CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of Godrej Industries Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Godrej Industries Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated Balance Sheet as at 31 March 2020, and the consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associates, joint ventures and joint operations as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 18 IV (i) to the consolidated financial statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on 1 April 2011. Amortisation amounting to ₹ 4.25 crore for the year ended 31 March 2019, on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the subsidiary company. Had this amount been charged to the Consolidated Statement of Profit and Loss, the profit for the year ended 31 March 2019 would have been lower by ₹ 2.77 crore.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Description of Key Audit Matter
Revenue recognition from sale of goods
(refer note 29 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
Revenue is recognized when the control of the products being sold has been transferred to the customer. We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. Also, there is a risk of revenue being fraudulently overstated/understated through manipulation on the timing of transfer of control arising from pressure to achieve performance targets and meeting external expectations at the year end. Revenue is measured at the fair value of the consideration received or receivable, after deduction of estimated sales returns and discounts (i.e. trade discounts, volume rebates and other incentives). **Accrual for sales returns in crop protection segment and discounts in crop protection and animal feeds segments:** Estimation of accrual for sales returns involves significant judgement and estimates. It is based on historical experience. The estimation is dependent on various internal and external factors. These factors include, for example, quality of harvest, some of which are beyond the control of the Group. Estimation of recognition and measurement of discounts accrual, involves significant judgement and estimates, particularly based on accumulated experience and the expected level of discounts/ claims of each of the customers. Assumption of level of customer wise claims for discounts relates to estimating which of the Group's customers will ultimately be subject to a related discount. Evaluating the assumptions of expected returns based on experience and level of customer wise claims for discounts underlying the estimate of accrual involves challenging auditor judgement. We have identified the evaluation of accrual for sales returns and discounts as a key audit matter.	Our audit procedures to assess revenue recognition from sale of goods included the following: • Assessing the compliance of the revenue recognition accounting policies by comparing with Ind AS 115 "Revenue from Contracts with Customers"; • Testing the design, implementation and operating effectiveness of key IT application/manual controls over the Company's systems for revenue recognition, by involving our IT specialists; • Testing the design, implementation and operating effectiveness of key internal controls over the development of assumptions of expected returns based on accumulated experience and level of customer wise claims for discounts and related accruals; • Performing substantive testing (including year-end cut-off testing) by selecting statistical samples of revenue transactions recorded during the year (and before and after the financial year end); • Verifying the underlying documents, which included sales invoices/contracts and shipping documents for the selected transactions; • Checking completeness and accuracy of the data used by the Group for accrual of sales returns and discounts; • Evaluating the Group's ability to accurately estimate the accrual for sales returns and discounts. Comparing historically recorded accruals to the actual amount of sales returns and discounts; • Selecting samples (using statistical sampling) of revenue transactions and schemes circulars. Rechecking that accrual for discounts were computed in accordance with the eligibility criteria mentioned in the relevant circular; • Examining historical trend of claims to assess the assumptions and judgements used by the Group in accrual of sales returns and discounts; • Examining sample manual journal entries (using statistical sampling) posted to revenue and for sales returns and discounts to verify any unusual or irregular items.

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Key Audit Matters (Continued)

Description of Key Audit Matter (Continued)

Revenue recognition from sale of residential and commercial units
(refer notes 29 and 56 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
Certain of the Holding Company's subsidiaries' most significant revenue streams involve sale of residential and commercial units. Revenue is recognized post transfer of control of residential and commercial units to customers for the amount / consideration which the subsidiaries expect to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable. The subsidiaries record revenue, over time till the actual possession to the customers, or on actual possession to the customers, as determined by the terms of contract with customers. The risk for revenue being recognized in an incorrect period presents a key audit matter due to the financial significance and geographical spread of the subsidiaries' projects across different regions in India.	Our audit procedures on Revenue recognition from sale of residential and commercial units included the following: • Evaluating the design and implementation and testing operating effectiveness of key internal controls over revenue recognition; • Evaluating the accounting policies adopted by the subsidiaries for revenue recognition to assess if those are in line with the applicable accounting standards and their consistent application to the significant sales contracts; • Scrutinizing the revenue journal entries raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation; • Testing timeliness of revenue recognition by comparing individual sample sales transactions to underlying contracts; • Conducting site visits during the year for selected projects to understand the scope, nature and progress of the projects; • Considering the adequacy of the disclosures in the consolidated financial statements in respect of the judgments taken in recognising revenue for residential and commercial property units in accordance with Ind AS 115;
Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete Revenue recognition for certain subsidiaries involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on the subsidiaries' assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete. Considering the significant estimate involved in measurement of revenue, we have considered measurement of revenue as a key audit matter.	**Revenue recognition prior to receipt of Occupancy Certificate/ similar approval and intimation to the customer** • Obtaining and understanding revenue recognition process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer; • Evaluating revenue overstatement or understatement by assessing subsidiaries' key judgments in interpreting contractual terms. Determining the point in time at which the control is transferred by evaluating subsidiaries' in-house legal interpretations of the underlying agreements i.e. when contract becomes non-cancellable; • Identifying and testing operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers;

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Key Audit Matters (Continued)

Description of Key Audit Matter (Continued)

Revenue recognition from sale of residential and commercial units (Continued)

refer Note 29 and 56 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
	• Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers; • Requesting confirmations, on a sample basis, from major customers for selected projects and reconciling them with revenue recognised. In case of non-receipt of confirmations, we have performed alternative procedures by comparing details with contracts, collection details and other underlying project related documentation. **Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete** • Identifying and testing operating effectiveness of key controls over recording of project costs; • Assessing the costs incurred and accrued to date on the balance sheet by examining underlying invoices and signed agreements on a sample basis. Assessing contract costs to check that no costs of revenue nature are incorrectly recorded in the balance sheet; • Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts. Also, checked that the related revenue had been recognised in accordance with the subsidiaries' revenue recognition policies; • Comparing the costs to complete workings with the budgeted costs and inquiring for variance. Sighting subsidiaries' internal approvals, on sample basis, for changes in budgeted costs along with the rationale for the changes.

Inventories (refer note 10 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
Inventories held by certain of the Holding Company's subsidiaries comprising finished goods and construction work in progress may be held for long periods of time before sale making it vulnerable to reduction in net realizable value (NRV). This could result in an overstatement of the value of inventory when the carrying value is higher than the NRV. *Assessing NRV* NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale and estimated costs of completion (in case of construction work-in-progress). The inventory of finished goods and construction work-in-progress is not written down below cost when completed flats/ under-construction flats / properties are expected to be sold at or above cost.	Our audit procedures to assess the net realizable value (NRV) of inventories included the following: • Understanding from subsidiaries the basis of estimated selling price for the unsold units and units under construction; • Evaluating the design and testing operating effectiveness of controls over preparation and update of NRV workings by designated personnel. Testing controls related to subsidiaries' review of key estimates, including estimated future selling prices and costs of completion for property development projects;

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Key Audit Matters (Continued)
Description of Key Audit Matter (Continued)
Inventories (refer note 10 to the consolidated financial statements) (Continued)

The key audit matter	How the matter was addressed in our audit
For NRV assessment, the estimated selling price is determined for a phase, sometimes comprising multiple units. The assessment and application of write-down of inventory to NRV are subject to significant judgement by subsidiaries. As such inappropriate assumptions in these judgements can impact the assessment of the carrying value of inventories. Considering the Group's judgement associated with long dated estimation of future market and economic conditions, we have considered assessment of net realizable value of inventory as a key audit matter.	• Evaluating the subsidiaries' judgement with regards to application of write-down of inventory units by auditing the key estimates, data inputs and assumptions adopted in the valuations. Comparing expected future average selling prices with available market conditions such as price range available under industry reports published by reputed consultants and the sales budget plans maintained by the subsidiaries; • Comparing the estimated construction costs to complete each project with the subsidiaries' updated budgets. Re-computing the NRV, on a sample basis, to test that inventory units are held at the lower of cost and NRV.

Deferred Tax Assets (refer notes 8 and 44 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
Recognition and measurement of deferred tax assets Certain of the Holding Company's subsidiaries are required to reassess recognition of deferred tax assets at each reporting date. The subsidiaries have deferred tax assets in respect of brought forward losses and other temporary differences. The subsidiaries' deferred tax assets in respect of brought forward business losses are based on the projected profitability. This is determined on the basis of approved business plans demonstrating availability of sufficient taxable income to utilize such brought forward business loss. We have identified recognition of deferred tax assets as a key audit matter because of the related complexity and subjectivity of the assessment process. The assessment process is based on assumptions affected by expected future market or economic conditions.	Our audit procedures to assess recognition and measurement of deferred tax assets included: • Obtaining the approved business plans, projected profitability statements for the existing ongoing projects; • Evaluating the design and testing the operating effectiveness of controls over quarterly assessment of deferred tax balances and underlying data; • Evaluating the projections of future taxable profits. Testing the underlying data and assumptions used in the profitability projections and performing sensitivity analysis; • Checking other convincing evidence like definitive agreements for land / development rights and verifying the project plans in respect of new projects and review of contractual agreements with customers and estimates on unsold inventory for existing projects; • Assessing the recoverability of deferred tax assets by evaluating profitability, subsidiaries' forecasts and fiscal developments; • Assessing the adequacy of the disclosures on deferred tax and assumptions used.

Investments in joint ventures and an associate and loans to joint ventures (refer note 4(a) to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
Recoverability of investments in joint ventures and an associate Certain of the Holding Company's subsidiaries' have investments in joint ventures and an associate which are carried at cost less any diminution in value. The investments are assessed for impairment at each reporting date. The impairment assessment involves the use of estimates and judgements. The identification of an impairment event and	Our audit procedures to assess recoverability of investments in joint ventures and an associate included the following: • Evaluating design and implementation and testing operating effectiveness of controls over subsidiaries' process of impairment assessment and approval of forecasts;

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Key Audit Matters (Continued)

Description of Key Audit Matter (Continued)

Investments in joint ventures and an associate and loans to joint ventures (Continued)
(refer note 4(a) to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
the determination of an impairment charge also require the application of significant judgement by the subsidiaries. The judgement, in particular, is with respect to the timing, quantity and estimation of projected cash flows of the real estate projects in these underlying entities. In view of the judgements and estimates involved, we consider valuation / impairment of investments by subsidiaries in joint ventures and an associate to be a key audit matter. **Recoverability of loans to joint ventures** The subsidiaries have given loans to joint ventures. These are assessed for recoverability at each period end. Due to the nature of the business in the real estate industry, the subsidiaries are exposed to heightened risk in respect of the recoverability of the loans granted to its joint ventures. In addition to nature of business, there is also significant judgment involved as to the recoverability of the working capital and project specific loans. This depends on property developments projects being completed over the time period specified in agreements. We have identified measurement of loans to joint ventures as a key audit matter because recoverability assessment involves subsidiaries' significant judgement and estimate.	• Assessing the valuation methods used, financial position of the joint ventures and an associate to identify excess of their net assets over their carrying amount of investment by the subsidiaries and assessing profit history of those joint ventures and an associate; • For the investments where the carrying amount exceeded the net assets value, understanding from the subsidiaries and testing the basis and assumptions used for the projected profitability; • Verifying the inputs used in the projected profitability; • Assessing the comparability of the forecasts with historical information; • Analyzing the possible indications of impairment and understanding subsidiaries assessment of those indications. Our audit procedures to assess recoverability of loans to joint ventures included the following: • Evaluating the design and implementation and testing operating effectiveness of key internal controls placed around the impairment assessment process of the recoverability of the loans; • Assessing the net worth of joint ventures on the basis of latest available financial statements; • Assessing the controls for grant of new loans and sighting the Board approvals obtained. We have tested subsidiaries' assessment of the recoverability of the loans, which includes cash flow projections over the duration of the loans. These projections are based on underlying property development appraisals; • Tracing loans advanced / repaid during the year to bank statements; • Obtaining independent confirmations to assess completeness and existence of loans and advances given to joint ventures as on 31 March 2020.

Loss allowance on trade receivables (refer note 12 to the Consolidated Financial Statements)

The key audit matter	How the matter was addressed in our audit
Loss allowance on trade receivables – crop protection segment Certain of the Holding Company's subsidiaries have Trade receivables of crop protection segment which consist of individual / small customers in different jurisdictions within India. Accordingly, there are significant large number of customers subject to different business risk, climate risk, political risk and interest rate risk. The loss allowance for trade receivables of crop protection segment represents those subsidiaries' best estimate at the balance sheet date of expected credit losses (ECL) under Ind AS 109 Financial instruments.	Our audit procedures to assess the ECL on trade receivables of crop protection segment included the following: • Testing the design, implementation and operating effectiveness of key controls over measurement of ECL on trade receivables in crop protection segment; • Evaluating the processes of credit control, collection of trade receivables and follow up of overdue balances; • Assessing the subsidiaries' accounting policy for ECL on trade receivables with applicable accounting standards;

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Key Audit Matters (Continued)
Description of Key Audit Matter (Continued)
Loss allowance on trade receivables (Continued)
(refer note 12 to the Consolidated Financial Statements)

The key audit matter	How the matter was addressed in our audit
Subsidiaries assess the ECL allowance for these individual / small customers resulting from all possible defaults over the expected life of the receivables. These are generally expected to be recognized before a trade receivable becomes past due. ECL is assessed at each reporting date on collective basis using provision matrix. The measurement of ECL involves significant judgements and assumptions, primarily including: - Adjusted historical credit loss experience; - Loss rate in provision matrix depending on days past due; - credit risk of customers and - historical experience adjusted for future economic conditions. Those subsidiaries' have established governance process for the measurement of ECL. For measuring ECL, the Group adopted provision matrix, employed numerous parameters and applied significant estimates and judgements. In addition, the exposures of the trade receivables of crop protection segment and the ECL involve significant amounts. In view of the estimates and judgements involved, we identified the assessment of ECL on trade receivables of crop protection segment as a key audit matter.	• Involving our IT specialists to assess and obtain evidence over ageing report of days past due. Assessing the classification of trade receivables based on such ageing report generated from the IT systems; • Challenging the ECL estimates by examining the information used to form such estimates; • Checking completeness and accuracy of the data used by those subsidiaries for computation of assumptions used for computing ECL on trade receivables. Assessing assumptions such as the basis of segmentation of trade receivables, historical default rate and other related factors; • Obtaining independent customers' confirmations on the outstanding balances on sample (using statistical sampling) basis. Verifying balances obtained from customers with balance in the books along with applicable reconciling items. Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to closing trade receivable balances on a sample basis (using statistical sampling) when confirmations are not received; • Examining sample manual journal entries (using statistical sampling) for loss allowances to identify any unusual or irregular items.

Impairment of Goodwill and Intangible assets (refer notes 3c and 43 to the Consolidated Financial Statements)

The key audit matter	How the matter was addressed in our audit
Certain of the Holding Company's subsidiaries' test goodwill and intangible assets with indefinite life for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. The assessment process is complex by nature and involves judgement. It is based on assumptions of: - projected future cash inflows; - expected growth rate; - discount rate; - perpetuity; - sensitivity analyses; - expected profitability; and - future market and / or economic conditions. We accordingly consider the impairment evaluation of goodwill and intangible assets by these subsidiaries as a key audit matter.	Our audit procedures in respect of impairment of goodwill and intangible assets included the following: • Testing operating effectiveness of controls over determination of the recoverable amount of cash generating units. Cash generating units for this purpose are those to which the goodwill is allocated or include intangible assets with indefinite life; • Evaluating the valuation working for cash generating unit's impairment assessment; • Testing impairment assessment of goodwill based on market capitalization, where applicable; • Involving our valuation specialists to assist in the evaluation of assumptions and methodologies used by the subsidiaries; • Challenging the underlying key assumptions such as discount rate, growth rate etc. in estimating projections including cash flows. These are compared to economic and industry forecasts with assistance of our valuation specialists; • Assessing the sensitivity of the outcome of impairment assessment. This is tested to changes in key assumptions.

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Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditors' Report

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of five subsidiaries, whose annual financial statements reflect total assets of ₹ 317.49 crores (before consolidation adjustments) as at 31 March 2020, total revenues of ₹ 313.83 crores (before consolidation adjustments), Group's share of total net profit after tax of ₹ 2.44 crores (before consolidation adjustments) and net cash flow amounting to ₹ 20.55 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax (before

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Other Matters (Continued)

consolidation adjustments) (including other comprehensive income) of ₹ 29.59 crores for the year ended 31 March 2020, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the audit reports of the other auditors.

(b) The consolidated financial statements include the financial statements of three subsidiaries which reflect total assets of ₹ 0.06 crores as at 31 March 2020, total revenue (before consolidation adjustments) of ₹ 88.01 crores, total net loss after tax (before consolidation adjustments) of ₹ 27.97 crores and net cash flow amounting to ₹ 8.97 crores for the year ended on that date, as considered in the consolidated financial statements, which have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of loss after tax (including other comprehensive income) of ₹ 6.78 crores for the year ended 31 March 2020, as considered in the consolidated financial statements, in respect of one associate and one joint venture whose financial statements have not been audited by us or by other auditors. These unaudited financial statements have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture, and our report in terms of sub section (3) of Section 143 of the Act in so far as relates to the aforesaid subsidiaries, associate and joint venture is based on solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Holding Company's 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

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

Independent Auditors’ Report

Report on Other Legal and Regulatory Requirements (Continued)

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures , as noted in the ‘Other Matters’ paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 38 to the consolidated financial statements.

ii. The Group, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor’s report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Vijay Mathur
Partner
Membership No. : 046476
ICAI UDIN No. 20046476AAAACA9885

Place: Mumbai
Date: 22 May 2020

Annexure A to the Independent Auditors' report on the consolidated financial statements of Godrej Industries Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Godrej Industries Limited (hereinafter referred to as "the Holding Company" or "the Company") as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 ("the Act") which are its subsidiary companies, its associate companies and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Annexure A to the Independent Auditors' report on the consolidated financial statements of Godrej Industries Limited for the year ended 31 March 2020 (Continued)

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Vijay Mathur
Partner
Membership No. : 046476
ICAI UDIN No. 20046476AAAACA9885

Place: Mumbai
Date: 22 May 2020

Consolidated Balance Sheet as at March 31, 2020

Amount ₹ in Crore

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019 (Restated)
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	**2,986.99**	2,999.72
Capital Work in Progress	3a	**329.29**	199.61
Rights of use of Assets	45	**117.17**	-
Investment Property	3b	**192.35**	160.90
Goodwill	43	**683.34**	593.58
Other Intangible Assets	3c	**69.28**	69.39
Intangible Assets Under Development	3d	**4.79**	2.24
Biological Assets other than bearer plants	3e	**21.95**	19.00
Equity accounted investees	4a	**3,831.36**	3,499.70
Financial Assets			
Investments	4b	**701.27**	921.52
Trade Receivables	5	**89.83**	14.21
Loans	6	**56.60**	52.01
Other Financial Assets	7	**8.12**	45.75
Deferred Tax Assets (Net)	8	**514.99**	649.73
Other tax assets (Net)		**201.67**	193.08
Other Non Current Assets	9	**82.83**	120.95
Current Assets			
Biological Assets other than bearer plants	3e	**57.74**	52.98
Inventories	10	**3,186.89**	3,410.18
Financial Assets			
Investments	11	**2,061.57**	1,052.10
Trade Receivables	12	**1,552.45**	1,160.29
Cash and cash equivalents	13a	**590.41**	750.47
Other Bank balances	13b	**388.05**	194.26
Loans	14	**1,635.18**	1,048.74
Other Financial Assets	15	**547.63**	375.29
Current Tax Assets (Net)		**0.06**	-
Other Current Assets	16	**553.31**	528.53
Assets classified as held for Sale and Discontinued Operations	55	**-**	157.02
TOTAL ASSETS		**20,465.12**	18,271.25
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	17	**33.65**	33.64
Other Equity	18	**5,753.05**	4,312.80
Equity attributable to owners of the Company		**5,786.70**	4,346.44
Non-controlling interest		**3,560.66**	2,212.14
TOTAL EQUITY		**9,347.36**	6,558.58
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
Borrowings	19	**612.63**	1,196.20
Lease Liabilities	45	**28.42**	-
Other Financial Liabilities	20	**1.35**	1.01
Provisions	21	**34.07**	26.95
Deferred Tax Liabilities (Net)	22	**242.55**	278.37
Other Non Current Liabilities	23	**22.21**	21.32
Current Liabilities			
Financial Liabilities			
Borrowings	24	**6,037.42**	5,626.47
Other Financial Liabilities (includes Lease Liabilities)	26	**1,348.42**	823.56
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	25	**30.97**	38.23
Total outstanding dues of creditors other than micro enterprises and small enterprises		**2,149.43**	1,840.01
Other Current Liabilities	27	**449.92**	1,612.16
Provisions	28	**70.89**	57.11
Current Tax Liabilities (Net)		**89.48**	39.80
Liabilities directly associated with Discontinued Operations	55	**-**	151.48
TOTAL LIABILITIES		**11,117.76**	11,712.67
TOTAL EQUITY AND LIABILITIES		**20,465.12**	18,271.25
Significant Accounting Policies	2		

The accompanying notes form an integral part of consolidated financial statements

As per our Report attached

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

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

A. B. Godrej
Chairman
DIN : 00065964

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

Vijay Mathur
Partner
M.No. : 046476
Mumbai, May 22, 2020

Clement Pinto
Chief Financial Officer

Tejal Jariwala
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

Amount ₹ in Crore

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Revenue from Operations	29	**11,290.75**	10,848.19
Other Income	30	**571.61**	481.51
Total Income		**11,862.36**	11,329.70
Expenses			
Cost of Materials Consumed	31a	**6,304.58**	5,673.25
Cost of Property Development	31b	**1,487.81**	553.36
Purchases of Stock in Trade		**527.51**	544.30
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	32	**35.72**	1,591.17
Employee Benefits Expenses	33	**678.87**	587.01
Finance Costs	34	**492.87**	507.71
Depreciation and Amortisation Expenses	35a	**233.84**	163.14
Other Expenses	35b	**1,445.05**	1,209.41
Total Expenses		**11,206.25**	10,829.35
Profit Before Exceptional Items, Share of Profit of Equity Accounted Investees and Tax		**656.11**	500.35
Exceptional Items	36	**(9.92)**	88.30
Profit Before Share of Profit of Equity Accounted Investees and Tax		**646.19**	588.65
Share of Profit of Equity Accounted Investees (net of Income Tax)		**261.15**	572.30
Profit before Tax		**907.34**	1,160.95
Tax Expense			
Current Tax	44	**172.45**	62.60
Deferred Tax	44	**99.13**	144.63
Prior Period Tax adjustments	44	**1.22**	14.99
Total Tax Expenses		**272.80**	222.22
Profit for the Year from continuing operations		**634.54**	938.73
(Loss) from discontinued operations	55	**(27.27)**	(75.00)
Exceptional Items - Gain on sale of discontinued operations	55	**200.94**	-
Profit / (Loss) for the Year from discontinued operations		**173.67**	(75.00)
Profit for the Year		**808.21**	863.73
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
a) Remeasurements of defined benefit plans			
i) continuing operations		**(8.21)**	(2.39)
ii) discontinued operations	55	**-**	0.51
b) Equity accounted investees' share of other comprehensive income		**0.12**	0.05
Income Tax related to Items that will not be reclassified to Profit or Loss		**1.68**	1.08
Items that will be reclassified to Profit or Loss			
a) Exchange differences on translation of financial statements of foreign operations		**(0.93)**	0.45
b) Effective portion of (losses)/gains on hedging instruments in cash flow hedges		**-**	0.35
c) Equity accounted investees' share of other comprehensive income		**53.93**	31.65
Income Tax related to Items that will be reclassified to Profit or Loss		**-**	(0.12)
Total Other Comprehensive Income		**46.59**	31.58
Total Comprehensive Income for the Year		**854.80**	895.31
Profit Attributable to :			
a) Owners of the Company		**552.18**	589.53
b) Non-Controlling Interest		**256.03**	274.20
Other Comprehensive Income Attributable to :			
a) Owners of the Company		**48.61**	32.17
b) Non-Controlling Interest		**(2.02)**	(0.59)
Total Comprehensive Income Attributable to :			
a) Owners of the Company		**600.79**	621.70
b) Non-Controlling Interest		**254.01**	273.61
Total Comprehensive Income Attributable to owners arising from:			
Continuing operations		**628.06**	696.19
Discontinued operations	55	**(27.27)**	(74.49)
Earnings Per Equity share for continuing operations (Face Value of ₹ 1 each)	37		
Basic		**11.25**	19.76
Diluted		**11.25**	19.75
Earnings Per Equity share for discontinued operations (Face Value of ₹ 1 each)	37		
Basic		**5.16**	(2.23)
Diluted		**5.16**	(2.23)
Earnings Per Equity share for continuing and discontinued operations (Face Value of ₹ 1 each)	37		
Basic		**16.41**	17.53
Diluted		**16.41**	17.52
Significant Accounting Policies	2		

The accompanying notes form an integral part of consolidated financial statements

As per our Report attached

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

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

A. B. Godrej
Chairman
DIN : 00065964

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

Vijay Mathur
Partner
M.No. : 046476
Mumbai, May 22, 2020

Clement Pinto
Chief Financial Officer

Tejal Jariwala
Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital (refer note 17)

	As at March 31, 2020 No. of Shares	As at March 31, 2020 Amount ₹ In Crore	As at March 31, 2019 No. of Shares	As at March 31, 2019 Amount ₹ In Crore
Balance at the beginning of the year	**33,63,84,367**	**33.64**	33,62,72,731	33.63
Changes in equity share capital during the year	**81,649**	**0.01**	1,11,636	0.01
Balance at the end of the year	**33,64,66,016**	**33.65**	33,63,84,367	33.64

B. Other Equity (refer note 18)

Amount ₹ in Crore

Particulars	Other Equity (Restated)												Items of Other Comprehensive Income		Total Before Non Controlling Interest	Non Controlling Interest	Total
	Retained Earnings	Non Controlling Interest Reserve	General Reserve	Capital Redemption Reserve	Security Premium	Capital Reserve	Capital Reserve on account of Amalgamation	Special Reserve	Employee Stock Grant Outstanding	Debenture Redemption Reserve	Gain on sale of subsidiary without losing control	Foreign Currency Monetary Item Translation Difference Account	Cash flow Hedge Reserve	Foreign Operations - Foreign Currency Translation Differences			
Balance at April 01, 2018	**1,286.06**	**744.39**	**65.85**	**31.46**	**943.70**	**28.45**	**2.31**	**3.98**	**7.67**	**28.66**	**180.67**	**9.59**	**(0.06)**	**(31.94)**	**3,300.79**	**1,357.22**	**4,658.01**
Profit for the year	589.53	-	-	-	-	-	-	-	-	-	-	-	-	-	589.53	274.20	863.73
Other Comprehensive Income (net of tax)	(0.07)	-	-	-	-	-	-	-	-	-	-	-	(3.09)	35.33	32.17	(0.59)	31.58
Transfer from Employee Stock Option Grant	-	2.93	-	-	4.48	-	-	-	(7.41)	-	-	-	-	-	-	-	-
Transfer from Surplus	(50.00)	-	-	-	-	-	-	-	-	50.00	-	-	-	-	-	-	-
Amortisation of Intangibles as per Merger Scheme	-	-	(2.77)	-	-	-	-	-	-	-	-	-	-	-	(2.77)	-	(2.77)
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	-	-	-	11.13	-	-	-	-	-	11.13	-	11.13
Adjustment for IND AS Put option Liability	18.48	-	-	-	-	-	-	-	-	-	-	-	-	-	18.48	-	18.48
Additions during the year	-	986.96	-	-	-	-	5.51	-	-	-	-	1.54	-	-	994.01	-	994.01
Utilisation for issue of Shares during the year pursuant to Scheme of Amalgamation	-	-	-	-	(35.42)	-	-	-	-	-	-	-	-	-	(35.42)	-	(35.42)
Transactions with the owners of the Company, recorded directly in equity																	
Final Dividend	(95.17)	-	-	-	-	-	-	-	-	-	-	-	-	-	(95.17)	-	(95.17)
Dividend Distribution Tax (DDT)	(19.54)	-	-	-	-	-	-	-	-	-	-	-	-	-	(19.54)	-	(19.54)
Adjustment arising on acquisition / Deletion and Non Controlling Interest	58.87	(509.33)	1.16	-	-	-	(7.01)	-	(1.30)	(22.53)	-	-	(0.06)	(0.21)	(480.41)	581.31	100.91
Balance at March 31, 2019	**1,788.16**	**1,224.95**	**64.24**	**31.46**	**912.76**	**28.45**	**0.81**	**3.98**	**10.09**	**56.13**	**180.67**	**11.13**	**(3.21)**	**3.18**	**4,312.80**	**2,212.14**	**6,524.94**
Transition impact on adoption of Ind AS 116 (Refer Note 45)	(8.79)	-	-	-	-	-	-	-	-	-	-	-	-	-	(8.79)	-	(8.79)
Balance at April 01 , 2019 (Restated)	**1,779.37**	**1,224.95**	**64.24**	**31.46**	**912.76**	**28.45**	**0.81**	**3.98**	**10.09**	**56.13**	**180.67**	**11.13**	**(3.21)**	**3.18**	**4,304.01**	**2,212.14**	**6,516.15**
Profit for the year	552.18	-	-	-	-	-	-	-	-	-	-	-	-	-	552.18	256.03	808.21
Other Comprehensive Income (net of tax)	(4.39)	-	-	-	-	-	-	-	-	-	-	-	(4.41)	57.41	48.61	(2.02)	46.59
Transfer from Employee Stock Option Grant	-	4.46	-	-	3.87	-	-	-	(8.33)	-	-	-	-	-	-	-	-
Transfer from Surplus	(0.05)	-	-	-	-	-	-	0.05	-	-	-	-	-	-	-	-	-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	-	-	-	8.84	-	-	-	-	-	8.84	-	8.84
Adjustment for IND AS Put option Liability	43.91	-	-	-	-	-	-	-	-	-	-	-	-	-	43.91	-	43.91
Final Dividend	(74.86)	-	-	-	-	-	-	-	-	-	-	-	-	-	(74.86)	-	(74.86)
Dividend Distribution Tax (DDT)	(17.75)	-	-	-	-	-	-	-	-	-	-	-	-	-	(17.75)	-	(17.75)
Additions during the year	-	2,050.88	-	-	-	-	0.37	-	-	-	-	4.62	-	-	2,055.87	-	2,055.87
Adjustment arising on acquisition / Deletion and Non Controlling Interest	9.63	(1,189.32)	-	-	-	0.36	19.16	-	(1.12)	(6.84)	-	-	-	0.38	(1,167.76)	1,094.52	(73.24)
Balance at March 31, 2020	**2,288.04**	**2,090.97**	**64.24**	**31.46**	**916.63**	**28.81**	**20.34**	**4.03**	**9.48**	**49.29**	**180.67**	**15.75**	**(7.62)**	**60.97**	**5,753.05**	**3,560.66**	**9,313.71**

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

As per our Report attached

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

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

A. B. Godrej
Chairman
DIN : 00065964

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

Vijay Mathur
Partner
M.No. : 046476
Mumbai, May 22, 2020

Clement Pinto
Chief Financial Officer

Tejal Jariwala
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2020

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
A.	**Cash Flow From Operating Activities:**		
	Profit Before Tax from Continuing Operations	**907.34**	1,160.95
	Profit/(Loss) Before Tax from Discontinued Operations	**173.67**	(75.00)
	Adjustments for:		
	Depreciation and Amortisation	**233.84**	172.97
	Unrealised Foreign Exchange revaluation	**15.92**	4.27
	Profit on Sale of Investments (net)	**(98.13)**	(65.72)
	Loss / (Profit) on Sale, Write off and Provision of Property Plant and Equipment (net)	**2.99**	(14.64)
	Grant amortisation	**(1.43)**	(1.30)
	Impairment of Goodwill	**0.06**	-
	Expenses on Amalgamation	**0.35**	0.40
	Interest Income	**(358.79)**	(237.03)
	Interest & Finance Charges	**492.87**	516.33
	Employee Stock Grant Scheme	**8.74**	7.70
	Income from Investment measured at FVTPL	**(25.42)**	(85.74)
	Bad Debts written off	**22.85**	18.67
	Write down of inventories	**33.32**	4.75
	Share of profit of Equity accounted investees (net of tax)	**(261.15)**	(572.30)
	Provision for Doubtful Debts and Sundry Balances (net)	**31.25**	26.31
	Liabilities no longer required written back	**(6.88)**	(18.26)
	Profit on sale of Subsidiary	**(200.94)**	-
	Exceptional items - Expense / (Income)	**9.92**	(88.30)
	Change in fair value of Biological Assets	**0.59**	-
	Lease rent from investment property	**(0.66)**	(0.79)
	Operating Profit Before Working Capital Changes	**980.31**	753.27
	Adjustments for :		
	(Decrease) in Non-financial Liabilities	**(1,090.47)**	(1,176.39)
	Increase in Financial Liabilities	**431.52**	252.47
	Decrease in Inventories	**226.71**	1,509.08
	(Increase) in Biological assets other than bearer plants	**(16.28)**	(0.42)
	(Increase) / Decrease in Non-financial Assets	**(19.69)**	64.70
	Decrease / (Increase) in Financial Assets	**9.45**	(5.82)
	Cash Generated from Operations	**521.55**	1,396.89
	Direct Taxes Paid (net of refunds)	**(127.59)**	(156.54)
	Net Cash generated from Operating Activities	**393.96**	1,240.35
B.	**Cash Flow from Investing Activities:**		
	Purchase of Property, Plant and Equipment	**(387.92)**	(441.07)
	Proceeds from Sale of Property, Plant and Equipment	**6.86**	36.35
	(Investment) / Withdrawal in joint ventures and associate (net)	**(151.75)**	0.01
	Proceeds from sale of discontinued operations (net)	**174.38**	-
	Purchase of Investment	**(4,467.93)**	(3,597.20)
	Capital subsidy received	**-**	2.76
	Acquisition of subsidiaries (refer note 54)	**(4.15)**	(46.90)
	Proceeds from Sale of Investments	**3,424.00**	2,545.63
	Loan given to/ (Repayment) joint ventures, others (net)	**(530.89)**	21.81
	Investment in debentures of joint ventures	**(188.81)**	-
	Proceeds from redemption of debentures of joint ventures	**162.74**	-
	Intercorporate Deposits / Loans (net)	**-**	5.91
	Expenses on Amalgamation	**(0.35)**	(35.82)
	Interest Received	**88.78**	134.26
	Dividend Received	**0.07**	-
	Lease rent from investment property	**0.66**	0.80
	Net Cash (used) in Investing Activities	**(1,874.31)**	(1,373.46)
C.	**Cash Flow from Financing Activities:**		
	Proceeds from issue of Equity shares	**1.35**	1.85
	Transactions with non-controlling interests	**1,917.58**	993.90
	Redemption of preference shares	**-**	(0.01)
	Proceeds from Non Current Borrowings	**15.46**	570.00
	Repayment of Non Current Borrowings	**(351.42)**	(634.70)
	Proceeds from / (Repayment of) Current Borrowings (net)	**425.49**	823.87
	Interest & Finance Charges Paid	**(565.03)**	(580.83)
	Dividend Paid	**(77.70)**	(97.98)
	Payment of unclaimed fixed deposits	**(0.14)**	(0.27)
	Tax on Distributed Profits	**(18.35)**	(20.11)
	Net Cash generated from Financing Activities	**1,347.24**	1,055.71
	Net (Decrease) / Increase in Cash and Cash Equivalents	**(133.11)**	922.60
	Cash and Cash Equivalents (Opening Balance)	**574.44**	(361.35)
	Acquisition of Cash pursuant to acquisition of subsidiaries (refer note 54)	**0.06**	13.19
	Effect of exchange rate fluctuations on cash held	**0.18**	-
	Cash and Cash Equivalents (Closing Balance)	**441.57**	574.44

Consolidated Cash Flow Statement for the year ended March 31, 2020

Notes :

1 The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows

2 Cash and Cash Equivalents

(Amount ₹ in Crore)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Balances with Banks		
Current Accounts	**461.76**	625.30
Deposits having maturity less than 3 months	**113.21**	111.24
Cheques, Drafts on Hand	**11.30**	10.46
Cash on Hand	**4.15**	3.47
Cash and Cash Equivalents	**590.41**	750.47
Bank Overdraft repayable on Demand	**(148.84)**	(176.03)
Cash and Cash Equivalents	**441.57**	574.44

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

(Amount ₹ in Crore)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Capital work-in-progress	**-**	0.00
Investments in joint ventures and associate	**-**	0.00
Deferred tax assets (Net)	**-**	0.00
Current Financial Assets	**226.72**	-
Current Non-Financial Assets	**-**	0.00
Cash and cash equivalents	**8.04**	0.01
Non Current Financial Liabilities	**-**	0.00
Current Financial Liabilities	**235.16**	0.06
Current Non-Financial Liabilities	**0.00**	0.00
Assets net of Liabilities	**(0.40)**	(0.05)

4 Reconciliation of liabilities arising from financing activities

(Amount ₹ in Crore)

Particulars	As at April 01, 2019	Cash Flow	Non Cash Changes	As at March 31, 2020
Non Current Borrowings (including current maturities of long term debt)	1,509.13	(335.96)	11.45	**1,184.62**
Current Borrowings	5,526.24	425.49	(63.15)	**5,888.58**
Total Borrowings	7,035.37	89.53	(51.70)	**7,073.20**

(Amount ₹ in Crore)

Particulars	As at April 01, 2018	Cash Flow	Non Cash Changes	As at March 31, 2019
Non Current Borrowings (including current maturities of long term debt)	1,559.37	(64.70)	14.46	1,509.13
Current Borrowings	4,689.72	823.87	12.65	5,526.24
Total Borrowings	6,249.09	759.17	27.11	7,035.37

The accompanying notes form an integral part of consolidated financial statements

As per our Report attached

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

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

A. B. Godrej
Chairman
DIN : 00065964

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

Vijay Mathur
Partner
M.No. : 046476
Mumbai, May 22, 2020

Clement Pinto
Chief Financial Officer

Tejal Jariwala
Company Secretary

Notes to the Consolidated Financial Statements

Note 1 : General Information

1. Group Overview

Godrej Industries Limited ("the Company") including its Subsidiaries, and interests in Joint Ventures, Associates and, Limited Liability Partnerships (collectively referred to as "the Group"), is engaged in the business of Chemicals, Agri Inputs, Estate and Property Development, Vegetable Oil, Finance and Investments, Dairy, Animal Feeds, and other related activities. The Company is domiciled and incorporated in the Republic of India with its registered address situated at Godrej One, Pirojshanagar, Vikhroli (East), Mumbai - 400079 and is listed on BSE Limited and The National Stock Exchange of India Limited (NSE).

2. Basis of preparation

The Consolidated Financial Statements of the Group have been prepared on an accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles in India, under the historical cost convention except for the following :

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments).
- asset held for sale and biological assets – measured at fair value less cost to sell;
- defined benefit plans- plan assets measured at fair value less present value of defined benefit obligation; and
- share based payments measured at fair value.

The consolidated financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle of each entity in the Group and other criteria as set out in Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities except for under construction real estate projects.

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

The consolidated financial statements of the Group for the year ended March 31, 2020 were approved for issue in accordance with the resolution of the Board of Directors on May 22, 2020.

3. Functional and presentation currency

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

4. Key estimates and assumptions

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

Information about critical judgments in applying accounting policies that have the most significant effect on the carrying amounts of assets and liabilities, are as follows:

Notes to the Consolidated Financial Statements

Note 1 : General Information (Continued)

- Evaluation of satisfaction of performance obligation at a point in time for the purpose of revenue recognition

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

- Determination of the estimated useful lives of property plant and equipments and intangible assets and the assessment as to which components of the cost may be capitalized.
- Impairment of Property, Plant and Equipment, Financial assets and Other Non-Financial Assets
- Recognition and measurement of defined benefit obligations
- Recognition of deferred tax assets
- Fair valuation of employee share options
- Recognition and measurement of other provisions
- Rebate and Sales Incentives
- Fair value of financial instruments
- Provisions and Contingent Liabilities
- Evaluation of Control
- Leases

5. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

6. Measurement of fair values

The Group’s accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Notes to the Consolidated Financial Statements

Note 1 : General Information (Continued)

7. Basis of Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Group is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/ losses, unless cost/revenue cannot be recovered.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. Where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

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

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

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

(b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Statement of Profit and Loss and Statement of Changes in Equity.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non- controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of Profit & Loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in Statement of Profit or Loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

(ii) Associates and joint ventures (equity accounted investees)

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies.

Joint arrangements are those arrangements over which the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and joint ventures entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Group does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Group's share of losses exceeds its interest in an equity accounted

Notes to the Consolidated Financial Statements

Note 1 : General Information (Continued)

investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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

(iii) Acquisition of non-controlling interests

Acquisition of some or all of the non-controlling interest ("NCI") is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to Statement of changes in equity that is attributable to the parent company. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

8. Business Combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies

1. Property, Plant and Equipment (PPE)

(i) Recognition and measurement

Property, plant and equipment are measured at Original cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Advances paid towards the acquisition of PPE outstanding at each reporting date are classified as capital advances under Other Non-Current Assets and Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, Plant and Equipment are de-recognised from consolidated financial statements on disposal and gains or losses arising from disposal are recognised in the consolidated Statement of Profit and Loss in the year of occurrence.

Exchange differences on repayment and year end translation of foreign currency loans availed upto March 31, 2016 relating to acquisition of depreciable capital assets are adjusted to the carrying cost of the assets.

(ii) Subsequent expenditure

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the period in which they are incurred.

When significant parts of Property, Plant and equipments are required to be replaced, the Group derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly.

(iii) Depreciation

Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except where the Group, based on technical evaluation, the condition of the plants, regular maintenance schedule, material of construction and past experience, has considered useful life of the following items of PPE different from that prescribed in Schedule II to the Act.

Category	:	Useful life
Leasehold Land	:	Amortised over the primary lease period.
Plant and Equipments	:	7.5 to 30 years
Vehicles	:	3 to 13 years
Computer Hardware	:	Depreciated over the estimated useful life of 4 years
Leasehold Improvements	:	Lower of the useful life or Lease Period

Depreciation on Property, Plant and Equipment of one of the Subsidiaries has been provided as per the written down value method based on the useful lives specified in Schedule II to the Companies Act, 2013.

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

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

2. Investment Property

(i) Recognition and measurement

Investment Property comprise of Freehold Land and Building.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Consolidated Statement of Profit and Loss in the period of derecognition.

(ii) Depreciation

Depreciation on Buildings classified as Investment Property is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013.

3. Intangible Assets

(i) Recognition and measurement

Intangible assets are recognised when it is probable that future economic benefits that are attributable to assets will flow to the Group and the cost of the assets can be measured reliably.

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortization (other than goodwill and indefinite life of intangibles) and any accumulated impairment losses.

Gain or loss arising from derecognition of an intangible asset is recognised in the Consolidated Statement of Profit and Loss.

(ii) Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method. The useful life of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets are amortised as follows

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

Intangible assets with indefinite useful life are not amortised but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired. An intangible asset that is not being amortised shall be reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

4. Research and Development Expenditure

Revenue expenditure on Research & Development is charged to the Consolidated Statement of Profit and Loss of the year in which it is incurred. Capital expenditure incurred during the year on Research & Development is included under additions to Property, Plant and Equipment.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

5. Biological Assets

Biological assets are measured at fair value less costs to sell, with any change therein recognised in the Consolidated Statement of Profit or Loss.

6. Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

Goodwill on business combinations and indefinite life intangibles are included in intangible assets. These are not amortised but are tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss only, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

7. Inventories

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

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

Land development project in progress includes cost of land, development management fees, construction cost, allocated interest and expenses attributable to the construction of the project undertaken by the Group.

If payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost is recognised as interest expense over the period of financing under the effective interest method.

Inventories comprising of completed flats and construction Work-in-Progress are valued at lower of cost or net realizable value.

Construction Work in Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Group.

8. Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

9. Grants and Subsidies

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

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

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

10. Assets held for Sale

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

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

11. Financial Assets

(i) Initial recognition and measurement

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

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

(ii) Classification and subsequent measurement

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

(iii) Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(iv) Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Consolidated Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Consolidated Statement of Profit and Loss.

(c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Consolidated Statement of Profit and Loss.

(v) Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Consolidated Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Consolidated Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Consolidated Statement of Profit and Loss.

(vi) Derecognition

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

(vii) Impairment of Financial Assets for other than Property Development Business

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

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Consolidated Statement of Profit and Loss.

Impairment of financial assets for Property Development business

The Group applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

12. Financial Liabilities

(i) Initial recognition and measurement

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

(ii) Classification and subsequent measurement

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

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

13. Financial guarantee contracts

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

14. Offsetting of financial instruments

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

15. Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. The Group also uses commodity futures contracts to hedge the exposure to oil price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in the Consolidated Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Consolidated Statement of Profit and Loss in the periods when the hedged item affects profit or loss.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

16. Share Capital

(i) Ordinary equity shares

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

(ii) Treasury shares

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

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

17. Provisions and Contingent Liabilities

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

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

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

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

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

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

18. Revenue Recognition

Revenue from contracts with customers

Revenue from operations comprise sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Group includes trade discounts, volume rebates and other incentives given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue from sales is recognised when goods are supplied and control over the Goods sold is transferred to the buyer which is on dispatch / delivery as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. This is considered the appropriate point where the performance obligations in the contracts are satisfied as the Group no longer has control over the inventory. Sales are presented net of returns, trade discounts, rebates and sales taxes / Goods and Service Tax (GST).

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

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

Other Operating revenues

Rental Income arising from operating leases on investment properties is accounted for on a straight line basis over the lease term and is included in revenue in the Consolidated Statement of Profit and Loss due to its operating nature.

Dividend income, including share of profit in LLP, is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

Export Incentives are accrued when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with such incentives.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Consolidated Statement of Profit and Loss.

Other Income

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

19. Revenue Recognition for Property Development

The Group also derives revenues from sale of properties comprising of both commercial and residential units.

The Group recognises revenue when it determines the satisfaction of performance obligations at a point in time. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products.

In arrangements for sale of units the Group has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

For sale of units the Group recognises revenue when its performance obligations are satisfied and customer obtains control of the asset.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liability is recognised when there is billing in excess of revenue and advance received from customers.

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

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

20. Loyalty Program

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

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

21. Employee Benefits

(i) Short-Term Employee Benefits

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

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

(ii) Post-Employment Benefits

(a) Defined Contribution Plans

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

(b) Defined Benefit Plans

Gratuity Fund

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Consolidated Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Consolidated Statement of Profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Provident Fund

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

Pension

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

(iii) Other Long-Term Employee Benefits

The Group's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods are provided on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Re-measurement are recognized in Consolidated Statement of Profit and Loss in the period in which they arise.

(iv) Termination Benefits

All terminal benefits are recognized as an expense in the period in which they are incurred.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

22. Share-Based Payments

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

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

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

23. Leases

Effective 1st April, 2019, the Group adopted IND AS 116 - Leases. The Group applied IND AS 116 using modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1st April 2019. The comparative information presented is not restated. It is presented as previously reported under IND AS 17.

Accounting policy applicable before 1st April 2019

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

Lessee:

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Leases of assets under which significant portion of the risks and rewards of ownership are 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 unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Lessor:

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight line basis over the term of the relevant lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increase.

Accounting policy applicable from 1st April 2019

At the inception it is assessed, whether a contract is a lease or contains a lease. A contract is a lease or contains a lease if it conveys the right to control the use of an identified asset, for a period of time, in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, Group assesses whether the contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

(i) Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

(ii) If the supplier has a substantive substitution right, then the asset is not identified.

(iii) Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.

(iv) Group has the right to direct the use of the asset.

(v) In cases where the usage of the asset is predetermined the right to direct the use of the asset is determined when the Group has the right to use the asset or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At the commencement or modification of a contract, that contains a lease component, Group allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices. For leases of property, it is elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

As a Lessee:

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date.

Right-of-use asset (ROU):

The right-of-use asset is initially measured at cost. Cost comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

After the commencement date, a lessee shall measure the right-of-use asset applying cost model, which is Cost less any accumulated depreciation and any accumulated impairment losses and also adjusted for certain re-measurements of the lease liability.

Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to the Group at the end of the lease term or the cost of the right-of-use asset reflects Group will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

Lease liability:

Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that rate cannot be readily determined, then using Group’s incremental borrowing rate. Incremental borrowing rate is determined based on entity’s borrowing rate adjusted for terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments), variable lease payments that depends on an index or a rate, initially measured using the index or rate at the commencement date, amount expected to be payable under a residual value guarantee, the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Lease liability is measured at amortised cost using the effective interest method. Lease liability is re-measured when there is a change in the lease term, a change in its assessment of whether it will exercise a purchase, extension or termination option or a revised in-substance fixed lease payment, a change in the amounts expected to be payable under a residual value guarantee and a change in future lease payments arising from change in an index or rate.

When the lease liability is re-measured corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero it will be recorded in statement of profit and loss.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

Right-of-use asset is presented as a separate category under "Non-current assets" and lease liabilities are presented under "Financial liabilities" in the balance sheet.

Group has elected not to recognise right-of-use assets and lease liabilities for short term leases. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lessor:-

At the commencement or modification of a contract, that contains a lease component, Group allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices.

At the inception of the lease, it is determined whether it is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, then it is a financial lease, otherwise it is an operating lease.

If the lease arrangement contains lease and non-lease components, then the consideration in the contract is allocated using the principles of IND AS 115. The Group tests for the impairment losses at the year end. Payment received under operating lease is recognised as income on straight line basis, over the lease term.

The accounting policies applicable to the Group as a lessor, in the comparative period, were not different from IND AS 116.

Transitional impact:

On transition to IND AS 116, Group elected to apply practical expedients given by the standard as follows:

(a) Group has not re-assessed whether a contract is, or contains, a lease at the date of initial application instead it applied the standard to those contracts that were previously identified as leases applying IND AS 17, Leases. Standard is not applied to those contracts that were not previously identified as containing a lease applying IND AS 17.

(b) IND AS 116 is applied retrospectively, with the cumulative effect of initially applying the Standard, is recognised at the date of initial application. The same approach is adopted for all the leases.

(c) Comparative information are not restated and it is presented as reported under IND AS 17. The cumulative effect of initially applying this Standard, is done as an adjustment, to the opening balance of retained earnings, at the date of initial application.

(d) For the leases which is previously classified as operating lease, under IND AS 17, Group recognised the lease liability by measuring the present value of the remaining lease payments, discounted using incremental borrowing rate at the date of initial application.

(e) Group recognised, Right-of-use asset, at the date of initial application, for leases previously classified as an operating lease applying IND AS 17. Right-of-use asset is measured, on a lease by lease basis, at carrying amount assuming the standard is applied since the commencement date. Discounting to arrive the value of asset is done based on the incremental borrowing rate at the date of initial application. Group also assessed the Right-of-use asset for impairment as per IND AS 36, Impairment of assets, at the date of initial application.

(f) During transition, no adjustments is made for leases for which the underlying asset is of low value.

(g) Group has applied a single discount rate for portfolio of leases which has reasonably similar characteristics.

(h) During transition, impact of IND AS 116 is not given for those leases for which the lease term ends within 12 months of the date of initial application. Those leases were accounted as short term leases as per IND AS 116.

24. Borrowing Costs

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use.

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognized as an expense in the period in which they are incurred.

25. Foreign Exchange Transactions

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

(ii) Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Consolidated Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

(iii) The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 01, 2016 and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset / liability, by recognition as income or expense but not beyond March 31, 2020.

(iv) Realised gains or losses on cancellation of forward exchange contracts are recognised in the Consolidated Statement of Profit and Loss of the period in which they are cancelled.

(v) In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/(loss) and presented within equity as part of 'Exchange differences on translation of financial statements of foreign operations'(FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the Consolidated Statement of Profit and Loss.

26. Taxes on Income

Income tax expense comprises current and deferred tax. It is recognized in Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

(ii) Minimum Alternate Tax (MAT)

MAT credit is recognised as a deferred tax assets only when and to the extent there is convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(iii) Deferred Tax

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

Notes to the Consolidated Financial Statements

Note 2: Significant Accounting policies (Continued)

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

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

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

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

Deferred Tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

27. Earnings Per Share

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

28. Segment Reporting

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

29. Exceptional Items

In certain cases when, the size, type or incidence of an item of income or expenses, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item in the consolidated statement of profit and loss and disclosed in the notes accompanying the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

Note 3 : Property, Plant and Equipment

Amount ₹ in Crore

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Computer Hardware	Office Equipments	Leasehold Improvements	Livestock used for R&D	Research Centre	Total
Gross Carrying Amount												
Balance as at April 01, 2018	**327.23**	**56.30**	**1,059.47**	**1,296.52**	**46.48**	**73.14**	**23.78**	**54.24**	**10.05**	**0.32**	**0.70**	**2,948.23**
Additions	2.27	1.36	109.31	307.22	2.97	9.66	4.44	12.01	1.30	0.03	0.27	450.84
Acquisition through business Combination	35.76	24.92	54.68	92.07	0.76	1.65	-	3.90	0.69	-	-	214.43
Disposals / Adjustments	3.29	-	47.55	28.56	0.92	8.02	0.83	1.09	0.02	-	-	90.28
Balance as at March 31, 2019	**361.97**	**82.58**	**1,175.91**	**1,667.25**	**49.30**	**76.43**	**27.39**	**69.06**	**12.02**	**0.35**	**0.97**	**3,523.22**
Additions	3.19	-	58.99	146.93	6.90	11.74	4.98	11.68	5.37	0.23	-	250.01
Disposals / Adjustments (refer note 7)	-	59.51	0.46	4.40	0.98	9.26	1.08	0.55	-	0.02	-	76.26
Balance as at March 31, 2020	**365.16**	**23.07**	**1,234.44**	**1,809.78**	**55.21**	**78.91**	**31.29**	**80.19**	**17.39**	**0.55**	**0.97**	**3,696.97**
Accumulated Depreciation												
Balance as at April 01, 2018	**-**	**1.81**	**80.90**	**214.62**	**14.57**	**24.48**	**16.10**	**22.68**	**4.67**	**0.08**	**0.20**	**380.11**
Additions	-	0.66	30.94	88.54	4.97	9.66	4.95	9.42	2.14	0.03	0.12	151.43
Disposals / Adjustments	-	-	2.16	0.60	0.76	2.95	0.76	0.78	-	0.02	-	8.04
Balance as at March 31, 2019	**-**	**2.47**	**109.68**	**302.56**	**18.78**	**31.19**	**20.29**	**31.32**	**6.81**	**0.09**	**0.32**	**523.50**
Additions	-	0.27	38.33	124.47	5.48	7.27	4.54	11.30	2.55	0.06	0.13	194.40
Disposals / Adjustments	-	1.38	1.45	1.41	0.67	1.40	1.07	0.53	-	0.01	-	7.92
Balance as at March 31, 2020	**-**	**1.36**	**146.56**	**425.62**	**23.59**	**37.06**	**23.76**	**42.09**	**9.36**	**0.14**	**0.45**	**709.98**
Net Carrying Amount												
Balance as at April 01, 2018	327.23	54.49	978.57	1,081.90	31.91	48.66	7.68	31.56	5.38	0.24	0.50	2,568.12
Balance as at March 31, 2019	361.97	80.11	1,066.23	1,364.69	30.52	45.24	7.10	37.74	5.21	0.26	0.65	2,999.72
Balance as at March 31, 2020	365.16	21.71	1,087.88	1,384.16	31.62	41.85	7.53	38.10	8.03	0.41	0.52	2,986.99

Notes :

1. Refer Note No 39 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.
2. Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited), and Dahej are being complied with. Stamp duty payable thereon is not presently determinable.
3. Of the above, a Building carrying value ₹ 51.11 Crore (Previous Year: ₹ 53.74 Crore) is subject to first charge for secured bank loans (Refer Note 19).
4. Buildings includes certain Office Premises given on lease in exchange for similar Office Premises in the same building. [Gross Block - ₹ 94.72 crore (previous year - ₹ 94.72 crore) and Net Carrying Amount - ₹ 87.40 crore (previous year- ₹ 88.90 crore)]
5. Additions to Property, Plant and Equipments includes ₹13.30 crore (previous year ₹19.18 crore) on account of Exchange Differences arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets.
6. Addition to Accumulated Depreciation for Plant & Machinery includes provision for impairment of ₹ 0.27 crore (previous year 0.27 crore)
7. The Group has adopted Ind AS 116 effective 1st April 2019. Consequently, leasehold land of one of the subsidiary has been reclassified from ‘Property, Plant & Equipment’ to ‘Right of Use assets’.
8. Refer to note 19 and note 24 for information on property, plant and equipment pledged as security by the Group.

Note 3a : Capital Work In Progress

1. During the year, ₹ 10.34 Crore (Previous Year: ₹ 7.93 Crore) amount of interest cost has been capitalised to capital work-in-progress.

Notes to the Consolidated Financial Statements

Note 3b : Investment Property

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Gross Carrying Amount			
Balance as at April 01, 2018	**0.38**	**146.35**	**146.73**
Additions	-	-	-
Disposals / Adjustments	-	(24.35)	(24.35)
Balance as at March 31, 2019	**0.38**	**170.70**	**171.08**
Additions	-	32.95	32.95
Disposals / Adjustments	-	(1.08)	(1.08)
Balance as at March 31, 2020	**0.38**	**204.73**	**205.11**
Accumulated Depreciation			
Balance as at April 01, 2018	**-**	**6.42**	**6.42**
Additions	-	2.31	2.31
Disposals / Adjustments	-	(1.45)	(1.45)
Balance as at March 31, 2019	**-**	**10.18**	**10.18**
Additions	-	2.60	2.60
Disposals / Adjustments	-	0.02	0.02
Balance as at March 31, 2020	**-**	**12.76**	**12.76**
Net Carrying Amount			
Balance as at April 01, 2018	0.38	139.93	140.31
Balance as at March 31, 2019	0.38	160.52	160.90
Balance as at March 31, 2020	0.38	191.97	192.35
Fair Value			
As at April 01, 2018	4.15	203.53	207.68
As at March 31, 2019	4.15	195.96	200.11
As at March 31, 2020	4.15	233.41	237.56

Notes to the Consolidated Financial Statements

Note 3b : Investment Property (Continued)

1. Information regarding income and expenditure of Investment Property

Amount ₹ in Crore

Particulars	**For the year ended March 31, 2020**	For the year ended March 31, 2019
Rental income derived from investment properties	**8.35**	8.78
Direct operating expenses	**3.36**	5.47
Profits arising from investment properties before depreciation	**4.98**	3.31
Less - Depreciation	**2.60**	2.31
Profits arising from investment properties	**2.38**	1.00

2. The management has determined that the investment property consists of two class of assets - Freehold Land and Buildings - based on the nature, characteristics and risks of each property.

3. The Group has no restriction on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

4. The fair valuation is based on current prices in the active market for similar properties. The main input used are quantum, area, location, demand, age of building and trend of fair market rent in the location of the property.

5. The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.

6. Reconciliation of Fair Value

Amount ₹ in Crore

Particulars	**Freehold Land**	**Buildings**	**Total**
Opening balance as at April 01, 2018	4.15	203.53	207.68
Fair value changes	-	(31.24)	(31.24)
Purchases	-	23.67	23.67
Opening balance as at April 01, 2019	4.15	195.96	200.11
Fair value changes	-	(5.15)	(5.15)
Purchases/ transfer from Property Plant and Equipment	-	42.60	42.60
Closing balance as at March 31, 2020	4.15	233.41	237.56

Notes to the Consolidated Financial Statements

Note 3c : Other Intangible Assets

Amount ₹ in Crore

Particulars	Trademark	Brand	Product Registration	Computer Software	Total
Gross Carrying Amount					
Balance as at April 01, 2018	**16.52**	**38.22**	**2.71**	**25.94**	**83.39**
Additions	-	-	-	2.92	2.92
Acquisition through business Combination	-	16.55	-	3.66	20.21
Balance as at March 31, 2019	**16.52**	**54.77**	**2.71**	**32.52**	**106.52**
Additions	-	-	-	5.95	5.95
Disposals / Adjustments	-	-	-	0.16	0.16
Balance as at March 31, 2020	**16.52**	**54.77**	**2.71**	**38.31**	**112.31**
Accumulated Depreciation					
Balance as at April 01, 2018	**12.75**	**-**	**2.28**	**12.71**	**27.74**
Additions	3.77	-	0.43	5.20	9.40
Disposals / Adjustments	-	-	-	0.02	0.02
Balance as at March 31, 2019	**16.52**	**-**	**2.71**	**17.89**	**37.12**
Additions	-	0.83	-	5.20	6.03
Disposals / Adjustments	-	-	-	0.13	0.13
Balance as at March 31, 2020	**16.52**	**0.83**	**2.71**	**22.96**	**43.02**
Net Carrying Amount					
Balance as at April 01, 2018	3.77	38.22	0.43	13.23	55.65
Balance as at March 31, 2019	-	54.77	-	14.63	69.39
Balance as at March 31, 2020	-	53.94	-	15.35	69.28

Note:

1) To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account. (Refer Note No. 18 IV (i))

2) Brands amounting to ₹ 38.22 crore have an indefinite life and are tested for impairment at every year end. Accordingly, no impairment charge was required for the current financial year.

Note 3d : Intangible Assets Under Development

Particulars	Amount ₹ in Crore
As at March 31, 2018	0.68
As at March 31, 2019	2.24
As at March 31, 2020	4.79

Notes to the Consolidated Financial Statements

Note 3e: Biological Assets other than bearer plants

A. Reconciliation of carrying amount

Amount ₹ in Crore

Particulars	Oil palm saplings		Cattle		PS Birds / Hatching eggs /Broilers	Total
	Qty.	Amount	Qty.	Amount	Amount	
Balance as April 1, 2018	**6,76,545**	**4.26**	**-**	**-**	**-**	**4.26**
Add:						
Purchases	5,93,900	2.54	-	-	-	2.54
Production/ Cost of Development		2.27		-	-	2.27
Less:						
Sales / Disposals	(5,97,492)	(4.31)	-	-	-	(4.31)
Change in fair value less cost to sell:	-	(0.08)	-	-	-	(0.08)
Realised	-	(0.15)	-	-	-	(0.15)
Unrealised	-	0.07	-	-	-	0.07
Acquisition through Business Combination				4.14	63.16	67.30
Balance as at March 31, 2019	**6,72,953**	**4.68**	**554**	**4.14**	**63.16**	**71.98**
Add:						
Purchases	7,15,500	3.07	63	0.42	45.70	49.18
Production/ Cost of Development		2.35	221	1.52	262.08	265.94
Less:						
Sales / Disposals	(5,80,206)	(4.06)	(57)	(0.00)	(295.87)	(299.93)
Change in fair value less cost to sell:	-	0.23	-	(0.82)	(6.91)	(7.50)
Realised	-	(0.38)	-	(0.31)	(25.12)	(25.81)
Unrealised	-	0.61	-	(0.51)	18.21	18.31
Balance as at March 31, 2020	**8,08,247**	**6.27**	**781**	**5.26**	**68.16**	**79.69**
As at March 31, 2019						
Non Current		4.68		4.14	10.18	19.00
Current		-		-	52.98	52.98
As at March 31, 2020						
Non Current		6.27		5.26	10.42	21.95
Current		-		-	57.74	57.74

The Group has trading operations in oil palm business whereby the group purchases the saplings and sells the saplings once it has achieved the desired growth. During the year ended March 31, 2020, the Group purchased 7,15,500 (Previous year: 5,93,900) number of saplings, out of which 7,15,500 (Previous year: 5,93,900) were still under cultivation.

During the previous year the Group had acquired poultry (PS Birds /Hatching eggs /Broilers) (on acquisition of Godrej Tyson Foods Limited refer note 54) and cattle (on acquisition of Godrej Maxximilk Private Limited).

Notes to the Consolidated Financial Statements

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

B. Measurement of Fair value

i. Fair Value hierarchy

The fair value measurements for oil palm saplings, cattles and PS Birds /Hatching eggs /Broilers have been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

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

Amount ₹ in Crore

Particulars	**March 31, 2020** **Oil palm saplings/Cattles**	March 31, 2019 Oil palm saplings/Cattles	**March 31, 2020** **PS Birds / Hatching eggs / Broilers**
Gain/(loss) included in 'other operating revenue'	**(0.59)**	(0.08)	**(6.91)**
Change in fair value (realised)	**(0.69)**	(0.15)	**(25.12)**
Change in fair value (unrealised)	**0.10**	0.07	**18.21**

iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹50.72 to ₹ 117 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)
Biological assets - it comprises of: PS Bird; Hatching eggs; and Contract farm- Broilers	Discounted cash flows	Estimated price of each component - PS birds - ₹ 21.00 per Hatching eggs (Previous year 28.42), - Hatching eggs - ₹ 27 per Day Old Chicks (Previous year 29.58), - Contract farms- Broilers - ₹ 64.00 per kg for live bird (Previous year 79.50)	The estimated fair valuation would increase/(decrease) if - Estimated price of each component of poultry stock was higher/(lower) - discounting is done for the expected cash flows
Cattles	Market approach with the help of Valuation certificate	Estimated price impact on age, breed and yield of the Cattle	The estimated fair valuation would increase/(decrease) if - Estimated yield of the cattle is increased or decreased

Notes to the Consolidated Financial Statements

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

C. Risk Management strategies related to agricultural activities

The group is exposed to the following risks relating to its plantations, Cattles and PS Bird /Hatching egg /Broiler

i. Regulatory and environmental risks

The group is subject to laws and regulations in the country in which it operates. It has established various enviromental policies and procedures aimed at compliance with the local environmental and other laws.

ii. Supply and demand risks

The Group is exposed to risks arising from fluctuations in the price and sales volume of plants and milk. For oil palm plants, when possible, the group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing. For milk, the Group manage this risk by effective marketing tie up for sale of milk.

The Group is exposed to the risk arising from the fluctuations in the price of Hatching eggs, commercial day old chicks and live birds. when the price goes down the management possibly manage this risk by diverting more live birds for processing and when prices goes up the management sells more Hatching eggs, Day old Chicks and Live Birds.

iii. Climate and other risks

The Group's oil palm plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The group has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

The Group is exposed to risks arising from fluctuations in yield and health of the Cattle. Group manages this risk by effective sourcing and maintenance of cattle.

The Group's Live stock are exposed to the extreme climatic changes in summer and winter season. However, the Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspections of Live Stock and adopting Industry best practices by professional qualified veterinarian doctors.

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

Amount ₹ in Crore

	Profit or (loss) for the year ended March 31, 2020		Profit or (loss) for the year ended March 31,2019	
	10% increase	**10% decrease**	10% increase	10% decrease
Variable cost (Oil palm saplings)	**(0.08)**	**0.09**	(0.08)	0.09
Estimated change in valuation-Cattle	**0.53**	**(0.53)**	0.31	(0.31)
Estimated change in valuation-Poultry (PS Birds /Hatching eggs /Broilers)	**6.99**	**(6.99)**	6.87	(6.87)
Cash flow sensitivity (net)	**7.44**	**(7.43)**	7.09	(7.09)

Notes to the Consolidated Financial Statements

Note 4a : Equity accounted investees

(Refer Note No 1 sub note 7 ii for Accounting Policy on Equity accounted investees)

Amount ₹ in Crore

Particulars	Note	Face Value (₹ unless stated otherwise)	As at March 31, 2020 Number	As at March 31, 2020 Value	As at March 31, 2019 (Restated) Number	As at March 31, 2019 (Restated) Value
(I) Investment in Equity Instruments (Fully Paid up unless stated otherwise)						
(a) Quoted Investment						
(i) Associates						
Godrej Consumer Products Ltd.		1	**24,28,12,860**	**2,880.26**	24,28,12,860	2,703.21
(b) Unquoted Investment						
(i) Associates						
Personalitree Academy Ltd.	1	10	**3,89,269**	**1.10**	3,89,269	1.10
Share Application Money **				**0.03**		
Less: Provision for Diminution in value of Investments				**(1.13)**		(1.10)
(ii) Joint Ventures						
ACI Godrej Agrovet Private Limited		100	**18,50,000**	**102.11**	18,50,000	73.65
Joint Ventures and Associates of Property Business						
Godrej Realty Private Limited		10	**8,84,850**	**4.72**	8,84,850	4.74
Omnivore India Capital Trust		1,00,000	**2,44,437**	**26.23**	-	-
Wonder Space Properties Private Limited (classified as subsidiary w.e.f. April 05,2019)		10	**-**	**-**	1,14,191	1.26
Wonder City Buildcon Private Limited		10	**8,10,420**	**-**	8,10,420	-
Godrej Home Constructions Private Limited		10	**10,71,770**	**-**	10,71,770	-
Wonder Projects Development Private Limited		10	**10,70,060**	**-**	11,00,100	-
Munjal Hospitality Private Limited (w.e.f June 29, 2019)		13.41	**6,09,61,200**	**84.32**	-	-
Yujya Developers Private Limited (w.e.f June 29, 2019)		10	**72,41,360**	**6.83**	-	-
Vivrut Developers Private Limited (w.e.f. February 10, 2020)		10	**7,00,000**	**0.65**	-	-
Godrej Real View Developers Private Limited		10	**20,68,000**	**-**	20,68,000	-
Pearlite Real Properties Private Limited		10	**38,71,000**	**2.39**	35,52,500	-
Godrej Greenview Housing Private Limited		10	**12,64,560**	**-**	12,64,560	-
Godrej Green Homes Limited		10	**3,55,384**	**202.28**	3,55,384	206.34
Godrej Skyline Developers Private Limited		10	**2,60,000**	**-**	2,60,000	-
Godrej Landmark Redevelopers Private Limited		10	**25,500**	**-**	25,500	-
Godrej Redevelopers (Mumbai) Private Limited		10	**28,567**	**0.62**	28,567	-
Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Amortised Cost)						
Godrej Green Homes Limited		10	**10,000**	**-**	10,000	-
Skyline Developers Private Limited		10	**1,30,00,000**	**-**	1,30,00,000	0.42
(II) Investment In Limited Liability Partnerships						
Mosiac Landmarks LLP				**10.54**		11.18
Oxford Realty LLP				**6.29**		-
Dream World Landmarks LLP				**4.70**		1.69
M S Ramaiah Ventures LLP				**0.75**		0.82

Notes to the Consolidated Financial Statements

Note 4a : Equity accounted investees (Contd.)

Amount ₹ in Crore

Particulars	Note	Face Value (₹ unless stated otherwise)	As at March 31, 2020 Number	As at March 31, 2020 Value	As at March 31, 2019 (Restated) Number	As at March 31, 2019 (Restated) Value
Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (Classified as subsidiary till January 31, 2019)				**199.72**		200.99
Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (Classified as subsidiary till January 31, 2019)				**203.95**		205.99
Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (Classified as subsidiary till January 31, 2019)				**95.00**		89.41
Godrej Irismark LLP				**-**		-
Caroa Properties LLP				**-**		-
A R Landcraft LLP				**-**		-
Godrej Developers & Properties LLP				**-**		-
Oasis Landmarks LLP				**-**		-
Godrej SSPDL Green Acres LLP				**-**		-
Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)				**-**		-
Godrej Construction Projects LLP				**-**		-
Bavdhan Realty @ Pune 21 LLP				**-**		-
Godrej Housing Projects LLP				**-**		-
Godrej Projects North Star LLP				**-**		-
Prakhhyat Dwellings LLP				**-**		-
Godrej Highview LLP				**-**		-
Godrej Irismark LLP				**-**		-
Godrej Reserve LLP (formerly known as Sai Srushti Onehub Projects LLP)				**-**		-
Godrej Property Developers LLP				**-**		0.00
Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)				**-**		0.00
Roseberry Estate LLP (w.e.f September 18, 2018)				**-**		-
Godrej Vestamark LLP (Classified as Joint Venture w.e.f. May 03, 2019)				**-**		-
Universal Metro Properties LLP (w.e.f December 02, 2019)				**-**		-
Godrej Odyssey LLP (w.e.f September 26, 2019)				**-**		-
Manyata Industrial Parks LLP (w.e.f. April 22, 2019)				**-**		-
				3,831.36		3,499.70
₹ 0.00 represents amount less than INR 50,000						
Aggregate Amount of Quoted Investments				**2,880.26**		2,703.21
Aggregate Amount of Unquoted Investments				**952.23**		797.59
Aggregate Provision for Diminution in the Value of Investments				**(1.13)**		(1.10)
Market Value of Quoted Investments				**12,646.91**		16,684.89

Note

1 Includes ₹ 0.03 crore paid towards share application money to Personalitree Academy Limited which is considered Doubtful.

Notes to the Consolidated Financial Statements

Note 4b : Non Current Financial Assets- Investments

Amount ₹ in Crore

Name	Note	Face Value (₹ unless stated otherwise)	As at March 31, 2020 Number	As at March 31, 2020 Amount	As at March 31, 2019 (Restated) Number	As at March 31, 2019 (Restated) Amount
(I) Investment in Equity Instruments (Fully Paid up unless stated otherwise)						
At Fair Value Through Profit and Loss						
(a) Quoted Investment						
Zicom Electronics Security System Ltd.		10	**1,73,918**	**0.02**	1,73,918	0.08
Ruchi Soya Industries Ltd.*	1	2	**35**	**0.00**	3,532	0.00
Agro Tech Foods Ltd.*		10	**1**	**0.00**	1	0.00
Colgate Palmolive India Ltd.*		1	**2**	**0.00**	2	0.00
Dabur India Ltd.*		1	**6**	**0.00**	6	0.00
Gillette India Ltd.*		10	**1**	**0.00**	1	0.00
Hindustan Unilever Ltd. *		1	**751**	**0.17**	751	0.13
Marico Ltd.*		1	**80**	**0.00**	80	0.00
Bajaj Finance Ltd.		2	**450**	**0.10**	450	0.14
Procter & Gamble Hygiene & Health Care Ltd.*		10	**1**	**0.00**	1	0.00
Cera Sanitaryware Ltd.		5	**1,189**	**0.26**	1,189	0.36
HDFC Bank Ltd.		2	**444**	**0.04**	222	0.05
Infosys Ltd.		5	**610**	**0.04**	610	0.05
Venkys India Ltd.*		10	**1**	**0.00**	1	0.00
Just Dial Ltd*		10	**82**	**0.00**	82	0.00
Advanced Enzyme Technologies Ltd.		2	**3,000**	**0.04**	3,000	0.05
Vadilal Industries Ltd.		10	**2,000**	**0.09**	2,000	0.12
DCM Ltd.		10	**10,000**	**0.02**	5,000	0.03
Maruti Suzuki India Ltd.		5	**50**	**0.02**	50	0.03
KSE Limited		10	**72,934**	**8.01**	65,467	9.16
Ujjivan Financial Services Ltd.		10	**12,204**	**0.17**	12,204	0.42
Bharat Petroleum		10	**2,000**	**0.06**	2,000	0.08
Wockhardt Ltd.		5	**1,000**	**0.02**	1,000	0.04
Whirpool of India Ltd.		10	**500**	**0.09**	500	0.08
Alacrity Housing Limited*		10	**-**	**-**	100	0.00
Ansal Buildwell Limited*		10	**100**	**0.00**	100	0.00
Ansal Housing and Construction Limited*		10	**300**	**0.00**	300	0.00
Ansal Properties and Infrastructure Limited*		5	**600**	**0.00**	600	0.00
Unitech Limited*		2	**13,000**	**0.00**	13,000	0.00
The Great Eastern Shipping Company Limited*		10	**72**	**0.00**	72	0.00
Radhe Developers (India) Limited*		10	**100**	**0.00**	100	0.00
United Textiles Limited*		10	**23,700**	**0.00**	23,700	0.00
(b) Unquoted Investment						
Bharuch Eco-Aqua Infrastructure Ltd.		10	**4,40,000**	**0.44**	4,40,000	0.44
Less : Provision for Diminution in the Value of Investment				**(0.44)**		(0.44)
				-		-
Avesthagen Ltd.		7	**4,69,399**	**12.43**	4,69,399	12.43
Less : Provision for Diminution in the Value of Investment				**(12.43)**		(12.43)
				-		-
CBay Infotech Ventures Pvt. Ltd.		10	**1,12,579**	**2.33**	1,12,579	2.33
Less : Provision for Diminution in the Value of Investment				**(2.33)**		(2.33)
				-		-
Gharda Chemicals Ltd.	2	100	**114**	**0.12**	114	0.12
Less : Provision for Diminution in the Value of Investment				**(0.12)**		(0.12)
				-		-
HyCa Technologies Pvt. Ltd.		10	**12,436**	**1.24**	12,436	1.24
Less : Provision for Diminution in the Value of Investment				**(1.24)**		(1.24)
				-		-
Tahir Properties Ltd (Partly paid) *	3	100	**25**	**0.00**	25	0.00
Less: Forfeited				**0.00**		0.00
Boston Analytics Inc.		$1	**13,54,129**	**6.91**	13,54,129	6.91
Less : Provision for Diminution in the Value of Investment				**(6.91)**		(6.91)
				-		-
The Saraswat Co-op Bank Ltd. *		10	**2,000**	**0.02**	2,000	0.02
Sachin Industrial Co-operative Society Ltd. *				**0.00**		
Isprava Technologies Ltd. (formerly karROX Technologies Ltd.)		10	**2,31,171**	**0.07**	1,95,831	0.04
Clean Max Enviro Energy Solution Pvt Ltd .		10	**3,133**	**1.01**	3,133	1.01
AB Corp Limited*		10	**25,000**	**0.00**	25,000	0.00

Notes to the Consolidated Financial Statements

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

Amount ₹ in Crore

Name	Note	Face Value (₹ unless stated otherwise)	As at March 31, 2020 Number	As at March 31, 2020 Amount	As at March 31, 2019 (Restated) Number	As at March 31, 2019 (Restated) Amount
Lok Housing and Construction Limited*		10	**100**	**0.00**	100	0.00
Global Infrastructure & Technologies Limited*		10	**100**	**0.00**	100	0.00
Premier Energy and Infrastructure Limited*		10	**100**	**0.00**	100	0.00
D.S. Kulkarni Developers Limited*		10	**100**	**0.00**	100	0.00
GOL Offshore Limited *		10	**18**	**0.00**	18	0.00
Lotus Green Construction Private Limited*		100	**1**	**0.00**	1	0.00
Alacrity Housing Limited*		10	**100**	**0.00**	-	-
Brookings Institution India Centre*		100	**125**	**0.00**	125	0.00
Shamrao Vithal Co-operative Bank Ltd				**0.01**		
(II) Investment in Debentures or Bonds						
At Fair Value Through Profit and Loss						
(a) Unquoted Investment						
(i) Joint Ventures						
Godrej Realty Private Limited		10	**29,89,095**	**2.99**	29,89,095	2.99
Godrej Green Homes Limited		1000	**33,18,000**	**331.80**	33,18,000	316.60
Wonder City Buildcon Private Limited		1000	**3,07,833**	**12.05**	3,07,833	30.40
Wonder Space Properties Private Limited		1000	**-**	**-**	10,19,154	115.58
Wonder Space Properties Private Limited		1000	**-**	**-**	3,77,464	37.75
Wonder Space Properties Private Limited		1000	**-**	**-**	38,498	4.34
Godrej Home Constructions Private Limited		1000	**4,13,949**	**23.58**	4,13,949	41.46
Godrej Redevelopers (Mumbai) Private Limited		1000	**8,43,736**	**84.48**	8,43,736	84.48
Wonder Projects Development Private Limited		1000	**2,77,500**	**27.68**	2,77,500	27.58
Pearlite Real Properties Private Limited		1000	**73,500**	**10.45**	7,96,005	81.04
Godrej Real View Developers Private Limited		1000	**4,61,700**	**46.41**	4,27,500	42.16
Godrej Skyline Developers Private Limited		100	**53,04,000**	**52.90**	53,04,000	52.55
Godrej Greenview Housing Private Limited		1000	**2,60,946**	**26.99**	2,60,946	25.27
Ashank Macbricks Private Limited		1000	**4,37,000**	**44.50**	-	-
Yujya Developers Private Limited		100	**21,72,348**	**21.72**	-	-
Vivrut Developers Private Limited		100	**21,000**	**2.10**	-	-
Munjal Hospitality Private Limited		100	**9,60,000**	**9.56**	-	-
(IV) Investment in Partnership Firms						
View Group LP *	4			**0.00**		0.00
Less : Provision for Diminution in the Value of Investment				**(0.00)**		(0.00)
				-		-
(V) Other Investment						
Investment in Units of Venture Capital Fund						
Indian Fund for Sustainable Energy (Infuse Capital)		100	3,39,959	4.26	3,27,864	4.55
Omnivore India Capital Trust		100000	-	-	2,444.37	42.85
Aggregate amount of impairment in value of investments				(10.50)		-
				701.27		921.52
Aggregate Amount of Quoted Investments				9.17		10.84
Aggregate Amount of Unquoted Investments				715.57		934.15
Aggregate Provision for Diminution in the Value of Investments				(23.47)		(23.47)
Market Value of Quoted Investments				9.17		10.84

* Amount less than ₹ 0.01 crore.

Notes

1 "During the year as per the Resolution Plan approved by Hon'ble NCLT, the issued, subscribed and paid-up equity capital of the Ruchi Soya Ltd stand reduced from ₹ 66,82,01,444/- consisting of 33,41,00,722 equity shares of face value of ₹ 2/- each to ₹ 66,82,014/- consisting of 33,41,007 equity shares of ₹ 2/- each thereby reducing the value of issued, subscribed & paid-up equity share capital of the Company by ₹ 66,15,19,430 divided into 33,07,59,715 equity shares of ₹ 2/- each.
Accordingly the number shares of Ruchi Soya Ltd held by GIL has been reduced from 3532 to 35 shares".

2 The said shares have been refused for registration by the investee company.

3 Uncalled Liability on partly paid shares
- Tahir Properties Ltd. - Equity - ₹ 80 per share (Previous year 2019 - ₹ 80 per share)

4 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 the Consolidated Financial Statements

Note 5 : Non Current Financial Assets- Trade Receivables

Amount ₹ in Crore

Particulars		As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Unsecured and Considered Good	**89.83**	14.21
		89.83	14.21

Note 6 : Non Current Financial Assets- Loans

Amount ₹ in Crore

Particulars			As at March 31, 2020		As at March 31, 2019 (Restated)	
(I)		Security Deposit				
	(a)	Secured and Considered Good (Refer Note 1 below)		**26.33**		28.57
	(b)	Unsecured and Considered Good		**28.95**		22.29
	(c)	Unsecured and Considered Doubtful (credit impaired)	**1.18**		1.18	
		Less : Allowance for Bad and Doubtful Deposit	**(1.18)**		(1.18)	
				-		-
(II)		Other Loans				
	(a)	Secured and Considered Doubtful (credit impaired) (refer note 2 and 3 below)	**10.33**		10.33	
		Less : Allowance for Bad and Doubtful Loans	**(10.33)**		(10.33)	
				-		-
	(b)	Unsecured and Considered Good				
		Loans to employees		**1.32**		1.15
				56.60		52.01

There are no loans which have significant increase in credit risk.

Notes

1 Secured Deposits - Projects, are Secured against Terms of Development Agreement.

2 The Company had advanced an amount of ₹ 10.33 crore to certain individuals who also pledged certain equity shares as security against the said advance. The Company has enforced its security and lodged the shares for transfer in its name. The said transfer application was rejected and Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company had filed an appeal before the Honorable High Court against the order of the Company Law Board under section 10 F of the Companies Act, which was disposed of with the direction to keep the transfer of shares in abeyance till the arbitration proceedings between the parties are on. The Honorable Bombay High Court passed an interim order dated September 18, 2012, restraining the Company from interalia, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company had filed a Special Leave Petition (SLP) before the Supreme Court against this interim order of the Honorable Bombay High Court which the Supreme Court has dismissed and the matter is presently before the Arbitrator. Single Arbitrator, Justice ((Retired), A.P. Shah on 29th June 2019 passed an Award ruling that Godrej Industries Ltd shall return all the pledged shares along with the original loan –cum- pledge agreements and the Power of Attorneys executed by the said individuals in favor of Godrej Industries Ltd to the said individuals upon the said Individuals repaying an amount of ₹10.33 crores to Godrej Industries Ltd.

Godrej Industries Ltd, challenged this Award before the Hon’ble High Court of Bombay by way of Section 34 petition under the Arbitration & Conciliation Act. 1996. Hon’ble Bombay High Court by its Order dated 13/09/2019 has now stayed the operation of the said Award dated 29th June 2019 till the said Section 34 Petition is finally disposed of. The matter is now pending before the Bombay High Court.

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

Notes to the Consolidated Financial Statements

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

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

Amount ₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
1 Loans where there is no repayment schedule				
(i) Federal & Rashmikant	5.83	5.83	5.83	5.83
(ii) M/s Dhruv & Co. (Regd.)	4.18	4.18	4.18	4.18
(iii) D. R. Kavasmaneck & Dr. P. R. Kavasmaneck	0.32	0.32	0.32	0.32

Note 7 : Non Current Financial Assets- Others

Amount ₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
(I) Bank Deposit with more than 12 months maturity (Refer Note 1 below)		**0.14**		1.26
(II) Secured				
(a) Interest Accrued on Loans (Refer Note 2 below)	**3.15**		3.15	
Provision for Doubtful Loans	**(3.15)**		(3.15)	
		-		-
(III) Unsecured				
(a) Interest Accrued on Loans	**1.03**		1.03	
Provision for Doubtful Loans	**(1.03)**		(1.03)	
		-		-
(IV) Others				
(a) Balances with Statutory authorities		**2.59**		9.79
(b) Claim Receivable		**1.80**		1.46
(c) Deposit		**0.39**		33.24
(d) Others (Refer Note 3 below)		**3.20**		-
		8.12		45.75

Notes

Bank Deposit with more than 12 months maturity includes:

1 Fixed Deposits of ₹ 0.12 crore (Previous year ₹0.11 crore) are pledged with government authorities. Further Fixed deposits with scheduled banks of ₹ 0.01 crores (Previous Year ₹ 0.02 crore) held as margin money towards sales tax registration and fixed deposit of ₹ 0.01 crores (Previous Year ₹ 0.02 crore) are kept as earnest money deposits.

2 Interest on loan referred to in sub note (1) under Note 6 - Non Current Loans, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.

3 Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to ₹ 2.91 Crore (Previous Year: ₹ Nil).

Notes to the Consolidated Financial Statements

Note 8 : Deferred Tax Assets (Net of Liabilities)

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(I) Liabilities		
(a) Property, plant and equipment & Intangible assets	**201.73**	170.94
(b) Investments	**4.56**	14.31
(c) Biological Assets	**6.30**	-
	212.59	185.25
(II) Assets		
(a) Provision for Retirement Benefits	**9.69**	8.77
(b) Indexation benefit on land and shares	**0.99**	0.94
(c) Investments	**25.73**	-
(d) Biological Assets	**-**	0.07
(e) Inventories	**-**	30.96
(f) Equity-settled share-based payments	**2.09**	1.85
(g) MAT Credit Entitlement	**10.29**	26.55
(h) Provision for Doubtful Debts / Advances	**35.87**	30.17
(i) Brought forward Losses	**243.63**	400.69
(j) Unabsorbed Depreciation	**182.54**	164.46
(k) Other Provisions	**216.02**	170.52
(l) Leases	**0.73**	-
	727.58	834.98
Deferred Tax Assets (Net of Liabilities) (Refer note 44)	**514.99**	649.73

Note 9 : Other Non Current Assets

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(I) Capital Advances		
Considered Good	**59.39**	98.13
(II) Other Advances		
(a) Statutory Deposit	**-**	2.67
(b) Balance with Government Authorities	**16.01**	16.41
(c) Prepaid Expense	**0.73**	0.28
(d) Others	**6.70**	3.46
Considered Doubtful	**0.46**	0.46
Provision for Doubtful Advance	**(0.46)**	(0.46)
	82.83	120.95

Note 10 : Inventories

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(I) Raw Materials	**669.81**	637.83
(II) Packing Material	**2.99**	2.91
(III) Work in Progress	**126.71**	121.57
(IV) Construction Work in Progress (Refer note 2 below)	**1,554.93**	2,139.43
(V) Project in Progress	**12.08**	68.43
(VI) Finished Goods	**715.10**	243.92
(VII) Finished Product - Property Development	**-**	71.37
(VIII) Stock in Trading	**63.56**	87.85
(IX) Stores and Spares	**41.71**	36.87
	3,186.89	3,410.18

Notes

1. Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of GST Input Tax Credit.
2. The write-down of inventories to net realisable value during the year amounted to ₹ 33.32 crores (Previous Year: ₹ 4.75 crores).
3. Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks.
4. Certain inventories as at March 31, 2020 have been written down to their net realisable values on account of which ₹2.50 crores has been debited to the Statement of Profit and Loss. Further provision of ₹4.21 crores made in the previous years has been reversed into the Statement of Profit and Loss in the current year and included in Cost of materials consumed (31 March 2019 - provision of ₹ 4.42 crores)

Notes to the Consolidated Financial Statements

Note 11 : Current Financial Assets- Investments

Amount ₹ in Crore

Name	Note	Face Value	As at March 31, 2020		As at March 31, 2019 (Restated)	
(I) Investment in Mutual Funds (At Fair Value Through Profit and Loss)				**2,061.57**		1,052.10
(II) Other Investment						
At Fair Value Through Profit and Loss						
(a) Unquoted Investment						
Optionally Convertible Loan Notes/ Promissory Notes						
Boston Analytics Inc. (15%)	1	$ 750,000	**3.00**		3.00	
Less : Provision for Diminution in the Value of Investment			**(3.00)**		(3.00)	
				-		-
Boston Analytics Inc. (20%)	1	$ 15,50,000	**6.73**		6.73	
Less : Provision for Diminution in the Value of Investment			**(6.73)**		(6.73)	
				-		-
Boston Analytics Inc. (12%)	2	$ 950,000	**4.69**		4.69	
Less : Provision for Diminution in the Value of Investment			**(4.69)**		(4.69)	
				-		-
(III) Investment in equity of associates						
(a) Unquoted						
Al Rahaba International Trading Limited Liability Company	3	1500		**-**		-
				2,061.57		1,052.10
Aggregate Amount of Quoted Investments				**2,061.57**		1,052.10
Aggregate Amount of Unquoted Investments				**14.42**		14.42
Aggregate Provision for Diminution in the Value of Investments				**(14.42)**		(14.42)
Market Value of Quoted Investments				**2,061.57**		1,052.10

Notes

1 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.

2 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.

3 During the previous year, the management has decided to divest its stake in Al Rahhaba International Trading Limited Liability Company. Further the equity accounted investment in Al Rahaba International Trading Limited Liability Company is ₹ Nil as at March 31, 2019 on account of losses for the year.

Notes to the Consolidated Financial Statements

Note 12 : Current Financial Assets- Trade Receivables

Amount ₹ in Crore

	Particulars		As at March 31, 2020		As at March 31, 2019 (Restated)
(I)	Secured and Considered Good (Refer Note 1 below)		136.37		88.51
(II)	Unsecured and Considered Good		1,416.08		1,071.78
(III)	Unsecured and Considered Doubtful (credit impaired)	100.40		83.54	
	Less : Allowance for Bad and Doubtful Debt	(100.40)		(83.54)	
	Net Unsecured and Considered Doubtful		-		-
(IV)	Trade receivables having significant increase in credit risk		-		-
			1,552.45		1,160.29

Notes

1 Secured by Security Deposits collected from Customers, Letter of Credit or Bank Guarantees held against them.

2 Refer note 24 for information on trade receivables pledged as security by the Group.

Note 13a :Cash and Cash Equivalents

Amount ₹ in Crore

	Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Balances with Banks		
	(a) Current Accounts	461.76	622.08
	(b) Deposits having maturity less than 3 months	113.21	111.24
(II)	Cheques, Drafts on Hand	11.30	10.46
(III)	Cash on Hand	4.15	6.69
		590.41	750.47

Note 13b : Current Financial Assets - Other Bank Balances

Amount ₹ in Crore

	Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Deposits with more than 3 months but less than 12 months maturity (Refer Note 1 below)	361.26	191.78
(II)	Other Bank Balances (Refer Note 2 to 3)	26.79	2.48
		388.05	194.26

Notes

1 Include
- (i) ₹ 46.56 Crore (March 31 2019: ₹ 8.48 Crore) received from flat buyers and held in trust on their behalf in a corpus fund.
- (ii) Deposits held as Deposit Repayment Reserve amounting to ₹ 0.10 Crore (March 31 2019: ₹ 0.10 Crore).
- (iii) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to ₹ 0.29 Crore (March 31 2019: ₹ 0.86 Crore)
- (iv) Fixed Deposits of ₹ 1.11 crores (Previous year ₹ 1.21 crores) are pledged with Banks for Guarantees issued. Further fixed deposits of ₹ 0.06 (Previous year ₹0.06 crore) are kept as earnest money deposit.

2 Balances with Banks in current accounts ₹ 0.50 Crore (March 31 2019: ₹ 0.51 Crore) is on account of earmarked balance for unclaimed dividend.

3 Balances with Banks in current accounts ₹ 0.82 Crore (March 31, 2019: ₹ 1.16 Crore) is amount received from buyers towards maintenance charges.

Notes to the Consolidated Financial Statements

Note 14 : Current Financial Assets- Loans

Amount ₹ in Crore

Particulars				As at March 31, 2020		As at March 31, 2019 (Restated)
(I)	Security Deposit					
	(a)	Secured and Considered Good (Refer Note 1 below)		**200.13**		222.58
(II)	Loans to Related Parties					
	(a)	Secured and Considered Good (Refer Note 2 below)		**-**		7.50
	(b)	Unsecured and Considered Good		**1,338.44**		763.59
(III)	Other Loans					
	(a)	Unsecured and Considered Good				
		Loans to employees		**1.22**		1.36
		Other Loans & Advances		**95.39**		53.71
	(b)	Unsecured and Considered Doubtful				
		Inter Corporate Deposit	**5.77**		5.77	
		Less : Allowance for Bad and Doubtful Deposit	**(5.77)**		(5.77)	
				-		-
		Doubtful Loan	**0.13**		-	
		Less : Allowance for Bad and Doubtful Deposit	**(0.13)**		-	
				-		-
				1,635.18		**1,048.74**

Note

1 Deposits - Projects are Secured against Terms of Development Agreements.

2 Loan to related party represents loan given to Prakhhyat Dwelling LLP ₹ Nil (March 31, 2019: ₹ 7.50 Crore), a joint venture of the Group and is secured against immovable property of the LLP.

Note 15 : Current Financial Assets- Others

Amount ₹ in Crore

Particulars		As at March 31, 2020	As at March 31, 2019 (Restated)
I	Other Receivables	**29.21**	19.71
II	Fair Value of Derivative Contracts	**3.41**	0.06
III	Deposits - Others	**58.23**	46.79
IV	Interest Accrued on Loans and Deposits	**408.35**	276.53
V	Income Accrued	**-**	0.06
VI	Export Benefits Receivables	**0.26**	0.30
VII	Others	**48.17**	31.84
		547.63	375.29

Notes to the Consolidated Financial Statements

Note 16 : Other Current Assets

Amount ₹ in Crore

Particulars			As at March 31, 2020		As at March 31, 2019 (Restated)	
(I)	Advances other than Capital Advance					
	(a)	Security Deposit				
		Statutory Deposits	**109.77**		172.10	
		Other Deposits	**3.09**		2.60	
				112.86		174.70
	(b)	Other Advances				
		Advance to Suppliers - Considered Good (refer note 1)	**61.62**		100.70	
		Advance to Suppliers - Considered Doubtful	**1.19**		1.19	
		Provision for Doubtful Advance	**(1.19)**		(1.19)	
				61.62		100.70
		Other Receivables - Considered Good		**64.13**		108.95
		Advance for Land, Development Rights and Flats		**145.64**		37.31
		Export Benefit		**4.46**		9.09
		Unbilled Revenue		**142.41**		75.82
		Employee Advance		**0.01**		0.02
		Prepaid and other advances		**22.18**		21.94
				553.31		528.53

Note 1: Advance to Suppliers and Contractors includes advances amounting to ₹ 1.39 Crore (Previous Year: ₹ 10.78 Crore) secured against bank guarantees.

Notes to the Consolidated Financial Statements

Note 17 : Equity

Amount ₹ in Crore

		Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
			Nos	Amount ₹ in Crore	Nos	Amount ₹ in Crore
1	**Authorised Share Capital**					
	(a)	Equity shares of Re. 1 each	**80,00,00,000**	**80.00**	80,00,00,000	80.00
	(b)	Unclassified Shares of ₹ 10 each	**10,00,00,000**	**100.00**	10,00,00,000	100.00
				180.00		180.00
2	**Issued, Subscribed and Paid up Share Capital**					
	Equity Shares of Re. 1 each fully paid up		**33,64,66,016**	**33.65**	33,63,84,367	33.64
	Par Value of Equity Share is Re. 1 each					
	Par Value of Unclassified Share is ₹ 10 each					
3	**Reconciliation of number of Shares**					
	Equity Shares					
	Number of Shares outstanding at the beginning of the year		**33,63,84,367**	**33.64**	33,62,72,731	33.63
	Issued during the year		**81,649**	**0.01**	1,11,636	0.01
	Number of Shares outstanding at the end of the year		**33,64,66,016**	**33.65**	33,63,84,367	33.64
4	**Rights, Preferences And Restrictions attached to Shares**					
	Equity Shares : The Company has one class of equity shares. Each equity share entitles the holder to one vote. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.					
5	**Share Holding Information**					
	a)	Shareholders holding more than 5% of Equity Shares in the Company:				
		Rishad Kaikhushru Naoroji and others (Partners of RKN Enterprises)- 12.66% (previous year 12.66%)	**4,25,83,272**	**4.26**	4,25,83,272	4.26
		Godrej Foundation - 13.38% (previous year 13.38%)	**4,50,14,972**	**4.50**	4,50,14,972	4.50
6	**Equity Shares Reserved for Issue Under Employee Stock Grant (Re. 1 each)**					
	Employee Stock Grant for which vesting date shall be such date as may be decided by the Compensation Committee (*)					
	(a)	Employee Stock Grant vesting on 31/05/19	**-**	**-**	90,785	0.01
	(b)	Employee Stock Grant vesting on 13/05/20	**19,063**	**0.00**	-	-
	(c)	Employee Stock Grant vesting on 31/05/20	**42,251**	**0.00**	50,655	0.01
	(d)	Employee Stock Grant vesting on 13/05/21	**19,063**	**0.00**	-	-
	(e)	Employee Stock Grant vesting on 31/05/21	**16,341**	**0.00**	19,589	0.00
	(f)	Employee Stock Grant vesting on 13/05/22	**19,063**	**0.00**	-	-
	The exercise period in respect of the stock grants mentioned above is one month.					
7	During the period of five years immediately preceding the date as at which the Balance Sheet is prepared :					
	Pursuant to the Scheme of Amalgamation of Vora Soaps Limited (VSL) with the Company 19,39,04,681 equity shares allotted as fully paid up to the Equity and Preference Shareholders of VSL.					

Notes to the Consolidated Financial Statements

Note 17 : Equity (Contd.)

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

(i) 2,00,243 equity shares alloted as fully paid up to the Equity Shareholders of WCL and 10 equity shares alloted as fully paid up to the Preference Shareholders of WCL, without payment being received in cash.

(ii) 67,627 equity shares have been allotted as fully paid up bonus shares to the non-promoter shareholders of the Company.

8 There are no calls unpaid.

9 There are no forfeited shares.

(*) Amount less than ₹ 0.01 crore.

Note

In the FY 2014-15, the Honourable Bombay High Court and High Court of Madhya Pradesh, Indore Bench, approved a Scheme of Amalgamation ("Scheme") of Wadala Commodities Limited (WCL) with the Company effective from April 1, 2014, being the appointed date. The Effective Date was November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC. Accordingly, the Company had issued 2,00,243 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.

On December 14, 2018, the National Company Law Tribunal ("NCLT"), Mumbai bench vide its Order approved the Scheme of Amalgamation of Vora Soaps Limited (VSL) with the Company. Consequent to the said Order and filing of the final certified Orders with the Registrar of Companies, Maharashtra on December 24, 2018, the Scheme has become effective from the Appointed Date of December 14, 2017. According to the Scheme, the Company cancelled 19,39,04,681 equity shares held by VSL and issued 19,39,04,681 fully paid Equity Shares as a consideration to the Equity and Preference shareholders of Vora Soaps Limited.

Note 18 : Other Equity

I Summary of Other Equity Balance

Amount ₹ in Crore

	Particulars	**As at March 31, 2020**	As at March 31, 2019 (Restated)
I	Capital Reserve on Account of Amalgamation	**20.34**	0.81
II	Capital Redemption Reserve	**31.46**	31.46
III	Securities Premium	**916.63**	912.76
IV	Capital Reserve	**28.81**	28.45
V	Special Reserve	**4.03**	3.98
VI	Foreign Currency Monetary Items Translation Reserve	**15.75**	11.13
VII	Items of Other Comprehensive Income	**53.35**	(0.03)
VIII	Employee Stock Grants Outstanding	**9.48**	10.09
IX	General Reserve	**64.24**	64.24
X	Debenture Redemption Reserve	**49.29**	56.13
XI	Gain on sale of subsidiary without losing control	**180.67**	180.67
XII	Non Controlling Interest Reserve	**2,090.97**	1,224.95
XIII	Retained Earnings	**2,288.04**	1,788.16
		5,753.05	4,312.80

Refer statement of changes in equity for detailed movement in Other Equity balances.

Notes to the Consolidated Financial Statements

Note 18 : Other Equity (Contd.)

II Nature and purpose of reserve

a Capital Reserve on Account of Amalgamation : During amalgamation, the excess of net assets taken over the cost of consideration paid is treated as Capital Reserve on account of Amalgamation.

b Capital Redemption Reserve : The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings.

c Securities Premium : The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

d Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve and also created on Sale of treasury Shares, also profit on sale of treasury shares held by the ESOP Trust is recognised in Capital Reserve. The utilisation will be as per the requirements of the Companies Act, 2013.

e Special Reserve : Reserve created under section 45IC of RBI Act, 1934.

f Foreign Currency Translation Reserve : The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

g Employee Stock Grants Outstanding : The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Grants Outstanding Account.

h Reserve for Employee Compensation Expense : The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for employee compensation expense as per court Scheme

i General Reserve : The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

j Debenture Redemption Reserve : The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

k Gain on sale of subsidiary without losing control : The Company participated in the IPO of Godrej Agrovet Limited (GAVL) as a promoter shareholder and sold part of its stake and realised a gain in the Standalone financial statements. Since the Company continues to hold controlling stake in GAVL, the resultant gain is not considered as a part of Consolidated net profits, but is included in Reserves as per the accounting treatment prescribed under IND AS 110 (Consolidated Financial Statements).

l Non- controlling Interest Reserve : It represents the difference between the consideration paid and the carrying value of non- controlling interest acquired in subsidiaries.

m Retained Earnings : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes to the Consolidated Financial Statements

Note 18 : Other Equity (Contd.)

III Other Comprehensive Income accumulated in Other Equity, net of tax

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Opening Balance	**(0.03)**	(32.00)
Exchange Difference in translating financial statements of foreign operations	**57.79**	35.12
Cash flow hedges	**(4.41)**	(3.15)
	53.35	(0.03)

IV Notes

(i) To give effect to the Scheme of Amalgamation ("the Scheme") of Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery Palm Oil Ltd (CPOL) ("the Transferor Companies") with Godrej Agrovet Limited (“the Transferee Company"), effective April 1, 2011, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been recorded:

i. Amortisation of Intangible Assets of the Transferor Companies amounting to ₹4.25 Crore for the year ended March 31, 2019, recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets held by the Transferee Company is ₹42.51 Crore.

Had the Scheme not prescribed the above treatment, profit for the Financial Year ended March 31, 2019 would have been lower by ₹2.77 Crore.

Earnings per share has been adjusted for effects of above expenses which have been debited to reserves pursuant to court schemes, and Emphasis of matter paragraph has been given in the audit report issued by the Statutory Auditors on the Consolidated Financial statements.

Notes to the Consolidated Financial Statements

Note 19 : Non Current Financial Liabilities - Borrowings

Amount ₹ in Crore

Particulars				As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Secured Borrowings				
	(a)	Bonds and Debentures		**-**	500.00
		7.82% NIL (Previous Year: 2019 5,000) redeemable non-convertible debentures ("NCD") of face Value ₹ 1,000,000 each			
	(b)	Term Loans			
		(i)	From Banks (Refer Note 1)	**7.35**	6.99
(II)	Unsecured Borrowings				
	(a)	Term Loans			
		(i)	From Banks (Refer Note 2 below)	**603.73**	685.97
	(b)	Deferred Payment Liabilities (Refer Note 3 and 4 below)		**1.55**	3.24
				612.63	1,196.20

Notes:

1

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Loans at the interest rate of 1.5% to 1.8% p.a.The interest bearing loan in denominated in Singapore dollar.	7.35	-
Loans at the interest rate of 2.0% to 2.6% p.a repayable in 60 installments from the date of disbursements.The interest bearing loan in denominated in Singapore dollar.	-	6.99

2 Unsecured loans from Banks

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Loan carries interest at Fixed rate of 8.50% p.a for an original term upto 60 months and repayable starting June 2018 to March 2022.	**31.25**	62.50
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting June 2018 to March 2022.	**22.50**	45.00
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting July 2018 to April 2022.	**8.75**	17.50
Loan carries interest at 1 year MCLR for an original term upto 72 months and repayable starting March 2022 to March 2025	**500.00**	500.00
Loan carries interest rate of 8.80% p.a repayable in 16 structured quarterly instalments commencing from January 2018 to December 2022 .	**-**	1.97
Loan carries interest rate of 7.05% p.a repayable in 28 equal quarterly instalments commencing from February 15, 2019.	**19.00**	-
Loan carries interest at 1 month treasury bill rate + 21bps spread p.a. is repayable in a single tranche in April 2020	**-**	20.00
Loan carries interest at Treasury bill rate + 75bps repayable in 20 equal quarterly installments commencing from July, 2020	**14.50**	-

Notes to the Consolidated Financial Statements

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

2 Unsecured loans from Banks (Contd.)

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Loan carries interest rate of 3 months T Bill + 175 bps. The loan is repayable in 60 monthly installments commencing from July 2020.	-	16.00
Loan carries interest at Treasury bill rate + 100bps repayable in 16 equal quarterly installments commencing from 31 December, 2020	7.73	-
Loan carries interest rate of 7.05% p.a repayable in 28 structured quarterly instalments commencing February 15,2019	-	23.00

3 Deferred Loan against acquisition of Lease hold Land is availed at interest rate of 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on a half yearly basis for a period of 6 years from 1st July 2016 up to 1st Jan 2022. Total loan availed was ₹6.18 crore and outstanding for the year ended March 31, 2020 was ₹2.58 crore (Previous year ₹ 3.09 crore) with current maturity disclosed separately in note no. 26 at ₹ 1.03 crore (Previous year ₹ 1.03 crore) .

4 Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, up to March 2021. Total loan availed was ₹ 4.67 crore and outstanding for the year ended March 31, 2020 was ₹ 1.34 (Previous year ₹ 2.41 crore) with current maturity disclosed separately in note 26 at ₹ 1.34 crore (Previous year ₹ 1.23 crore).

5 The Group does not have any default as on the Balance Sheet date in repayment of loan or interest.

Note 20 : Non Current Financial Liabilities - Others

Amount ₹ in Crore

Particulars		As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Non Trade Payable	0.86	0.51
(II)	Security Deposits	0.49	0.50
		1.35	1.01

Note 21 : Non Current Provisions

Amount ₹ in Crore

Particulars		As at March 31, 2020	As at March 31, 2019 Restated
I	Defined Benefit Obligation	31.16	24.08
II	Other Long Term Benefit	2.91	2.87
		34.07	26.95

Notes to the Consolidated Financial Statements

Note 22 : Deferred Tax Liabilities (Net)

Amount ₹ in Crore

Particulars			As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Liabilities			
	(a)	Property, plant and equipment	**182.78**	219.30
	(b)	Investments	**0.31**	-
	(c)	MAT Credit Entitlement		
	(d)	Biological Assets	**0.12**	8.96
	(e)	Brought forward Losses	**0.09**	0.70
	(f)	Other provisions	**68.66**	64.44
			251.96	293.40
(II)	Assets			
	(a)	Provision for Retirement Benefits	**2.43**	3.00
	(b)	Provision for Doubtful Debts / Advances	**6.23**	6.81
	(c)	MAT Credit Entitlement	**-**	5.22
	(d)	Leases	**0.75**	-
			9.41	15.03
Deferred Tax Liabilities (Net Of Assets)			**242.55**	278.37
(refer note 44)				

Note 23 : Other Non Current Liabilities

Amount ₹ in Crore

Particulars		As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Others		
	Deferred Grant	**21.19**	20.41
	Others	**1.02**	0.91
		22.21	21.32

Notes to the Consolidated Financial Statements

Note 24 : Current Financial Liabilities Borrowings

Amount ₹ in Crore

Particulars				As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Secured Borrowings				
	(a)	Term Loan from Bank (Refer Note 1 below)		**-**	11.73
	(b)	Loans Repayable on Demand			
		(i)	From Banks (Refer Note 1 below)	**903.58**	804.36
	(c)	Other Loans			
		(i)	Cash Credit (Refer Note 2 below)	**155.36**	119.46
		(ii)	Buyer's Credit (Refer Note 3 below)	**0.21**	-
(II)	Unsecured Borrowings				
	(a)	Term Loans			
		(i)	From Banks (Refer Note 4 below)	**1,285.07**	1,290.00
	(b)	Loans Repayable on Demand			
		(i)	From Banks (Refer Note 5 below)	**1,387.70**	1,363.08
		(ii)	Bank Overdraft repayable on demand (Refer Note 6 below)	**148.84**	176.03
	(c)	Other Loans			
		(i)	Commercial Papers (Refer Note 7 below)	**1,829.23**	1,696.00
		(ii)	Working Capital Loan (Refer Note 8 below)	**312.61**	133.51
		(iii)	Cash Credit	**14.55**	0.36
		(iv)	Buyer's Credit (Refer Note 3 below)	**0.27**	31.94
				6,037.42	5,626.47

Notes:

1 Loan repayable on demand includes

(i) The Working Capital Loan (WCL) of ₹ 500 Crore (Previous Year: ₹ 800 Crore) from SBI is secured by a primary charge of hypothecation of Current Assets of the subsidiary company and work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary of Godrej Properties Limited) The WCL of ₹ 400 Crore (Previous Year: ₹ Nil) from SBI is secured by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary of Godrej Properties Limited).

(ii) Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts, carries interest rate at 3 month MCLR+0.1% repayable by May 2019.

(iii) Foreign currency loans from Banks are at an interest rate of Nil (Previous year LIBOR + 65 bps) and were repayable within 180 days in the previous year.

2 (i) Cash Credit from banks are repayable on demand and carries interest at the rate of MCLR + 0.25 and 8.20% to 10% per annum (Previous year 1 Year MCLR + 25 to 55 bps and 8.60% per annum) . The cash credit from Bank is secured against inventories and receivables.

Notes to the Consolidated Financial Statements

Note 24 : Current Financial Liabilities Borrowings (Contd.)

(ii) Cash Credit availed from SBI is secured by a primary charge of hypothecation of Current Assets of a subsidiary company and work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the subsidiary company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and is payable on demand.

3 Buyers credit are at an interest rate of 3 to 6 month LIBOR + 40 to 120 bps and are repayable within 6 months.

4 Unsecured Loans from Bank

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Loan carries interest rate from 8.0%p.a. to 8.75%p.a. repayable by July 20	**540.00**	-
Loan carries interest rate from 8.05%p.a. to 8.10%p.a. repayable by July 20	**100.00**	-
Loan carries interest rate from 7.75%p.a. repayable by June 20	**100.00**	-
Loan carries interest rate from 7.95%p.a. to 8.00%p.a. repayable by June 20	**130.00**	-
Loan carries interest rate from 7.00%p.a. to 7.05%p.a. repayable by Sept 20	**285.00**	-
Loan carries interest rate from 8.00%p.a. to 8.15%p.a. repayable by May 20	**75.00**	-
Loan carries interest rate from 8.45%p.a. to 8.95%p.a. repayable at 28 equal quarterly installment of ₹ 1.00 crore each from 15 February 2019	**55.07**	460.00
Loan carries interest rate at 1 month MCLR repayable by April 2019	**-**	55.00
Loan carries interest rate of 7.99%. repayable by May 2019	**-**	150.00
Loan carries interest rate at 1 month MCLR repayable by May 2019	**-**	100.00
Loan carries interest rate at 6month MCLR+0.05% repayable by May 2019	**-**	25.00
Loan carries interest rate at 3month MCLR repayable by May 2019	**-**	25.00
Loan carries interest rate at 3 month MCLR + 0.25 % p.a. repayable by May 2019	**-**	150.00
Loan carries interest rate at 6month MCLR repayable by June 2019	**-**	75.00
Loan carries interest rate at 6month+0.05% MCLR repayable by June 2019	**-**	155.00
Loan carries interest rate at 6month+0.05% MCLR repayable by July 2019	**-**	50.00
Loan carries interest rate of 5.95% to 9.35% repayable on different dates up to three months from the date of financial statements	**-**	45.00

5 Loans repayable on demand

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Loans carrying interest rate 7.85% to 9.00%	**-**	1,271.50
Loan carries interest at 4.95% repayable within 6 months	**100.79**	-
Loan carries interest at 5% repayable within 6 months	**-**	91.58
Loans carrying interest rate 6.45% to 8.30%	**1,286.91**	-

6 Overdraft facilities having balance of ₹ 148.84 crore (March 31, 2019 ₹ 176.03 crore) carries interest rate of 7.85% to 9.00% .

Notes to the Consolidated Financial Statements

Note 24 : Current Financial Liabilities Borrowings (Contd.)

7 Commercial Papers

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Commercial Papers carries interest at 5.25% p.a. to 5.68% p.a. repayable during the period April to June 2020	**920.00**	-
Commercial Papers carries interest at 7.16% p.a. to 7.58% p.a. repayable during the period April to June 2019	**-**	940.00
Commercial Papers carries interest at 5.93% p.a. to 6.75% p.a. repayable during the period April to June 2020	**761.12**	-
Commercial Papers carries interest at 7.48% to 7.91% p.a. repayable during the period April to June 2019	**-**	656.00
Commercial Papers carries interest at 5.10% p.a. to 7.50% p.a. repayable during the period April to June 2020	**148.11**	-
Commercial Paper carries interest rate of 6.73% to 8.49% p.a. repayable during the period April to June 2019	**-**	100.00

8 Working capital loan (Rupee) from banks carries interest rate of 4.96% to 9.00% (March 31, 2019 6.35% to 8.45%). These loans are repayable on different dates.

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

Note 25 : Current Financial Liabilities - Trade Payables

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(I) Trade Payables		
(a) Outstanding dues of Micro and Small Enterprises (Refer Note 1 below)	**30.97**	38.23
(b) Outstanding dues of creditors other than Micro and Small Enterprises	**1,268.54**	875.76
(II) Acceptances	**880.89**	964.25
	2,180.40	1,878.24

Note

1 Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act.

Amount ₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSME act)		
a. Principal amount due to micro and small enterprise	**30.97**	38.23
b. Interest due on above *	**0.08**	0.28
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	**-**	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	**-**	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.19**	0.28
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	**-**	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes to the Consolidated Financial Statements

Note 26 : Current Financial Liabilities- Others

Amount ₹ in Crore

Particulars			As at March 31, 2020		As at March 31, 2019 (Restated)	
(I)	Current Maturities of Long Term Debts					
	(a)	Secured				
		Term Loan from Others	**509.49**		-	
	(b)	Unsecured				
		Term Loan from Bank	**62.50**		249.99	
		Term Loan from Others	**-**		41.28	
				571.99		291.27
(II)	Current Maturities of Deferred payment liabilities (refer note 19.3)			**1.03**		1.03
(III)	Current Maturities of Deferred Sales Tax Liability (refer note 19.4)			**1.34**		1.23
(IV)	Interest Accrued but not due			**29.02**		24.59
(V)	Unpaid Dividends			**0.68**		0.50
(VI)	Unpaid Matured Deposits					
	(a)	Principal Amount	**0.74**		1.00	
	(b)	Interest accrued	**0.01**		0.03	
				0.75		1.03
(VII)	Others					
	(a)	Non Trade Payable	**112.33**		121.53	
	(b)	Advance Share of Profit from Joint Ventures	**47.85**		18.62	
	(c)	Deposits	**97.48**		94.60	
	(d)	Forward Cover Contracts Payable	**-**		4.81	
	(e)	Derivative Liability	**-**		1.06	
	(f)	Put Option Liability	**83.25**		18.48	
	(g)	Others (includes payable for development rights, accrual for expenses etc.)	**380.17**		244.81	
				721.08		503.91
(VIII)	Current Maturities of Finance Lease Obligations (refer note 45)			**22.53**		-
				1,348.42		823.56

Notes to the Consolidated Financial Statements

Note 27 : Other Current Liabilities

Amount ₹ in Crore

Particulars			As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Other Advances			
	(a)	Amount received against Sale of Flats / Units and Advances from Customers	**365.56**	1,525.22
(II)	Others			
	(a)	Other Liabilities	**30.59**	27.10
	(b)	Statutory Liabilities	**52.51**	58.62
	(c)	Deferred Grant	**1.26**	1.22
			449.92	1,612.16

Note 28 : Current Provisions

Amount ₹ in Crore

Particulars			As at March 31, 2020	As at March 31, 2019 (Restated)
(I)	Provision for Employee Benefits			
	a)	Defined Benefit Obligation	**7.59**	8.11
	b)	Other Long Term Benefit	**10.85**	8.58
(II)	Others			
	a)	Provision for Sales Return (Refer note 1 below)	**34.12**	33.75
	b)	Provision for Tax	**15.31**	4.66
	c)	Others	**3.02**	2.01
			70.89	57.11

Amount ₹ in Crore

		As at March 31, 2020	As at March 31, 2019 (Restated)
1	Movement of provision for sales return		
	Opening Provision	**33.75**	25.26
	Add : Provision made for the year	**201.39**	146.69
	Less: Utilised during the year	**200.96**	137.98
	Less: Reversed during the year	**0.06**	0.22
	Closing Provision	**34.12**	33.75

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

2. Others include provision made during the year for Legal Cases. The same is expected to be settled in foreseeable future. (Utilised: ₹ Nil (Previous Year: ₹ Nil), Accrued: ₹ 1.02 Crore (Previous Year: ₹ 0.25 Crore)).

Notes to the Consolidated Financial Statements

Note 29 : Revenue From Operations

Amount ₹ in Crore

	Particulars		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Sale of Products		**10,988.04**	10,635.66
II	Sale of Services		**138.05**	63.75
III	Other Operating Revenue			
	(a)	Export Incentives	**18.99**	28.88
	(b)	Rental Income	**21.74**	11.26
	(c)	Processing Charges	**0.24**	1.04
	(d)	Sale of Scrap	**2.26**	2.49
	(e)	Dividend Income	**0.01**	0.38
	(f)	Other Income from Customers of Property Business	**95.73**	77.33
	(g)	Others	**26.28**	27.48
			11,291.34	10,848.27
		Fair value of Biological Assets	**(0.59)**	(0.08)
			11,290.75	10,848.19

1 Disaggregation of revenue from contracts with customers

The Group derives revenue from the sale of products in the following major segments:

Amount ₹ in Crore

Sale of Products	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Chemicals	**1,556.91**	1,640.41
Animal Feeds	**3,717.72**	3,096.77
Veg Oils	**1,082.78**	1,113.75
Estate and Property Development	**2,199.48**	2,652.02
Dairy	**1,198.77**	1,156.72
Crop Protection	**1,084.69**	978.46
Others	**147.69**	(2.47)
	10,988.04	10,635.66

2 Reconciliation of revenue from contracts with customers

Amount ₹ in Crore

Particulars		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Revenue from contracts with customers as per the contract price		**11,119.08**	10,767.77
Adjustments made to contract price on account of :-			
a)	Less: Discounts / Rebates / Incentives	**(232.45)**	(272.39)
b)	Less: Sales Returns /Credits / Reversals	**1.32**	(1.33)
c)	Add: Significant financing component	**102.11**	141.41
d)	Any other adjustments	**(2.02)**	0.20
	Revenue from contracts with customers as per the statement of Profit and Loss	**10,988.04**	10,635.66

3 Geographical disaggregation

Amount ₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Sales in India	**9,912.32**	9,524.91
Sales outside India	**1,075.72**	1,110.75

4 Refer note 56 (b) for significant changes in contract assets and contract liabilities balances and 56 (c) for note on performance obligation.

Notes to the Consolidated Financial Statements

Note 30 : Other Income

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Interest Income	**359.24**	236.97
II	Gain on Foreign Exchange Translation	**5.44**	1.41
III	Profit on sale of Property, Plant and Equipment (refer note 1 below)	**0.08**	25.22
IV	Profit on Sale of Current Investments	**98.13**	66.04
V	Changes in fair value of financial assets of FVTPL	**28.30**	95.62
VI	Claims Received	**0.98**	1.20
VII	Liabilities no longer required written back	**6.88**	7.38
VIII	Recovery of Bad Debts written off	**1.08**	0.82
IX	Royalty & Technical Knowhow	**5.07**	1.30
X	Grant amortization	**1.43**	1.30
XI	Miscellaneous Income	**64.98**	44.25
		571.61	481.51

Notes

1 Other income for the previous year ended March 31, 2019 includes non-recurring income of ₹25.22 crore being profit on sale of land.

Note 31a : Cost of Material Consumed

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Raw Material Consumed		
	Inventory at the Commencement of the year	**637.83**	546.04
	Add : Purchases (Net)	**6,286.64**	5,710.18
		6,924.47	6,256.22
	Less : Inventory at the Close of the year	**(669.81)**	(637.83)
	Total Raw Material Consumed	**6,254.66**	5,618.39
II	Packing Material Consumed		
	Inventory at the Commencement of the year	**2.91**	4.35
	Add : Purchases (Net)	**50.00**	53.42
		52.91	57.77
	Less : Inventory at the Close of the year	**(2.99)**	(2.91)
	Total Packing Material Consumed	**49.92**	54.86
	Total Material Consumed (I+II)	**6,304.58**	5,673.25

Notes to the Consolidated Financial Statements

Note 31b : Cost of Sale - Property Development

Amount ₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Land/Development Rights	**777.45**	53.38
Construction, Material & Labour	**423.99**	251.62
Architect Fees	**13.08**	2.23
Other Cost	**193.80**	98.02
Finance Cost	**79.49**	148.11
Total Cost of Sale - Property Development	**1,487.81**	553.36

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

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Inventory at the Commencement of the year		
	Finished Goods	**315.29**	294.58
	Stock in Trade	**87.85**	52.47
	Work in Progress	**2,261.00**	3,798.25
	Total Inventory at the Commencement of the year	**2,664.14**	4,145.30
	Add:		
	Transferred on acquisition of control	**230.00**	110.10
	Less :		
	Transferred to Expenses	**(88.20)**	(0.09)
	Transferred to Investment Property	**(15.02)**	-
	Transferred on loss of control	**(226.72)**	-
II	Inventory at the End of the year		
	Finished Goods	**(715.10)**	(315.29)
	Stock in Trade	**(63.56)**	(87.85)
	Work in Progress	**(1,681.64)**	(2,261.00)
	Biological Assets	**(68.18)**	-
	Total Inventory at the End of the year	**(2,528.48)**	(2,664.14)
	Changes in Inventories (I-II)	**35.72**	1,591.17

Notes to the Consolidated Financial Statements

Note 33 : Employee Benefit Expense

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Salaries and Wages	**598.19**	513.83
II	Contribution to Provident and Other Funds	**34.91**	28.15
III	Expenses on Employee Stock Option Scheme	**9.55**	8.79
IV	Staff Welfare Expense	**36.22**	36.24
		678.87	587.01

Note 34 : Finance Costs

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Interest	**488.91**	553.94
	Less : Transferred to Construction work-in-progress and Capital work-in-progress	**(105.69)**	(158.02)
	Net Interest	**383.22**	395.92
II	Other Borrowing Costs	**109.65**	111.79
		492.87	507.71

Note 35 a : Depreciation and Amortisation Expenses

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Depreciation on Property, Plant and Equipment	**194.40**	151.43
II	Depreciation on Investment Property	**2.60**	2.31
III	Amortisation on Intangible Assets	**6.03**	9.40
IV	Depreciation on Rights of Use Assets	**30.80**	-
	Less : Transfer from General Reserve (Refer note. 18 IV (i))	**-**	(4.25)
		233.84	158.89

Notes to the Consolidated Financial Statements

Note 35 b : Other Expenses

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Consumption of Stores and Spares	**46.18**	38.89
II	Power and Fuel	**231.41**	203.60
III	Processing Charges	**188.50**	113.96
IV	Rent (Refer note 1 below)	**14.29**	36.39
V	Rates & Taxes	**32.21**	17.31
VI	Repairs and Maintenance		
	(a) Machinery	**31.82**	25.10
	(b) Buildings	**16.39**	19.99
	(c) Other Assets	**8.25**	48.64
VII	Insurance	**8.90**	6.59
VIII	Freight	**129.29**	121.14
IX	Commission	**6.81**	38.23
X	Advertisement and Publicity	**184.99**	120.11
XI	Selling and Distribution Expenses	**11.53**	12.45
XII	Bad Debts Written Off	**22.85**	18.67
XIII	Provision / (Write back) for Doubtful Debts and Advances	**4.90**	4.58
XIV	Loss on Foreign Exchange Translation	**10.06**	8.18
XV	Loss on Sale of Property, Plant and Equipment	**0.67**	0.17
XVI	Changes in fair value of financial assets at FVTPL	**2.88**	9.88
XVII	Research Expense	**4.14**	3.97
XVIII	Legal and Professional fees	**85.52**	67.29
XIX	Miscellaneous Expenses	**403.46**	294.27
		1,445.05	1,209.41

Note :

1 Rental expenses amounting to ₹ 9.13 crore (previous year ₹ 9.13 crore) are netted off with rental income in respect of certain premises in the same building.

Note 36 : Exceptional Items

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	Profit on sale of Strategic Investments (refer note 1 below)	**-**	88.30
II	Inventory destroyed and written off to mitigate losses on account of COVID (refer note 2 below)	**(3.00)**	-
III	Fair valuation of biological assets (refer note 2 below)	**(6.92)**	-
		(9.92)	88.30

Notes :

1 Exceptional item for the previous year ended March 31, 2019 relates to remeasurement gain on fair valuation of existing stake in a Joint venture and an Associate. On March 27, 2019 a subsidiary of company increased its stake and acquired control of Godrej Tyson Foods Limited and Godrej Maxximilk Private Limited (which were earlier a Joint Venture and an Associate respectively). On obtaining control, the Group remeasured the existing stake at fair value and recognised the remeasurement gain in the consolidated statement of profit and loss in accordance with Ind AS.

Notes to the Consolidated Financial Statements

Note 36 : Exceptional Items (Contd.)

2 With the outbreak of COVID-19 pandemic, the business of Godrej Tyson Foods Limited, a sub-subsidiary company was adversely impacted in sales and profitability.The last few weeks of the financial year witnessed a sharp drop in prices as well as demand for poultry and related products on account of false rumours linking COVID-19 to poultry consumption . This necessitated the subsidiary to take certain exceptional measures to mitigate losses on account of which inventory to the tune of ₹ 3 crore had to be destroyed and written off. The crash in prices towards end of March 2020 required the subsidiary to recognise a loss of ₹6.92 crore in respect of fair valuation of biological assets. This total loss disclosed under exceptional item is ₹ 9.92 crores.

Note 37 : Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

		Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019 (Restated)
(a)		Calculation of weighted average number of equity shares - Basic		
	(i)	Number of equity shares at the beginning of the year (in units)	**33,63,84,367**	33,62,72,731
	(ii)	Number of equity shares issued during the year (in units)	**81,649**	1,11,636
	(iii)	Number of equity shares outstanding at the end of the year (in units)	**33,64,66,016**	33,63,84,367
	(iv)	Weighted average number of equity shares outstanding during the year (in units)	**33,64,45,436**	33,63,60,336
(b)		Calculation of weighted average number of equity shares - Diluted		
	(i)	Number of potential equity shares at the beginning of the year (in units)	**33,65,45,396**	33,64,84,969
	(ii)	Number of potential equity shares at the end of the year (in units)	**33,65,81,797**	33,65,45,396
	(iii)	Weighted average number of potential equity shares outstanding during the year (in units)	**33,65,78,913**	33,65,37,445
(c)		Net Profit Attributable to Owners of the Company	**552.18**	589.53
		Net Profit Attributable to Owners of the Company from continuing operations	**378.51**	664.53
		Net Profit Attributable to Owners of the Company from discontinued operations	**173.67**	(75.00)
		Earnings per share for profit from continuing operation attributable to owners of the company		
	(i)	Basic Earnings Per Share of Re 1 each	**11.25**	19.76
	(ii)	Diluted Earnings Per Share of Re 1 each	**11.25**	19.75
		Earnings per share for profit/(loss) from discontinued operation attributable to owners of the company		
	(i)	Basic Earnings Per Share of Re 1 each	**5.16**	(2.23)
	(ii)	Diluted Earnings Per Share of Re 1 each	**5.16**	(2.23)
		Earnings per share for profit from continuing and discontinued operation attributable to owners of the company		
	(i)	Basic Earnings Per Share of Re 1 each	**16.41**	17.53
	(ii)	Diluted Earnings Per Share of Re 1 each	**16.41**	17.52

Notes to the Consolidated Financial Statements

Note 38 : Contingent Liabilities

Amount ₹ in Crore

	Particulars		As at March 31, 2020	As at March 31, 2019 (Restated)
I	**Claims against the Group not acknowledged as debts**			
	(a)	Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Group has contested and is in appeal at various levels.	**342.73**	249.54
	(b)	Customs Duty demands relating to lower charge, differential duty, classification, etc.	**1.43**	3.92
	(c)	Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	**66.16**	51.22
	(d)	GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	**2.57**	-
	(e)	Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	**0.29**	0.29
	(f)	Stamp duties claimed on certain properties which are under appeal by the Group.	**1.82**	1.82
	(g)	Income tax demands against which the Group has preferred appeals.	**139.39**	163.10
	(h)	Industrial relations matters under appeal.	**0.38**	0.52
	(i)	Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Group as advised by our advocates. In the opinion of the management the claims are not sustainable.	**247.35**	249.45
	(j)	Others	**5.61**	5.61
II	**Surety Bonds**			
	(a)	Surety Bonds given by the Holding Company in respect of refund received from excise authority for exempted units of associate company (Refer Note 1 below)	**38.54**	33.11
	(b)	Bonds issued by Group on behalf of related party	**1.21**	1.21
III	**Other money for which the Group is Contingently liable**			
	(a)	Case / Claim filed by Processors for claiming various expenses	**4.93**	5.00
IV	**Contingent liabilities relating to interest in Associates**		**338.44**	208.61

Notes

(1) The Corporate surety bond of ₹ 38.54 crore (previous year ₹ 33.11 crore) is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.

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

It is not practicable to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/ authorities.

(3) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. In view of the management, the liability for the period from date of the SC order to 31 March 2019 is not significant and has been provided in the consolidated financial statements. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

Notes to the Consolidated Financial Statements

Note 39 : Commitments

Amount ₹ in Crore

	Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
I	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	**169.06**	110.16
II	Outstanding Export Obligation under EPCG Scheme	**46.94**	34.72
III	Uncalled liability on partly paid shares / debentures (*)	**0.00**	0.00
IV	Contracts for Purchase of Raw Material	**120.70**	113.90
V	Commitments relating to interest in Associates	**8.82**	5.98

* Amount less than ₹ 0.01 crore

Notes

1 One of the Subsidiary Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

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

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

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

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2020	As at March 31, 2019 (Restated)
	Subsidiaries of Godrej Industries Limited			
1	Godrej Agrovet Limited	India	**59.28%**	58.15%
2	Godrej Properties Limited (refer note 1 below)	India	**49.36%**	54.25%
3	Natures Basket Limited (upto July 04, 2019) (refer note 55)	India	**-**	100%
4	Ensemble Holdings & Finance Limited (refer note 54-IV)	India	**100%**	100%
5	Godrej International Limited	Isle of Man	**100%**	100%
6	Godrej International Trading & Investments Pte. Ltd.	Singapore	**100%**	100%
7	Godrej One Premises Management Private Limited	India	**58.00%**	58.00%
8	Godrej Industries Limited Employee Stock Option Trust	India	**100%**	100%
	Subsidiaries of Godrej Agrovet Limited			
9	Godvet Agrochem Limited	India	**100%**	100%
10	Astec Lifesciences Limited	India	**62.37%**	57.67%
11	Creamline Dairy Products Limited	India	**51.91%**	51.91%
12	Godrej Maxximilk Private Limited (subsidiary with effect from March 27, 2019)	India	**74.00%**	62.97%
13	Godrej Tyson Foods Limited (subsidiary with effect from March 27, 2019)	India	**51.00%**	51.00%

Notes to the Consolidated Financial Statements

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

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2020	As at March 31, 2019 (Restated)
Subsidiaries of Godrej Properties Ltd.				
14	Godrej Projects Development Limited	India	**100%**	100%
15	Godrej Garden City Properties Private Limited	India	**100%**	100%
16	Godrej Hillside Properties Private Limited	India	**100%**	100%
17	Godrej Home Developers Private Limited	India	**100%**	100%
18	Godrej Prakriti Facilities Private Limited	India	**100%**	100%
19	Prakritiplaza Facilities Management Private Limited	India	**100%**	100%
20	Godrej Highrises Properties Private Limited	India	**100%**	100%
21	Godrej Genesis Facilities Management Private Limited	India	**100%**	100%
22	Citystar InfraProjects Limited	India	**100%**	100%
23	Godrej Residency Private Limited	India	**100%**	100%
24	Godrej Properties Worldwide Inc., USA	USA	**100%**	100%
25	Godrej Landmark Redevelopers Private Limited (w.e.f. March 15, 2019)	India	**100%**	100%
26	Wonder Space Properties Private Limited (Classified as Subsidiary w.e.f. April 05, 2019 to December 17, 2019)	India	**96.03%**	N.A
27	Wonder Space Properties Private Limited (Classified as Wholly Owned Subsidiary w.e.f. December 18, 2019)	India	**100%**	N.A
28	Ceear Lifesapce Private Limited (w.e.f. March 20, 2020)	India	**100%**	N.A
Limited Liability Partnership (LLP) (held through Godrej Properties Limited)				
1	Godrej Highrises Realty LLP	India	**100%**	100%
2	Godrej Project Developers & Properties LLP	India	**100%**	100%
3	Godrej Skyview LLP	India	**100%**	100%
4	Godrej Green Properties LLP	India	**100%**	100%
5	Godrej Projects (Soma) LLP	India	**100%**	100%
6	Godrej Projects North LLP	India	**100%**	100%
7	Godrej Athenmark LLP	India	**100%**	100%
8	Godrej Vestamark LLP (upto May 02, 2019)	India	**100%**	100%
9	Godrej City Facilities Management LLP (w.e.f. March 18, 2019)	India	**100%**	100%
10	Embellish Houses LLP (w.e.f. February 13, 2019)	India	**100%**	100%
11	Godrej Florentine LLP (w.e.f. June 21, 2019)	India	**100%**	N.A.
12	Godrej Odyssey LLP (w.e.f. June 21, 2019 upto September 25, 2019)	India	**N.A.**	N.A.
13	Godrej Olympia LLP (w.e.f. June 21, 2019)	India	**100%**	N.A.
14	Ashank Facility management LLP (w.e.f. July 9, 2019)	India	**100%**	N.A.
15	Ashank Realty management LLP (w.e.f. May 30, 2019)	India	**100%**	N.A.

Note

1 The Company (GIL) has power and de facto control over Godrej Properties Limited (GPL) (even without overall majority of shareholding and voting power). Accordingly, there is no loss of control of GIL over GPL post the QIP and GIL continues to consolidate GPL as a subsidiary.

2 In case of LLPs percentage of holding in the above table denotes the Share of Profits in the LLP.

Notes to the Consolidated Financial Statements

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

(b) Interests in Joint Ventures :

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2020	As at March 31, 2019 (Restated)
Companies				
Joint Venture partner of Godrej Agrovet Limited				
1	ACI Godrej Agrovet Private Limited	Bangladesh	50%	50%
Joint Venture partner of Godrej Properties Limited				
1	Godrej Realty Private Limited	India	51%	51%
2	Godrej Redevelopers (Mumbai) Private Limited	India	51%	51%
3	Wonder Space Properties Private Limited (upto April 04, 2019)	India	N.A.	25.10%
4	Wonder City Buildcon Private Limited	India	25.10%	25.10%
5	Godrej Home Constructions Private Limited	India	25.10%	25.10%
6	Godrej Greenview Housing Private Limited	India	20%	20%
7	Wonder Projects Development Private Limited	India	20%	20%
8	Godrej Real View Developers Private Limited	India	20%	20%
9	Pearlite Real Properties Private Limited	India	49%	49%
10	Godrej Skyline Developers Private Limited	India	26%	26%
11	Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited)	India	50%	50%
12	Ashank Macbricks Private Limited (w.e.f. July 31, 2018)	India	20%	20%
13	Munjal Hospitality Private Limited (w.e.f. June 29, 2019)	India	12%	N.A.
14	Yujya Developers Private Limited (w.e.f. December 02, 2019)	India	20%	N.A.
15	Vivrut Developers Private Limited (w.e.f. February 10, 2019)	India	20%	N.A.
Limited Liability Partnership (LLP)				
1	Godrej Property Developers LLP	India	32%	32%
2	Mosiac Landmarks LLP	India	1%	1%
3	Dream World Landmarks LLP	India	40%	40%
4	Oxford Realty LLP	India	35%	35%
5	Godrej SSPDL Green Acres LLP	India	37%	37%
6	Oasis Landmarks LLP	India	38%	38%
7	M S Ramaiah Ventures LLP	India	49.50%	49.50%
8	Caroa Properties LLP	India	35%	35%
9	Godrej Construction Projects LLP	India	34%	34%
10	Godrej Housing Projects LLP	India	50%	50%
11	Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)	India	46%	46%
12	A R Landcraft LLP	India	40%	40%
13	Prakhhyat Dwellings LLP	India	50%	42.50%
14	Bavdhan Realty @ Pune 21 LLP	India	45%	45%
15	Godrej Highview LLP	India	40%	40%

Notes to the Consolidated Financial Statements

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

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2020	As at March 31, 2019 (Restated)
16	Godrej Irismark LLP	India	50%	50%
17	Godrej Projects North Star LLP	India	55%	55%
18	Godrej Developers & Properties LLP	India	37.50%	37.50%
19	Roseberry Estate LLP (w.e.f. September 18, 2018)	India	49%	49%
20	Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)	India	50%	50%
21	Godrej Reserve LLP (formerly known as Sai Srushti Onehub Projects LLP)	India	21.70%	21.70%
22	Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (Considered as subsidiary till January 31, 2019)	India	40%	40%
23	Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (Considered as subsidiary till January 31, 2019)	India	40%	40%
24	Godrej Vestamark LLP (upto May 03, 2019)	India	58.775%	N.A.
25	Manyata Industrial Park LLP (upto April 22, 2019)	India	1%	N.A.
26	Godrej Odyssey LLP (w.e.f. September 26, 2019)	India	55%	N.A.
27	Universal Metro Properties LLP (w.e.f. September 26, 2019)	India	49%	N.A.
28	Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (Considered as subsidiary till January 31, 2019)	India	40%	40%

(c) Investment in Associates :

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			As at March 31, 2020	As at March 31, 2019 (Restated)
1	Godrej Consumer Products Limited	India	**23.75%**	23.75%
2	Personalitree Academy Limited (Associate of Ensemble Holdings & Finance Limited)	India	**25.49%**	25.49%
3	Al Rahaba International Trading LLC (Associate of Godrej Agrovet Limited)	U.A.E	**24%**	24%

Notes to the Consolidated Financial Statements

Note 41 : Disclosures of Joint Ventures and Associates :

1 Equity accounted investees:

Financial information of Joint Ventures and Associates that are material to the Group is provided below :

Amount ₹ in Crore

Name of the entity	Place of business / Country of incorporation	% of ownership interest	Relationship	Accounting method	Carrying Amounts	
					March 31, 2020	March 31, 2019
Godrej Consumer Products Limited	India	23.75%	Associate	Equity method	**2,880.26**	2,703.21
ACI Godrej Agrovet Private Limited	Bangladesh	50%	Joint Venture	Equity method	**102.11**	73.65
Al Rahaba International Trading Limited Liability Company	U.A.E	24%	Associate	Equity method	**-**	-
Personalitree Academy Ltd.	India	25.49%	Associate	Equity method	**-**	-
Oxford Realty LLP	India	35.00%	Joint Venture	Equity method	**6.29**	-
Wonder City Buildcon Private Limited	India	25.10%	Joint Venture	Equity method	**-**	-
Godrej Redevelopers (Mumbai) Private Limited	India	51.00%	Joint Venture	Equity method	**0.62**	-
Pearlite Real Properties Private Limited	India	49.00%	Joint Venture	Equity method	**2.39**	-
Total equity accounted investments					**2,991.68**	2,776.86
Omnivore India Capital Trust	India		Investment entity	Equity method	**26.23**	42.85

2 Summary financial information of material Joint Venture and Associates not adjusted for the percentage ownership held by the Company, is as follows:

Amount ₹ in Crore

Particulars	Godrej Consumer Products Limited		ACI Godrej Agrovet Private Limited		Oxford Realty LLP	Wonder City Buildcon Private Limited	Godrej Redevelopers (Mumbai) Private Limited	Pearlite Real Properties Private Limited
	As at March 31, 2020	As at March 31, 2019	**As at March 31, 2020**	As at March 31, 2019	**As at March 31, 2020**	**As at March 31, 2020**	**As at March 31, 2020**	**As at March 31, 2020**
Ownership	**23.75%**	23.75%	**50%**	50%	**35%**	25.10%	**51%**	49%
Cash and cash equivalent	**602.87**	862.21	**15.48**	5.83	**15.22**	8.60	**75.22**	27.91
Other current assets	**4,205.47**	3,826.20	**255.31**	163.83	**209.64**	411.39	**279.30**	261.91
Total current assets	**4,808.34**	4,688.41	**270.79**	169.66	**224.86**	419.99	**354.52**	289.82
Total non-current assets	**10,148.67**	9,481.67	**220.50**	159.53	**8.60**	12.04	**8.79**	5.27
Total assets	**14,957.01**	14,170.08	**491.29**	329.19	**233.46**	432.03	**363.31**	295.09
Current liabilities								
Financial liabilities (excluding trade payables and provisions)	**2,010.11**	1,301.05	**28.34**	99.32	**60.75**	210.89	**2.89**	14.82
Other liabilities	**2,536.45**	2,590.73	**255.69**	64.47	**137.16**	290.22	**352.14**	256.52
Total current liabilities	**4,546.56**	3,891.78	**284.03**	163.79	**197.91**	501.12	**355.02**	271.34
Non Current liabilities								
Financial liabilities (excluding trade payables and provisions)	**2,395.11**	2,822.33	**54.73**	18.86	**-**	-	**-**	-
Other liabilities	**116.98**	189.47	**-**	-	**0.10**	-	**0.63**	0.19
Total non current liabilities	**2,512.09**	3,011.80	**54.73**	18.86	**0.10**	-	**0.63**	0.19
Total liabilities	**7,058.65**	6,903.58	**338.76**	182.65	**198.01**	501.12	**355.65**	271.53
Net assets	**7,898.36**	7,266.50	**152.53**	146.54	**35.45**	(69.09)	**7.66**	23.56
Groups' share of net assets	**1,875.86**	1,725.79	**76.26**	73.27	**12.41**	(17.34)	**3.90**	11.55
Adjustment on Consolidation	**-**	-	**-**	-	**(6.12)**	17.34	**(3.28)**	(9.16)
Carrying amount of interest in Associate / Joint Venture	2,880.26	2,703.21	**102.11**	73.65	**6.29**	-	**0.62**	2.39

Notes to the Consolidated Financial Statements

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

Amount ₹ in Crore

Particulars	Godrej Consumer Products Limited		ACI Godrej Agrovet Private Limited		Oxford Realty LLP	Wonder City Buildcon Private Limited	Godrej Redevelopers (Mumbai) Private Limited	Pearlite Real Properties Private Limited
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Revenues	**9,826.51**	10,221.07	**1,027.17**	654.86	**640.66**	286.83	**1,143.27**	532.00
Interest income	**84.29**	93.27	**0.25**	0.19	**-**	-	**-**	-
Depreciation and amortisation	**197.28**	169.98	**21.51**	19.93	**0.61**	0.16	**0.85**	0.27
Interest expense	**217.41**	160.74	**(6.56)**	(11.23)	**1.12**	1.06	**5.29**	8.83
Expenses other than above	**-**	-	**-**	-	**496.73**	338.40	**1,102.21**	466.14
Income tax expense	**(263.82)**	(256.20)	**(9.60)**	(4.93)	**50.05**	7.96	**22.75**	15.70
Profit for the year	**1,496.58**	2,341.53	**58.97**	10.67	**92.15**	(60.76)	**12.19**	41.06
Other comprehensive income	**223.20**	138.51	**0.21**	-	**-**	-	**-**	-
Total comprehensive income	**1,719.78**	2,480.04	**59.18**	10.67	**92.15**	(60.76)	**12.19**	41.06
Group's share of profit as per JV / Associate Books	**315.54**	513.22	**29.49**	5.33	**32.25**	(15.25)	**6.22**	20.12
Add: Adjustments on Consolidation	**18.09**	33.02	**-**	-	**-**	-	**-**	-
Group's share of profit	**333.63**	546.24	**29.49**	5.33	**32.25**	(15.25)	**6.22**	20.12
Group's share of Other comprehensive income	**13.65**	32.90	**0.11**	-	**-**	-	**-**	-
Group's share of Total comprehensive income	**347.28**	579.13	**29.59**	5.33	**32.25**	(15.25)	**6.22**	20.12

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

(i) Investment in Joint Venture

Amount ₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Carrying amount of Investment in Joint Ventures	**819.74**	722.85
Profit For the Year	**(352.01)**	(29.71)
Other Comprehensive Income for the year	**-**	-
Total Comprehensive Income	**(352.01)**	(21.66)
Group's share of total comprehensive income	**(128.46)**	13.95

(ii) Investment In Associate

Amount ₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Carrying amount of Investment in Associate	**0.00**	0.00
Profit For the Year *	**0.00**	0.00
Other Comprehensive Income for the year	**0.00**	0.00
Total Comprehensive Income	**0.00**	0.00
Group's share of total comprehensive income	**0.00**	0.00

₹ 0.00 represents amount less than ₹ 0.01 crore

Notes to the Consolidated Financial Statements

Note 42 : Financial Information of subsidiaries that have material non-controlling interests

1 Subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest		Principal activities
		As at March 31, 2020	As at March 31, 2019	**As at March 31, 2020**	As at March 31, 2019	
Godrej Agrovet Limited	India	**59.28%**	58.15%	**40.72%**	41.85%	Animal Feeds, Agri Inputs, Vegetable Oil, Dairy, Integrated Poultry business, Cultivation of Seeds
Godrej Properties Limited	India	**49.36%**	54.25%	**50.64%**	45.75%	Estate and Property Development

2 The following table summarises Financial Information of subsidiaries that have material non-controlling interests, before any inter-company eliminations

(i) Summarised Statement of Profit and Loss

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	Year ended March 31, 2020	Year ended March 31, 2019	**Year ended March 31, 2020**	Year ended March 31, 2019
Total Income	**7,010.86**	5,970.84	**2,914.59**	3,221.98
Profit for the year	**306.19**	329.04	**267.21**	253.15
Other Comprehensive Income	**(3.74)**	(0.92)	**(0.50)**	(0.23)
Profit allocated to non-controlling interests	**121.54**	138.05	**134.48**	115.86
OCI allocated to non-controlling interests	**(1.77)**	(0.39)	**(0.25)**	(0.10)
Dividends paid to non-controlling interests	**35.19**	36.16	**-**	-

(ii) Summarised Balance Sheet

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	As at March 31, 2020	As at March 31, 2019	**As at March 31, 2020**	As at March 31, 2019
Non-current liabilities	**269.20**	300.43	**14.35**	512.25
Current liabilities	**2,210.24**	1,883.86	**5,287.15**	5,111.48
	2,479.44	2,184.30	**5,301.50**	5,623.73
Non-current assets	**2,567.69**	2,369.34	**2,461.42**	2,572.82
Current assets	**2,132.35**	1,864.90	**7,644.56**	5,519.92
	4,700.04	4,234.24	**10,105.98**	8,092.74
Net assets	**2,220.60**	2,049.94	**4,804.48**	2,469.01
Net assets attributable to non-controlling interest	**904.12**	857.88	**2,432.78**	1,129.57

Notes to the Consolidated Financial Statements

Note 42 : Financial Information of subsidiaries that have material non-controlling interests (Contd.)

(iii) Summarised Cash Flow

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	Year ended March 31, 2020	Year ended March 31, 2019	**Year ended March 31, 2020**	Year ended March 31, 2019
Cash flows from(used in) operating activities	**239.78**	447.74	**(229.74)**	478.06
Cash flows from(used in) investing activities	**(255.16)**	(237.22)	**(1,721.18)**	(980.58)
Cash flows from(used in) financing activities	**36.36**	(216.56)	**1,972.23**	969.78
Net increase /(decrease) in cash and cash equivalents	**20.98**	(6.04)	**21.31**	467.26

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

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

Amount ₹ in Crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
CGUs of Godrej Agrovet Limited	**480.61**	390.85
CGUs of Godrej Properties Limited	**193.67**	193.67
Others	**9.06**	9.06
	683.34	593.58

1 Godrej Agrovet Limited

The recoverable amount of this CGU is the higher of its fair value less cost to sell and its value in use. The goodwill allocated to Agrovet business pertains to a listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation (level 1 fair value).

2 Godrej Properties Limited

The recoverable amount of this CGU is the higher of its fair value less cost to sell and its value in use. The goodwill allocated to estate & property development pertains to a listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation (level 1 fair value).

Notes to the Consolidated Financial Statements

Note 44 : Income Tax Expense

Amount ₹ in Crore

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I	**Tax Expense relating to continuing operations recognised in the Consolidated Statement of Profit and Loss**		
	Current Income Tax	**172.45**	62.60
	Adjustments in respect of earlier years	**1.22**	14.99
	Deferred Income Tax Liability / (Asset), net		
	Origination and reversal of temporary differences	**155.90**	158.49
	Change in Tax rate	**(33.38)**	0.05
	Mat Credit (Utilisation)/Entitlement	**(13.33)**	4.95
	Recognition of previously unrecognised tax losses	**(10.06)**	(18.86)
	Deferred Tax Expense	**99.13**	144.63
	Tax Expense For the Year	**272.80**	222.22
II	**Amounts recognised in other comprehensive income**		
	Items that will not be reclassified to profit or loss		
	Tax on remeasurements of defined benefit liability (asset)	**1.31**	1.08
	Items that will be reclassified to profit or loss		
	Tax on the effective portion of gains and loss on hedging instruments in a cash flow hedge	**-**	(0.12)
		1.31	0.96
III	**Amounts recognised in Equity**		
	Tax (expense) on amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court	**-**	(1.48)
		-	(1.48)
IV	**Reconciliation of effective tax rate**		
	Profit Before Tax from continuing operations	**907.34**	1,160.95
	Tax using the Company's domestic tax rate	**317.03**	402.84
	Tax effect of		
	Tax impact of income not subject to tax	**(72.48)**	(65.25)
	Tax effects of amounts which are not deductible for taxable income	**23.89**	5.25
	Previously unrecognised tax losses and unabsorbed depreciation now recouped to reduce deferred tax expense	**(10.06)**	(18.86)
	Deferred tax assets not recognized because realization is not probable	**79.28**	83.05
	Additional allowance for tax purpose	**-**	(5.61)
	Change in recognised deductible temporary differences	**(7.28)**	(8.79)
	Adjustment for current tax of prior years	**1.22**	14.99
	Tax on share of loss/(profit) of equity accounted investees	**(42.98)**	(156.23)
	Tax impact on distribution of profit by Joint Venture	**4.45**	-
	Utilization of MAT credit during the year	**-**	(5.64)
	Impact of derecognition of deferred tax asset on MAT credit entitlement	**0.69**	-
	Effect of different tax rate	**16.15**	(3.16)
	Change in Tax Rate	**(33.38)**	-
	Deferred tax asset created at higher than group domestic tax rate	**(5.63)**	-
	Others	**1.91**	(20.37)
		272.80	222.22

Notes to the Consolidated Financial Statements

Note 44 : Income Tax Expense (Contd.)

V Movement in deferred tax balances

Amount ₹ in Crore

Particulars	Deferred tax asset March 31, 2019	Deferred tax liability March 31, 2019	Net balance March 31, 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net balance March 31, 2020	Deferred tax asset March 31, 2020	Deferred tax liability March 31, 2020
Deferred tax asset											
Property, plant and equipment	(170.94)	(219.30)	(390.24)	5.73	-	0.00	-	-	**(384.51)**	**(201.73)**	**(182.78)**
Indexation benefit on land and shares	0.94	-	0.94	0.05	-	-	-	-	**0.99**	**0.99**	**-**
Investments	(14.31)	-	(14.31)	11.64	-	-	(2.19)	-	**(4.87)**	**(4.56)**	**(0.31)**
Inventories	30.96	-	30.96	(5.22)	-	-	-	-	**25.73**	**25.73**	**-**
Employee benefits	8.77	3.00	11.77	(0.01)	0.36	-	-	-	**12.12**	**9.69**	**2.43**
Equity-settled share-based payments	1.85	-	1.85	0.24	-	-	-	-	**2.09**	**2.09**	**-**
MAT Credit Entitlement	26.55	5.23	31.78	(21.49)	-	-	-	-	**10.29**	**10.29**	**-**
Biological Assets	0.07	(8.96)	(8.90)	2.49	-	-	-	-	**(6.41)**	**(6.30)**	**(0.12)**
Leases	-	-	-	(0.32)	-	1.80	-	-	**1.48**	**0.73**	**0.75**
Provision for Doubtful Debts / Advances	30.17	6.81	36.98	5.12	-	-	-	-	**42.10**	**35.87**	**6.23**
Brought forward Losses	400.69	(0.70)	399.99	(156.83)	-	-	0.41	-	**243.55**	**243.63**	**(0.09)**
Unabsorbed Depreciation	164.46	-	164.46	18.08	-	-	-	-	**182.54**	**182.54**	**-**
Other provisions	170.52	(64.44)	106.09	41.39	0.26	-	0.06	(0.46)	**147.36**	**216.02**	**(68.66)**
Tax assets (Liabilities)	649.73	(278.37)	371.36	(99.13)	0.62	1.80	(1.72)	(0.46)	**272.44**	**514.99**	**(242.55)**
Set off tax											
Net tax assets	649.73	(278.37)	371.36	(99.13)	0.62	1.80	(1.72)	(0.46)	**272.44**	**514.99**	**(242.55)**

Amount ₹ in Crore

Particulars	Deferred tax asset April 01, 2018	Deferred tax liability April 01, 2018	Net balance April 1, 2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net balance March 31, 2019	Deferred tax asset March 31, 2019	Deferred tax liability March 31, 2019
Deferred tax asset											
Property, plant and equipment	(104.81)	(181.34)	(286.15)	(87.38)	-	0.83	(17.54)	-	(390.24)	(170.94)	(219.30)
Indexation benefit on land and shares	0.87	-	0.87	0.07	-	-	-	-	0.94	0.94	-
Investments	(2.53)	0.76	(1.77)	(12.55)	-	-	-	-	(14.31)	(14.31)	-
Inventories	39.14	-	39.14	(8.18)	-	-	-	-	30.96	30.96	-
Employee benefits	8.06	1.30	9.36	2.03	0.38	-	-	-	11.77	8.77	3.00
Equity-settled share-based payments	1.63	-	1.63	0.22	-	-	-	-	1.85	1.85	-
MAT Credit Entitlement	20.90	-	20.90	6.33	-	-	4.52	0.03	31.78	26.55	5.23
Biological Assets	-	(0.08)	(0.08)	0.03	-	-	(8.85)	-	(8.90)	0.07	(8.96)
Provision for Doubtful Debts / Advances	8.22	5.77	13.99	22.99	-	-	-	-	36.98	30.17	6.81
Brought forward Losses	564.39	(0.59)	563.80	(166.28)	-	-	2.47	-	399.99	400.69	(0.70)
Unabsorbed Depreciation	92.92	-	92.92	71.54	-	-	-	-	164.46	164.46	-
Other provisions	143.98	(68.30)	75.68	26.56	(0.10)	-	1.97	1.98	106.09	170.52	(64.44)
Tax assets (Liabilities)	772.77	(242.48)	530.29	(144.63)	0.28	0.83	(17.42)	2.01	371.36	649.73	(278.37)
Set off tax											
Net tax assets	772.77	(242.48)	530.29	(144.63)	0.28	0.83	(17.42)	2.01	371.36	649.73	(278.37)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

A new section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. Accordingly:

(i) One of the subsidiary company has elected to exercise the option. The said subsidiary company has recognized provision for income tax for the year ended March 31, 2020 and re-measured its deferred tax balances on the basis of the rate prescribed in the said section.

(ii) One of the subsidiary company have decided to continue with the existing tax structure for the year ended March 31, 2020.

Notes to the Consolidated Financial Statements

Note 45 : Leases

Effective April 01, 2019, the Group has adopted Ind AS 116 Leases using modified retrospective approach.

1. Cost, Accumulated Depreciation and Carrying Amount

Amount ₹ in Crore

Particulars	Land and Buildings	Leasehold Land	Other equipments	Total
Cost				
Balance at 1st April 2019	**98.17**	**59.51**	**-**	**157.68**
Additions	4.12	17.26	11.19	32.57
Disposals	(1.62)	-	-	(1.62)
Balance at 31 March 2020	**100.68**	**76.77**	**11.19**	**188.64**
Accumulated depreciation and impairment				
Balance at 1st April 2019	**39.30**	**1.39**	**-**	**40.69**
Depreciation	27.81	0.63	2.36	30.80
Eliminated on disposals of assets	(0.03)	-	-	(0.03)
Balance at 31 March 2020	**67.08**	**2.02**	**2.36**	**71.46**
Carrying amounts				
As at 1 April 2019	58.87	59.51	-	116.99
Balance at 31 March 2020	**33.60**	**74.74**	**8.83**	**117.17**

2. Breakdown of lease expenses

Amount ₹ in Crore

Particulars	Year ended March 31, 2020
Short-term lease expense	14.16
Low value lease expense	0.13
Total lease expense	**14.29**

3. Cash outflow on Leases

Amount ₹ in Crore

Particulars	Year ended March 31, 2020
Repayment of lease liabilities	31.14
Interest on lease liabilities	6.07
Short-term lease expense	11.30
Total cash outflow on leases	**48.51**

4. Maturity analysis

Amount ₹ in Crore

Particulars	Total	Less than 1 year	Between 1 and 5 years	Over 5 years	Weighted average effective interest rate %
As at 31 March 2020					
Lease liabilities	65.74	23.90	36.51	5.33	8%-9%
	65.74	23.90	36.51	5.33	

The above amounts include principal and interest

Notes to the Consolidated Financial Statements

Note 45 : Leases (Contd.)

As a Lessor

5. Undiscounted lease payments to be received for operating leases

Amount ₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Year 1	**11.90**	13.53
More than 1 year and less than 5 years	**48.61**	26.43
Later than 5 years	**-**	-
Total	**60.51**	39.96

6. Impact on Retained Earnings due to adopting the modified Retrospective Approach

Amount ₹ in Crore

Particulars	As at April 01, 2019
Recognition of Lease Assets	73.66
Recognition of Lease Liabilities	82.45
Net Impact in Retained Earnings	(8.79)

7. Reconciliation between operating lease commitments disclosed in March 2019 financials applying Ind AS 17 and lease liabilities recognised in the statement of financial position

Amount ₹ in Crore

Particulars	As at March 31, 2019
Operating lease commitments disclosed in March 2019 financials (under Ind AS 17)	87.11
Less: Discounting impact	(4.66)
Lease liabilities recognised in the statement of financial position as at April 2019	82.45

Notes to the Consolidated Financial Statements

Note 46 : Employee Benefits

I DEFINED CONTRIBUTION PLAN

Provident Fund :

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

II DEFINED BENEFIT PLAN

Gratuity :

The Group participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of ICICI Prudential Life Insurance Co. Ltd, HDFC Standard Life Insurance Co. Ltd. and SBI Life Insurance Co. Ltd, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Group's scheme whichever is more beneficial to the employees.

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

Provident Fund :

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

The Group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Group has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2020.

Amount ₹ in Crore

Particulars	March 31, 2020	March 31, 2019
Plan assets at period end, at fair value	**239.07**	224.67
Provident Fund Corpus	**232.34**	218.3
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	**8.43%-8.66%**	8.49%-8.72%
Weighted Average YTM	**8.44%-8.90%**	8.54%-8.93%
Guaranteed Rate of Interest	**8.50%-8.65%**	8.65%

Pension :

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

Notes to the Consolidated Financial Statements

Note 46 : Employee Benefits (Contd.)

III The amounts recognised in the Group's Consolidated financial statements as at the year end are as under :

Amount ₹ in Crore

		Gratuity		Pension	
		As at March 31, 2020	As at March 31, 2019	**As at March 31, 2020**	As at March 31, 2019
a)	**Change in Present Value of Obligation**				
	Present value of the obligation at the beginning of the year	**85.00**	76.39	**0.54**	0.53
	Current Service Cost	**7.03**	6.92	**-**	-
	Past Service Cost	**(0.16)**	-	**-**	-
	Interest Cost	**6.40**	5.93	**-**	-
	Contribution by Plan Participants	**-**		**-**	
	Actuarial (Gain) / Loss on Obligation due to demographic assumptions	**(0.02)**	(0.64)	**-**	0.17
	Actuarial (Gain) / Loss on Obligation due to experience adjustments	**1.02**	2.94	**-**	-
	Actuarial (Gain) / Loss on Obligation due to financial assumptions	**4.89**	0.47	**0.15**	-
	Effect of Liability Transfer in / out	**(1.39)**	(0.40)	**-**	-
	Benefits Paid	**(11.10)**	(9.52)	**(0.15)**	(0.16)
	Acquisitions	**0.09**	2.91	**-**	-
	Present value of the obligation at the end of the year	**91.75**	85.00	**0.54**	0.54
b)	**Change in Plan Assets**				
	Fair value of Plan Assets at the beginning of the year	**56.74**	51.62	**-**	-
	Return on Plan Assets	**1.41**	2.31	**-**	-
	Actuarial (Gain) / Loss on Plan Assets	**0.43**	0.32	**-**	-
	Contributions by the Employer	**5.36**	6.53	**-**	-
	Interest Cost	**2.19**	1.70	**-**	-
	Effect of Liability Transfer in / out	**0.00**	0.01	**-**	-
	Benefits Paid	**(9.60)**	(7.74)	**-**	-
	Acquisitions	**-**	2.63	**-**	
	Fair value of Plan Assets at the end of the year	**55.68**	56.74	**-**	-
c)	**Amounts Recognised in the Balance Sheet :**				
	Present value of Obligation at the end of the year	**91.75**	85.00	**-**	-
	Fair value of Plan Assets at the end of the year	**55.68**	56.74	**-**	-
	Net Obligation at the end of the year	**36.08**	28.26	**-**	-
d)	**Amounts Recognised in the statement of Profit and Loss :**				
	Current Service Cost	**7.03**	6.92	**-**	-
	Interest cost on Obligation	**6.40**	5.93	**-**	-
	Return on Plan Assets	**(1.41)**	(2.31)	**-**	-
	Net Cost Included in Personnel Expenses	**12.02**	10.54	**-**	-
e)	**Amounts Recognised in Other Comprehensive Income (OCI):**				
	Actuarial (Gain) / Loss on Obligation For the Period	**5.89**	2.78		
	Return on Plan Assets, Excluding Interest Income	**0.43**	0.34		
	Net (Income) / Expense For the Period Recognised in OCI	**6.31**	3.12	**-**	-
f)	**Actual Return on Plan Assets**	**0.99**	1.99	**-**	-
g)	**Actuarial Assumptions**				
	i) Discount Rate	**6.44-7.79% P.A.**	7.07-7.79% P.A.	**6.86% P.A.**	7.78% P.A.
	ii) Expected Rate of Return on Plan Assets	**6.86% P.A.**	7.39% P.A.		
	iii) Salary Escalation Rate	**5.00-8.00% P.A.**	5.00-9.50% P.A.		
	iv) Employee Turnover	**1.00-15.00% P.A.**	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00-2.80 % p.a.	**1.00% P.A.**	1.00% P.A.
	v) Mortality	**Indian Assured Lives Mortality(2006-08)**	Indian Assured Lives Mortality(2006-08)	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate

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

Notes to the Consolidated Financial Statements

Note 46 : Employee Benefits (Contd.)

IV Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Amount ₹ in Crore

Particulars	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.11)	5.81	(4.36)	5.15
Future salary growth (1% movement)	5.81	0.37	5.18	(4.65)
Rate of employee turnover (1% movement)	0.22	(0.49)	0.71	(0.92)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

V Plan assets comprise the following

Amount ₹ in Crore

Particulars	March 31, 2020	March 31, 2019
Insurer managed fund (100%)	55.68	56.74

VI Expected future benefit payments of Gratuity

	Amount ₹ in Crore
March 31, 2020	16.47
March 31, 2021	7.70
March 31, 2022	8.30
March 31, 2023	9.48
March 31, 2024	11.49
Thereafter	46.99

Note 46 : Employee Stock Benefit Plans

(i) Employee Stock Grant Scheme of Godrej Industries Limited

(a) The Company had set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders at their Meeting held on January 17, 2011.

(b) The ESGS Scheme is effective from April 1, 2011, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2011 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

(c) The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Compensation Committee of the respective Company based on the employee's performance, level, grade, etc.

(d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

(e) The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by Compensation Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

(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 Re. 1 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2020:

Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019	**Description of the Inputs used**
Dividend yield %	0.37%	0.31%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	28%-31%	28%-31%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	6.91% to 7.95%	6.91% to 7.95%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	471.20	564.45	

(h) The Status of the above plan is as under:

Particulars	**Numbers**			
	Year ended March 31, 2020	Year ended March 31, 2019	**Weighted average Exercise Price (₹)**	**Weighted average Share Price (₹)**
Options Outstanding at the Beginning of the Year	**1,61,029**	2,19,380		
Options Granted	**60,372**	58,767		
Options Vested	**81,649**	1,11,636	1.00	472.42
Options Exercised	**81,649**	1,11,636		
Options Lapsed / Forfeited	**23,971**	5,482		
Total Options Outstanding at the end of the year	**1,15,781**	1,61,029		

(i) The weighted average exercise price of the options outstanding as on March 31, 2020 is Re. 1 (previous year Re. 1 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2020 is 0.73 years (previous year 0.73 years)

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

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

(i) Employee Stock Grant Scheme

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

Particulars	No. of Options		Weighted Average Exercise Price	Weighted average Share Price (₹)
	As at March 31, 2020	As at March 31, 2019		
Options Outstanding at the beginning of the year	**1,33,913**	1,81,859		
Options granted	**50,797**	58,635		
Options exercised	**70,888**	78,585	5	915.12
Less : Option lapsed	**2,745**	27,996		
Options Outstanding at the year end	**1,11,077**	1,33,913		

b) The weighted average exercise price of the options outstanding as at March 31, 2020 is ₹ 5 per share (Previous Year: ₹ 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2020 is 0.74 years (Previous Year: 0.76 years)

c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is ₹ 756.42 (Previous Year: ₹ 593.60). The following table lists the average inputs to the model used for the plan for the year ended March 31, 2020:

The following table lists the average inputs to the model used for the plan for the year ended March 31, 2019:

Particulars	For the year March 31, 2020	For the year March 31, 2019	Description of the Inputs used
Dividend yield %	**-**	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	**33%-51%**	32% - 42%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	**6.37%-7.07%**	6.31 % - 7.20%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	**1 to 3 years**	1 to 3 years	
Weighted Average Market price on date of granting the options	**₹ 760.99**	₹ 598.00	

d) The expense arising from ESGS scheme during the year is ₹ 4.38 Crore (Previous Year: ₹ 3.55 Crore).

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

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

(i) Employee Stock Option Plans of Godrej Agrovet Limited

Employee Stock Grants

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is Re. 1 per equity share as provided in the scheme. The Company has provided ₹ 0.81 crore (Previous Year ₹1.09 crore) for the aforesaid eligible employees for the current financial year.

Employee Stock Option - Equity Settled

The Company had set up the Employees Stock Grant Scheme 2018 (ESGS) pursuant to the approval by the Shareholders by way of postal ballot, the result of which was declared on June 20,2018.

The ESGS Scheme is effective from April 1, 2018, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2018 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty five Lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd 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 the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

The Exercise Price of the shares has been fixed at ₹ 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period. The Company has provided ₹ 1.96 crore (Previous Year ₹ 1.16 crore) for all the eligible employees for current year.

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2020:

Particulars	As at March 31, 2020	As at March 31, 2019	Description of the Inputs used
Dividend yield %	**0.87%**	**0.73%**	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	**28% - 29%**	**27%**	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	**6.563% to 7.043%**	**7.174% to 7.744%**	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	**1 to 3 years**	**1 to 3 years**	
Weighted Average Market price on date of granting the options	**515.37**	**619.95**	

The Status of the above plan is as under:

Particulars	Numbers		Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
	As at March 31, 2020	As at March 31, 2019		
Options Outstanding at the Beginning of the Year	42,705	-		
Options Granted	53,484	42,705		
Options Vested	13,159	-		
Options Exercised	13,159	-	10.00	312.47
Options Lapsed / Forfeited	13,796	-		
Options Lapsed / Forfeited to be re-granted	-	-		
Total Options Outstanding at the end of the year	**69,234**	**42,705**		

The weighted average exercise price of the options outstanding as on March 31, 2020 is ₹ 10/- (previous year ₹ 10/- per share)

4 **Astec Lifescience Limited Employee Stock Option Plans & Stock Grant Scheme**

(i) **Employee stock option scheme (ESOS,2015)**

The Group has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Group.

Once vested, the options remain exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

(ii) Employee stock option plan (ESOP,2012)

The company has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the company in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the company.

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

Options are granted under ESOP 2012 at an exercise price of ₹ 34/- each. When exercisable, each option is convertible into one equity share.

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

Employee stock option plan (ESOP,2012)

Particulars	March 31, 2020		March 31, 2019	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	34.00	18,700	34.00	37,200
Granted during the period	-	-	-	-
Exercised during the period	34.00	9,900	34.00	18,500
Lapsed during the period	-	-	-	-
Closing balance		8,800		18,700
Vested and exercisable		-		15,700

Employee stock option scheme (ESOS,2015)

Particulars	March 31, 2020		March 31, 2019	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	387.35	34,500	387.35	40,000
Granted during the period	-	-	-	-
Exercised during the period	387.35	4,800	387.35	5,500
Lapsed during the period	-		-	
Closing balance		29,700		34,500
Vested and exercisable		-		22,500

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

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2020 Share options	March 31, 2019 Share options
January 31, 2015	January 30, 2023	34.00	**-**	-
January 31, 2015	January 30, 2024	34.00	**-**	3,200
January 31, 2015	January 30, 2025	34.00	**1,000**	4,800
January 31, 2015	January 30, 2026	34.00	**3,800**	5,700
May 16, 2015	May 15, 2023	34.00	**-**	-
May 16, 2015	May 15, 2024	34.00	**-**	-
May 16, 2015	May 15, 2025	34.00	**2,000**	2,000
May 16, 2015	May 15, 2026	34.00	**2,000**	3,000
July 26, 2016	July 25, 2020	387.35	**8,000**	12,000
July 26, 2016	July 25, 2021	387.35	**9,700**	10,500
July 26, 2016	July 25, 2022	387.35	**8,000**	8,000
July 26, 2016	July 25, 2023	387.35	**4,000**	4,000
Total			**38,500**	53,200
Weighted average remaining contractual life of options outstanding at end of period			**2.51**	3.76

(i) **Fair value of options granted**

The fair value of grant date of options granted during the year ended March 31, 2020 is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2020 Share options	March 31, 2019 Share options
January 31, 2015	January 30, 2023	95.84	**-**	-
January 31, 2015	January 30, 2024	109.41	**-**	3,200
January 31, 2015	January 30, 2025	109.91	**1,000**	4,800
January 31, 2015	January 30, 2026	110.49	**3,800**	5,700
May 16, 2015	May 15, 2023	105.77	**-**	-
May 16, 2015	May 15, 2024	118.18	**-**	-
May 16, 2015	May 15, 2025	119.30	**2,000**	2,000
May 16, 2015	May 15, 2026	119.67	**2,000**	3,000
July 26, 2016	July 25, 2020	100.00	**8,000**	12,000
July 26, 2016	July 25, 2021	159.00	**9,700**	10,500
July 26, 2016	July 25, 2022	278.00	**8,000**	8,000
July 26, 2016	July 25, 2023	297.00	**4,000**	4,000
Total			**38,500**	53,200

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

The model inputs for options granted during the period ended March 31, 2019 included:

ESOS, 2015 granted on July 26, 2016

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

Particulars	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	₹ 387.35	₹ 387.35	₹ 387.35	₹ 387.35
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	₹ 387.35	₹ 387.35	₹ 387.35	₹ 387.35
Expected price volatility of the company's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted during the year ended March 31, 2016 included:

ESOP, 2012- Option B granted on May 16, 2015

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	₹ 34 (March 31, 2016 - ₹ 34)	₹ 34 (March 31, 2016 - ₹ 34)	₹ 34 (March 31, 2016 - ₹ 34)	₹ 34 (March 31, 2016 - ₹ 34)
Grant Date	May 16, 2015	May 16, 2015	May 16, 2015	May 16, 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	₹ 138	₹ 138	₹ 138	₹ 138
Expected price volatility of the company's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

Notes to the Consolidated Financial Statements

Note 46 : Employee Stock Benefit Plans (Contd.)

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

ESOP, 2012- Option A granted on 31 January 2015

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	₹ 34 (March 31, 2016 - ₹ 34)	₹ 34 (March 31, 2016 - ₹ 34)	₹ 34 (March 31, 2016 - ₹ 34)	₹ 34 (March 31, 2016 - ₹ 34)
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	₹ 127.70	₹ 127.70	₹ 127.70	₹ 127.70
Expected price volatility of the company's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Amount ₹ in Crore

Particulars	March 31, 2020	March 31, 2019
Employee stock option plan	**0.06**	0.16
TOTAL	**0.06**	0.16

Notes to the Consolidated Financial Statements

Note 47 : Segment Information

a) Segment information for continuing operations

Amount ₹ in Crore

Information about primary business segments	Chemicals		Animal Feed		Veg Oils		Estate & Property Development		Finance & Investments		Dairy		Crop Protection		Others		Total	
	Current Year	Previous Year	**Current Year**	Previous Year	**Current Year**	Previous Year	**Current Year**	Previous Year	**Current Year**	Previous Year	**Current Year**	Previous Year	**Current Year**	Previous Year	**Current Year**	Previous Year	**Current Year**	Previous Year
(I) Revenue																		
External Sales	**1,594.71**	1,665.52	**3,717.72**	3,093.46	**1,093.84**	1,123.79	**3,079.70**	3,254.60	**26.06**	104.84	**1,065.72**	1,160.83	**1,096.38**	987.54	**188.22**	27.42	**11,862.36**	11,418.00
Intersegment Sales	**9.02**	7.94	**-**	-	**0.02**	0.12	**26.99**	43.15	**258.33**	360.71	**138.19**	1.09	**-**	-	**401.65**	21.15	**834.19**	434.16
Total Sales	**1,603.73**	1,673.46	**3,717.72**	3,093.46	**1,093.86**	1,123.91	**3,106.68**	3,297.75	**284.39**	465.55	**1,203.92**	1,161.92	**1,096.38**	987.54	**589.87**	48.57	**12,696.55**	11,852.16
Less: Intersegment Sales	**(9.02)**	(7.94)	**-**	-	**(0.02)**	(0.12)	**(26.99)**	(43.15)	**(258.33)**	(360.71)	**(138.19)**	(1.09)	**-**	-	**(401.65)**	(21.15)	**(834.19)**	(434.16)
Total Revenue	**1,594.71**	1,665.52	**3,717.72**	3,093.46	**1,093.84**	1,123.79	**3,079.70**	3,254.60	**26.06**	104.84	**1,065.72**	1,160.83	**1,096.38**	987.54	**188.22**	27.42	**11,862.36**	11,418.00
(II) Results																		
Segment result before interest and tax	**139.59**	131.09	**153.17**	129.92	**98.58**	125.56	**792.72**	576.29	**25.89**	94.90	**(0.18)**	14.66	**230.95**	231.27	**(80.14)**	5.29	**1,360.58**	1,308.98
Unallocated expenses																	**(221.52)**	(212.62)
Finance Costs																	**(492.87)**	(507.71)
Profit / (Loss) Before Share of Profit of Equity Accounted Investees and Tax from continuing operations																	**646.19**	588.65
Taxes																	**(272.80)**	(222.22)
Share of Profit of Equity Accounted Investees (net of Income Tax)																	**261.15**	572.30
Profit after tax from Continuing Operations																	**634.54**	938.73
Segment Assets	**1,351.98**	1,372.28	**1,297.36**	1,114.17	**556.91**	543.58	**10,489.06**	8,557.33	**3,361.54**	3,086.54	**806.21**	758.27	**1,340.49**	1,196.63	**536.39**	581.16	**19,739.93**	17,209.97
Unallocated Assets																	**725.19**	904.26
Total Assets																	**20,465.12**	18,114.23
Segment Liabilities	**621.11**	394.20	**961.55**	1,027.78	**67.98**	72.54	**5,191.98**	5,631.88	**6.54**	2.29	**334.58**	284.96	**463.32**	459.56	**250.60**	158.85	**7,897.66**	8,032.06
Unallocated Liabilities																	**3,220.10**	3,529.13
Total Liabilities																	**11,117.76**	11,561.19
Cost incurred during the year to acquire segment assets	**28.03**	64.28	**136.33**	83.84	**39.64**	69.87	**107.46**	43.96	**0.18**	0.12	**36.00**	37.10	**40.92**	54.01	**18.28**	214.64	**406.85**	567.82
Cost incurred on unallocated assets																	**14.31**	54.53
Total Cost incurred during the year to acquire segment assets																	**421.16**	622.34
Segment Depreciation	**37.37**	32.56	**38.19**	30.93	**28.39**	18.60	**37.83**	25.63	**1.54**	1.39	**30.60**	23.48	**27.64**	19.41	**21.33**	2.86	**222.88**	154.86
Unallocated Depreciation																	**10.96**	8.28
Total Depreciation																	**233.84**	163.14

Notes to the Consolidated Financial Statements

Note 47 : Segment Information (Contd.)

Amount ₹ in Crore

Information about Secondary Business Segments Revenue by Geographical markets	Current Year	Previous Year
India	**10,784.42**	10,551.67
Outside India	**1,077.94**	866.33
Total	**11,862.36**	11,418.00

Amount ₹ in Crore

Carrying Amount of Segment assets	Current Year	Previous Year
India	**20,286.17**	17,792.65
Outside India	**178.95**	321.58
Assets held for Discontinued Operations in India	**-**	157.02
Total	**20,465.12**	18,271.25

Notes :

1. 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.
2. Chemicals segment includes the business of production and sale of Oleochemicals and Surfactants such as Fatty Acids, Fatty Alcohols, Esters and Waxes, refined glycerine, Alpha Olefin Sulphonates, Sodium Lauryl Sulphate and Sodium Lauryl Ether Sulphate.
3. Animal Feed segment includes the business of production and sale of compound feeds for cattle, poultry, shrimp and fish.
4. Veg Oils segment includes the business of processing and bulk trading of refined vegetable oils & vanaspati,international vegetable oil trading and Oil Palm Plantation.
5. Estate & property development segment includes the business of development and sale of real estate and leasing and leave and licensing of properties.
6. Finance & Investments includes investments in associates companies and other investments.
7. Dairy Business includes milk and milk products
8. Crop protection business includes agri inputs.
9. Others includes Integrated Poultry and tissue culture, Seeds business, energy generation through windmills and gourmet foods and fine beverages.
10. Unallocable expenditure includes expenses incurred on common services at the corporate level and relate to the Group as a whole.
11. The geographical segments consists of Sales in India which represent sales to customers located in India and Sales outside India represent sales to customers located outside India.
12. Segment Revenue Reconciliation in terms of the measure reported to the Chief Operating Decision Maker:

(Amounts in ₹ Crore)

Particulars	Current Year	Previous Year
Revenue from Operations	**11,290.75**	10,848.19
Other Income	**571.61**	481.51
Exceptional Items	**-**	88.30
Total Segment Revenue	**11,862.36**	11,418.00

Segment Information relating to discontinued operations (refer note 55)

(Amounts in ₹ Crore)

Particulars	Year ended March 31,2020	Year ended March 31,2019
Segment Revenue (including Exceptional Items)	**289.01**	340.51
Segment Results (Profit / (Loss) Before Tax)	**173.67**	(75.00)

(Amounts in ₹ Crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Segment Assets	**-**	157.02
Segment Liabilities	**-**	151.48

Notes to the Consolidated Financial Statements

Note 48 : Related Party Information

a) Names of related parties and description of relationship

1 Companies under common ownership

1.1 Godrej & Boyce Manufacturing Company Limited
1.2 Godrej Seeds & Genetics Limited

2 Associates / Joint Ventures

2.1 Godrej Consumer Products Limited
2.2 Bhabhani Blunt Hairdressing Private Limited
2.3 Godrej Global Mideast FZE, Sharjah
2.4 PT Megasari Makmur, Indonesia
2.5 Strength of Nature LLC, USA
2.6 Godrej Household Products Bangladesh Private Limited, Bangladesh
2.7 Godrej Household Products Bangladesh Private Limited, Sri Lanka
2.8 Laboratoria Cuenca S.A.
2.9 Godrej South Africa Pty Limited

Associates/ Joint Ventures of Godrej Agrovet Limited

2.10 ACI Godrej Agrovet Private Limited, Bangladesh
2.11 Alrahba International Trading LLC, UAE
2.12 Omnivore India Capital Trust
2.13 Godrej Tyson Foods Limited (up to March 26, 2019)
2.14 Godrej Maxximilk Private Limited (up to March 26, 2019)

Associates/ Joint Ventures of Godrej Properties Limited

2.15 Godrej Realty Private Limited
2.16 Godrej Landmark Redevelopers Private Limited (up to March 14, 2019)
2.17 Godrej Redevelopers (Mumbai) Private Limited
2.18 Godrej Greenview Housing Private Limited
2.19 Wonder Space Properties Private Limited (up to April 3, 2019)
2.20 Wonder City Buildcon Private Limited
2.21 Godrej Home Constructions Private Limited
2.22 Wonder Projects Development Private Limited
2.23 Godrej Real View Developers Private Limited
2.24 Pearlite Real Properties Private Limited
2.25 Godrej Skyline Developers Private Limited
2.26 Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited)
2.27 Ashank Macbricks Private Limited (effective July 31, 2018)
2.28 Munjal Hospitality Private Limited (effective May 07, 2019)
2.29 Yujya Developers Private Limited (effective December 2, 2019)
2.30 Vivrut Developers Private Limited (effective February 10, 2020)
2.31 Mosiac Landmarks LLP
2.32 Dream World Landmarks LLP
2.33 Oxford Realty LLP
2.34 Godrej SSPDL Green Acres LLP
2.35 Caroa Properties LLP
2.36 M S Ramaiah Ventures LLP
2.37 Oasis Landmarks LLP
2.38 Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)
2.39 Godrej Constructions Projects LLP

Notes to the Consolidated Financial Statements

Note 48 : Related Party Information (Contd.)

2.40 Godrej Housing Projects LLP
2.41 Godrej Property Developers LLP
2.42 A R Landcraft LLP
2.43 Bavdhan Realty @ Pune 21 LLP
2.44 Prakhhyat Dwellings LLP
2.45 Godrej Highview LLP
2.46 Godrej Projects North Star LLP
2.47 Godrej Developers & Properties LLP
2.48 Godrej Reserve LLP (formerly known as Sai Srushti One Hub Projects LLP)
2.49 Godrej Irismark LLP
2.50 Rosebery Estate LLP (effective September 18, 2018)
2.51 Suncity Infrastructures (Mumbai) LLP (effective October 10, 2018)
2.52 Manjari Housing Projects LLP (Formerly Known as Godrej Avamark LLP) (effective February 01,2019)
2.53 Maan-Hinje Township Developers LLP (Formerly Known as Godrej Projects (Pune) LLP) (effective February 01,2019)
2.54 Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (effective February 01, 2019)
2.55 Godrej Vestamark LLP (effective May 03, 2019)
2.56 Manyata Industrial Parks LLP (effective April 22, 2019)
2.57 Godrej Odyssey LLP (effective September 26, 2019)
2.58 Universal Metro Properties LLP. (effective December 02, 2019)
2.59 Madhuvan Enterprises Private Limited (effective January 16, 2020)

3 Key Management Personnel

3.1 Mr. A. B. Godrej - Chairman
3.2 Mr. N. B. Godrej - Managing Director
3.3 Ms. T. A. Dubash - Executive Director & Chief Brand Officer
3.4 Mr. N. S. Nabar - Executive Director & President (Chemicals)
3.5 Mr. C. G. Pinto - Chief Financial Officer
3.6 Ms. Tejal Jariwala - Company Secretary (effective November 12, 2018)
3.7 Ms. Nilufer Shekhawat - Company Secretary (up to October 31, 2018)

4 Non-Executive Directors

4.1 Mr. J.N. Godrej
4.2 Mr. V.M. Crishna
4.3 Mr. K.M. Elavia
4.4 Mr. K.N. Petigara
4.5 Mr. A.D. Cooper
4.6 Mr. Mathew Eipe (effective May 13, 2019)
4.7 Dr. Ganapati D. Yadav (effective May 13, 2019)
4.8 Ms. Rashmi Joshi (up to March 27, 2020)
4.9 Mr. K.K. Dastur (up to August 8, 2019)
4.10 Mr. S.A. Ahmadullah (up to August 8, 2019)
4.11 Mr. A.B. Choudhury (up to August 8, 2019)

5 Relatives of Key Management Personnel

5.1 Ms. N. A. Godrej - Daughter of Mr. A. B. Godrej
5.2 Mr. P. A. Godrej - Son of Mr. A. B. Godrej
5.3 Ms. R. N. Godrej - Wife of Mr. N. B. Godrej
5.4 Mr. B. N. Godrej - Son of Mr. N. B. Godrej

Notes to the Consolidated Financial Statements

Note 48 : Related Party Information (Contd.)

5.5 Mr. S. N. Godrej - Son of Mr. N. B. Godrej
5.6 Mr. H. N. Godrej - Son of Mr. N. B. Godrej
5.7 Mr. A. D. Dubash - Husband of Ms. Tanya Dubash
5.8 Master A. A. Dubash - Son of Ms. Tanya Dubash
5.9 Master A. A. Dubash - Son of Ms. Tanya Dubash
5.10 Ms. N. N. Nabar - Wife of Mr. N. S. Nabar

6 Enterprises over which key management personnel exercise significant influence

6.1 Anamudi Real Estates LLP
6.2 Innovia Multiventures Private Limited
6.3 ABG Family Trust
6.4 NBG Family Trust
6.5 TAD Family Trust

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

7.1 Shata Trading & Finance Private Limited
7.2 Shilawati Trading & Finance Private Limited
7.3 NG Family Trust
7.4 PG Family Trust
7.5 BNG Family Trust
7.6 SNG Family Trust
7.7 HNG Family Trust
7.8 Godrej Investment Advisers Private Limited
7.9 Godrej Housing Finance Limited
7.10 Karukachal Developers Private Limited
7.11 Eranthus Developers Private Limited
7.12 Praviz Developers Private Limited
7.13 Godrej Holdings Private Limited
7.14 Ceres Developers Private Limited (effective September 5, 2019)
7.15 Pyxis Developers Private Limited (effective September 6, 2019)

8 Post Employment Benefit Trust where reporting entity exercises significant influence

8.1 Godrej Industries Employees Provident Fund
8.2 Godrej Industries Ltd Group Gratuity Trust

Notes to the Consolidated Financial Statements

Note 48 : Related Party Information (Contd.)

b) Transactions with Related Parties

Amount ₹ in Crore

Nature of Transaction	Holding Company	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Enterprises over which Relative of Key Management Personnel exercise significant influence	Total
Sale of Goods *	-	65.66	1.21	-	-	-	0.00	66.87
Previous Year	-	*64.73*	*4.94*	-	-	*269.26*	-	*338.93*
Advance received	-	-	-	-	-	-	-	-
Previous Year	-	-	*0.05*	-	-	-	-	*0.05*
Loans & Advances given	-	1,572.02	0.87	-	-	-	-	1,572.89
Previous Year	-	*716.12*	-	-	-	-	-	*716.12*
Purchase of goods	-	9.11	0.51	-	-	-	-	9.62
Previous Year	-	*10.74*	*0.41*	-	-	*0.08*	-	*11.23*
Purchase of Property, Plants & Equipments	-	0.28	1.30	-	-	-	-	1.58
Previous Year	-	*3.16*	*1.41*	-	-	-	-	*4.57*
Commission / Royalty received	-	0.28	-	-	-	-	-	0.28
Previous Year	-	*0.24*	-	-	-	-	-	*0.24*
Commission / Royalty paid	-	-	-	-	-	-	-	-
Previous Year	-	*0.15*	-	-	-	-	-	*0.15*
Licence fees / Service charges / Storage Income	-	14.04	-	-	-	-	0.13	14.17
Previous Year	-	*7.79*	*0.01*	-	-	*0.01*	*0.03*	*7.84*
Other Income	-	5.73	0.02	-	-	0.00	0.02	5.78
Previous Year	-	*1.78*	-	-	-	*0.09*	-	*1.87*
Recovery of establishment & Other Expenses	-	208.89	10.01	-	-	8.70	1.20	228.80
Previous Year	*0.03*	*191.00*	*8.31*	-	-	*13.95*	-	*213.29*
Rent, Establishment & other expenses paid	-	14.35	13.90	-	0.91	6.34	2.02	37.52
Previous Year	-	*10.76*	*20.64*	-	*0.96*	*6.41*	*1.93*	*40.70*
Interest received	-	297.46	-	-	-	-	-	297.46
Previous Year	-	*199.74*	-	-	-	-	-	*199.74*
Dividend paid	-	-	284.41	6.80	10.18	4.35	7.32	313.06
Previous Year	*33.93*	-	*93.38*	*1.42*	*3.50*	*0.69*	*2.59*	*135.51*
Remuneration to Key Management Personnel								
Short term employee benefit	-	-	-	22.16	-	-	-	22.16
Post employment benefit	-	-	-	0.73	-	-	-	0.73
Share based payment	-	-	-	0.84	-	-	-	0.84
Previous Year								
Short term employee benefit	-	-	-	*17.09*	-	-	-	*17.09*
Post employment benefit	-	-	-	*0.70*	-	-	-	*0.70*
Share based payment	-	-	-	*0.78*	-	-	-	*0.78*
Amount received against Sale of Unit	-	2.07	-	-	-	70.72	-	72.79
Previous Year	-	-	-	-	-	-	-	-
Sale of Investments	-	6.46	-	-	-	-	-	6.46
Previous Year	-	*2.93*	-	-	-	-	-	*2.93*
Sale of Units	-	143.43	-	-	-	89.62	-	233.05
Previous Year	-	*26.71*	-	-	-	*429.06*	-	*455.77*
Intercorporate Deposits Placed	-	-	-	-	-	-	-	-
Previous Year	-	*10.54*	-	-	-	-	-	*10.54*

Notes to the Consolidated Financial Statements

Note 48 : Related Party Information (Contd.)

b) Transactions with Related Parties

Amount ₹ in Crore

Nature of Transaction	Holding Company	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Enterprises over which Relative of Key Management Personnel exercise significant influence	Total
Intercorporate Deposits Refund Received	-	-	-	-	-	-	-	-
Previous Year	-	*16.74*	-	-	-	-	-	*16.74*
Other Deposits accepted	-	0.17	0.01	-	-	0.04	-	0.22
Previous Year	-	*0.26*	-	-	-	-	-	*0.26*
Other Deposits refunded	-	-	-	-	-	-	-	-
Previous Year	-	*0.12*	-	-	-	-	-	*0.12*
Redemption / Sale of Debenture	-	147.45	-	-	-	-	-	147.45
Previous Year	-	-	-	-	-	-	-	-
Investment in equity / preference shares / LLP	-	233.27	-	-	-	-	-	233.27
Previous Year	-	*520.78*	-	-	-	*7.13*	-	*527.91*
Investment in Debenture	-	110.26	-	-	-	-	-	110.26
Previous Year	-	*74.07*	-	-	-	-	-	*74.07*
Share of profit (net) in Joint Venture & Associates	-	(70.54)	-	-	-	-	-	(70.54)
Previous Year	-	*13.97*	-	-	-	-	-	*13.97*
Loan repaid	-	947.03	-	-	-	-	-	947.03
Previous Year	-	*763.46*	-	-	-	-	-	*763.46*
Sale of Services	-	94.31	8.37	-	-	-	-	102.68
Previous Year	-	*26.06*	*2.96*	-	-	-	-	*29.02*
Sitting Fees	-	-	-	0.07	-	-	-	0.07
Previous Year	-	-	-	*0.52*	-	-	-	*0.52*
Income Received from Other Companies	-	1.65	-	-	-	-	-	1.65
Previous Year	-	*0.32*	*0.02*	-	-	-	-	*0.34*
Balance Outstanding as on March 31, 2020								
Receivables *	-	1,961.26	3.00	0.00		0.82	0.12	1,965.20
Previous Year	-	*1,150.25*	*1.83*	-	-	*0.08*	-	*1,152.16*
Payables	-	*0.25*	*5.55*	-	-	-	-	*5.80*
Previous Year	-	0.05	9.10	-	-	-	-	9.15
Guarantees outstanding	-	53.10	-	-	-	-	-	53.10
Previous Year	-	*63.03*	-	-	-	-	-	*63.03*
Debentures Outstanding	-	697.18	-	-	-	-	-	697.18
Previous Year	-	*840.72*	-	-	-	-	-	*840.72*
Deposits Receivable	-	-	-	-	-	3.17	-	3.17
Previous Year	-	-	-	-	-	*3.17*	-	*3.17*
Advance received against Share of Profit	-	47.85	-	-	-	-	-	47.85
Previous Year	-	*19.65*	-	-	-	-	-	*19.65*
Investment in capital account	-	520.94	-	-	-	-	-	520.94
Previous Year	-	*510.11*	-	-	-	-	-	*510.11*
Investment in Equity/preference shares	-	301.80	-	-	-	-	-	301.80
Previous Year	-	*212.77*	-	-	-	-	-	*212.77*
Outstanding Capital Advance *	-	-	0.00	-	-	-	-	0.00
Previous Year	-	-	-	-	-	-	-	-
Debenture Interest Outstanding	-	143.69	-	-	-	-	-	143.69
Previous Year	-	*131.78*	-	-	-	-	-	*131.78*

* Amount less than ₹ 0.01 crores

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

Notes to the Consolidated Financial Statements

Note 49 : Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

I Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows.

Amount ₹ in Crore

March 31, 2020	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Investments								
Debenture	421.04	-	265.63	686.68	-	421.04	-	421.04
Quoted Equity Shares	9.17	-	-	9.17	9.17	-	-	9.17
Unquoted Equity Shares	5.42	-	-	5.42	-	-	5.42	5.42
Trade receivables	-	-	89.83	89.83	-	-	-	-
Loans								
Security Deposits	-	-	28.95	28.95	-	-	-	-
Deposits - Projects	-	-	26.33	26.33	-	-	-	-
Loans to Employees	-	-	1.32	1.32	-	-	-	-
Other financial assets	-	-	8.12	8.12	-	-	-	-
Current								
Current investments	2,061.57	-	-	2,061.57	2,061.57	-	-	2,061.57
Trade receivables	-	-	1,552.45	1,552.45	-	-	-	-
Cash and cash equivalents	-	-	590.41	590.41	-	-	-	-
Other bank balances	-	-	388.05	388.05	-	-	-	-
Loans								
Security Deposits	-	-	16.67	16.67	-	-	-	-
Deposits - Projects	-	-	200.13	200.13	-	-	-	-
Others	-	-	1,418.37	1,418.37	-	-	-	-
Derivative asset	3.41	-	-	3.41	-	3.41	-	3.41
Other Current Financial Assets	2.02	-	542.19	544.21	-	2.02	-	2.02
	2,502.64	-	5,128.46	7,631.09	2,070.74	426.48	5.42	2,502.64
Financial liabilities								
Long term borrowings	-	-	612.63	612.63	-	-	-	-
Other Non current financial liabilities	-	-	1.35	1.35	-	-	-	-
Short term borrowings	-	-	6,037.42	6,037.42	-	-	-	-
Trade and other payables	-	-	2,180.40	2,180.40	-	-	-	-
Derivative liability	-	-	-	-	-	-	-	-
Put Option liability			83.25	83.25	-	-	83.25	83.25
Other Current financial liabilities	-	-	1,181.94	1,181.94	-	500.00	-	500.00
	-	-	10,097.00	10,097.00	-	500.00	83.25	583.25

Notes to the Consolidated Financial Statements

Note 49 : Fair Value Measurement (Contd.)

Amount ₹ in Crore

March 31, 2019 (Restated)	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Investments								
Debenture	372.14	-	490.06	862.20	-	372.14	-	372.14
Quoted Equity Shares	10.85	-	-	10.85	10.85	-	-	10.85
Unquoted Equity Shares	5.68	-	-	5.68	-	5.68	-	5.68
Others	0.01	-	0.43	0.44	-	-	0.01	0.01
Trade receivables			14.21	14.21	-	-	-	-
Loans								
Security Deposits	-	-	32.64	32.64	-	10.22	-	10.22
Deposits - Projects	-	-	28.57	28.57	-	-	-	-
Loans to Employees	-	-	0.88	0.88	-	-	-	-
Derivative asset	-	-	-	-	-			-
Other financial assets	-	-	46.23	46.23	-	-	-	-
Current								-
Current investments	1,052.10	-	-	1,052.10	1,052.10	-	-	1,052.10
Trade receivables	-	-	1,228.26	1,228.26	-	-	-	-
Cash and cash equivalents	-	-	756.01	756.01	-	-	-	-
Other bank balances	-	-	204.30	204.30	-	-	-	
Loans								
Security Deposits	-	-	21.29	21.29	-	-	-	-
Deposits - Projects				-	-	-	-	-
Others	-	-	1,030.46	1,030.46	-	-	-	-
Derivative asset	0.06	-	-	0.06	-	0.06	-	0.06
Other Current Financial Assets	0.25	-	377.08	377.33	-	0.25	-	0.25
	1,441.09	-	4,230.42	5,671.50	1,062.95	388.35	0.01	1,451.31
Financial liabilities								
Long term borrowings	-	-	1,260.58	1,260.58	-	501.18	-	501.18
Other Non current financial liabilities	-	-	1.01	1.01				
Short term borrowings	-	-	5,642.47	5,642.47	-	-	-	-
Trade and other payables	-	-	1,955.91	1,955.91	-	-	-	-
Derivative liability	5.87	-	-	5.87	-	5.87	-	5.87
Other Current financial liabilities	-	-	855.58	855.58	-	-	-	-
	5.87	-	9,715.55	9,721.43	-	507.05	-	507.05

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

Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

Notes to the Consolidated Financial Statements

Note 49 : Fair Value Measurement (Contd.)

II Measurement of fair values

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

Note 50 : Financial Risk Management

I Financial Risk Management objectives and policies

The Group's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks and Commodity price risk. The respective Company's senior management has the overall responsibility for establishing and governing respective Company's risk management framework. Each Company in the group has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

Respective Company's risk management policies are established to identify and analyse the risks faced by each Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how management monitors compliance with the respective Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the respective Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

II Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans and advances and Bank balances and derivative transactions.

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

Trade receivables and loans and advances.

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

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

The Group maintains adequate security deposits for sales made to its distributors. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Cash terms and advance payments are required for customers of lower credit standing. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

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

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

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

Amount ₹ in Crore

Particulars	March 31, 2020	March 31, 2019 (Restated)
More than 6 Months	**191.77**	230.22
Others	**1,450.51**	944.28
	1,642.28	1,174.50

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

Notes to the Consolidated Financial Statements

Note 50 : Financial Risk Management (Contd.)

III Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Group has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other Debt instrument. The Group invests its surplus funds in bank fixed deposits and debt based mutual funds.

Maturity profile of financial liabilities

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

Amount ₹ in Crore

March 31, 2020	Contractual cash flows					
	Carrying amount	Total	within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	**6,710.99**	**7,037.41**	**6,321.71**	**158.35**	**552.42**	**4.93**
Lease Liability	**27.27**	**27.27**	**-**	**4.27**	**2.00**	**21.00**
Trade and other payables	**2,396.78**	**2,387.48**	**2,376.72**	**7.14**	**1.81**	**1.81**
Other financial liabilities	**1,278.99**	**1,204.15**	**1,201.74**	**-**	**2.41**	**-**

Amount ₹ in Crore

March 31, 2019 (Restated)	Contractual cash flows					
	Carrying amount	Total	within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	7,116.21	7,570.09	6,102.81	702.62	579.77	184.89
Trade and other payables	1,928.96	1,978.54	1,967.37	9.88	1.29	-
Other financial liabilities	506.73	537.92	537.41	0.51	-	-
Derivative financial liabilities						
Forward exchange contracts used for hedging	19.55	19.55	19.55	-	-	-

Notes to the Consolidated Financial Statements

Note 50 : Financial Risk Management (Contd.)

IV Market risk

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

IV a Currency risk

The Group is exposed to currency risk on account of its borrowings, Receivable for Export and Payables for Import in foreign currency. The functional currency of the Group is Indian Rupee. The Group manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

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

The currency profile of financial assets and financial liabilities as at March 31, 2020 and March 31, 2019 are as below:

Amount ₹ in Crore

March 31, 2020	USD	EURO	SGD	GBP	AED
Financial assets					
Trade and other receivables	**187.64**	**2.89**	**-**	**-**	**-**
Less: Forward Contracts	**(11.35)**	**-**	**-**	**-**	**-**
	176.29	**2.89**	**-**	**-**	**-**
Financial liabilities					
Short term borrowings	**(0.48)**	**-**	**-**	**-**	**-**
Trade and other payables	**368.75**	**1.29**	**-**	**0.07**	**-**
Less: Forward Contracts	**(141.25)**	**-**	**-**	**-**	**-**
	227.02	**1.29**	**-**	**0.07**	**-**

Amount ₹ in Crore

March 31, 2019 (Restated)	USD	EURO	SGD	GBP	AED
Financial assets					
Trade and other receivables	150.30	2.33	-	-	-
Less: Forward Contracts	(28.01)	-	-	-	-
	122.29	2.33	-	-	-
Financial liabilities					
Long term borrowings	87.49	-	-	-	-
Less: Forward Contracts	(21.85)	-	-	-	-
Short term borrowings	33.17	-	-	-	-
Trade and other payables	275.18	10.61	-	0.08	-
Less: Forward Contracts	(135.10)	(10.24)	-	-	-
	239.21	0.37	-	0.08	-

Notes to the Consolidated Financial Statements

Note 50 : Financial Risk Management (Contd.)

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

INR	Year-end spot rate	
	March 31, 2020	March 31, 2019
USD 1	**75.66**	69.15
EUR1	**82.84**	77.64
GBP1	**93.56**	90.57
AED1	**20.60**	18.86

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against the foreign currencies at March 31 would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Amount ₹ in Crore

March 31, 2020	Profit or loss and Equity	
	Strengthening	Weakening
USD - 2% Movement	**(1.07)**	1.07
EUR - 2% Movement	**0.04**	(0.04)
GBP - 2% Movement*	**(0.00)**	0.00
	(1.03)	1.03

Amount ₹ in Crore

March 31, 2019	Profit or loss and Equity	
	Strengthening	Weakening
USD - 1% Movement	**(3.57)**	3.57
EUR - 4% Movement	**0.08**	(0.08)
GBP - 3% Movement*	**(0.00)**	0.00
	(3.50)	3.50

*Amounts less than 0.01 crore

Notes to the Consolidated Financial Statements

Note 50 : Financial Risk Management (Contd.)

IV b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

Group's interest rate risk arises from borrowings. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Amount ₹ in Crore

Borrowings	March 31, 2020	March 31, 2019 (Restated)
Fixed rate borrowings	**6,132.47**	5,319.91
Variable rate borrowings	**1,166.16**	1,854.09
	7,298.63	7,174.00

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group by the amounts indicated in the table below. Given that one of the subsidiary companies' capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the lifecycle of projects to which such interest is capitalised. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

Amount ₹ in Crore

Particulars	Profit or (loss)	
	100 bp increase	100 bp decrease
March 31, 2020		
Variable-rate instruments	**(11.69)**	**11.69**
Interest rate swaps	**-**	**-**
Cash flow sensitivity (net)	**(11.69)**	**11.69**
March 31, 2019		
Variable-rate instruments	(18.54)	18.54
Interest rate swaps	0.87	(0.87)
Cash flow sensitivity (net)	(17.67)	17.67

Notes to the Consolidated Financial Statements

Note 50 : Financial Risk Management (Contd.)

Forward Contracts

The Group uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitment in accordance with its forex policy as determined by its Forex Committee. The Group does not use foreign exchange forward contracts for trading or speculation purposes. Forward Contracts outstanding as at March 31, 2020:

Forward Contracts outstanding

Amount ₹ in Crore

	March 31, 2020	March 31, 2019 (Restated)
Forward Contract to Purchase (USD)	**0.84**	1.33
[23 contracts (previous year 31 contracts)]		
Forward Contract to Purchase (EUR)	**-**	0.10
[NIL contracts (previous year 2 contracts)]		
Forward Contract FCTL Loan (USD)	**-**	0.32
[NIL contracts (previous year 3 contract)]		
Forward Contract to Sell (USD)	**0.15**	0.41
[4 contracts (previous year 9 contracts)]		
Forward Contract to Sell (EUR)	**-**	0.03
[NIL contracts (previous year 1 contract)]		

Note 51 : Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves (other than Cash Flow Hedge Reserve). The primary objective of the Group’s Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances and Current investments.

Amount ₹ in Crore

Particulars	**As at March 31, 2020**	As at March 31, 2019 (Restated)
Non-Current Borrowings	**612.63**	1,196.20
Current Borrowings	**6,037.42**	5,626.47
Current maturity of long term debt	**571.99**	291.27
Gross Debt	**7,222.04**	7,113.94
Less - Cash and Cash Equivalents	**(590.41)**	(750.47)
Less - Other Bank Deposits	**(388.05)**	(194.26)
Less - Current Investments	**(2,061.57)**	(1,052.10)
Adjusted Net debt	**4,182.01**	5,117.11
Total equity	**5,786.70**	4,346.44
Adjusted Net debt to equity ratio	**0.72**	1.18

Notes to the Consolidated Financial Statements

Note 52 : Master netting or similar agreements

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2020 and March 31, 2019.

Amount ₹ in Crore

Particulars	**Effects of offsetting on the balance sheet**			**Related amounts not offset**		
	Gross Amounts	**Gross amounts set off in the balance sheet**	**Net amounts presented in the balance sheet**	**Amounts subject to master netting arrangements**	**Financial instrument collateral**	**Net amount**
March 31, 2020						
Financial assets						-
Derivative instruments	0.28	0.17	0.11	-	-	0.11
Financial liabilities						
Derivative instruments	-	-	-	-	-	-

Amount ₹ in Crore

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
March 31, 2019 (Restated)						
Financial assets						-
Derivative instruments	0.06	-	0.06	-	-	0.06
Financial liabilities						
Derivative instruments	-	-	-	-	-	-

Offsetting arrangements

Derivatives

The Company enters into derivative contracts for hedging foreign exchange exposures. In general, under such agreements, the amounts owed by each counterparty on a single day in respect of all the transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

Notes to the Consolidated Financial Statements

Note 53 : Additional Information required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries / Limited Liability Partnership / Associates / Joint Ventures.

Amount ₹ in Crore

Name of the entity	Net Assets - total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
1	2	3	4	5	6	7	8	9
Parent								
Godrej Industries Limited	17.44%	1,630.64	3.81%	30.81	(4%)	(1.96)	3.38%	28.85
Subsidiaries								
Indian								
Godrej Agrovet Limited	10.35%	967.07	36.31%	293.45	(5.26%)	(2.45)	34.04%	291.00
Godvet Agrochem Limited	0.14%	12.71	0.09%	0.76	0.00%	-	0.09%	0.76
Astec Lifesciences Limited	2.94%	274.80	3.68%	29.73	(0.21%)	(0.10)	3.47%	29.63
Creamline Dairy Products Limited	3.12%	291.90	0.16%	1.32	0.06%	0.03	0.16%	1.35
Godrej Tyson Foods Limited	1.68%	156.72	(3.25%)	(26.25)	(0.41%)	(0.19)	(3.09%)	(26.44)
Godrej Maxximilk Private Limited	0.07%	6.59	(0.71%)	(5.77)	0.00%	-	(0.68%)	(5.77)
Godrej Properties Limited	53.86%	5,034.73	38.71%	312.82	(1.45%)	(0.68)	36.52%	312.14
Godrej Projects Development Limited	0.00%	0.40	(8.40%)	(67.86)	0.00%	-	(7.94%)	(67.86)
Godrej Garden City Properties Private Limited	0.09%	8.05	0.09%	0.71	0.00%	-	0.08%	0.71
Godrej Hillside Properties Private Limited	(0.01%)	(0.56)	(0.07%)	(0.57)	0.00%	-	(0.07%)	(0.57)
Godrej Home Developers Private Limited	0.00%	0.10	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Prakriti Facilities Private Limited	0.01%	0.88	0.04%	0.32	0.00%	-	0.04%	0.32
Prakritiplaza Facilities Management Private Limited	0.00%	0.02	0.00%	0.01	0.00%	-	0.00%	0.01
Godrej Highrises Properties Private Limited	0.00%	(0.26)	(0.02%)	(0.15)	0.00%	-	(0.02%)	(0.15)
Godrej Genesis Facilities Management Private Limited	0.00%	0.46	0.00%	0.04	0.00%	-	0.00%	0.04
Citystar Infra Projects Limited	0.00%	(0.06)	(0.01%)	(0.04)	0.00%	-	0.00%	(0.04)
Godrej Residency Private Limited	0.00%	(0.04)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Mahalunge Township Developers LLP (w.e.f. February 01, 2019)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej Highrises Realty LLP	(0.03%)	(3.18)	(0.34%)	(2.75)	0.00%	-	(0.32%)	(2.75)
Godrej Project Developers & Properties LLP	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Skyview LLP	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Green Properties LLP	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Maan-Hinge Township Developers LLP (w.e.f. February 01, 2019)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej Projects (Soma) LLP	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Projects North LLP	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Athenmark LLP	0.00%	(0.06)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Godrej Vestamark LLP (considered as subsidiary till May 03, 2019)	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Godrej City Facilities Management LLP (w.e.f. March 18, 2019)	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Embellish Houses LLP (w.e.f February 13, 2019)	0.00%	(0.02)	(0.01%)	(0.05)	0.00%	-	(0.01%)	(0.05)
Godrej Properties Worldwide, USA	0.03%	2.35	(0.12%)	(0.95)	0.39%	0.18	(0.09%)	(0.76)
Godrej Landmark Redevelopers Private Limited (w.e.f. March 15, 2019)	1.16%	108.36	1.21%	9.79	0.00%	-	1.15%	9.79
Manjari Housing Projects LLP (w.e.f. February 01, 2019)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Wonder Space Properties Private Limited (w.e.f, December 18, 2019)	0.91%	85.26	9.80%	79.20	0.00%	-	9.27%	79.20
Ceear Lifesapce Private Limited (w.e.f. March 20, 2020)	0.00%	(0.06)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Olympia LLP (w.e.f. 21 June 2019)	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Florentine LLP (w.e.f. 21 June 2019)	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Ashank Facility Management LLP (w.e.f. 9 July 2019)	0.00%	0.01	0.00%	0.01	0.00%	-	0.00%	0.01
Ashank Realty Management LLP (w.e.f. 30 May 2019)	0.00%	0.07	0.01%	0.07	0.00%	-	0.01%	0.07
Ensemble Holdings and Finance Limited	0.01%	0.48	0.02%	0.13	0.00%	-	0.02%	0.13
Godrej One Premises Management Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	0.00
Foreign								
Godrej International Ltd.	1.46%	136.04	0.35%	2.86	0.00%	-	0.33%	2.86
Godrej International Trading & Investment Pte. Ltd.	0.35%	32.48	0.81%	6.56	0.00%	-	0.77%	6.56
Associates (Investment as per equity method)								
Indian								
Godrej Consumer Products Limited	18.52%	1,730.99	41.24%	333.32	113.29%	52.78	45.17%	386.11
Foreign								
Al Rahaba International Trading LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-

Notes to the Consolidated Financial Statements

Note 53 : Additional Information required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries / Limited Liability Partnership / Associates / Joint Ventures. (Contd.)

Amount ₹ in Crore

Name of the entity	Net Assets - total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Joint Ventures (as per proportionate consolidation / Investment as per equity method)								
Indian								
Omnivore India Capital Trust	0.28%	26.23	(2.05%)	(16.55)	0.00%	-	(1.94%)	(16.55)
Godrej Realty Private Limited	0.00%	-	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Godrej Landmark Redevelopers Private Limited (Upto March 14, 2019)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej Redevelopers (Mumbai) Private Limited	0.00%	-	0.77%	6.21	0.00%	-	0.73%	6.21
Wonder Space Properties Private Limited (upto April 04, 2019)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Wonder City Buildcon Private Limited	0.00%	-	(1.89%)	(15.25)	0.00%	-	(1.78%)	(15.25)
Godrej Home Constructions Private Limited	0.00%	-	(1.69%)	(13.67)	0.00%	-	(1.60%)	(13.67)
Godrej Greenview Housing Private Limited	0.00%	-	(0.51%)	(4.15)	0.00%	-	(0.49%)	(4.15)
Wonder Projects Development Private Limited	0.00%	-	(0.27%)	(2.19)	0.00%	-	(0.26%)	(2.19)
Godrej Real View Developers Private Limited	0.00%	-	(0.33%)	(2.65)	0.00%	-	(0.31%)	(2.65)
Pearlite Real Properties Private Limited	0.00%	-	2.49%	20.12	0.00%	-	2.35%	20.12
Godrej Skyline Developers Private Limited	0.00%	-	(0.88%)	(7.14)	0.00%	-	(0.84%)	(7.14)
Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited)	0.00%	-	(0.04%)	(0.30)	0.00%	-	(0.03%)	(0.30)
Munjal Hospitality Private Limited (w.e.f. June 29, 2019)	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Yujya Developers Private Limited (w.e.f. December 02, 2019)	0.00%	-	(0.05%)	(0.41)	0.00%	-	(0.05%)	(0.41)
Vivrut Developers Private Limited (w.e.f. February 10, 2019)	0.00%	-	(0.01%)	(0.05)	0.00%	-	(0.01%)	(0.05)
Madhuvan Enterprises Private Limited (w.e.f January 16, 2020)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej Property Developers LLP	0.00%	-	(0.01%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Mosiac Landmarks LLP	0.00%	-	0.00%	0.01	0.00%	-	0.00%	0.01
Dream World Landmarks LLP	0.00%	-	0.30%	2.41	0.00%	-	0.28%	2.41
Oxford Realty LLP	0.00%	-	3.99%	32.26	0.00%	-	3.77%	32.26
Godrej SSPDL Green Acres LLP	0.00%	-	0.02%	0.19	0.00%	-	0.02%	0.19
Oasis Landmarks LLP	0.00%	-	(0.17%)	(1.34)	0.00%	-	(0.16%)	(1.34)
M S Ramaiah Ventures LLP	0.00%	-	(0.03%)	(0.22)	0.00%	-	(0.03%)	(0.22)
Caroa Properties LLP	0.00%	-	(0.22%)	(1.76)	0.00%	-	(0.21%)	(1.76)
Godrej Construction Projects LLP	0.00%	-	(0.16%)	(1.31)	0.00%	-	(0.15%)	(1.31)
Godrej Housing Projects LLP	0.00%	-	(0.31%)	(2.53)	0.00%	-	(0.30%)	(2.53)
Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)	0.00%	-	(0.37%)	(2.99)	0.00%	-	(0.35%)	(2.99)
A R Landcraft LLP	0.00%	-	(0.66%)	(5.36)	0.00%	-	(0.63%)	(5.36)
Prakhhyat Dwellings LLP	0.00%	-	(1.07%)	(8.64)	0.00%	-	(1.01%)	(8.64)
Bavdhan Realty @ Pune 21 LLP	0.00%	-	(0.01%)	(0.04)	0.00%	-	0.00%	(0.04)
Godrej Highview LLP	0.00%	-	(0.39%)	(3.15)	0.00%	-	(0.37%)	(3.15)
Godrej Irismark LLP	0.00%	-	(0.82%)	(6.60)	0.00%	-	(0.77%)	(6.60)
Godrej Projects North Star LLP	0.00%	-	(0.48%)	(3.84)	0.00%	-	(0.45%)	(3.84)
Godrej Developers & Properties LLP	0.00%	-	(0.61%)	(4.94)	0.00%	-	(0.58%)	(4.94)
Godrej Reserve LLP (formerly known as Sai Srushti Onehub Projects LLP)	0.00%	-	(0.33%)	(2.65)	0.00%	-	(0.31%)	(2.65)
Roseberry Estate LLP (w.e.f. September 18, 2018)	0.00%	-	(0.48%)	(3.90)	0.00%	-	(0.46%)	(3.90)
Maan-Hinge Township Developers LLP (w.e.f. February 01, 2019)	0.00%	-	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Ashank Macbricks Private Limited (w.e.f. July 31, 2018)	0.00%	-	(0.19%)	(1.52)	0.00%	-	(0.18%)	(1.52)
Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)	0.00%	-	(0.22%)	(1.74)	0.00%	-	(0.20%)	(1.74)
Mahalunge Township Developers LLP (w.e.f. February 01, 2019)	0.00%	-	(1.09%)	(8.80)	0.00%	-	(1.03%)	(8.80)
Manjari Housing Projects LLP (w.e.f. February 01, 2019)	0.00%	-	(0.68%)	(5.48)	0.00%	-	(0.64%)	(5.48)
Godrej Vestamark LLP (w.e.f May 03, 2019)	0.00%	-	(4.14%)	(33.49)	0.00%	-	(3.92%)	(33.49)
Manyata Industrial Parks LLP (w.e.f. 22 April 2019)	0.00%	-	(0.01%)	(0.09)	0.00%	-	(0.01%)	(0.09)
Godrej Odyssey LLP (w.e.f. September 26, 2019)	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Universal Metro Properties LLP (w.e.f. 2 December 2019)	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Foreign	0.00%							
ACI Godrej Agrovet Private Limited	1.09%	102.11	3.65%	29.49	(2.20%)	(1.03)	3.33%	28.46
Non controlling Interest , Inter-company Elimination & Consolidation Adjustments	(13.46%)	(1,257.72)	(14.48%)	(117.00)	0.00%	0.00	(13.69%)	(117.00)
TOTAL	**100%**	**9,347.36**	**100%**	**808.21**	**100%**	**46.59**	**100%**	**854.80**

Notes to the Consolidated Financial Statements

Note 54. Business Combinations

A. During the year the group has made business acquisitions as given below

I. Merger of Nagavalli Milkline Private Limited

The Scheme of Amalgamation between Creamline Dairy Products Limited (CDPL) [subsidiary of Godrej Agrovet Limited] and Nagavalli Milkline Private Limited [wholly-owned subsidiary of CDPL] and their respective Shareholders pursuant to Section 230 to 232 and other applicable provisions of the Companies Act 2013 ("Scheme") with the Appointed Date as April 1, 2019, has been sanctioned by the Hon'ble National Company Law Tribunal, Hyderabad Bench ('NCLT') vide its order dated October 17, 2019. There is no impact on the consolidated financial statements of the Group pursuant to this order.

II. Acquisition of Wonder Space Properties Private Limited (WSSPL)

On April 04, 2019, Godrej Properties Limited (GPL)had acquired 70.93 percent of the voting shares of WSSPL Limited, a company engaged primarily in the business of real estate construction, development and other related activities. As a result, GPL's equity interest in WSSPL increased from 25.1 percent to 96.03 percent, giving it control of WSSPL.

(a) Consideration transferred

The following table summarises the acquisition date fair value of major class of consideration transferred:

Amount ₹ in Crore

Particulars	Amount
Consideration paid in cash	4.14
Total consideration	4.14

(b) Acquisition-related costs

The Group had incurred acquisition-related costs of ₹ 0.01 Crore on legal fees and due diligence costs. These costs have been included in legal and professional fees under other expenses.

(c) Identifiable assets acquired and liabilities assumed

The following table summarises the acquisition date fair value of assets acquired, fair value of the consideration transferred and Capital reserve:

Amount ₹ in Crore

Description	Amount
Deferred tax assets (Net)	0.35
Income tax assets (Net)	2.92
Inventories	93.21
Current financial assets	119.03
Other Current Non Financial Assets	1.40
Current financial liabilities	(212.24)
Other Current Non Financial Liabilities	(0.17)
Net Assets	4.50

(d) Capital Reserve

Capital Reserve arising from the acquisition was been determined as follows

Amount ₹ in Crore

Description	Amount
Consideration transferred (refer note (a) above)	4.14
Fair value of net identifiable assets (refer note (c) above)	4.50
Capital reserve	0.36

Notes to the Consolidated Financial Statements

Note 54. Business Combinations (Contd.)

(e) From the date of acquisition, WSSPL contributed ₹ 141.15 Crore of revenue from operations and ₹ 46.66 Crore of profit to the Group during the year ended March 31, 2020.

(f) Acquition of Non-Controlling Interests (NCI)

On December 18, 2019, one of the subsidiary company had acquired an additional 3.97 percent of the voting shares of WSSPL Limited, a company engaged primarily in the business of real estate construction, development and other related activities. As a result, the subsidiary company's equity interest in WSSPL increased from 96.03 percent to 100 percent, giving it full control of WSSPL.

Amount ₹ in Crore

Description	Amount
Carrying amount of NCI Acquired	3.42
Consideration paid to NCI	0.26
Capital reserve	(3.16)

III. Acquisition of Yujya Developers Private Limited

During the Year, the Group has acquired 20% shares in Yujya Developers Private Limited at an investment of ₹ 0.00 Crore.

IV. Acquisition of Vivrut Developers Private Limited

During the Year, the Group has acquired 20% shares in Vivrut Developers Private Limited at an investment of ₹ 0.00 Crore.

₹ 0.00 represents amount less than ₹ 50,000

B. During the previous year the group has made the following business acquisitions as given below

I. Godrej Maxximilk Private Limited.

(a) Acquisition of subsidiary

On March 27, 2019, Godrej Agrovet Limited (GAVL) has acquired 13,310 equity shares of Godrej Maxximilk Pvt. Ltd (GMPL) for a consideration of ₹ 0.21 crores.Pursuant to this acquisition, the shareholding in GMPL rose to 51.00 % and it became a subsidiary of GAVL.

Taking control of Godrej Maxximilk will enable the Group to add value through its association with Indian dairy farmers and in-depth knowledge of agri-businesses & rural marketing. GMPL will also get leverage through the Godrej Agrovet brand, which has strong recall with dairy farmers through the cattle feed business.

If the acquisition had occurred on 1 April, 2018, management estimates that consolidated revenue would have been ₹5,873.64 crore and consolidated profit would have been ₹ 346.80 crore.

In determining these amounts, management has assumed that the fair value adjustments,determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on 1 April, 2018.

(b) Details of purchase consideration, net assets acquired and goodwill

Amount ₹ in Crore

Particulars	Amount
Cash Paid	0.22
Equity shares acquired	13,310
Total consideration transferred	0.22

Notes to the Consolidated Financial Statements

Note 54. Business Combinations (Contd.)

Identifiable assets acquired and liabilities assumed

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

Amount ₹ in Crore

Particulars	Amount
Property, plant and equipment	22.39
Capital work-in-progress	0.03
Biological assets other than bearer plants (Cattle)	4.13
Deferred tax assets	1.85
Other non-current assets	0.10
Inventories	1.06
Trade Receivables	0.42
Cash and cash equivalents	0.07
Loans Others	0.02
Loans and Advances to Employees	0.01
Other current assets	0.05
Fair value of assets acquired	**30.15**
Borrowings	(16.00)
Trade payables	(1.90)
Other financial liabilities	(11.57)
Other current liabilities	(0.05)
Intercorporate deposits	(1.64)
Fair value of liabilities acquired	**(31.16)**
Deferred tax on acquisition	-
Total identifiable net assets/ (liabilities) acquired	**(1.03)**

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 0.45 crores. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

(c) Goodwill

Amount ₹ in Crore

Particulars	Amount
Consideration transferred	0.22
Non-controlled interest in the acquired entity	(0.49)
Fair value of previously held equity interest	5.08
Add: Net identifiable liabilities acquired	1.03
Goodwill	5.84

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

The remeasurement to fair value of the Group's existing 49.90% interest in GMPL resulted in a gain of ₹ 3.37 crore, which has been recognised in exceptional income.

Notes to the Consolidated Financial Statements

Note 54. Business Combinations (Contd.)

(d) Purchase consideration - Cash outflow

Amount ₹ in Crore

Particulars	Amount
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	0.22
Less: Balances acquired	
Cash and cash equivalents	(0.07)
Net outflow of cash - investing activities	0.15

II. Godrej Tyson Foods Limited.

(a) Acquisition of subsidiary

On March 27, 2019, Godrej Agrovet Limited (GAVL) has acquired 2,188 equity shares of Godrej Tyson Foods Limited (GTFL) for a consideration of ₹ 3.95 crores. Pursuant to this acquisition, the shareholding in GTFL rose to 51.00 % and it become a subsidiary of GAVL.

Taking control of GTFL will enable the Group to add value through its association with Indian poultry farmers and in-depth knowledge of agri-businesses & rural marketing. GTFL will also get leverage through the Godrej Agrovet brand, which has strong recall with poultry farmers through the poultry feed business.

If the acquisition had occurred on 1 April, 2018, management estimates that consolidated revenue would have been ₹ 6084.75 crore and consolidated profit would have been ₹ 351.20 Crore.

In determining these amounts, management has assumed that the fair value adjustments,determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on 1 April, 2018.

(b) Details of purchase consideration, net assets acquired and goodwill

Amount ₹ in Crore

Particulars	Amount
Cash Paid	3.95
Equity shares acquired	2,188
Total consideration transferred	3.95

Acquisition-related cost

The group incurred acquisition related cost of ₹0.08 crore on legal fees.These costs have been included in "administrative expenses"

Identifiable assets acquired and liabilities assumed

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

Amount ₹ in Crore

Particulars	Amount
Property, plant and equipment	192.05
Capital work-in-progress	0.21
Intangible assets	3.67
Brands	16.57
Biological assets other than bearer plants	10.19
Long-term loans and advances - Others	3.41

Notes to the Consolidated Financial Statements

Note 54. Business Combinations (Contd.)

Amount ₹ in Crore

Particulars	Amount
Long-term loans and advances - to employees	0.04
Others	0.02
Non-current tax assets (net)	1.99
Other non-current assets	0.69
Biological assets other than bearer plants	52.98
Inventories	23.35
Trade receivables	23.55
Cash and cash equivalents	3.92
Bank balance other than above	0.06
Short-term loans and advances - to employees	0.17
Others	0.18
Other current assets	9.47
Fair value of assets acquired	**342.52**
Long term borrowings	(23.00)
Deferred tax liabilities (net)	(7.35)
Other non current liabilities	(2.35)
Short-term borrowings	(14.29)
Trade payables	(18.07)
Other financial liabilities	(27.35)
Employee Payable	(0.10)
Other current liabilities	(3.04)
Short-term provisions	(0.55)
Fair value of liabilities acquired	**(96.10)**
Deferred tax on acquisition	(13.19)
Total identifiable net assets/ (liabilities) acquired	**233.23**

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 26.96 crores. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

(c) Goodwill

Amount ₹ in Crore

Particulars	Amount
Consideration transferred	3.95
Non-controlled interest in the acquired entity	114.28
Fair value of previously held equity interest	179.18
Less: Net identifiable assets acquired	(233.23)
Goodwill	64.18

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

The remeasurement to fair value of the Group's existing 49.90% interest in GTFL resulted in a gain of ₹ 84.93 crore, which has been recognised in exceptional income.

Notes to the Consolidated Financial Statements

Note 54. Business Combinations (Contd.)

(d) Purchase consideration - Cash outflow

Amount ₹ in Crore

Particulars	Amount
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	3.95
Less: Balances acquired	
Cash and cash equivalents	(3.92)
Net outflow of cash - investing activities	**0.03**

III. Acquisition of Godrej Landmark Redevelopers Private Limited (GLRPL) with Godrej Properties Limited (GPL):

On March 15, 2019, Godrej Properties Limited (GPL) had acquired 49 percent of the voting shares of GLRPL Limited, a company engaged primarily in the business of real estate construction, development and other related activities. As a result, GPL's equity interest in GLRPL increased from 51 percent to 100 percent, giving it control of GLRPL.

(a) Consideration transferred

The following table summarises the acquisition date fair value of major class of consideration transferred:

Amount ₹ in Crore

Particulars	Amount
Consideration paid in cash	42.73
Total consideration	42.73

(b) Acquisition-related costs

The Group incurred acquisition-related costs of ₹ 0.01 Crore on legal fees and due diligence costs. These costs have been included in legal and professional fees under other expenses.

(c) Identifiable assets acquired and liabilities assumed

The following table summarises the acquisition date fair value of assets acquired, fair value of the consideration transferred and Capital reserve:

Amount ₹ in Crore

Description	Amount
Property, plant and equipment	0.03
Intangible assets	0.02
Non-current financial assets	0.10
Deferred tax assets (Net)	1.29
Income tax assets (Net)	5.17
Inventories	106.24
Current financial assets	47.86
Other Current Non Financial Assets	41.93
Current financial liabilities	(51.61)
Other Current Non Financial Liabilities	(48.01)
Current Tax Liabilities (Net)	(4.01)
Net Assets	99.01

Notes to the Consolidated Financial Statements

Note 54. Business Combinations (Contd.)

(d) Capital Reserve

Capital Reserve arising from the acquisition was been determined as follows

Amount ₹ in Crore

Description	Amount
Consideration transferred (refer note (a) above)	42.73
Fair value of pre-existing equity interest in GLRPL	50.74
Fair value of net identifiable assets (refer note (c) above)	99.01
Capital reserve	5.54

(e) From the date of acquisition, GLRPL contributed ₹ (13.27) Crore of revenue from operations and ₹ 0.44 Crore of loss to the Group during the year ended March 31, 2019. If the acquisition had taken place at the beginning of the previous year, the Group's revenue from operations would have increased by ₹ 762.27 Crore and profit would have increased by ₹ 46.69 Crore during the year ended March 31, 2019.

IV. Common control transaction

The National Company Law Tribunal ("NCLT"), Mumbai bench vide its Order dated April 22, 2020 has approved the Scheme of Arrangement (Demerger) between Ensemble Holdings and Finance Limited (EHFL) and Godrej Industries Limited (GIL). Consequent to the said Order and filing of the final certified Order with the Registrar of Companies, Maharashtra on May 14, 2020, the Scheme has become effective from the Appointed Date i.e. October 1, 2019. GIL has given effect of the Scheme in it's Standalone Financial statements for the year ended March 31, 2020 as per guidance set out in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 14 (Issue 4), being a common control transaction. As EHFL is a 100% subsidiary of the Company, this is a common control transaction and hence there is no impact of the Scheme on the Consolidated Financial Statements.

Note 55. Discontinued Operations

The Company, consequent to the approvals received from the Board of Directors on May 17, 2019 and from the shareholders on June 25, 2019 consummated the sale of Natures Basket Limited (NBL) a wholly owned subsidiary of the Company to Spencer's Retail Limited (SRL) on July 04, 2019.

On completion of sale transaction of NBL, the company has recognised net profit of ₹200.94 crore as an exceptional item in the consolidated Financial Results during the year ended March 2020.

Accordingly, NBL has been classified as discontinued operations in the current year and all the previous comparative statements has been restated.

a) Loss from discontinued operations

Amount ₹ in Crore

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations	**87.00**	338.78
Other Income	**0.40**	1.73
Total Income	**87.40**	340.51
Expenses		
Purchases of Traded Goods	**66.75**	267.32
(Increase)/ decrease in inventories of traded goods	**3.89**	(11.18)
Employee Benefits Expense	**12.96**	39.91
Finance Costs	**2.57**	8.62
Depreciation And Amortization Expense	**7.95**	9.84
Other Expenses	**20.55**	101.01
Total Expenses	**114.67**	415.51

Notes to the Consolidated Financial Statements

Note 55. Discontinued Operations (Contd.)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(Loss) Before Tax	**(27.27)**	(75.00)
Tax Expense	**-**	-
(Loss) after Tax	**(27.27)**	(75.00)
Exceptional Items - Gain on sale of discontinued operations	**200.94**	-
Profit/(Loss) after tax	**173.67**	(75.00)
Other Comprehensive Income		
Other comprehensive income not to be reclassified to profit or loss		
Remeasurements of defined benefit plans	**-**	0.51
Income Tax related to Items that will not be reclassified to Profit or Loss	**-**	-
Total Other Comprehensive Income	**-**	0.51
Total Comprehensive Income	**173.67**	(74.49)

b) **Net cash flows attributable to the discontinued operations** Amount ₹ in Crore

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Net Cash generated from Operating Activities	**(4.06)**	(69.26)
Net Cash (used) in Investing Activities	**-**	(23.98)
Net Cash generated from Financing Activities	**-**	107.06
Net Cash (outflows)/inflows	**(4.06)**	13.82

c) **Assets and Liabilities of discontinued operations** Amount ₹ in Crore

Particulars	As at March 31, 2019
Property, plant and equipment and intangible assets (including CWIP)	55.59
Non Current Financial Assets	11.21
Other Non Current Assets	6.69
Inventories	34.01
Trade receivables	18.81
Cash and cash equivalents	4.05
Bank balances other than above	10.06
Other Current Financial Assets	4.44
Other Current Assets	12.16
Total Assets	**157.02**
Non Current Borrowings	64.38
Non Current Provisions	0.42
Current Borrowings	16.00
Trade Payables	48.42
Other Current Financial Liabilities	16.44
Other Current Liabilities	1.69
Current Provisions	4.13
Total Liabilities	**151.48**
Net Assets	**5.54**

Notes to the Consolidated Financial Statements

Note 55. Discontinued Operations (Contd.)

d) Gain on disposal of discontinued operations

Particulars	Amount ₹ in Crore
Cash Consideration received	174.38
Net Assets transferred (refer note e below)	(26.56)
Gain on disposal	200.94

e) Information of assets and liabilities transferred

Particulars	Amount ₹ in Crore
Property, plant and equipment and intangible assets (including CWIP)	184.81
Non Current Financial Assets	10.73
Other Non Current Assets	5.05
Inventories	30.12
Trade receivables	11.74
Cash and cash equivalents	12.92
Bank balances other than above	0.06
Other Current Financial Assets	4.88
Other Current Assets	15.17
Total Assets	**275.48**
Non Current Borrowings	70.22
Non Current Financial Liability	130.49
Non Current Provisions	0.54
Current Borrowings	29.14
Trade Payables	43.56
Other Current Financial Liabilities	20.27
Other Current Liabilities	1.98
Current Provisions	5.82
Total Liabilities	**302.04**
Net Assets	**(26.56)**

Note 56 : IND AS 115 - Revenue from Contracts with Customers for Property Development

(a) The amount of ₹ 1,099.35 Crore (Previous Year: ₹ 1,734.08 Crore) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2020.

(b) Significant changes in contract asset and contract liabilities balances are as follows:

Amount ₹ in Crore

Particulars	**March 31, 2020**	March 31, 2019 (Restated)
Contract asset		
At the beginning of the reporting period	**75.83**	89.49
Cumulative catch-up adjustments to revenue affecting contract asset	**66.58**	(13.66)
Significant change due to business combination	**-**	-
At the end of the reporting period	**142.41**	75.83
Contract liability		
At the beginning of the reporting period	**1,484.43**	2,633.75
Cumulative catch-up adjustments affecting contract liability	**(1,088.28)**	(1,143.89)
Significant financing component	**(75.50)**	(40.98)
Significant change due to business combination	**-**	35.55
At the end of the reporting period	**320.65**	1,484.43

Notes to the Consolidated Financial Statements

Note 56 : IND AS 115 - Revenue from Contracts with Customers for Property Development (Contd.)

(c) Performance obligation for Property Development

The Group is also engaged in the business of real estate construction, development and other related activities.

All the Contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on standalone selling prices.

Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable by the parties.

The revenue is measured at the transaction price agreed under the contract. In certain cases, the Group has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group adjusts the transaction price for the effects of a significant financing component.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognises the entire estimated loss in the period the loss becomes known.

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2020 is ₹ 233.03 Crore (Previous Year: ₹ 1,903.21 Crore), which will be recognised as revenue over a period of 1-3 years and ₹ 469.42 Crore (Previous Year: ₹ 280.50 Crore) which will be recognised over a period of 1-4 years.

Note : 57 Dividend On Equity Shares

Amount ₹ in Crore

Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019
(a) Proposed Dividend *	-	38.69
(Previous Year ₹ 1.15 per Share (115%)		
	-	38.69

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

As on March 31, 2020, the tax liability with respect to the dividends proposed is NIL (March 31, 2019 : ₹ 7.95 crore).

Notes to the Consolidated Financial Statements

Note : 58

In view of the lockdown across the country due to the outbreak of COVID pandemic, operations of the Company's/Group's (manufacturing, offices, etc.) are scaled down or shut down from second half of March 2020. The duration of this lockdown is uncertain at this point in time and resumption of full-fledged operations will depend upon directives issued by the Government authorities. While this has adversely impacted the sales performance of certain subsidiary Companies, the Company/Group continue to closely monitor the situation and take appropriate action, as necessary to scale up operations, in due compliance with the applicable regulations. As per our current assessment other than disclosed in note 36, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and we continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The operations have resumed for certain locations in compliance with Government directives in April, 2020.

As per our Report attached

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

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

A. B. Godrej
Chairman
DIN : 00065964

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

Vijay Mathur
Partner
M.No. : 046476
Mumbai, May 22, 2020

Clement Pinto
Chief Financial Officer

Tejal Jariwala
Company Secretary