) Industrial relations matters under appeal.	2.33	2.33
(viii) Others	1.87	7.46
b) Guarantees / Surety Bonds :		
(i) Guarantees issued by banks, including guarantees issued in respect of matters reported in (a) above.	32.30	36.88
(ii) Surety Bonds given by the Company in respect of refund received from excise authority for exempted units of associate company - refer note 1 below.	24.88	19.86
c) Other Money for which the Company is Contingently Liable :		
Letters of credit issued by bank on behalf of the Company.	9.08	19.22

Notes :

- Detail of Surety Bonds given covered under Section 186 (4) of the Companies Act, 2013 :
The Corporate Surety Bonds of ₹ 24.88 crore is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.
- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its Financial Statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its Financial results.

Note 23 : Commitments

	Amount ₹ in Crore	
	Current Year	Previous Year
a) Estimated amount of contracts remaining to be executed on capital account and not provided for : (Net of Advances amounting to ₹ 6.04 crore, previous year ₹ 15.92 crore)	14.88	44.35
b) Uncalled liability on partly paid shares / debentures (*)	0.00	0.00
c) Other Commitments : Contracts for Purchase of Raw Material	175.85	78.88

* Amount less than ₹ 0.01 crore

Notes to Standalone Financial Statements

Note 24 : Revenue From Operations

	Amount ₹ in Crore	
	Current Year	Previous Year
Sale of Products	1,277.95	1,392.99
Licence Fees and Service Charges	12.32	12.09
Other Operating Revenues		
(a) Export Incentives	11.74	15.11
(b) Processing Charges	0.95	2.66
(c) Sale of Scrap	2.06	1.80
(d) Dividend Income : (refer note 1 below)		
(i) Subsidiary Companies	47.90	67.61
(ii) Other Long-Term Investments	44.28	40.84
(e) Share of Profit for the year from LLP	1.17	14.69
Total Gross Revenue From Operations	1,398.37	1,547.79
Excise Duty	(88.86)	(93.15)
Total	1,309.51	1,454.64

Note :

- (1) Dividend Income has been disclosed under Revenue from Operations since Finance and Investments is an Operating Business Segment for the Company.

Note 25 : Other Income

	Amount ₹ in Crore	
	Current Year	Previous Year
Interest Income	2.63	18.19
Profit on Sale of Fixed Assets (net)	-	3.99
Profit on Sale of Current Investments	3.28	2.01
Write back of Provision of Doubtful loan	11.00	-
Miscellaneous Income	11.32	10.08
Total	28.23	34.27

Notes to Standalone Financial Statements

Note 26 : Cost of Materials Consumed

	Amount ₹ in Crore	
	Current Year	Previous Year
Raw Materials Consumed		
(a) Inventory at the Commencement of the Year	50.40	93.54
(b) Add : Purchases (net)	843.16	863.35
	893.56	956.89
(c) Less : Inventory at the Close of the Year	(103.07)	(50.40)
	790.49	906.49
Packing Materials Consumed		
(a) Inventory at the Commencement of the Year	2.19	1.91
(b) Add : Purchases (net)	38.96	36.20
	41.15	38.11
(c) Less : Inventory at the Close of the Year	(2.83)	(2.19)
	38.32	35.92
Total	828.81	942.41

Note 27 : 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	35.15	58.59
(b) Work in Progress	71.51	74.20
(c) Stock in Trade	0.05	0.05
	106.71	132.84
Less: Inventory at the Close of the Year		
(a) Finished Goods	(38.93)	(35.15)
(b) Work in Progress	(73.93)	(71.51)
(c) Stock in Trade	(0.90)	(0.05)
	(113.76)	(106.71)
Total	(7.05)	26.13

Note 28 : Employee Benefits Expense

	Amount ₹ in Crore	
	Current Year	Previous Year
Salaries and Wages	118.52	102.49
Contribution to Provident and Other Funds	8.24	11.61
Expense on Employee Stock Option Scheme	3.54	1.29
Staff Welfare Expense	10.26	8.43
Total	140.56	123.82

Notes to Standalone Financial Statements

Note 29 : Finance Costs

	Amount ₹ in Crore	
	Current Year	Previous Year
Interest Expense (Gross)	170.82	119.75
Less : Capitalised to Fixed Assets	-	(22.52)
Interest Expense (net)	170.82	97.23
Other Borrowing Costs	21.16	50.94
Total	191.98	148.17

Note 30 : Other Expenses

	Amount ₹ in Crore	
	Current Year	Previous Year
Consumption of Stores and Spares	9.40	7.10
Power and Fuel	81.63	112.84
Processing Charges	4.29	5.35
Rent - refer note 1 below	4.14	5.00
Rates and Taxes	5.76	7.28
Repairs and Maintenance		
(a) Machinery	17.68	9.88
(b) Buildings	6.52	4.81
(c) Other assets	0.43	0.37
Insurance	1.17	1.43
Freight	27.16	39.74
Commission	4.33	3.90
Discount	4.43	4.35
Advertisement and Publicity	3.85	11.08
Selling and Distribution Expenses	9.27	6.70
Provision for Doubtful Debts and Advances	0.48	0.68
Provision for Depletion in the value of Investment	-	6.13
Provision / (Write back) for Excise Duty on Closing Inventory	2.06	(1.94)
Loss on Foreign Exchange Translation	1.24	7.56
Premium / (Discounts) on Forward Exchange Contracts	0.48	(2.35)
Loss on Sale of Fixed Assets	0.70	-
Research Expense	0.80	0.37
Legal and Professional fees	20.49	16.00
Miscellaneous Expenses - refer note 2 below	49.77	37.56
Total	256.08	283.84

Notes :

- (1) The rental expenses amounting to ₹ 7.99 crore (previous year ₹ Nil) are netted off with rental income in respect of certain premises in the same building.
- (2) In the previous year, 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 had been considered as expenses of the Company.

Notes to Standalone Financial Statements

Note 31 : Exceptional Items

	Amount ₹ in Crore	
	Current Year	Previous Year
(i) Profit on Sale of Long Term Investments	246.94	199.61
(ii) Write back of Diminution in Value of Investments	22.04	-
	268.98	199.61

Note 32 : 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	335,881,974	335,455,260
(b) Number of equity shares issued during the year	106,833	426,714
(c) Number of equity shares outstanding at the end of the year	335,988,807	335,881,974
Weighted average number of equity shares outstanding during the year	335,914,188	335,517,405
2. Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year	336,153,734	335,825,871
(b) Number of potential equity shares outstanding at the end of the year	336,321,903	336,153,734
Weighted average number of potential equity shares outstanding during the year	336,235,519	335,896,235
3. Net Profit After Tax (Amount ₹ in crore)	157.30	148.81
4. Basic Earnings per share of ₹ 1 each	4.6827	4.4352
5. Diluted Earnings per share of ₹ 1 each	4.6783	4.4302

Note 33 : Auditor's Remuneration

	Amount ₹ in Crore	
	Current Year	Previous Year
Audit Fees	0.54	0.54
Tax Audit Fees	0.08	0.08
Taxation Matters	0.20	0.25
Certification and Other Services	0.09	0.11
Reimbursement of Expenses	0.01	0.01
Total	0.92	0.99

Notes to Standalone Financial Statements

Note 34 : Consumption of Raw Materials and Purchase of Goods

	Amount ₹ in Crore	
	Current Year	Previous Year
Raw Material Consumed		
(i) Oils and Fats	469.16	579.67
(ii) Chemicals & Catalyst	283.96	264.00
(iii) Packing Materials	38.32	35.92
(iv) Others	37.37	62.82
Total	828.81	942.41
Purchase of Goods		
Refined Oil, Soaps, Toiletries, etc	1.73	3.39

Note 35 : Sales and Inventory of Finished Goods

Product	Amount ₹ in Crore			
	Sales		Inventory of Finished Goods	
	Current Year	Previous Year	Current Year	Previous Year
(i) Fatty Acids	376.40	422.40	10.87	12.42
(ii) Glycerin	73.13	71.12	0.71	0.39
(iii) Fatty Alcohol	388.90	522.68	17.56	11.97
(iv) Surfactants	266.44	256.43	6.75	8.94
(v) Oleo Derivatives	23.21	20.31	1.74	1.43
(vi) Oils & Vanaspati	57.29	-	1.30	-
(vii) Others	3.72	6.90	0.90	0.05
Total	1,189.09	1,299.84	39.83	35.20

Note 36 : Inventory of Work in Progress

	Amount ₹ in Crore	
	Current Year	Previous Year
(i) Fatty Acids	57.81	53.67
(ii) Glycerin	0.74	1.13
(iii) Fatty Alcohol	7.29	12.18
(iv) Surfactants	7.19	4.52
(v) Oleo Derivatives	0.23	0.01
(vi) Oils & Vanaspati	0.67	-
Total	73.93	71.51

Note 37 : Value of Imports on CIF Basis (includes only Imports directly made)

	Amount ₹ in Crore	
	Current Year	Previous Year
Raw Materials	260.14	309.67
Spare Parts and Components	0.88	1.93
Capital Goods	6.45	6.65
Total	267.47	318.25

Notes to Standalone Financial Statements

Note 38 : Expenditure in Foreign Currency

	Amount ₹ in Crore	
	Current Year	Previous Year
Borrowing Cost	24.72	16.34
Travelling	2.32	1.71
Other Expenditure	7.51	6.72
Foreign Branch Expenses :		
(a) Salaries and Allowance	1.92	2.15
(b) Rent (*)	0.09	0.00
(c) Others	0.02	0.03
Total	36.58	26.95

* Amount less than ₹ 0.01 crore.

Note 39 : Consumption of Imported and Indigenous Raw Materials, Spare Parts and Components

	Current Year		Previous Year	
	Amount ₹ in Crore	%	Amount ₹ in Crore	%
Raw Materials				
Imported (including duty content)	255.49	31	348.01	37
Indigenous	573.32	69	594.40	63
Total	828.81	100	942.41	100
Spare Parts and Components				
Imported (including duty content)	0.93	10	1.80	25
Indigenous	8.47	90	5.30	75
Total	9.40	100	7.10	100

Note 40 : Dividends Remitted in Foreign Currency

(subject to deduction of tax, as applicable)

	Amount ₹ in Crore	
	Current Year	Previous Year
Final Dividend for Financial Year 2014-15 to 5 shareholders on 2,790 equity shares, and Interim Dividend during Financial Year 2015-16 to 6 shareholders on 3,330 equity shares*	0.00	
(Previous year Final Dividend for Financial Year 2013-14 to 5 shareholders on 2,790 equity shares *)		0.00
Total	0.00	0.00

* Amount less than ₹ 0.01 crore.

Note 41 : Earnings in Foreign Currency

	Amount ₹ in Crore	
	Current Year	Previous Year
Export of Goods on FOB Basis	380.65	493.04
Sale of Investments	96.89	-
Total	477.54	493.04

Notes to Standalone Financial Statements

Note 42 : Employee Stock Benefit Plans

1. Employee Stock Option Plans

- a) In December 2005, the Company had instituted an Employee Stock Option Plan I (GIL ESOP I) as approved by the Board of Directors and the Shareholders, for the allotment of 1,500,000 options, increased to 9,000,000 options on split of shares convertible into 9,000,000 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 600,000 options.

In July 2009, the Company had instituted an Employee Stock Option Plan II (GIL ESOP II) as approved by the Board of Directors and the Shareholders, for the allotment of 9,000,000 options convertible into 9,000,000 shares of ₹ 1 each to eligible employees of participating companies. The maximum number of options that may be granted per employee per year shall not exceed 1,000,000 options.

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

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	2,447,000	399.70	2,923,450	391.21
Options Exercised During the Year	249,000	249.74	214,000	250.05
Options Forfeited / Expired During the Year	148,500	239.09	262,450	286.17
Options Outstanding at the Year End	2,049,500	420.63	2,447,000	399.70

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	398,750	376.84	511,250	372.37
Options Exercised During the Year	68,250	369.06	7,500	231.93
Options Forfeited / Expired During the Year	100,000	355.60	105,000	310.07
Options Outstanding at the Year End	230,500	377.99	398,750	376.84

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

During the previous year, GIL ESOP Trust had received 3,348 bonus shares. The total excess shares at the year end are 566,298 (previous year 1,268,487).

The overall weighted average balance life of options outstanding as on March 31, 2016 is 0.96 years.

The weighted average balance life of options outstanding as on March 31, 2016 for ESOP I is 1.01 years and for ESOP II is 0.45 years.

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

Notes to Standalone Financial Statements

Note 42 : Employee Stock Benefit Plans (Contd.)

- b) Prior to the SEBI notification mentioned in Para 1(a) above, the independent ESOP Trust had purchased equity shares of the Company from the market equivalent to the number of stock options granted from time to time to the eligible employees. These purchases are financed by loans from the respective participating companies. The Company has given a loan which along with interest thereon amounts to ₹ 24.62 crore (previous year ₹ 63.45 crore) (Net of provision ₹ 5.70 crore, previous year ₹ 16.70 crore) for financing the purchase of equity shares from the market equivalent to the number of option granted to the employees of the Company.

The repayment of the loans granted to the ESOP Trust and the interest payable by the Trust on the said loans is dependent on the exercise of the options by the employees during the exercise period and / or the market price of the underlying equity shares of the unexercised options at the end of the exercise period.

2. Employee Stock Grant Scheme

- 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 2,500,000 (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 :

	Numbers	
	Current Year	Previous Year
Options Outstanding at the Beginning of the Year	271,760	370,611
Options Granted	168,084	112,747
Options Vested	109,370	158,957
Options Exercised	106,748	158,957
Options Lapsed / Forfeited	-	52,641
Total Options Outstanding at the end of the year	333,096	271,760

Notes to Standalone Financial Statements

Note 42 : Employee Stock Benefit Plans (Contd.)

Note : In the previous year, as per the Scheme of Amalgamation of Wadala Comomodities Limited with the Company, 303 bonus shares on ESGS were granted. In the current year 85 bonus shares (previous year 127 bonus shares) were vested and exercised.

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 ₹ 3.54 crore has been recognised in Statement of Profit and Loss.

The fair value of the share under employee stock option plans and employee stock grant scheme 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.

Amount ₹ in Crore

Particulars	Current Year	Previous Year
Net Profit (as reported)	157.30	148.81
(Less) : Employee Stock Option Plans compensation expense determined under fair value based method (Proforma)	(0.06)	(0.64)
(Less) / Add : Difference in Employee Stock Grant Scheme compensation expense determined under fair value method and intrinsic value method (Proforma)	(0.59)	0.57
Net Profit (Proforma)	156.65	148.74
Basic Earnings ₹ per share (as reported)	4.6827	4.4352
Basic Earnings ₹ per share (Proforma)	4.6634	4.4332
Diluted Earnings ₹ per share (as reported)	4.6783	4.4302
Diluted Earnings ₹ per share (Proforma)	4.6589	4.4282

Notes to Standalone Financial Statements

Note 43 : 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 Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of ICICI Prudential Life Insurance Co. Ltd., HDFC Standard Life Insurance Co. Ltd. and SBI Life Insurance Co. Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees.

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

Provident Fund :

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

Pension :

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

c) Basis Used to Determine Expected Rate of Return on Assets :

The expected return on plan assets of 7.86% p.a. has been considered based on the current investment pattern in Government securities.

d) Amounts Recognised as Expense :

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to ₹ 2.55 crore (previous year ₹ 2.54 crore) has been included in Note 28 Employee Benefits Expense.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 3.44 crore (previous year ₹ 5.89 crore) has been included in Note 28 Employee Benefits Expense.

Employer's Contribution to Provident Fund amounting to ₹ 2.85 crore (previous year ₹ 2.81 crore) has been included in Note 28 Employee Benefits Expense.

Pension cost amounting to ₹ 0.28 crore (previous year ₹ (-) 0.09 crore) has been included in Note 28 Employee Benefits Expense.

Notes to Standalone Financial Statements

Note 43 : Employee Benefits (Contd.)

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

	Gratuity		Pension	
	Current Year	Previous Year	Current Year	Previous Year
Amount ₹ in Crore				
i) Change in Present Value of Obligation				
Present value of the obligation at the beginning of the year	37.00	32.52	0.26	0.42
Current Service Cost	1.37	1.14	-	-
Interest Cost	2.93	3.04	-	-
Actuarial (Gain) / Loss on Obligation	1.19	5.69	0.27	(0.10)
Benefits Paid	(5.54)	(5.39)	(0.07)	(0.06)
Present value of the obligation at the end of the year	36.95	37.00	0.46	0.26
ii) Change in Plan Assets				
Fair value of Plan Assets at the beginning of the year	31.19	32.59	-	-
Expected return on Plan Assets	2.47	3.05	-	-
Actuarial (Gain) / Loss on Plan Assets	0.42	(0.94)	-	-
Contributions by the Employer	5.85	-	-	-
Benefits Paid	(5.54)	(5.39)	-	-
Fair value of Plan Assets at the end of the year	33.55	31.19	-	-
iii) Amounts Recognised in the Balance Sheet :				
Present value of Obligation at the end of the year	36.95	37.00	-	-
Fair value of Plan Assets at the end of the year	33.55	31.19	-	-
Net Obligation at the end of the year	3.40	5.81	-	-
iv) Amounts Recognised in the statement of Profit and Loss :				
Current Service Cost	1.37	1.14	-	-
Interest cost on Obligation	2.93	3.04	-	-
Expected return on Plan Assets	(2.47)	(3.05)	-	-
Net Actuarial (Gain) / Loss recognised in the year	1.61	4.76	-	-
Net Cost Included in Personnel Expenses	3.44	5.89	-	-
v) Actual Return on Plan Assets	2.05	3.99	-	-
vi) Estimated Contribution to be made in Next Financial Year	3.64	3.63	-	-
vii) Actuarial Assumptions				
i) Discount Rate	7.86% p.a.	7.92% p.a.	7.86% p.a.	7.92% p.a.
ii) Expected Rate of Return on Plan Assets	7.86% p.a.	7.92% p.a.	-	-
iii) Salary Escalation Rate	5.00% p.a.	5.00% p.a.	-	-
iv) Employee Turnover	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.
v) Mortality	Indian Assured Lives Mortality (2006-08) Ultimate			

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

April 11 to March 12
 April 12 to March 13
 April 13 to March 14
 April 14 to March 15
 April 15 to March 16

Amount ₹ in Crore

	On Plan Liabilities	On Plan Assets
	1.43	0.26
	2.84	(0.23)
	0.63	(0.72)
	2.24	(0.95)
	1.09	(0.42)

Note : Information has been furnished to the extent available with the Company

Notes to Standalone Financial Statements

Note 44 : Related Party Information

a) Names of related parties and description of relationship

Parties where control exists

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

Subsidiary Companies

Godrej Agrovvet Ltd.

- Godrej Seeds & Genetics Ltd.
- Godvet Agrochem Ltd.
- Astec LifeSciences Ltd. (subsidiary w.e.f. October 12, 2015)
 - Behram Chemicals Private Limited
 - Astec Europe Sprl
 - Comercializadora Agricola Agroastrachem Cia Ltda
 - Astec Crop Care Private Ltd. (up to February 17, 2016)
- Creamline Dairy Products Ltd. (subsidiary w.e.f. December 21, 2015)
 - Nagavalli Milkline Pvt. Ltd.

Godrej Properties Ltd.

- Godrej Realty Pvt. Ltd.
- Godrej Real Estate Pvt. Ltd.
- Happy Highrises Ltd.
 - Godrej Prakriti Facilities Private Limited (subsidiary of Happy Highrises Ltd. w.e.f. June 9, 2015)
 - Godrej Genesis Facilities Management Private Limited (subsidiary of Happy Highrises Ltd w.e.f. February 19, 2016)
- Godrej Buildwell Pvt. Ltd. (merged with Godrej Properties Limited w.e.f. April 29, 2015)
- Godrej Buildcon Pvt. Ltd.
- Godrej Projects Development Pvt. Ltd.
 - Godrej Redevelopers (Mumbai) Pvt. Ltd.
- Godrej Premium Builders Pvt. Ltd. (merged with Godrej Properties Limited w.e.f. August 21, 2015)
- Godrej Garden City Properties Pvt. Ltd.
- Godrej Landmark Redevelopers Pvt. Ltd.
- Godrej Green Homes Ltd.
- Godrej Home Developers Pvt. Ltd.
- Godrej Hill Side Properties Pvt. Ltd.
- Godrej Greenview Housing Private Limited (subsidiary w.e.f. May 15, 2015)
- Godrej Investment Advisers Private Limited (subsidiary w.e.f. October 29, 2015)
 - Godrej Fund Management Pte. Ltd. (Incorporated in Singapore) (w.e.f. January 25, 2016)
- Godrej Highrises Properties Private Limited (subsidiary w.e.f. June 26, 2015)
- Wonder Projects Development Private Limited (subsidiary w.e.f. June 24, 2015)
- Godrej Property Developers LLP
- Mosiac Landmark LLP
- Dream World Landmarks LLP
- Godrej SSPDL Green Acres LLP (formerly know as SSPDL Green Acres LLP)
- Oxford Realty LLP
- Oasis Landmarks LLP
- M S Ramaiah Ventures LLP

Notes to Standalone Financial Statements

Note 44 : Related Party Information (Contd.)

- Caroa Properties LLP
- Amitis Developers LLP
- Godrej Housing Projects LLP
- Godrej Construction Projects LLP
- Godrej Highrises Realty LLP (w.e.f. April 22, 2015)
- Godrej Land Developers LLP (w.e.f. April 22, 2015)
- Godrej Developers & Properties LLP (w.e.f. April 22, 2015)
- Godrej Project Developers & Properties LLP (w.e.f. June 16, 2015)

Natures Basket Ltd.

Ensemble Holdings & Finance Ltd.

Godrej International Ltd. (Incorporated in Isle of Man)

Godrej International Trading & Investments Pte Ltd. (Incorporated in Singapore)

Godrej International Ltd. (Labuan, Malaysia)

Godrej Vikhroli Properties LLP (up to July 21, 2015)

GIL Vikhroli Real Estate Ltd. (w.e.f. July 20, 2015 and up to March 15, 2016)

Fellow Subsidiaries

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)

Godrej Infotech Ltd.

- Godrej Infotech Americas Inc. (wholly-owned subsidiary incorporated in North Carolina, USA)

- Godrej Infotech (Singapore) Pte. Ltd. (wholly-owned subsidiary incorporated in Singapore)

- LVD Godrej Infotech NV (Incorporated in Belgium)

Veromatic International BV (Incorporated in Netherlands)

- Veromatic Services BV (Incorporated in Netherlands)

- Prowama Trading BV (Incorporated in Netherlands) (formerly Water Wonder Benelux BV) liquidated on December 28, 2015

Mercury Mfg. Co. Ltd.

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

Godrej Americas Inc. (wholly-owned subsidiary incorporated in USA)

First Rock Infrastructures Pvt. Ltd. (wholly-owned subsidiary)

MiracleTouch Developers Pvt. Ltd. (wholly-owned subsidiary)

India Circus Retail Pvt. Ltd. (subsidiary w.e.f. December 16, 2015)

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

Godrej South Africa Pty Ltd.

Laboratoria Cuenca S.A.

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

Associate / Joint Venture Companies

Godrej One Premises Management Pvt. Ltd. (w.e.f. July 22, 2015)

Godrej Consumer Products Ltd. (also a fellow subsidiary)

Notes to Standalone Financial Statements

Note 44 : Related Party Information (Contd.)

Godrej Netherlands BV

- Godrej Consumer Investments (Chile) Spa
 - Godrej Holdings (Chile) Limitada, (Incorporated in Chile)
 - Cosmetica Nacional, (Incorporated in Chile)
 - Plasticos Nacional, (Incorporated in Chile)
- Godrej UK Ltd.
 - Godrej Consumer Products (UK) Ltd.

Godrej Global Mid East FZE

Godrej Consumer Products Mauritius Ltd.

- Godrej Nigeria Ltd. (Incorporated in Nigeria)

Godrej Consumer Products Holding (Mauritius) Ltd. (Incorporated in Mauritius)

- Indovest Capital Ltd. (Incorporated in Malaysia)
- Godrej Consumer Products Dutch Cooperatief UA, (Incorporated in Netherlands)
 - Godrej Argentina Dutch Cooperatief UA (Incorporated in Netherlands) (subsidiary of Godrej Consumer Products Mauritius Ltd.) merged into Godrej Consumer Products Dutch Cooperatief UA w.e.f. March 31, 2016
- Godrej Consumer Products (Netherlands) BV (Incorporated in Netherlands)
 - Godrej Netherlands Argentina Holding BV (Incorporated in Netherlands) (subsidiary of Godrej Argentina Dutch Cooperatief UA) merged into Godrej Consumer Products Netherlands BV w.e.f. March 31, 2016
- Godrej Consumer Holdings (Netherlands) BV (Incorporated in Netherlands)
 - Godrej Netherlands Argentina BV (Incorporated in Netherlands) (subsidiary of Godrej Argentina Dutch Cooperatief UA) merged into Godrej Consumer Holding Netherlands BV w.e.f. March 31, 2016
 - Panamar Produccioness S.A (Incorporated in Argentina)
 - Argencos S.A. (Incorporated in Argentina)
 - Issue Group Brazil Ltd. (Incorporated in Brazil)
 - Deciral S.A. (Incorporated in Uruguay)
 - Consell S.A . (Incorporated in Argentina)
 - PT Megasari Makmur (Incorporated in Indonesia)
 - PT Intrasari Raya (Incorporated in Indonesia)
 - PT Ekamas Sarijaya (Incorporated in Indonesia)
 - PT Indomas Susemi Jaya (Incorporated in Indonesia)
 - PT Sarico Indah (Incorporated in Indonesia)
- Godrej Indonesia IP Holdings Ltd. (Incorporated in Mauritius)

Godrej Household Products Lanka (Pvt.) Ltd. (Incorporated in Sri Lanka)

Godrej Household Products (Bangladesh) Pvt. Ltd. (Incorporated in Bangladesh)

Godrej Consumer Products (Bangladesh) Ltd. (Incorporated in Bangladesh)

Godrej Mauritius Africa Holdings Ltd.

- Godrej West Africa Holdings Ltd.
 - Subinite Pty Ltd. (Incorporated in South Africa)
 - Weave IP Holding Mauritius Pvt. Ltd. (Incorporated in Mauritius)
 - Weave Mozambique Limitada (Incorporated in Mozambique)
- Weave Trading Mauritius Pvt. Ltd. (Incorporated in Mauritius)
 - Hair Trading (Offshore) S. A. L. (Incorporated in Lebanon)

Notes to Standalone Financial Statements

Note 44 : Related Party Information (Contd.)

- Weave Ghana Ltd. (Incorporated in Ghana)
- Lorna Nigeria Ltd. (Incorporated in Nigeria)
- Kinky Group (Proprietary) Limited
- Darling Trading Company Mauritius Ltd. (Incorporated in Mauritius)
- Godrej Africa Holdings Ltd. (Incorporated in Mauritius)
- Frika Weave (Pty) Ltd. (Incorporated in South Africa)
- Godrej Indonesia IP Holdings Limited
 - Godrej Mideast Holdings Limited (Incorporated in Dubai)
- Godrej East Africa Holdings Ltd. (Incorporated in Mauritius)
 - DGH Phase Two Mauritius (Incorporated in Mauritius)
 - Style Industries Ltd. (Incorporated in Kenya)
- Godrej Tanzania Holdings Ltd. (Incorporated in Mauritius)
 - DGH Tanzania Ltd. (Incorporated in Tanzania)
 - Sigma Hair Ind Ltd. (Incorporated in Tanzania)
- Godrej Consumer Products US Holding Limited (Incorporated in Mauritius) (w.e.f. March 29, 2016)
- Belaza Mozambique LDA (w.e.f. April 30, 2015)
- Charm Industries Ltd. (w.e.f. August 14, 2015)
- DGH Angola (name changed from Godrej Megasari Holdings)
- Godrej Hair Care Nigeria Limited (w.e.f. January 12, 2016)
- Godrej Household Insecticide Nigeria Ltd. (w.e.f. January 12, 2016)
- Hair Credentials Zambia Limited (w.e.f. December 23, 2015)
- Godrej SON Holdings Inc. (Incorporated in USA) (w.e.f. March 24, 2016)

Key Management Personnel

- Mr. A. B. Godrej - Chairman
- Mr. N. B. Godrej - Managing Director
- Ms. T. A. Dubash - Executive Director & Chief Brand Officer
- Mr. N. S. Nabar - Executive Director & President (Chemicals)
- Mr. P. Ganesh - Chief Financial Officer & Company Secretary (up to April 30, 2016)

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

Enterprises over which key management personnel exercise significant influence

- Anamudi Real Estates LLP
- Godrej Investments Pvt. Ltd.
- Vora Soaps Ltd.
- Godrej Tyson Foods Ltd.

Notes to Standalone Financial Statements

Note 44 : Related Party Information (Contd.)

Amount ₹ in Crore

b) Transactions with Related Parties

Nature of Transaction	Holding Company	Subsidiary Companies	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	0.31	0.14	4.75	27.42	-	-	-	32.62
Previous Year *	-	0.01	5.21	23.71	-	-	-	28.93
Sale of Fixed Assets	-	-	-	-	-	-	-	-
Previous Year	-	0.14	-	0.10	-	-	-	0.24
Purchase of Goods	-	-	-	10.32	-	-	-	10.32
Previous Year	0.15	-	-	15.69	-	-	-	15.84
Purchase of Fixed Assets	11.39	12.87	-	-	-	-	-	24.26
Previous Year	18.87	-	-	4.62	-	-	104.94	128.43
Commission / Royalty received	-	0.07	-	0.15	-	-	-	0.22
Previous Year	-	0.21	-	0.06	-	-	-	0.27
Licence fees/Service charges/Storage Income	0.01	5.64	-	7.82	-	-	0.04	13.51
Previous Year	0.13	4.14	-	4.79	-	-	0.76	9.82
Other Income	0.01	0.17	-	0.72	-	-	0.06	0.96
Previous Year *	0.00	0.23	-	0.46	-	-	0.00	0.69
Recovery of Establishment & Other Expenses	3.10	14.36	-	14.84	-	-	2.21	34.51
Previous Year	-	12.39	-	13.38	-	-	0.16	25.93
Rent, Establishment & Other Expenses paid	2.64	1.19	-	12.64	-	0.84	0.01	17.32
Previous Year	2.44	0.48	0.01	3.97	-	0.79	0.01	7.70
Interest received	-	-	-	-	-	-	-	-
Previous Year *	-	0.00	-	-	-	-	-	0.00
Interest paid	-	-	-	-	-	0.11	-	0.11
Previous Year	-	-	-	-	0.06	0.41	-	0.47
Dividend Income	-	47.90	-	44.28	-	-	-	92.18
Previous Year	-	67.61	-	40.84	-	-	-	108.45
Dividend paid	67.87	-	-	-	1.93	7.04	-	76.84
Previous Year	32.94	-	-	-	0.96	3.52	-	37.42
Remuneration	-	-	-	-	12.71	-	-	12.71
Previous Year	-	-	-	-	9.05	-	-	9.05
Purchase of Investments *	79.34	219.04	-	0.00	-	-	-	298.38
Previous Year	316.74	54.11	-	-	-	-	-	370.85
Sale of Investments	175.28	147.45	-	-	-	-	-	322.73
Previous Year	255.64	-	-	-	-	-	-	255.64
Other Deposits accepted	-	0.14	-	-	-	-	-	0.14
Previous Year	-	0.68	-	-	-	-	-	0.68
Other Deposits refunded	-	0.31	-	-	-	2.03	0.10	2.44
Previous Year	-	0.31	-	0.04	-	6.68	-	7.03
Shares in Subsidiary Company acquired under scheme of arrangement	-	152.00	-	-	-	-	-	152.00
Previous Year	-	-	-	-	-	-	-	-
Other Deposits - Advanced	-	-	-	-	-	-	-	-
Previous Year	0.06	-	-	0.07	-	-	-	0.13
Other Deposits - Repayment received	-	-	-	-	-	-	-	-
Previous Year	0.06	-	-	0.07	-	-	-	0.13
Share of profit in LLP	-	1.17	-	-	-	-	-	1.17
Previous Year	-	-	-	14.69	-	-	-	14.69
Directors Fees	-	-	-	-	0.10	-	-	0.10
Previous Year	-	-	-	-	0.11	-	-	0.11
Balance Outstanding as on March 31, 2016								
Receivables	3.68	4.85	1.12	3.78	-	-	0.09	13.52
Previous Year	0.15	2.12	0.70	14.62	-	-	0.50	18.09
Payables	0.49	0.06	-	1.20	-	-	0.12	1.87
Previous Year	0.40	0.02	-	7.62	-	-	-	8.04
Public Deposits Outstanding	-	-	-	-	-	0.02	-	0.02
Previous Year	-	-	-	-	0.58	2.50	-	3.08

* Amount less than ₹ 0.01 crore

Notes to Standalone Financial Statements

Note 44 : Related Party Information (Contd.)

c) The significant Related Party transactions are as under :

Amount ₹ in Crore

Nature of Transaction	Current Year	Previous Year	Nature of Transaction	Current Year	Previous Year
Sale of Goods			Directors Fees		
- Godrej Consumer Products Ltd.	26.61	23.71	- Mr. A. B. Godrej	0.10	0.11
- Laboratorio Cuenca S.A.	3.99	4.10			
- PT Megasari Makmur	0.80	-	Interest paid		
- Godrej South Africa Pty Ltd.	0.76	1.11	- Mr. S. N. Godrej	0.07	0.14
- Godrej & Boyce Mfg. Co. Ltd.	0.31	-	- Mr. B. N. Godrej	0.04	0.08
- Godrej Agrovet Ltd.	0.14	-	- Ms. N. N. Nabar	0.00	0.01
			- Ms. P. A. Godrej	-	0.13
			- Others	-	0.11
Purchase of Goods			Other Deposits - Advanced		
- Godrej Consumer Products Ltd.	10.32	15.69	- Godrej Consumer Products Ltd.	-	0.07
- Godrej & Boyce Mfg. Co. Ltd.	-	0.15	- Godrej & Boyce Mfg. Co. Ltd.	-	0.06
Purchase of Fixed Assets			Other Deposits - Repayment Received		
- Godrej Vikhroli Properties LLP	12.87	4.62	- Godrej Consumer Products Ltd.	-	0.07
- Godrej & Boyce Mfg. Co. Ltd.	11.39	18.87	- Godrej & Boyce Mfg. Co. Ltd.	-	0.06
- Anamudi Real Estates LLP	-	104.94	Other Deposits Accepted		
Commission / Royalty received			- Godrej Agrovet Ltd.	0.14	0.13
- Godrej Consumer Products Ltd.	0.15	0.06	- Godrej Properties Ltd.	0.00	0.53
- Natures Basket Ltd.	0.07	0.21	- Natures Basket Ltd.	-	0.02
Licence fees / Service charges / Storage income			Other Deposits Refunded		
- Godrej Consumer Products Ltd.	7.80	4.79	- Mr. S. N. Godrej	1.25	-
- Godrej Properties Ltd.	2.11	2.41	- Mr. B. N. Godrej	0.75	-
- Natures Basket Ltd.	1.58	0.35	- Godrej Properties Ltd.	0.24	0.26
- Godrej Vikhroli Properties LLP	1.37	-	- Godrej Tyson Foods Ltd.	0.10	-
- Godrej Agrovet Ltd.	0.58	1.38	- Godrej Agrovet Ltd.	0.07	0.05
- Godrej Tyson Foods Ltd.	0.04	0.22	- Ms. N. N. Nabar	0.03	0.05
- Godrej & Boyce Mfg. Co. Ltd.	0.01	0.13	- Ms. P. A. Godrej	-	6.63
- Anamudi Real Estates LLP	-	0.54	- Godrej Consumer Products Ltd.	-	0.04
Other Income			Dividend Income		
- Godrej Consumer Products Ltd.	0.72	0.46	- Godrej Consumer Products Ltd.	44.28	40.83
- Godrej Agrovet Ltd.	0.14	0.20	- Godrej Agrovet Ltd.	24.93	42.91
- Godrej Tyson Foods Ltd.	0.06	-	- Godrej Properties Ltd.	22.49	24.22
- Godrej Properties Ltd.	0.02	0.02	- Ensemble Holdings & Finance Ltd.	0.48	0.49
- Godrej & Boyce Mfg. Co. Ltd. *	0.01	0.00			
- Natures Basket Ltd. *	0.00	0.00	Dividend paid		
Recovery of Establishment & Other Expenses			- Godrej & Boyce Mfg. Co. Ltd.	67.87	32.94
- Godrej Consumer Products Ltd.	14.33	9.54	- Mr. S. N. Godrej	1.94	0.97
- Godrej Properties Ltd.	6.44	4.32	- Mr. B. N. Godrej	1.91	0.95
- Godrej Agrovet Ltd.	6.40	7.47	- Ms. T. A. Dubash	1.49	0.75
- Godrej & Boyce Mfg. Co. Ltd.	3.10	-	- Ms. N. A. Godrej	1.49	0.75
- Anamudi Real Estates LLP	2.06	-			

Notes to Standalone Financial Statements

Note 44 : Related Party Information (Contd.)

c) The significant Related Party transactions are as under :

Amount ₹ in Crore

Nature of Transaction	Current	Previous	Nature of Transaction	Current	Previous
	Year	Year		Year	Year
- Natures Basket Ltd.	0.72	0.60	- Mr. P. A. Godrej	1.49	0.75
- Godrej Vikhroli Properties LLP	0.51	3.84	- Mr. N. B. Godrej	0.43	0.21
- Godrej One Premises Management P. Ltd.	0.41	-	- Ms. R. N. Godrej	0.21	0.10
- Godrej Projects Development P. Ltd.	0.29	-			
- Godrej Tyson Foods Ltd.	0.15	0.16			
- PT Megasari Makmur	0.08	-	Remuneration to Key Management Personnel		
			- Mr. N. B. Godrej	4.56	3.72
			- Ms. T. A. Dubash	3.47	3.10
Rent, Establishment & Other Expenses paid			- Mr. N. S. Nabar	2.75	1.37
- Godrej Consumer Products Ltd.	9.06	0.47	- Others	1.93	0.85
- Godrej One Premises Management P. Ltd.	3.58	-			
- Godrej & Boyce Mfg. Co. Ltd.	2.64	2.44	Sale of Investments		
- Ms. R. N. Godrej	0.84	0.79	- Godrej & Boyce Mfg. Co. Ltd.	175.28	255.64
- Godrej Vikhroli Properties LLP	0.65	3.50	- Godrej Vikhroli Properties LLP	147.45	-
- Natures Basket Ltd.	0.40	0.31			
- Godrej Properties Ltd.	0.12	0.13	Purchase of Investments		
- Godrej Agrovet Ltd.	0.02	0.04	- GIL Vikhroli Real Estate Ltd.	152.00	-
- Godrej Tyson Foods Ltd.	0.01	0.01	- Godrej & Boyce Mfg. Co. Ltd.	79.34	316.74
- Godrej Infotech Ltd.	-	0.01	- Natures Basket Ltd.	65.04	54.11
			- Ensemble Holdings & Finance Ltd.	2.00	-
Sale of Fixed Assets					
- Godrej Consumer Products Ltd.	-	0.10	Share of profit in LLP		
- Godrej Properties Ltd.	-	0.07	- Godrej Vikhroli Properties LLP	1.17	14.69
- Godrej Agrovet Ltd.	-	0.07			
Interest received			Shares in Subsidiary Company acquired under scheme of arrangement		
- Godrej Properties Ltd. *	-	0.00	- Godrej Properties Ltd.	152.00	-

* Amount less than ₹ 0.01 crores

Notes to Standalone Financial Statements

Note 45 : Leases

(1) Leases Granted by the Company

a) Operating Lease :

The Company 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 60 months and are renewable by mutual consent on mutually acceptable terms. Lease and Licence arrangements are similar in substance to operating leases. The Company 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	200.44	51.94
Accumulated Depreciation	8.92	5.76
Depreciation for the period	3.16	1.26

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	20.31	12.09
Future Lease Income		
- Within one year	14.79	12.11
- Later than one year and not later than five years	35.82	37.74
- Later than five years	-	1.14

(2) Lease Taken by the Company

a) Operating Lease :

The Company's significant leasing arrangements are in respect of operating lease for land, office premises, residential premises, machinery and storage tanks. The aggregate lease rentals paid by the Company 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	12.13	5.00
Future Lease Commitments		
- Within one year	12.20	11.50
- Later than one year and not later than five years	34.50	44.01
- Later than five years	4.16	1.14

Notes to Standalone Financial Statements

Note 46 : Hedging Contracts

The Company uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitments in accordance with its forex policy as determined by a Forex Committee. The Company also uses commodity futures contracts to hedge its exposure to vegetable oil price risk. The Company 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	2	1	22	31
Number of units under above contracts in MT.	2,480	530	23,960	21,460

b) Forward Exchange Contracts

	Current Year		Previous Year	
	Purchase	Sale	Purchase	Sale
Total Number of Contracts Outstanding	6	12	-	22
Foreign Currency Value				
- US Dollar (crore)	0.04	0.36	-	0.96
- Euro (crore)	0.46	0.05	-	0.03

ii) Un-hedged Foreign Currency Exposures

	Current Year		Previous Year	
	Payable	Receivable	Payable	Receivable
Uncovered Foreign Exchange Exposure as at the year end				
- US Dollar (crore)	11.56 *	0.71	12.10 *	0.28
- Euro (crore) (**)	0.00	-	0.00	0.02
- SGD (crore) (**)	0.00	-	-	-
- GBP (crore)	-	1.03	-	-

(*) Uncovered Foreign Exchange Exposure includes US Dollar 9.56 crore (previous year US Dollar 10.56 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.

Note : 47

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company 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 accounts.

Note : 48

As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under the Notes of Consolidated Financial Statements.

Note : 49

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

Note : 50

Previous year figures have been regrouped and reclassified wherever necessary to conform to current year's presentation.

FORM AOC - 1
(Pursuant to first proviso to sub - section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014.
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / LIMITED LIABILITY PARTNERSHIPS / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013
Part "A" - Subsidiaries/Limited Liability Partnerships

Sr. No.	Name of Subsidiary/Limited Liability Partnership	Reporting Currency	Exchange Rate	Accounting Period	Capital Reserves & Surplus	Total Assets	Total Liabilities ¹	Investments	Turnover ²	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Holding	Country
1	Godrej Agrovet Limited	INR	1.00	2015-16	92.57	2,367.76	2,367.76	481.68	3,590.77	209.41	(0.40)	159.32	-	60.81%	INDIA
2	Godrej Seeds & Genetics Limited	INR	1.00	2015-16	0.06	6.25	6.25	-	3.68	(0.40)	-	(0.40)	-	90%	INDIA
3	Godvet Agrochem Limited	INR	1.00	2015-16	9.95	65.75	65.75	14.77	-	0.60	0.19	0.41	-	100%	INDIA
4	Natures Basket Limited	INR	1.00	2015-16	225.23	208.30	116.71	-	270.52	(62.65)	0.04	(62.69)	-	100%	INDIA
5	Godrej International Limited	USD	66.25	2015-16	22.53	69.90	109.92	-	2,273.11	9.00	-	9.00	-	100%	Isle of Man
6	Godrej International Trading & Investment	USD	66.25	2015-16	6.63	3.46	25.80	-	107.21	0.78	0.06	0.72	0.40	100%	Singapore
7	Ensemble Holdings & Finance Ltd.	INR	1.00	2015-16	5.77	7.40	13.69	11.92	-	1.03	0.83	0.13	0.70	100%	INDIA
8	Godrej Properties Limited	INR	1.00	2015-16	108.13	1,993.25	5,190.93	761.95	563.08	33.37	3.00	30.37	-	57.37%	INDIA
9	Godrej Buldoon Private Limited	INR	1.00	2015-16	0.05	99.27	1,497.77	1,497.77	-	1,425.65	52.93	100.69	-	100%	INDIA
10	Godrej Garden City Properties Private Limited *	INR	1.00	2015-16	0.05	2.03	37.59	-	10.80	1.62	0.54	1.08	-	100%	INDIA
11	Godrej Green Homes Limited	INR	1.00	2015-16	0.45	(0.03)	0.41	0.38	-	(0.03)	-	(0.03)	-	100%	INDIA
12	Godrej Hillside Properties Private Limited	INR	1.00	2015-16	0.41	(0.02)	0.40	0.37	-	(0.02)	-	(0.02)	-	100%	INDIA
13	Godrej Home Developers Private Limited	INR	1.00	2015-16	0.41	(0.02)	0.40	0.37	-	(0.02)	-	(0.02)	-	100%	INDIA
14	Godrej Landmark Redevelopers Private Limited ²	INR	1.00	2015-16	0.05	81.76	311.32	-	276.25	76.47	26.50	49.98	-	100%	INDIA
15	Godrej Premium Builders Private Limited ¹	INR	1.00	2015-16	-	-	-	-	-	-	-	-	-	100%	INDIA
16	Godrej Projects Development Private Limited	INR	1.00	2015-16	0.28	135.16	1,158.51	150.91	397.38	90.11	12.42	77.69	0.00	100%	INDIA
17	Godrej Real Estate Private Limited	INR	1.00	2015-16	0.45	(0.26)	183.86	-	-	(0.03)	(0.00)	(0.02)	-	100%	INDIA
18	Godrej Realty Private Limited *	INR	1.00	2015-16	1.74	1.73	10.01	10.01	-	(0.19)	(0.19)	-	-	51%	INDIA
19	Godrej Redevelopers (Mumbai) Private Limited ²	INR	1.00	2015-16	0.06	12.58	380.96	-	6.16	2.27	0.70	1.57	-	51%	INDIA
20	Happy Highrises Limited	INR	1.00	2015-16	0.20	92.40	339.60	-	33.58	(5.90)	(0.03)	(5.87)	-	51%	INDIA
21	Godrej Highrises Properties Pvt. Ltd.	INR	1.00	26.06.2015 to 31.03.2016	0.01	(0.01)	0.01	-	-	(0.01)	-	(0.01)	-	100%	INDIA
22	Godrej Greenview Housing Pvt. Ltd. *	INR	1.00	15.05.2015 to 31.03.2016	5.96	(0.00)	6.06	0.37	-	(0.00)	-	(0.00)	-	100%	INDIA
23	Godrej Investment Advisors Pvt. Ltd.	INR	1.00	17.06.2015 to 31.03.2016	1.70	(0.09)	1.63	1.14	0.02	(0.09)	-	(0.09)	-	100%	INDIA
24	Godrej Prakriti Facilities Pvt. Ltd.	INR	1.00	09.06.2015 to 31.03.2016	0.01	0.05	6.88	-	2.74	0.07	0.02	0.05	-	51%	INDIA
25	Godrej Project Developers & Properties LLP * ³	INR	1.00	16.06.2015 to 31.03.2016	0.00	(0.01)	0.00	-	-	(0.01)	-	(0.01)	-	100%	INDIA
26	Wonder Projects Development Pvt. Ltd.	INR	1.00	24.06.2015 to 31.03.2016	0.01	(0.01)	0.01	-	-	(0.01)	(0.00)	(0.01)	-	100%	INDIA
27	Godrej Fund Management Pte. Ltd.	USD	66.25	25.01.2016 to 31.03.2016	1.14	(0.04)	1.13	1.13	-	(0.04)	-	(0.04)	-	100%	SINGAPORE
28	Amitis Developers LLP ³	INR	1.00	2015-16	0.10	-	11.82	-	-	-	-	-	-	46%	INDIA
29	Godrej Vikhroli Properties LLP ³	INR	1.00	2015-16	368.44	-	818.79	-	11.48	4.20	1.45	2.75	-	100% 1	INDIA
30	Carora Properties LLP ³	INR	1.00	2015-16	1.27	(0.09)	284.12	-	6.98	(0.15)	(0.06)	(0.09)	-	35.00%	INDIA
31	Dream World Landmarks LLP ³	INR	1.00	2015-16	9.13	-	101.62	-	47.51	13.92	4.80	9.12	-	40.00%	INDIA
32	M S Ramaiah Ventures LLP * ³	INR	1.00	2015-16	2.04	-	2.50	-	0.01	0.00	(0.00)	0.00	-	49.50%	INDIA
33	Mosaic Landmarks LLP ³	INR	1.00	2015-16	26.70	-	76.39	-	33.81	12.10	4.04	8.06	-	1% 6	INDIA
34	Oasis Landmarks LLP ³	INR	1.00	2015-16	0.01	-	214.97	-	156.89	52.67	18.23	34.43	-	38.00%	INDIA
35	Oxford Realty LLP ³	INR	1.00	2015-16	0.12	-	120.69	-	0.20	0.18	0.06	0.12	-	26.67%	INDIA
36	Godrej SSPDL Green Acres LLP ³	INR	1.00	2015-16	2.21	(0.01)	56.86	-	0.54	(0.02)	(0.00)	(0.01)	-	44.00%	INDIA
37	Godrej Construction Projects LLP * ³	INR	1.00	2015-16	0.01	(0.01)	19.23	-	-	(0.00)	-	(0.00)	-	40.00%	INDIA
38	Godrej Housing Projects LLP ³	INR	1.00	2015-16	-	-	0.38	-	-	-	-	-	-	40.00%	INDIA
39	Godrej Land Developers LLP * ³	INR	1.00	22.04.2015 to 31.03.2016	0.00	(0.01)	-	-	-	(0.01)	-	(0.01)	-	100.00%	INDIA
40	Godrej Developers & Properties LLP * ³	INR	1.00	22.04.2015 to 31.03.2016	0.00	(0.01)	-	-	-	(0.01)	-	(0.01)	-	100.00%	INDIA
41	Godrej Highrises Realty LLP * ³	INR	1.00	22.04.2015 to 31.03.2016	0.00	(0.00)	2.36	-	-	(0.00)	(0.00)	(0.00)	-	100.00%	INDIA

*Amount less than ₹ 0.01 crore.

Notes :

- Merged with Godrej Projects Development Private Limited w.e.f. April 1, 2015.
- Subsidiary of Godrej Projects Developments Private Limited.
- Percentage of Holding in LLPs denotes the Share of Profits in the LLPs.
- Total Liabilities include Equity.
- Turnover includes other income.
- 1% w.e.f. April 1, 2015 (Control through Majority Voting Rights)

Names of Subsidiaries / LLPs which are yet to commence operations:

Sr. No.	Name of Subsidiary Company / LLPs
1	Godrej Green Homes Limited
2	Godrej Hillside Properties Private Limited
3	Godrej Home Developers Private Limited
4	Godrej Construction Projects LLP

Part "B" : Associates / Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Joint Ventures / Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures / Associates held by the Company on the year end		Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Amount in ₹ Crore			
			No. of Share	Amount of Investment in Associate			Extend of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year Considered in Consolidation	Not Considered in Consolidation
1	Godrej Consumer Products Limited	31.03.2016	80,937,620	1,366.21	23.77%	through % of holding	NA	1,211.62	255.70	-
2	Godrej One Premises Management Pvt. Ltd.	31.03.2016	5,800	0.00	39.72%	through % of holding	NA	0.00	0.00	-
3	Wonder Space Properties Pvt. Ltd.	31.03.2016	107,917	1.66	25.10%	through % of holding	NA	1.77	0.02	-
4	Wonder City/Builddon Private Limited	31.03.2016	810,420	1.61	25.10%	through % of holding	NA	2.05	0.40	-
5	Godrej Home Constructions Private Limited	31.03.2016	1,071,770	2.18	25.1% ^a	through % of holding	NA	2.20	0.02	-
6	Godrej Property Developers LLP *	31.03.2016	NA	-	32.00%	through % of holding	NA	(0.01)	(0.01)	-
7	ACI Godrej Agrovet Private Limited	31.03.2016	1,850,000	12.49	50.00%	through % of holding	NA	51.33	17.79	-
8	Godrej Tyson Foods Limited	31.03.2016	97,461	66.03	49.00%	through % of holding	NA	74.89	6.77	-
9	Polchem Hygiene Laboratories Private Limited	31.03.2016	455,000	1.63	26.00%	through % of holding	NA	6.24	1.87	-
10	AI Rahaba International Trading Limited Liability Company	31.03.2016	24	0.04	24.00%	through % of holding	NA	8.01	(0.91)	-

*Amount less than 0.01 crore

Note :

- a) 25.10% w.e.f. April 15, 2015, 100% upto July 10, 2015.

For and on behalf of Board

A. B. GODREJ
Chairman

N. B. GODREJ
Managing Director

N. S. NABAR

Executive Director & President (Chemicals)

Clement Pinto

Chief Financial Officer

Nilufer Shekhawat

Company Secretary

Mumbai, May 25, 2016



Godrej Industries Limited

CIN: L24241MH1988PLC097781

Regd. Office: Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.

Tel. 2518 8010 / 20 / 30 Fax: 2518 8066 E-mail: investor@godrejinds.com

website: www.godrejindustries.com

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		E-mail id:	
Registered address:		Folio No./ *DP id and Client id:	

**Applicable for investors holding shares in electronic form*

I/We, being the holder(s) of _____ shares of the above named Company, hereby appoint:

1	Name:		E-mail Id:	
	Address		Signature	

or falling him

2	Name:		E-mail Id:	
	Address		Signature	

or falling him

3	Name:		E-mail Id:	
	Address		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the TWENTY-EIGHTH ANNUAL GENERAL MEETING of the Company to be held on Thursday, August 11, 2016 at 3.30 p.m. at the Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Description
1.	Adoption of audited financial statements (both standalone and consolidated) and Reports thereon for the Financial Year ended March 31, 2016
2.	Appointment of a Director in place of Mr. J. N. Godrej (DIN: 00076250), who retires by rotation and being eligible, offers himself for re-appointment
3.	Appointment of a Director in place of Mr. N. S. Nabar (DIN: 06521655), who retires by rotation and being eligible, offers himself for re-appointment
4.	Ratification of appointment of Statutory Auditors and fixing their remuneration
5.	Appointment of Mr. A. D. Cooper as a Director
6.	Reappointment of and remuneration payable to Mr. N. B. Godrej (DIN: 00066195) as Managing Director
7.	Investment in Godrej Properties Limited upto a sum of ₹ 300 crore
8.	Investment in Godrej Agrovet Limited upto a sum of ₹ 300 crore
9.	Investment in OPGS Power Gujarat Private Limited upto a sum of ₹ 4 lac
10.	Remuneration of M/s R. Nanabhoy & Co., as Cost Auditors of the Company

Signature of Shareholder _____

Signature of Proxy _____

Affix
Revenue
Stamp

Signed this _____ day of _____, 2016

- Notes:**
1. This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. The Proxy-holder is required to carry an identity proof at the time of attending the Meeting.



Godrej Industries Limited

CIN: L24241MH1988PLC097781

Regd. Office: Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.

Tel. 2518 8010 / 20 / 30 Fax: 2518 8066 E-mail: investor@godrejinds.com

website: www.godrejindustries.com

ATTENDANCE SLIP

Name of the member(s):	
Name of the Proxy:	
Folio No./*DP id and Client id:	

**Applicable for investors holding shares in electronic form*

I/We hereby record my/our presence at the **TWENTY-EIGHTH ANNUAL GENERAL MEETING** of the Company on Thursday, August 11, 2016 at 3.30 p.m. at the Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079.

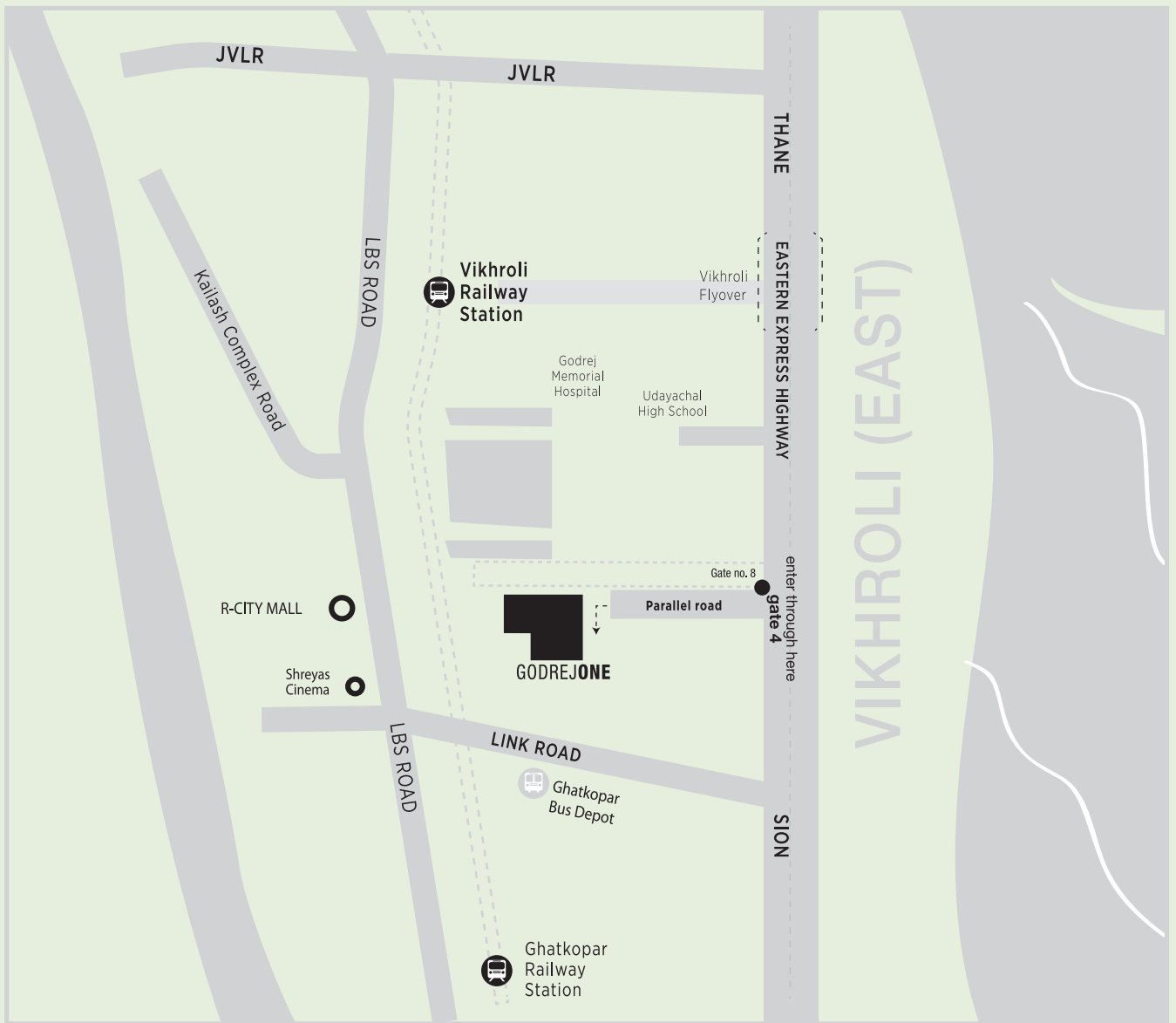


Member's/Proxy's Signature
(To be signed at the time of handing over this slip)

- Notes:**
1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
 2. Joint shareholders may obtain additional attendance slip at the venue of the meeting.
 3. The map to reach the AGM venue is given overleaf.

VENUE OF AGM

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





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