Godrej Consumer Products Ltd.
Regd. Office : Godrej One,
4th Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (E), Mumbai 400 079, India.
Tel.: +91-22-2518 8010/8020/8030
Fax: +91-22-2518 8040
Website : www.godrejcp.com
CIN : L24246MH2000PLC129806

August 13, 2018

BSE Ltd
Corporate Relations Department
1st Floor, Rotunda Bldg., P.J. Towers,
Dalal Street, Mumbai 400 023.
Scrip Code : 532424

The National Stock Exchange of India Ltd
Exchange Plaza, 4th Floor,
Bandra-Kurla Complex,
Mumbai 400 050
Symbol: GODREJCP

Dear Sir,

Compliance of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

In compliance with Regulation 34 of the Listing Regulations, please find attached herewith Annual Report for the financial year 2017-18 duly approved and adopted by the shareholders at the 18th Annual General Meeting held on Monday, 30th July, 2018, at Godrej One, 1st Floor Auditorium, Pirojshanagar, Vikhroli (East), Mumbai- 400079.

The Annual Report for the financial year 2017-18 is uploaded on the website of the Company (www.godrejcp.com).

This is for your information and record.

Yours faithfully,
For Godrej Consumer Products Ltd.

GODREJ CONSUMER PRODUCTS LTD. ★ MUMBAI 400 079

V Srinivasan
Chief Financial Officer & Company Secretary

Godrej | CONSUMER PRODUCTS

THE ANNUAL REPORT 2017-18

Visit our GCPL
Annual Report microsite

This annual report is printed on **eco-friendly** paper

Contents

GODREJ CONSUMER PRODUCTS

90+ countries

12,000 Godrejites

1.15 billion consumers

INR 96 billion revenue

INR 744 billion market cap

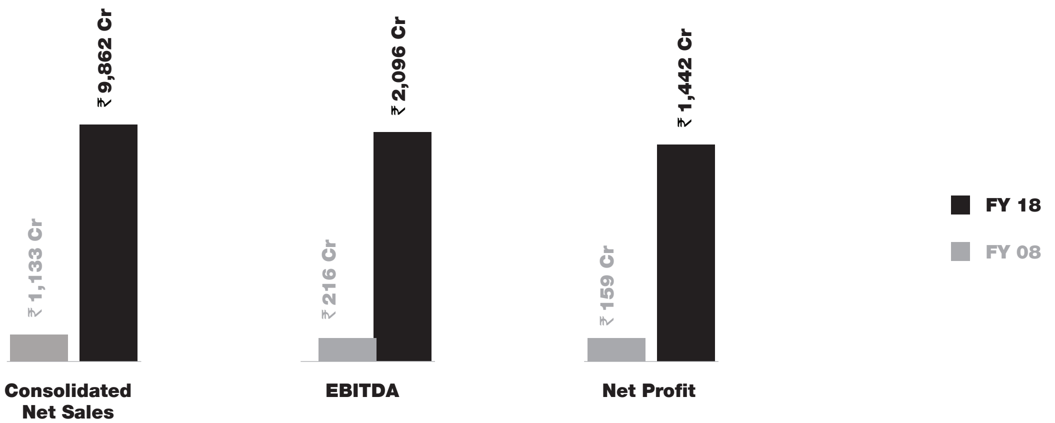
23%
of the promoter holding is held in **PHILANTHROPIC TRUSTS**

Forbes
list of The World's **100** **Most Innovative** Growth Companies 2016

#1 FMCG
company to work for **in India**
GREAT PLACE TO WORK

HOME CARE	1	**Household Insecticides** India, Indonesia	**Air Fresheners** India, Indonesia	**Liquid Detergents** India
PERSONAL CARE	1	**Wet Wipes** Indonesia	2 **Soaps** India	**Depilatory Products** Chile
HAIR CARE	1	**Hair Colours** India	**Ethnic Hair Colours & Hair Extensions** Sub Saharan Africa	2 **Hair Colours** Argentina, Chile

Strong performance over the last 10 years



A portfolio of power brands

₹ 1,000 Cr+

Good knight · Darling · No.1

₹ 500 - 1,000 Cr

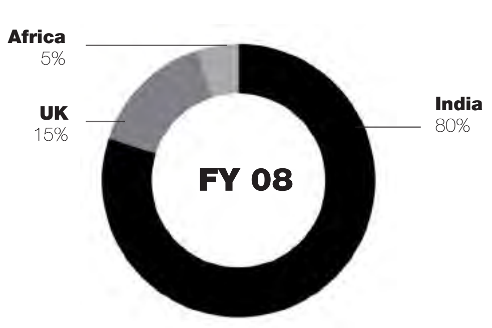
HIT · CINTHOL · expert

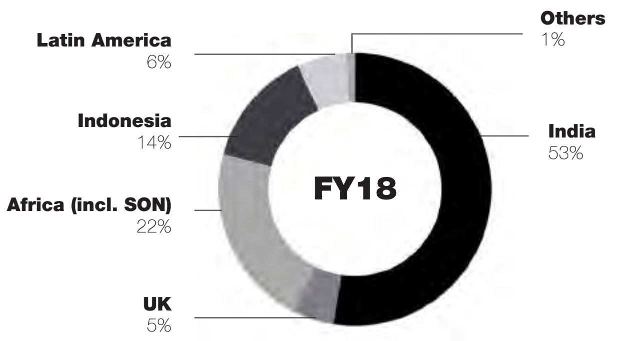
₹ 250 - 500 Cr

Stella · Issue · mitu baby · HIT · aer

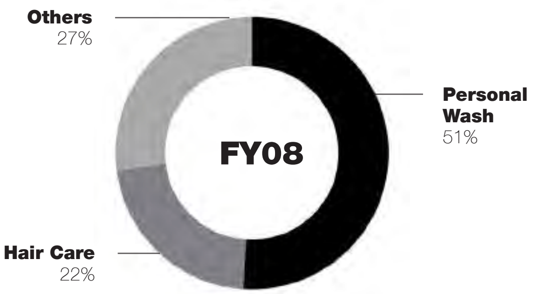
~70%	Top brands contribution to revenue

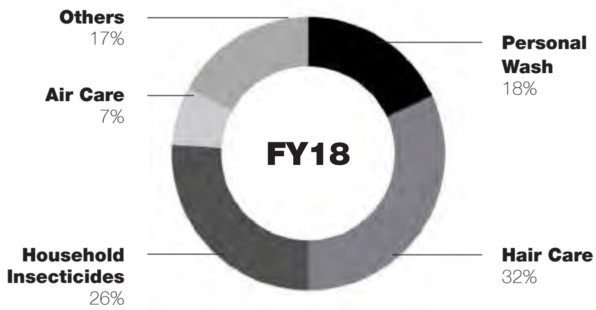
Geography Salience





Category Salience





THE GODREJ WAY

To live our purpose,
we need to ensure that we are
guided by the right values

Our Values

Trust

- We hold ourselves to the highest standards of personal and business integrity
- Our word is stronger than any contract
- We put people and our planet alongside profits

Be Bold

- We have bold ambitions.
  We set the bar high.
  We outperform expectations.
- We adapt, We are agile and resilient.
- We continuously innovate.
  We champion new ideas.
  We take risks.

Create Delight

- We place our consumers at the heart of all we do
- We obsess over current and future needs of our consumers. And then deliver.
- We offer consumers amazing quality products at great value

BRINGING THE GOODNESS OF HEALTH AND BEAUTY TO CONSUMERS IN EMERGING MARKETS

Own It

- We are 100/0. Take 100% accountability with 0 excuses.
- We speak our mind.
  We challenge the status quo.
- We focus on the details, but never forget the bigger picture

Be Humble

- We own up to and learn from our mistakes
- We ask for feedback. And then grow with it.
- We give credit wherever due

Show Respect

- We treat people like we would want to be treated
- We embrace and celebrate diversity
- We foster collaboration

BOARD OF DIRECTORS

NISABA GODREJ

Executive Chairperson

ADI GODREJ

Chairman Emeritus

VIVEK GAMBHIR

Managing Director & CEO

JAMSHYD N GODREJ

Non-Executive Director

NADIR GODREJ

Non-Executive Director

TANYA DUBASH

Non-Executive Director

PIROJSHA GODREJ

Non-Executive Director

PIPPA TUBMAN ARMERDING

Additional Director

NARENDRA AMBWANI

Independent Director

BHARAT DOSHI

Independent Director

OMKAR GOSWAMI

Independent Director

AMAN MEHTA

Independent Director

NDIDI NWUNELI

Independent Director

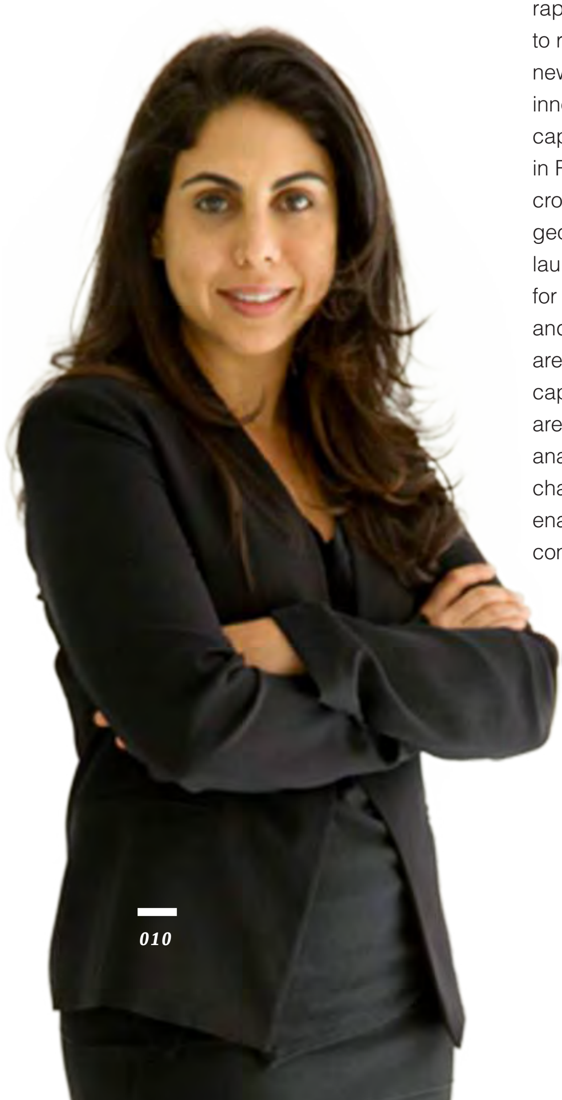
IREENA VITTAL

Independent Director

A MESSAGE FROM NISABA GODREJ

Dear shareholders,

We continue to make strong progress on our exciting journey to be a leading FMCG player in emerging markets. Fiscal year 2017-18 was a year when we have both achieved and learned. I am proud of the resilience that our team continues to show, even as we navigate macroeconomic challenges in many of our geographies. While we delivered competitive and profitable growth, our top line growth fell short of our aspirations. We have however, strengthened the foundations of our company through the investments we are making in people and processes.



The future potential for GCPL is tremendous. Our focus continues to be on driving market-leading, sustainable and profitable growth. Creating delight for our consumers through innovative, differentiated products, is core to our approach. To enable this, we are using the design thinking tools of empathy, rapid prototyping and visualisation to reimagine our brands and create new ones. We are accelerating our innovation pipeline, ramping up capabilities, investing significantly in Research & Development and cross-pollinating products across geographies. Our new products launched in the last 5 years account for 20 per cent of our global growth and 35 per cent of India growth. We are also excited by a lot of the new capabilities and transformations we are exploring in digital, advanced analytics, go-to-market and supply chain technologies. All of this will enable us to create strong value in the coming years.

Alongside this, we remain deeply committed to building a more global and dynamic company. For me personally, it is most important that besides our strong financial performance and innovative, much-loved products, we are also a ‘good’ company. Over the last few months, we have done a lot of work around refreshing our purpose and values - The Godrej Way, as we call it. We are very fortunate to be able to draw from the incredible legacy of the Godrej Group and the values of trust, integrity and respect that have held us in such good stead for over a century now. Our purpose at GCPL is to bring the goodness of health and beauty to consumers in emerging markets. The Godrej Way is our compass. It is what centers, inspires and provides meaning to everything that we do. You will continue to see it reflected in the choices we make, in our approach to value creation and how we become more ‘Good & Green’.

A big thank you to our inspiring, committed team members, who make it possible for us to dream bigger and bolder. To all our customers, partners, shareholders and investors, my deep appreciation for your partnership and belief in our company. We will continue to count on your support as we move forward and build towards our best days at GCPL.

N. Godrej

Nisaba Godrej
Executive Chairperson

IN CONVERSATION WITH VIVEK GAMBHIR

Tell us about The Godrej Way, your recently articulated purpose and values for GCPL.

Over the last couple of years, we spent a lot of time reflecting on some fundamental questions. Why do we exist as an organisation? What will build the future of GCPL? What will inspire our team members to come to work and give their best every single day? Through this journey, we have spoken to hundreds of our team members across geographies, studied global best practices and reflected as a senior leadership team. Basis these discussions, we crafted a refreshed version of our fundamental principles, which we call 'The Godrej Way'.

We believe that in over a century, the one thing we've never let go of, is trust and being a 'good' company. It's at the heart of everything we do in The Godrej Way. It makes our word stronger than any contract. It challenges us to think beyond limits. And collectively, go beyond what's expected. It makes us innovate and collaborate to create deeper impact and stronger bonds. It makes us continuously improve productivity and push the limits of service.

As we see it, while there are many ways to do business, we choose the Goodness way. So, we have defined our purpose as – *'Bringing the goodness of health and beauty to consumers in emerging markets'*.

To live our purpose, we need to ensure that we are guided by the right values. We have identified six core values: Trust (It's the most important thing), Be Bold, Create Delight, Own It, Be Humble and Show Respect.

Our values are both about who we are and what we want to be. So, they aren't static. They must be lived and tried every day – and we need to keep on improving on how we act on them. They need to be our compass when things are going right, but more importantly, when things aren't – when we need to make the difficult choices, and have the tougher conversations. They may even cost us at times. But this is how we will keep improving and building new muscle. This is how we will challenge ourselves and find new ways to raise our bar.

How has your India business performed over the last year?

Our India business has shown a lot of agility in adapting well to the changing dynamics of the macroeconomic environment, in particular the implementation of the Goods & Services tax that caused a lot of turmoil. It has been a difficult last couple of years for the Home and Personal Care category in India and growth was adversely impacted. Despite these challenges, we outperformed and delivered best-in-class, double-digit volume-led growth. Our EBITDA growth was also very strong.

We increased our market share and continued to improve penetration across all categories. We forayed into the professional hair care space in India with the launch of Godrej Professional. In Goodknight, we introduced Power Chip, an electric solution infused with unique gel technology, and a higher efficacy liquid vapouriser. While overall performance was very strong, we were disappointed by Household Insecticides, and we are doubling down on ensuring we bring growth back on track in this category.

Africa is a big priority for GCPL. How are your plans progressing?

Establishing a strong foothold in Africa continues to be key to our strategy, in terms of business size today, as well as potential for the future. Our largest investment as a company, of INR 4,000 crore, is in Africa. Today, catering to the hair care needs of women of African descent contributes to 21 per cent of our revenues. We intend to double this in the next 4 years. African American women in the US today spend 3 times the amount on and twice the time as compared to the rest of the market, on hair care. We believe that this category overall is very underserved in terms of product innovation and brand delight. We can significantly leverage our skillsets here and there are significant opportunities for us, globally. The acquisition of Strength of Nature in the US, a leading player in ethnic hair care, has catapulted us to become one of the largest players globally, serving the hair care needs of women of African descent. It will, over time, also provide a platform for us to further build and drive global leadership.

We are putting a lot of building blocks in place to create a strong foundation for this business. Over the last year, we set up our Africa Centre in Dubai. In December 2017, we inaugurated a new state-of-the-art factory in Maputo. We are one of the biggest employers in Mozambique; this factory employs over 1,700 people, 70 per cent of who are women. We are also making a lot of effort to foster an impactful employer brand, and invest significantly in strong local talent and capable senior team members to support our exciting growth ambitions.

Our teams are leading a lot of very exciting work in brand building and innovation. We have developed a new brand architecture for our Darling brand, which is the leader in hair extensions in the sub-continent. We are gearing up for a big relaunch to position Darling as a more modern, fashion-forward brand.

The integration of Strength of Nature has progressed well. In line with our plans, we have started the scale up of our wet hair portfolio across Africa and see huge potential in this.

Over the last year or so, your Indonesia business has faced significant challenges. What's the thinking on the way forward?

Our Indonesia business had a tough year and the team is working on a range of levers to turn it around. While market conditions remain tough and competitive intensity is high, we are hoping that the worst is behind us. What is encouraging however, is that we have seen our market shares for our HIT brand, the leader in household insecticides, return to 50 per cent levels. Some of our recent innovations like HIT Expert Nozzle are being well received.

We have tightened controls on promotion management, started an extensive go-to-market transformation, and put stronger emphasis on new product development. We now need to execute this with full intensity and ensure that through strong execution, this gets translated into results soon. Overall, we remain positive about the potential in the region and are confident that we will deliver a stronger performance in the year ahead.

GCPL has an entrepreneurial culture, with a strong bias for action. As you get larger, how are you ensuring that you remain agile?

Over the last few years, we have grown in scale and complexity. While there are lot of benefits of scale, we need to continue to strike the right balance between scale and agility.

One of our historic advantages has been our strong bias to action. As we grow, we want to make sure that we sustain this advantage.

We are taking several actions to drive greater agility. For example, we have established a self-working, cross-functional team to suggest specific actions for us to be more agile. We are finding this a great way to get feedback, channel good ideas and drive action, while engaging with some of our bright, young team members. We are also trying to become more systematic and drive a culture of experimentation and idea generation through targeted initiatives. A large part of our focus is on making processes and systems more efficient to drive greater speed to action. We are also encouraging our team members to take much more ownership of decision making. In fact, one of the aspects of our value 'Own It', that we are driving particularly strongly, is around being 100/0 - taking 100 per cent accountability with 0 excuses.

What are you doing to drive more focus on innovations?

Innovation is our lifeblood as a company and we are very focused on driving innovation-led growth across our different categories. In fact, our new products launched in the last 5 years account for approximately 20 per cent of our global growth and 35 per cent of India growth.

Our approach to innovation is two-pronged. We believe that there is significant headroom for growth in the core categories we play in. So, we are building on and extending our leadership positions in our current categories through new formats and democratisation. At the same time, we are also pursuing attractive adjacencies and creating new vectors of growth to broaden our portfolio overall. Air care for example, which we launched in India in 2012, has evolved into a fourth core category for us, globally. We are now leaders in air fresheners in India and Indonesia.

We bring our innovation efforts together through a RIDE (Research & Development + Innovation + Design + Expertise) platform, an integrated space for key functions involved in new product development. This helps streamline and expedite innovation delivery.

We are also building for the future and investing in technology and skills. We have a state-of-the-art Research & Development centre at our headquarters in Mumbai. Our in-house Design Lab is of strategic advantage and we are leveraging a design-led innovation approach to transform product capabilities. We are also fostering strategic global partnerships to leverage cutting-edge global technology and processes.

How are you reinventing marketing for the digital age?

We are investing significantly in building stronger digital capabilities and reinventing marketing for the digital age. Over the last year, we trained 135 of our marketers worldwide through immersions on understanding the consumer journey, improving digital capabilities and encouraging more 'test and learn'. We have also set up a Global Digi Cell, a team of digital marketers from across our geographies, to share ideas and learning and be our 'digital catalysts'.

Our teams are doing much more digital experimentation, which has resulted in a significant 4x increase in consumer reach worldwide. Overall, we are making a shift from seasonal campaigns to strong brand platforms and always-on content. We are also using geo-analytics effectively to drive hyper-local activations. We recently launched Black Hair Hub, our online magazine, featuring the latest African hair trends, and are excited about scaling this up.

The Black Box, our new Digital Command Centre in Mumbai, is a dedicated facility to evaluate real-time brand performance. We are leveraging it to monitor and engage in social conversations with consumers and also create more customised content.

What is your thinking on building next gen capabilities in supply chain and manufacturing?

A lot of our focus in manufacturing and supply chain is on becoming more future-ready. We are exploring a lot of interesting opportunities through Industry 4.0 and making future-ready investments to ramp up our different processes. Over the last couple of years, we have been piloting the Internet of Things in manufacturing and logistics. We are also exploring opportunities in agile manufacturing through different pilot projects in smart automation and robotics. We are seeing very encouraging results in improved productivity, greater accuracy, safety and efficiency.

At the same time, we continue to introduce best practices across geographies, including demand-driven supply chain, Theory of Constraints, Total Productive Maintenance, Lean, Six Sigma and low-cost automation. As part of our focus on agile fulfilment, we are mapping cutting-edge replenishment practices to the Advanced Planning and Optimisation module of SAP. We are also trying to become much more agile in responding to constantly changing consumer demand patterns. This has led to high fill rates, which now an industry benchmark - over 95 per cent customer service levels across key geographies. The project on bar coding shippers has led to improved 'freshness' of products at time of sale, better logistics practices, product traceability and reduced obsolescence.

What are you doing to foster a more inclusive GCPL?

Becoming more inclusive is a critical to our ambition of being a leading multi-local FMCG player. As we see it, we need to build diversity in different ways and we look for this balance through our businesses and people in new geographies, the openly inclusive stance we have on issues like LGBT rights, and the new skills that we are fostering in design, digital marketing, consumer insights, analytics, research and innovation.

We are focused on building equal gender representation in our teams by attracting and developing top women talent. While a lot of our team members globally are women, we still have a lot of work to do on this front in India. In 2016, we decided to make it mandatory to evaluate a certain percentage of women candidates for every open position at General Manager and above levels. We are also making a more concerted effort to look for alternative approaches in functions where we have historically faced challenges, either because of the nature of the work involved or the availability of talent.

Simultaneously, we are reviewing policies and infrastructure to enhance the support women require to thrive at work. Godrej Careers 2.0, our second careers programme, offers women who have taken a career break a chance to return to the workplace. We have a mix of policies to help create an inclusive environment, including multiple flexible work, part-time, and work from home options. We have also recently introduced a caregiver policy, where if you have a child under a year old and you need to travel on work, then we will sponsor travel for your child and a caregiver.

We have articulated clear diversity goals, in terms of representation across teams and levels. The Diversity Council for the Godrej Group meets every quarter to discuss our approach and track progress against these targets.

Our commitment on diversity extends to our board of directors as well. The number of women on the GCPL board has increased from 1 in 2007 to 5 today. We are very proud that along with Godrej Agrovet, GCPL now has the most women directors in any Indian listed company.

What do you think you could have done better last year?

Like every year, along with things that went well, there were areas where we did not perform well. We continue to reflect and learn from them. This strengthens our resolve to become better and stronger as a company. Despite the seasonal challenges, our Households Insecticides performance in India should have been much better. Our new product development rates were also lower than what we had aspired for. We are geared up to bring this back on track this year through an exciting set of new launches. In our Africa cluster, both our top line and bottom line performance was below our expectations. While the macroeconomic environment in several geographies did not work in our favour, we should have executed better. The Africa cluster holds tremendous potential and we remain very committed to building a strong business in the region.

What are your key priorities for the year ahead?

We have identified a set of five key priorities for the year ahead. First, we want to step up the pace of organic growth across our geographies. The second is to strengthen our go-to-market approach. Third, we will continue to make investments in digital marketing and analytics. Our fourth priority is to instill our purpose and values in a much deeper way in GCPL. And fifth, is to deliver profitable, sustainable growth.

What is GCPL doing to promote more sustainable growth?

Godrej has always actively championed social responsibility and we are deeply committed to driving the social progress of the communities that our businesses operate in. We have a 'shared value' approach to business growth and innovation. The idea is to link business success with social progress. Through ‘Godrej Good & Green’ we are playing our part in creating a more inclusive and greener India.

Skilling youth is high on our agenda at GCPL. We collaborate with non-profit organisations and social enterprises on employability training programmes in beauty and hair care, retail management and channel sales for young people from low-income communities. As of March 2018, we trained 305,101 youth in India and Kenya in skills that will enhance their earning potential.

Overall, we continue to make environmental sustainability key to our manufacturing processes and supply chain. We are implementing several initiatives to reduce specific energy and water consumption across our manufacturing locations. We have also set targets for improvement on environmental aspects, including achieving zero waste to landfill and carbon neutrality. In line with the Government of India's ruling on plastic waste management, our teams are working to set up systems and processes to follow Extended Producer Responsibility (EPR) as well as integrate recycled plastic into our packaging. With solid waste management emerging as a critical issue globally, we have extended our commitment to send zero waste to landfill beyond our manufacturing plants, to include local communities. We have multiple projects with municipal bodies around the country where we are working at different points in value chain to completely divert waste from landfill and instead recycle it for other purposes.

We have extended our Green goals to ensuring the sustainable sourcing of the raw materials that we use. Over the last couple of years, we have been collaborating closely with all our partners to ensure they drive sustainable practices across their operations as well. All GCPL suppliers are required to align with our sustainable procurement policy. This policy draws from internationally recognised standards and details our partnership expectations around integrity, human rights, health and safety, environmental sustainability and community development.

As leaders in the household insecticides category, we believe is important that we partner the Indian Government in eliminating malaria by 2030. In 2016, we launched Project EMBED (Elimination of Mosquito Borne Endemic Diseases) to improve the knowledge and awareness of communities through behaviour change campaigns and empower them to take charge of their own protection. In its second phase, EMBED has reached 3,000 villages, 700,000 households and 3.5 million people across 9 districts in Madhya Pradesh. It currently addresses ~36 per cent of the malaria burden in Madhya Pradesh, a state with one of the highest burdens of malaria in India. Over time, we plan to scale up this programme and extend it to other states as well.

MANAGEMENT DISCUSSION & ANALYSIS

OUR 7 PILLARS

I. EXTENDING LEADERSHIP IN OUR CORE CATEGORIES AND GEOGRAPHIES


MICKEY
Good knight
FABRIC
ROLL-ON
100%
NATURAL
4 DOTS
PROTECTION

ASIA

INDIA

Range of home care and personal care products, household insecticides, hair colour, liquid detergents, soaps and air fresheners

Source: Management estimates

#1	*household insecticides*
#1	*hair colour*
#1	*air fresheners*
#2	*soaps*

Top - Our team at the GCPL Annual Conference 2018 in Bangkok
Bottom Left - The Godrej Professional team at the launch of our new range
Bottom right - We rank among the Best Employers in India in the 'Aon Best Employers Survey 2018'

PERSONAL CARE

NUMBER 2 PLAYER IN SOAPS

CINTHOL

- Built on the high-energy proposition of 'alive is awesome', it inspires you to step out of the stale and embrace the fresh, the new

- With premium international fragrances and innovative designs, it is undoubtedly one of the most refreshing grooming experiences across soaps, deodorants, talcs, and shower gels

- Strong multi-local 360 degree media campaigns with web content in regional languages

- Building long-term digital assets; launches the blog www.awesomemen.com

- Cinthol Deostick, 3x longer lasting than ordinary deodorant sprays, is driven through a digital-only strategy; online campaign #TestedForAwesome receives over 7 million views

- Cinthol Original wins a Bronze for 'Best use of regional entertainment' at the *Prime Time Awards 2017*

PERSONAL CARE

NUMBER 2 PLAYER IN SOAPS

- Leading Grade 1 quality soap in India (simply put, more soap in each soap)
- Offers you 'Nature's way to beauty' with carefully chosen ingredients to make your skin naturally beautiful
- Launches a new campaign, *'De No.1 nikhaar'*
- Strong multi-local 360 degree media campaigns across states; *'Punjab di beauty No.1'* wins awards at the *Indian Marketing Awards 2017, Prime Time Awards 2017,* and *CMS Asia Awards 2017*

OUR HEALTH AND WELLNESS PLATFORM

- Delightful, differentiated, and efficacious range of products across the health, wellness and personal protection platforms
- Range comprises 3 hand washes, a hand sanitiser, and a personal mosquito repellent spray – including India's first instant foam hand wash and alcohol-free sanitiser with 8-hour germ protection
- Naturally derived ingredients and unique design-led and recyclable packaging

HAIR CARE

LEADER IN HAIR COLOUR

Godrej expert

- India's largest selling hair colour, used by over 40 million consumers
- Innovative solutions include crème hair colour in a sachet and powder hair colour with a unique gel technology, at unbelievably democratised prices
- Launches a multi-application pack of Godrej Expert Rich Crème, a value offering for frequent users
- Hosts successful integrated marketing campaigns, extensive engagement with salons, barber training, innovative approaches to media and communication

BBLUNT
Salons+Products+Expertise

- India's hottest salon, now in a bottle
- Range of shampoos, conditioners, hair colour, styling products for men and women
- Continues building the brand on digital; focus on search and influencer marketing brings over 600,000 annual visitors to the BBLUNT website
- Massive television influencer outreach campaigns with 37 actresses, leading to a cumulative reach of 8 million
- Content on Bollywood linkage and salon expertise, created with leading partners, wins awards at the *Indian Marketing Awards 2017, Prime Time Awards 2017,* and *Maddies 2018*

HOME CARE

LEADER IN HOUSEHOLD INSECTICIDES

- Goodknight, the highest penetrated brand in the category in India, reaches 78 million households

- Adds to the category-leading Goodknight liquid vapouriser portfolio, a new Power Activ+ with 50% more efficacy

- Innovative personal repellent range – Fabric Roll-On, Cool Gel and Patches – continues to rapidly scale up

- Launches Goodknight Power Chip, a revolutionary electric solution, and opens up a new format; unique gel technology offers the power of 100 coils

- Goodknight Fabric Roll-On wins a silver in the Consumer Products category and a bronze for its integrated marketing campaign, at the *Effies 2018*

- Goodknight wins a gold in the Household Products category at *India's Buzziest Brands 2018*

- Leading player in aerosols, focused on killing pests and offering high efficacy

- Innovating ways to make our products easy-to-use, safe, and affordable to help every homemaker win the battle against pests

- Ranks #9 in Household Care in the *Economic Times – Brand Equity Most Trusted Brands Survey 2017*

HOME CARE

LEADER IN AIR CARE

- Delightful range of home, car and bathroom air fresheners
- aer pocket, our innovative bathroom air freshener with clutter breaking design, continues to scale up
- New communication on aer twist, #BetterDriveEveryday, helps drive growth in car air fresheners
- Hosts successful integrated marketing campaigns, extensive engagement through innovative media; special focus on e-commerce

LEADER IN LIQUID DETERGENTS

- Builds on its proposition of specialist care for woollens through insightful communication and campaigns
- As part of the 'Ezee Hugs' initiative this winter, our team donated woollens washed with Ezee, to over 160,000 underprivileged school-going children in Delhi and the NCR
- The Ezee Hugs campaign wins a Media Gold for 'Best Integrated Campaign in Consumer Products' at *Emvies 2017*
- Ranks #8 in Fabric Care in the *Economic Times – Brand Equity Most Trusted Brands Survey 2017*

BANGLADESH, SRI LANKA AND NEPAL

Range of products across household insecticides, air fresheners, and hair colour

Source: Management estimates

#1 *household insecticides and hair colour in Nepal*

#2 *powder hair colour in Bangladesh*

Top - Our Sri Lanka team hosts a session on the environment at a school in Piliyandala on Godrej Global Volunteering Day
Bottom left - Our winning Bangladesh team at a Godrej cricket tournament
Bottom right - Our Sri Lanka team celebrating Avurudu, the Sinhalese New Year

Goodknight and HIT, leaders in household insecticides in Nepal

Expert and Abha, leaders in their respective hair care segments in Bangladesh and Sri Lanka

Cross-pollinating brands like aer (from India), across SAARC

INDONESIA

Range of household and personal care products - household insecticides, air fresheners, hair colour, and wet wipes

Source: Management estimates

#1	*home insecticides, air fresheners and wet wipes*
#3	*hair colour*

Top - Our leadership team at The Godrej Way cascade in Jakarta
Bottom left - Our team at the annual Godrej Indonesia Town Hall
Bottom right - The launch of HIT Expert, our latest innovation, in Jakarta

HIT, the leader in household insecticides

Stella, the leader in air fresheners

Mitu, a leading range of wet wipes and baby toiletries

NYU ranks among the top 3 brands in hair colour in modern trade

SUB SAHARAN AFRICA

AFRICA

Range of products across hair extensions, hair care, hair colour, personal wash, home care, and household insecticides

Source: Management estimates

#1	*ethnic hair colour (14 countries) and hair extensions (11 countries)*
#2	*hair extensions (Nigeria)*
#3	*Caucasian hair colour (South Africa)*

Top - Our team at the launch of MegaGrowth, with brand ambassador Tiwa Savage, in Victoria Island
Bottom left - Inspired by Marvel blockbuster Black Panther, our Darling South Africa team showcases some new styles, by using our own products
Bottom right - Our Executive Chairperson, Nisaba Godrej, with the Lagos team

Darling, the leader in hair extensions across sub-Saharan Africa

TCB continues to scale up across East Africa

MegaGrowth, a market leader in relaxers across West Africa

Inecto, a market leader in ethnic hair care

Renew, a leading player in the Caucasian hair colour market in South Africa

THE AMERICAS

ARGENTINA

Range of products across hair colour, hair care, and styling in mass and professional markets

*Source: * Nielsen; ** Scentia*

#1	*hair colour**
#1	*hair fixing sprays***
#3	*hair styling products***

Top - The relaunch of Issue, our iconic hair colour brand for the Argentine woman, in Buenos Aires
Bottom left - A key sponsor for talent hunt, The Voice Argentina, Roby styles hair for participants on the show
Bottom right - Our team volunteers with school children as part of Presente, a community outreach programme

Issue, an iconic leading hair colour, offers a fun and stylish range of hair treatments

Roby, a market leader in hair styling

CHILE

Range of hair colours, depilatory products, and colour cosmetics

Source: Management estimates

#2	*hair colour*
#2	*depilatory products*
#3	*colour cosmetics*

Top - Our leadership team at The Godrej Way cascade in Santiago
Bottom left - Our team taking part in the 'I Shelter You' campaign
Bottom right - Our Chile team hosts a Career & Development programme

Ilicit, the leader in hair colour

Millefiori, the leader in depilatory products

Pamela Grant, our range of intense, long-lasting hair colours

UNITED STATES OF AMERICA

Range of hair care products for women of African origin

Source: Management estimates

Leading player in wet hair care

Top - Our team at our office in Savannah, Georgia
Bottom left - The Merchandising team after attending a quarterly meeting
Bottom right - The Quality and R&D teams who work on innovations

Our African Pride range leaves hair softer, silkier, and beautifully straight with a radiant shine

Our Dr. Miracle's range is an award-winning line of ethnic hair care products

EUROPE

UNITED KINGDOM

Range of products across skin care, sanitisers, sun care, and female deodorants

Source: Management estimates

#1 *stretch mark treatment*

#2 *hand sanitisers*

#4 *sun care products*

Top - Godrej UK features on the Great Place To Work Institute's UK Best Workplaces 2018 list
Bottom left - Our team participates in the 100km Thames Path Challenge
Bottom right - Our team at a cleanliness drive on Godrej Global Volunteering Day

Pro:Voke Touch of Silver, a unique range of salon-inspired products, for cool, platinum, white, and silver hair

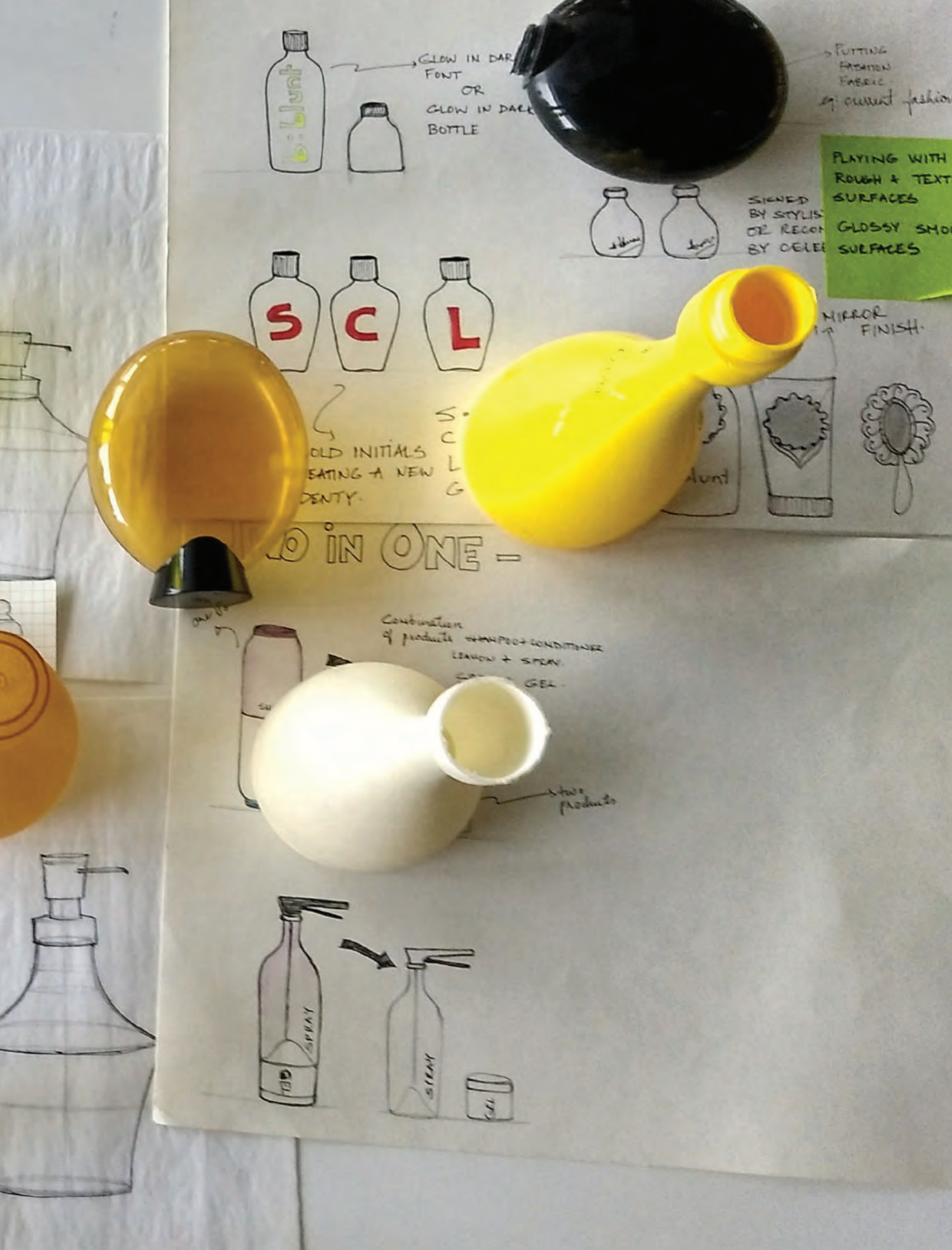
Pro:Voke Liquid Blonde, our proposition to boost colour for warm, caramel, and honey blondes

Cuticura, a leading range of anti-bacterial products for the whole family

Soft & Gentle, a refreshing range of female deodorants

Inecto, our natural hair and skin care range

II. ACCELERATING INNOVATION AND RENOVATION



GLOW IN DAR
FONT
OR
GLOW IN DARK
BOTTLE
PUTTING
FASHION
FABRIC
eg: current fashion
PLAYING WITH
ROUGH & TEXT
SURFACES
GLOSSY SMO
SURFACES
SIGNED
BY STYLIS
OR RECOM
BY CELEB
S C L
MIRROR
FINISH.
OLD INITIALS
EATING A NEW
DENTY.
IN ONE –
Combination
of products SHAMPOO+CONDITIONER
SPRAY
GEL
two
products
SPRAY

ACCELERATING INNOVATION AND RENOVATION

Innovation-led growth across categories

- New products launched in the last 5 years account for ~20% of global growth and ~35% of India growth

Two-pronged approach to innovation

- Building on and extending leadership positions in current categories through new formats and democratisation

- Pursuing attractive adjacencies and creating new vectors of growth to broaden our portfolio

Innovation led through RIDE (Research & Development + Innovation + Design + Expertise)

- Integrated platform to combine efforts of key functions involved in new product development

- Streamlines and expedites innovation delivery

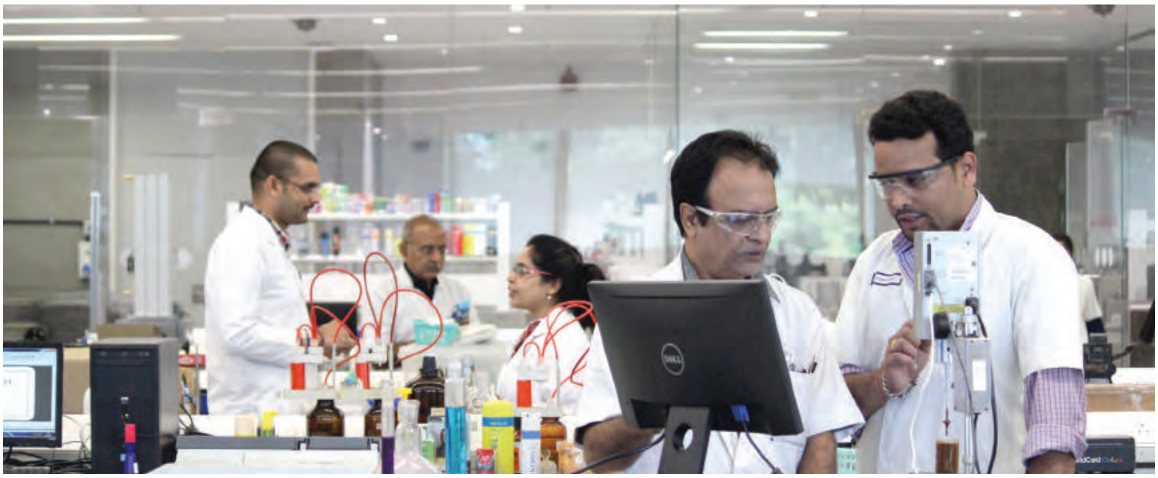
- Ensures agile execution

Investments in technology and skills

- State-of-the-art Research & Development centre at our headquarters in Mumbai

- In-house Design Lab is a strategic advantage; design-led innovation approach to transform product capabilities

- Strategic global partnerships to leverage cutting-edge technology and processes



Top - Our in-house Design Lab in Mumbai, where we are reimagining product capabilities
Centre - Our state-of-the-art Research & Development centre in Mumbai
Bottom - Godrej Professional, the first-ever professional hair colour and care range, especially formulated for Indian hair

INDIA

Goodknight Power Chip

Scan me to know more about our revolutionary electric solution that keeps mosquitoes away

- Revolutionary electric solution; opens up a new format
- Infused with unique gel technology and the power of 100 coils
- Great value for money at ₹ 30


Godrej
Good knight
POWER CHIP
NEW
NEW GOODKNIGHT POWER CHIP*
GEL TECHNOLOGY INFUSED WITH THE POWER OF 100 COILS!
Good knight
POWER CHIP
SYSTEM
15 NIGHTS PROTECTION*
POWER OF 100 COILS*
₹65/-
₹45/-

INDIA

Godrej Professional

Scan me to learn more about going 'Professional'

- For the first time, ammonia-free fashion colouring made possible for Indian hair
- Range of professional hair colour and hair care products
- Natural ingredient-based care range, custom made for specific hair types
- 16 ammonia-free shades and 5 high-lift shades


Godrej
PROFESSIONAL
COLOUR & CARE
for Indian Hair
NOW IN SALONS NEAR YOU!

INDONESIA

HIT Expert aerosol

Scan me to learn how to eliminate mosquitoes as they enter your home

- Introduces new double-nozzle technology
- Infused with new active formula for superior efficacy
- Premium design, available in 2 delightful fragrances: Fresh Citrus and Sweet Flower


HIT® EXPERT
GRATIS 20%
Generasi BARU
HIT 0,8
EXPERT
ANTI NYAMUK
Wangi FRESH CITRUS
GRATIS 20%
Generasi BARU
HIT 0,8
EXPERT
ANTI NYAMUK
Wangi SWEET FLOWER
NEW FORMULA!
To get rid of
Resilient Mosquitoes
use the Expert
Double Nozzle with
Microparticles
Protection,
inspired by mom

AFRICA

Darling Out of Africa

Scan me to know more about our partnership with the Soweto Fashion Week

- High-quality fibre, market leading range of braids
- Pre-styled, crochet, and natural styles collection
- Experiment with multiple colours in the same style for a variety of looks

NATURAL STYLES

OUT OF AFRICA COLLECTION

LATIN AMERICA

Roby styling products

Scan me to learn about being proud of what we inherit from our grandmothers

- Foray into hair care through a styling range
- Protein and aloe vera masks and styling creams for silky straight hair or hydrated defined curls
- Roby Gel extends the brand to male consumers for the first time

ESO DE MADRUGAR
LO SAQUÉ DE
mi abuela.
#Choosewhatyouinherit
YouTube /robystyling
robystyling.com
ROBY
STYLING SINCE 1963
NUEVA IMAGEN
SPRAY FIJADOR
ROBY
PODER DE FIJACIÓN
NORMAL
EFECTO NATURAL
ANTIFRIZZ
EXTRA BRILLO
CONT. NETO: 392ml / 277g
NUEVA IMAGEN
SPRAY FIJADOR
ROBY
PODER DE FIJACIÓN
MEDIO
EFECTO NATURAL
ANTIFRIZZ
EXTRA BRILLO
CONT. NETO: 392ml / 277g
NUEVA IMAGEN
SPRAY FIJADOR
ROBY
PODER DE FIJACIÓN
FUERTE
EFECTO NATURAL
ANTIFRIZZ
EXTRA BRILLO
CONT. NETO: 392ml / 277g

UNITED KINGDOM

Scan me to learn more about our 0% aluminium dry roll-on deodorant

Soft & Gentle Aluminium Free 24 Hour Anti-Perspirant Roll-On Deodorant

- Clinically proven to offer 24-hour antiperspirant protection for all-day freshness
- Natural ingredient complex, Horsetail extract and Sage Oil, acts as an astringent to help close pores and reduce bacterial flora on skin
- Available in 3 variants: Active, Floral and Care

III. LEVERAGING THE POWER OF DIGITAL


BLACK
BOX
DIGITAL
COMMAND
CENTER

LEVERAGING THE POWER OF DIGITAL

Global Digi Cell

- A team of digital marketers, from across geographies, share ideas and learning

Experimenting and reach

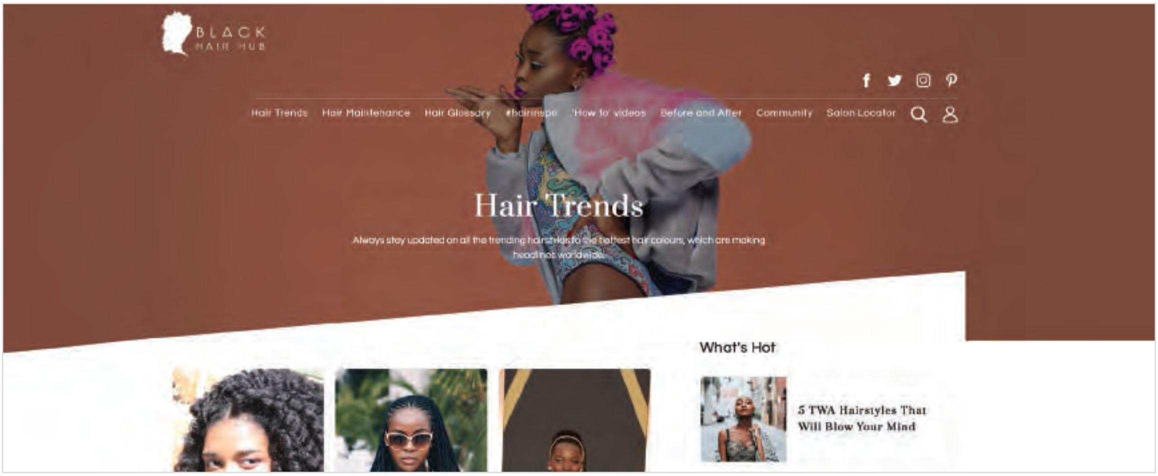
- Multiple digital experiments, resulting in a 4x increase in consumer reach worldwide
- Move from seasonal campaigns to strong brand platforms and always-on content
- Geo-analytics to drive hyperlocal activations
- Launched Black Hair Hub, our online magazine, featuring the latest African hair trends

Building competencies

- 135 marketers trained worldwide; over 40% digital competency achieved
- Focus on understanding the consumer journey, improving digital capabilities, and more ‘test and learn’

Digital Command Centre

- Dedicated facility to evaluate real-time brand performance
- Monitoring and engaging in social conversations with consumers
- Creating more customised content



Top - Black Box, our new Digital Command Centre in Mumbai, is a dedicated facility to evaluate real-time brand performance
Centre - Black Hair Hub, our online magazine, showcases the latest in ethnic African hair trends and tips
Bottom - Going Digital, our internal newsletter, highlights latest global digital trends

IV. BUILDING A FUTURE READY SALES SYSTEM


CINTHOL
CINTHOL
CINTHOL
CINTHOL
HIT
HIT

BUILDING A FUTURE READY SALES SYSTEM

Go-to-market

- Smooth transition to the Goods and Services Tax in India
- Augmenting overall reach; direct distribution strengthened to over 1.2 million outlets in India
- Driving availability in cluster of outlets through shopper insight-based visibility programme in India
- Revamped and aligned sales structure to respond to market challenges in Indonesia

Technology

- Using predictive analytics for better decision-making
- Building cutting-edge sales force capabilities through technology-enabled learning

Partners

- Enhancing modern trade channel partner engagement in India through targeted initiatives
- Salon engagement programme launched in Kenya

E-commerce

- Establishing a strong e-commerce presence in India; strengthening availability and driving growth of premium brands

Top - Scaling up the use of analytics and data-driven decision making in sales in India
Centre - Our Godrej Indonesia team celebrates Serko Day, when members from across functions become salespersons for a day
Bottom - Our Africa sales team at the annual operating plan cascade

V. MAKING OUR SUPPLY CHAIN BEST-IN-CLASS

MAKING OUR SUPPLY CHAIN BEST-IN-CLASS

Best-in-class practices

- Introducing best practices across geographies to become more agile: Demand-driven Supply Chain, Theory of Constraints, Total Productive Maintenance, Lean, Six Sigma, and Low-Cost Automation

- Strengthening supply chain processes in international businesses: integration into one SAP ERP, Lean, and Kaizen

- Extending shop floor employee engagement initiatives to international businesses

Sustainability

- Global strategic sourcing with significant benefits to the bottom-line; Godrej Green Purchase Policy rolled out to key business partners

- Sustainable manufacturing and supply chain practices, resulting in significant improvements in energy and water consumption, carbon footprint, waste generation, and renewable energy use

Agile fulfilment

- Mapping cutting-edge replenishment practices to the Advanced Planning and Optimisation module of SAP

- Responding to constantly changing consumer demand patterns, leading to high fill rates; now an industry benchmark, with 95%+ customer service levels across key geographies

- Improving 'freshness' of products at time of sale, better logistics practices, better product traceability, and reduced obsolescence through the project on bar coding shippers

Future-ready investments

- Enhancing manufacturing capacity across geographies

- Piloting the Internet of Things in manufacturing and logistics

- Leveraging the Goods and Services Tax in India through redesign of the distribution network

- Commissioned a state-of-the-art hair extensions facility in Mozambique

- Agile manufacturing through smart automation and robotics

Top - Inside GCPL's manufacturing facility at Pondicherry, India
Centre - Godrej Group Chairman, Adi Godrej, and GCPL Executive Chairperson, Nisaba Godrej, at the inauguration of our state-of-the-art hair extensions factory in Mozambique
Bottom - The GCPL Business Partners Meet at Munich

VI. FOSTERING AN AGILE AND HIGH-PERFORMANCE CULTURE

FOSTERING AN AGILE AND HIGH-PERFORMANCE CULTURE

Strengthening our employer brand across geographies

We take much pride in fostering an inspiring workplace with an agile and high-performance culture to attract, develop and retain the best global talent. As part of the over 120-year young Godrej Group, we are fortunate to have a proud legacy built on the strong values of trust, integrity, and respect for others. At the same time, our exciting and ambitious growth plans allow us to offer unparalleled career opportunities relatively early on in your career.

Core to our employer brand, is the philosophy of tough love. We expect a lot from our team members, differentiate on the basis of performance and potential through career opportunities and rewards and lay particular emphasis on developing, mentoring and training. We believe that passionate, well-rounded individuals with diverse interests make for better Godrejites. And we understand that our team members play multi-faceted roles. This is why we encourage them, not just to explore their whole selves, but also create an enabling space for them to do so.

The Godrej Way

- Articulated The Godrej Way, our refreshed purpose and values
- Extensive cascades with over 2,500 team members across 15 locations: Mumbai, Jakarta, Johannesburg, Lagos, Nairobi, Buenos Aires, Santiago, Guwahati, Kolkata, Baddi, Delhi, Malanpur, Chennai, Pondicherry, and Dhaka
- Supplemented with smaller-group workshops to enable deeper reflection and discussion

Innovative approach to recruitment

- Godrej LOUD (Live Out Ur Dream), our radically different approach to business school recruitment, encourages students to live out their unfulfilled personal dreams and offers sponsorship and summer internships with Godrej
- Hosted very successfully across India, Indonesia and Africa

Top - Winners of Godrej LOUD for Godrejites, whose dreams range from running the full Boston Marathon to capturing the beauty of North India through aerial cinematography
Centre left - Our Indonesia team participates in the Amazing Race at their Annual Offsite
Centre right - Our Argentina team in a workshop for The Godrej Way
Bottom - Our manufacturing team in Nigeria, engaging in a monthly recognition programme

Strong focus on careers

100 Leaders, our flagship programme to develop key talent, is based on 3 pillars:

- Clear and prioritised career plans
- Individually tailored development plans
- Anchoring through sponsorship by senior leaders

Investing in leadership development

- Leadership development is built on the 3 pillars of the Godrej Capability Factors: Leading Self, Leading Others, and Leading Business
- A mix of programmes, led by world-class faculty from Harvard Business School and the Indian School of Business, as well as a host of internal Godrej trainers

Leveraging social media for engagement

- Workplace by Facebook helps engage and connect across teams and geographies
- Used extensively to build alignment around strategy, share ideas and insights, get real-time feedback, and celebrate success, among many others

Build an inspiring place to work

- Rank among the Best Employers in India in the *Aon Best Employers 2017* survey
- Rank #1 in the FMCG category on the *Great Place to Work – Best Workplaces in India 2017* list; we have featured on this list for 14 years in a row
- Awarded *Top Employer of 2017* in South Africa
- Rank on the *Great Place to Work – Best Workplaces in UK 2018* list

Top - In conversation with Arundhati Bhattacharya, former SBI Chairperson, at the Godrej Leadership Forum 2018
Centre left - Our Gurukul 2017 summer intern batch
Centre right - Our Bintang management trainee batch in Indonesia
Bottom - Sunil Kataria, Business Head - India & SAARC, ideates with young managers at a 'Learning Cafe' session

DIVERSITY

Fostering an inclusive Godrej

We take pride in being an equal opportunities employer

“We recognise merit and perseverance and encourage diversity at Godrej. We do not tolerate any form of discrimination on the basis of nationality, race, colour, religion, caste, gender identity or expression, sexual orientation, disability, age or marital status and will allow for equal opportunities for all our team members.”

We understand that our team members play multiple roles and our policies are designed to enable them to do so.

Caregiver Travel Policy

- Recently introduced, enables new mothers to bring a caregiver and children up to 1 year of age, for necessary work-related travel

Godrej Women’s Leadership Network

- Offers mentoring, leadership development, and regular networking opportunities as part of our efforts to make Godrej a workplace of choice for women

Careers 2.0

- Our second careers programme, provides women who have taken a career break, a chance to return to the workplace

- Offers aspirational and challenging projects across sectors and functions, with added flexibility to help women balance their careers and personal needs

Commitment to LGBTI Inclusion

- Proud to have partnered with the United Nations to launch global standards of conduct for tackling discrimination against lesbian, gay, bi, trans and intersex people, on 12 October 2017 at our headquarters in Mumbai

Top - Inside our on-campus day care centre in Mumbai
Centre - Godrej India Culture Lab organises an experiential games session, aiming at disability sensitisation, at Godrej One
Bottom - In partnership with the UN, we launch a set of global corporate standards to support the business community in tackling discrimination against LGBTI employees

VII. BECOMING MORE GOOD & GREEN

BECOMING MORE GOOD & GREEN

Our commitment towards a more inclusive and greener world

As a Group, we have always actively championed social responsibility. We are now exploring ways to further this commitment through shared value initiatives that create both social and business benefits.

By 2020, we aspire to:

Ensuring Employability

Train 1 million youth in skills that enhance their earning potential

As of March 2018, we trained 305,101 youth in India and Kenya in skills that will enhance their earning potential

- Collaborate with non-profit organisations and social enterprises on employability training programmes for young people from low-income communities
- Aim to improve the earning potential of graduates by building skills, and thereby empowering them
- Offer programmes in beauty and hair care, retail management, and channel sales
- Focus on life skills training, entrepreneurship, and post-placement support

Greener India

Achieve zero waste to landfill, carbon neutrality, and a positive water balance, while reducing specific energy consumption and increasing the use of renewable energy

- Make environmental sustainability key to our manufacturing processes
- Reduce energy needs, managing waste, and transforming our products
- Ensure our overall manufacturing approach is more future ready – from raw material sourcing to technologies used at plant

Progress by our factories in improving environmental sustainability, compared to a 2011 baseline, at a GCPL India level:

Greener India Goal 2020	Achievement as on March 2018
Become carbon neutral	39.6% reduction in specific greenhouse gas emissions
Have a positive water balance	19.6% reduction in specific water consumption
Have zero waste to landfill	99% reduction in specific waste to landfill
Reduce specific energy consumption by 30%	25% reduction in specific energy consumption
Increase renewable energy sources by 30%	30% of total energy consumption from renewable resources

Elimination of Mosquito Borne Endemic Diseases (EMBED)

- Part of our commitment to help create a Malaria-free India by 2030

- Intensive community awareness and behaviour change programme to battle malaria in regions that report high Annual Parasitic Index

- Collaboration with non-profit organisations and governments

- Addressed 45% of the malaria burden in the state of Madhya Pradesh, across 9 districts; 3,000 villages; 700,000 households and 3.5 million people

Community Waste Management

Supported three community waste management projects in Bangalore, Hyderabad, and Mumbai with an aim to demonstrate zero garbage to landfill

Watershed Management

- 3,300 hectares covered in the drought-prone region of Telangana, through an integrated watershed development project

Rural Electrification

- 74 villages across three states (Andhra Pradesh, Madhya Pradesh and Uttarakhand) covered as part of a rural electrification initiative; leveraging renewable energy systems

Community Development

- Implemented a range of high-impact community development programmes across 6 villages in and around our manufacturing facilities

- Focus on improving the quality of education, providing access to clean water, raising awareness on health and sanitation issues, and protecting the environment

OTHER DISCLOSURES

Enterprise Business Risk Management

With a presence across three continents - Asia, Africa and Latin America - we are exposed to risks that can adversely impact our strategy, operations, cash flow, financial performance, management performance and overall sustainability. We have an active risk management strategy in place. Additionally, we have a Risk Committee, whose role is to identify potential risks, create mitigation strategies, and monitor the occurrence of risk. The risks that may affect us include, but are not limited, to:

- Economic conditions
- Inflationary pressures and other factors affecting demand for our products
- Increasing costs of raw material, transport and storage
- Supplier and distributor relationships, and the retention of distribution channels
- Competitive market conditions and new entrants to the market
- Labour shortages and attrition of key staff
- Exchange rate fluctuation and arbitrage risk
- Integration risks for acquired companies
- Compliance and regulatory pressures including changes to tax laws
- Seasonal fluctuations
- Political risks associated with unrest and instability in countries where we have a presence or operations

The Risk Committee meets periodically to review any new risks that may have emerged, the status of risks as well as mitigation plans.

Apart from domestic operations, the exercise of risk assessment is now getting extended to international geographies.

In fiscal year 2018, the Risk Committee reviewed the top risks along with the mitigation plans for our Indonesia business entities.

Internal control systems and their adequacy

We have implemented an internal control framework to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition; and transactions are authorised, recorded and reported correctly. The framework includes internal controls over financial reporting, which ensures the integrity of financial statements of the company and eliminates the possibility of frauds.

Our Corporate Audit & Assurance department issues well documented operating procedures and authorities, with adequate built-in controls to be carried out at the beginning of any activity and during the process, to keep track of any major changes. As part of the audits, they also review the design of key processes, from the point of view of adequacy of controls. Periodic reports are generated to identify exceptions through data analysis as part of continuous monitoring.

The internal controls are tested for effectiveness, across all our locations and functions by the Corporate Audit team, which is reviewed by the management periodically for corrective action.

Controls with respect to authorisation in underlying IT systems are reviewed periodically to ensure users have access to only those transactions that their roles require. The GCPL Head Office and all major factories and offices across India follow an Information Security Management System, and are ISO/IEC 27001:2013 certified.

Opportunities and threats

We continue to make strong progress on our exciting journey to be a leading FMCG player in emerging markets. The future potential for GCPL is tremendous. Our focus continues to be on driving market-leading, sustainable and profitable growth. Creating delight for our consumers through innovative, differentiated products, is core to our approach. To enable this, we are using the design thinking tools of empathy, rapid prototyping and visualisation to reimagine our brands and create new ones. We are accelerating our innovation pipeline, ramping up capabilities, investing significantly in Research & Development and cross-pollinating products across geographies. Our new products launched in the last 5 years account for 20 per cent of our global growth and 35 per cent of India growth. We are also excited by a lot of the new capabilities and transformations we are exploring in digital, advanced analytics, go-to-market and supply chain technologies. All of this will enable us to create strong value in the coming years.

We consider compliance and regulatory pressures - including changes to tax laws and political risks associated with unrest and instability in countries where we have a presence or operations - as our key threats.

DIRECTORS' REPORT

DIRECTORS' REPORT

Dear Members,

Your Directors, with great pleasure, present the Annual Report for the year ended March 31, 2018.

1. Review of Operations

Your Company has delivered another year of competitive and profitable growth. Our focused approach and strong execution have enabled us to deliver an ahead-of-market performance over the past few years. During the fiscal year 2017-18, we reported a sales growth of 3 per cent (on a consolidated basis) and an EBITDA growth of 10 per cent.

In India, we continued to deliver a superior performance, with a sales growth of 10 per cent (adjusted for GST), gaining shares across most key brands. We forayed into the professional hair care with the launch of Godrej Professional. In Goodknight, we introduced Power Chip, an electric solution infused with unique gel technology, and a higher efficacy liquid vapouriser.

We were among India's 'Great Place to Work - Top 25 Best Workplaces in Manufacturing: 2018'. We also ranked number 20 on the 'Great Place to Work - Best Workplaces in Asia 2018' list and were among the Aon Hewitt Best Employers in India.

The financial performance of your Company for the fiscal year under review is summarised as follows:

₹ (Crore)

Financials Abridged Profit and Loss Statement	Consolidated		Standalone	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Total Revenue From Operations	**9936.99**	9608.80	**5354.74**	5088.99
Other Income	**107.55**	75.30	**73.89**	63.60
Total Income	**10044.54**	9684.10	**5428.63**	5152.59
Total Expenses including Depreciation and Finance Costs	**8186.30**	7997.87	**4139.62**	4045.42
Profit/(Loss) Before Exceptional Items, Share of Profit of Equity Accounted Investees, and Tax	**1858.24**	1686.23	**1289.01**	1107.17
Exceptional Items	**179.56**	0.08	**-**	-
Share of Profit of Equity Accounted Investees (Net of Income Tax)	**1.08**	0.82	**-**	-
Profit/(Loss) Before Tax	**2038.88**	1687.13	**1289.01**	1107.17
Tax Expense	**404.70**	379.16	**289.14**	259.45
Profit/(Loss) After Tax	**1634.18**	1307.97	**999.87**	847.72
Other Comprehensive Income	**36.95**	(83.41)	**(1.97)**	(5.94)
Total Comprehensive Income for the Period	**1671.13**	1224.56	**997.90**	841.78
Net Profit/(Loss) attributable to				
a) Owners of the Company	**1634.18**	1304.08	**999.87**	847.72
b) Non-Controlling Interests	**-**	3.89	**-**	-
Total Comprehensive Income Attributable to				
a) Owners of the Company	**1671.13**	1220.67	**997.90**	841.78
b) Non-Controlling Interests	**-**	3.89	**-**	-

2. Appropriation

Your Directors recommend appropriation as under:

Appropriation	Fiscal Year 2017-18 ₹ (Crore)	Fiscal Year 2016-17 ₹ (Crore)
Surplus at the Beginning of the Year	**2722.50**	2115.62
Less: Remeasurements of Defined Benefit Plans	**1.97**	5.19
Add: Net Profit for the Year	**999.87**	847.72
Available for Appropriation	**3720.40**	2958.15
Less: Interim Dividends	**613.12**	195.78
Less: Tax on Distributed Profits	**124.82**	39.87
Surplus Carried Forward	**2982.46**	2722.50

3. Issue of bonus shares

During the year, pursuant to the Board approval received on May 09, 2017, the Company had issued and allotted bonus shares in the ratio of 1:1; that is, one bonus equity share of ₹ 1/- each for every one fully paid-up equity share held.

4. Dividend

A. Dividend declared

During the fiscal year 2017-18, the following interim dividends were declared on shares of face value of ₹ 1/- each. The details of the dividends are as follows:

Declared at the Board Meeting Dated	Dividend rate per share on shares of face value of ₹ 1/- each	Record Date
May 09, 2017	12.00 *	May 17, 2017
July 31, 2017	1.00	August 8, 2017
November 01, 2017	1.00	November 9, 2017
January 30, 2018	1.00	February 7, 2018

*Note: The dividend declared on May 9, 2017 is on the pre-bonus paid up capital and all the subsequent dividends are on the post-bonus paid up capital. Subsequent to the close of fiscal year 2017-18, the Board has declared an Interim Dividend of ₹ 7/- per equity share. The record date for the same is May 16, 2018. This dividend will be accounted in fiscal year 2018-19.

B. Dividend Distribution Policy

The Board of Directors adopted the Dividend Distribution Policy pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations), which requires the top 500 listed companies (by market capitalisation) to formulate the same. The Company's Dividend Distribution Policy may also be accessed through the following link[1]

5. Board of Directors

A. Number of meetings and appointment of directors

Four board meetings were held during the year. The details of the meetings and the attendance record of the directors are in the Corporate Governance section of the Annual Report. All the Independent Directors have given their declaration of independence, as required under Section 149(6) of the Companies Act, 2013 and the same has been noted by the Board of Directors. Ms. Pippa Armerding was appointed as an Additional Independent Director at the Board Meeting held on January 30, 2018, with effect

[1] http://godrejcp.com/Resources/uploads/codes-and-policies/dividend_distribution_policy.pdf

from January 30, 2018. As per the provisions of Section 160 of the Companies Act, 2013, your Company has received a notice from a member specifying their intention to propose the appointment of Ms. Pippa Armerding as an Independent Director for a period of 5 years with effect from January 30, 2018.

B. Familiarisation programmes

Several familiarisation programmes for the Independent Directors were conducted during the year, including updates on Overview of Annual Operating Plan (AOP) for FY 2017-18, update on regulatory amendment to layers of subsidiaries which can be maintained as per the Companies Act, 2013, update on USA & Bangladesh Business, update on regulatory changes by Statutory Auditors etc. Apart from this, there were quarterly business presentations by Mr. Vivek Gambhir, Managing Director & CEO, and Mr. V Srinivasan, Chief Financial Officer & Company Secretary. Additional details of the familiarisation programmes may also be accessed through the following link[2].

C. Audit Committee of the Board of Directors

Your Company has an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and Listing Regulations. The Committee consists entirely of the Independent Directors: Mr. Bharat Doshi as Chairman of the Committee and Mr. Narendra Ambwani, Dr. Omkar Goswami, Mr. Aman Mehta, Ms. Ireena Vittal, and Ms. Ndidi Nwuneli as members. Ms. Pippa Armerding was also appointed as a member of the Audit Committee with effect from January 30, 2018, consequent to her appointment on the Board as the Additional Independent Director.

D. Directors liable to retire by rotation

In the forthcoming AGM, Ms. Tanya Dubash and Mr. Vivek Gambhir will retire by rotation and will be considered for re-appointment because of their eligibility.

E. Board Diversity Policy

The Company has in place a Board Diversity Policy, which is attached as **Annexure 'A'**. The criteria for determining qualification, positive attributes, and independence of directors are as per the Board Diversity Policy, Listing Regulations, and the Companies Act, 2013.

F. Remuneration Policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel, and other employees is attached as **Annexure 'B'**. The Company's total rewards framework aims at holistically using elements such as fixed and variable compensation, long-term incentives, benefits and perquisites, and non-compensation elements (career development, work-life balance, and recognition). The Non-Executive Directors receive sitting fees and commission in accordance with the provisions of the Companies Act, 2013.

G. Remuneration to Directors

The disclosure on the details of remuneration to directors and other employees pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given under **Annexure 'C'**. The information required under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not being sent along with this Report. However, this annexure is available on the Company website. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid annexure is also available for inspection at the Registered Office of the Company during working hours, up to the date of the AGM. Mr. Adi Godrej, Chairman Emeritus; Ms. Nisaba Godrej, Executive Chairperson; and Mr. Vivek Gambhir, Managing Director & CEO receive remuneration from your Company.

[2] http://godrejcp.com/Resources/uploads/compliance_other_updates/FamiliarisationProgrammeforIDs201718.pdf

H. Performance evaluation of the Board of Directors, its individual members, and its Committees:

We conducted a formal Board Effectiveness Review, as part of our efforts to evaluate the performance of our Board and identify areas that need improvement, in order to enhance the effectiveness of the Board, its Committees, and Individual Directors. This was in line with the requirements of the Companies Act, 2013 and the Listing Regulations. The Corporate HR team of Godrej Industries Limited and Associate Companies (GILAC) worked directly with the Chairperson and the Nomination & Remuneration Committee of the Board to design and execute this process. It was later adopted by the Board.

Each Board Member completed a confidential online questionnaire, sharing vital feedback on how the Board currently operates and how its effectiveness could be improved. This survey included four sections on the basis of which feedback and suggestions were compiled:

- Board processes
- Individual Committees
- Individual Board Members
- Chairperson

The criteria for Board processes included Board composition, strategic orientation, and team dynamics. Evaluation of each of the Board Committees covered whether they have well-defined objectives, the correct composition, and whether they achieved their objectives. The criteria for Individual Board Members included skills, experience, level of preparedness, attendance, extent of contribution to Board debates and discussion, and how each Director leveraged their expertise and networks to meaningfully contribute to the Company. The criteria for the Chairperson's evaluation included leadership style and conduct of Board meetings. The following reports were created as part of the evaluation:

- Board Feedback Report
- Individual Board Member
- Feedback Report
- Chairperson's Feedback Report

The overall Board Feedback Report was facilitated by Mr. Bharat Doshi with Independent Directors. The Directors were not only vocal regarding the Board functioning effectively but also identified areas that showed scope for improvement. Feedback from the Committees and Individual Board Members was shared with the Chairperson. Following her evaluation, a Chairperson's Feedback Report was compiled.

I. Directors' Responsibility Statement

Pursuant to the provisions contained in Section 134(5) of the Companies Act, 2013, your Directors, based on the representation received from the Operating Management, and after due inquiry, confirm the following:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same.

b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the fiscal year and of the profit of the Company for that period.

c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) They have prepared the annual accounts on a going concern basis.

e) They have laid down internal financial controls to be followed by the Company, and such internal financial controls are adequate and operating effectively.

f) They have devised a

proper system to ensure compliance with the provisions of all applicable laws, and this system is adequate and operating effectively.

6. Transfer to IEPF

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹ 7,738,044 of unpaid / unclaimed dividends and 1,671,258 shares were transferred during the financial year 2017-18 to the Investor Education and Protection Fund.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company which can be accessed through the following link[3].

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 31, 2017 (date of last AGM) on the Company's website which can be accessed through the following link[4] and of the Ministry of Corporate Affairs website at www.iepf.gov.in

7. Finance

A. Particulars of loans, guarantees, and investments

The details of loans, guarantees, and investments as required by the provisions of Section 186 of the Companies Act, 2013 and the rules made thereunder are set out in the Notes to the Standalone Financial Statements of the Company.

B. Related Party Transactions and Policy

In compliance with the Listing Regulations, the Company has a policy for transactions with Related Parties (RPT Policy). The RPT Policy is available on the Company website which can be accessed through the following link[5].

Apart from the Related Party Transactions in the ordinary course of business and at arm's length basis, the details of which are given in the notes to financial statements, no other Related Party Transactions require disclosure in the Directors' Report, for compliance with Section 134(3)(h) of the Companies Act, 2013. Therefore, a Nil Report is attached as **Annexure 'D**' in the format prescribed (i.e. Form AOC-2).

8. Subsidiaries, Associates and Joint Venture

During the year, the following companies became subsidiaries of your company:

- Godrej Peru Limited
- Godrej Consumer Products Malaysia Limited.

During the year, the following companies have ceased to be the subsidiaries of your Company:

- Plasticos Nacional (on account of its merger with Cosmetica Nacional)
- Godrej Consumer Products Mauritius Ltd (on account of its merger with Godrej Consumer Products Limited)
- Godrej Consumer Products US Holding Ltd (on account of its merger with Godrej Consumer Products Limited)

A. Report on the performance of the subsidiaries and associates: The business details of the key subsidiaries are provided in the Management Discussion & Analysis section of this Annual Report. While the Review of Operations section mentions the details regarding the performance of your Company's India Business, we provide brief details on the performance of other clusters below:

Indonesia

Fiscal year 2018 was a challenging year for our Indonesia business. Unprecedented competitive intensity in Household Insecticide resulted in a significant share loss on HIT by the end of Q1, with simultaneously peaking trade spends. Muted FMCG growth further challenged us, culminating in 11% topline decline, in constant currency terms, at the end of Q1. However, we focused on strengthening our fundamentals against this market construct: trade spend optimization & cost control,

[3] http://godrejcp.com/dividend-IEPF.aspx
[4] http://godrejcp.com/unclaimed-dividend.aspx
[5] http://godrejcp.com/Resources/uploads/codes-and-policies/RelatedPartyTransactionsPolicy.pdf

innovation priorities, and talent & capabilities. We have seen signs of recovery with fiscal year 18 closing at 6% topline decline, in constant currency terms, despite continued market challenges through the year and inventory reduction with key modern retail channel partners in Q4. HIT exit shares are back to earlier high levels of 50%+, and the recently launched premium range of HIT Expert is receiving encouraging traction. We continue to sharply focus on category development with breakthrough innovation and driving business efficiencies.

Africa, Middle East, and USA

Our Africa, Middle East, and USA business grew by 14% in constant currency terms driven by a strong performance in South Africa and Rest-of-Africa market. While the year saw some economic and political challenges across countries, our business has weathered the environment to post healthy growth. We continued to expand our presence with the launch of our Wet Hair product portfolio through local manufacturing operations in Nigeria and Kenya, launch of a Natural Hair Care range for black hair in the USA, and set up a state of the art hair extensions plant in Mozambique during the year. We have maintained sharp focus on building a strong innovation pipeline and continue engaging in deep consumer connect and research. We are committed to talent development and building local talent pools for our operations in Africa.

Latin America and UK

Our Latin America business grew by 17 per cent in constant currency terms, backed by healthy growth in Argentina despite an inflationary economy. Our core brands–Roby (styling spray) and Millefiori (depilatories)—maintained market leading volume share. Our UK business grew at 15% in constant currency terms, with our key brands Inecto and Pro: Voke growing at >30%. We continue to focus on growing distribution and driving profitability.

B. Policy on Material Subsidiaries

In compliance with the Listing Regulations, the Board has adopted a policy for determining material subsidiaries. This policy is available on the Company website which can be accessed through the following link[6].

9. The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

In compliance with Section 4(3) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, your Company reconstituted its 'Internal Complaints Committee' (Committee), during the year. During the year, e-learning workshops were conducted to create awareness regarding sexual harassment among employees. Because there were no complaints during the calendar year 2017, the Committee filed a NIL complaints report with the concerned authorities, in compliance with Section 22 of the aforementioned act.

10. Policies and Annexures

A. Extract of Annual Return

Annexure 'E' of this Report provides the Extract of Annual Return to be filed by the company under the Companies Act, 2013.

B. Disclosure on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings, and Outgo

Annexure 'F' of this Report provides information on the conservation of energy, technology absorption, and foreign exchange earnings and outgo, required under Section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, which forms a part of the Directors' Report.

C Risk Management

Elements of risks to the Company are listed in the Management Discussion & Analysis section of the Annual Report under the heading 'Enterprise Business Risk

[6] http://godrejcp.com/Resources/uploads/codes-and-policies/PolicyonMaterialSubsidiaries.pdf

Management'.

D. Corporate Social Responsibility

Your Company has a well-documented Corporate Social Responsibility (CSR) Policy. Details of CSR projects are provided in **Annexure 'G'** in the prescribed format.

E. Vigil Mechanism

Your Company has adopted a Whistle Blower Policy as a part of its vigil mechanism. The purpose of the policy is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices in the organisation without the knowledge of the management. All employees shall be protected from any adverse action for reporting any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation. This Policy is also applicable to the Directors of the Company.

Mr. V Swaminathan, Head-Corporate Audit & Assurance, has been appointed as the 'Whistle Blowing Officer', and his contact details have been mentioned in the Policy. Furthermore, employees are also free to communicate their complaints directly to the Chairman/Member of the Audit Committee, as stated in the Policy. The Policy is available on the internal employee portal. On a quarterly basis, the Audit Committee reviews reports made under this policy and implements corrective actions, wherever necessary.

F. Employee Stock Grant Scheme

The details of the grants allotted under Godrej Consumer Products Limited Employee Stock Grant Scheme, 2011, as also the disclosures in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, and Section 62 1(b) read with Rule 12(9) of the Companies (Share Capital & Debentures) Rules, 2014, are set out in **Annexure 'H'**. Your Company has not given loan to any person under any scheme for or in connection with the subscription or purchase of shares in the Company or the holding Company. Hence, there are no disclosures on voting rights not directly exercised by the employees with respect to the shares to which the scheme relates.

11. Unclaimed shares

In compliance with the Listing Regulations, your Company has transferred the unclaimed shares into a demat account, namely the 'Unclaimed-Suspense Account'. As and when an allottee approaches the Company, after proper verification, the shares are rematerialized, and physical certificates are delivered to the allottee.

Unclaimed Shares Table

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed-Suspense Account at the beginning of the year	**5,549**	834,945
Number of shareholders and aggregate shares transferred to Unclaimed- Suspense Account during the year on account of Bonus issue by the Company	**-**	8,29,931
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed-Suspense Account during the year and aggregate shares transferred	**99**	41,678
Number of shareholders to whom shares were transferred from the Unclaimed-Suspense Account during the year and the aggregate shares transferred	**99**	41,678
Number of shareholders to whose shares were transferred from the Unclaimed-Suspense Account to the IEPF Account during the year and the aggregate shares transferred	**3,950**	10,10,406
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed-Suspense Account at the end of the year	**1,500**	6,12,792

12. Listing

The shares of your Company are listed at the BSE Limited and the National Stock Exchange of India Limited. The applicable annual listing fees have been paid to the Stock Exchanges before the due dates. Your Company is also listed on the Futures & Options Segment of the National Stock Exchange of India.

13. Business Responsibility Report

Pursuant to Regulation 34 of the Listing Regulations, the Business Responsibility Report highlighting the initiatives taken by the Company in the areas of environment, social, economical and governance, is available on the website of the Company which can be accessed through the following link[7].

14. Auditors and Auditors' Report

A. Statutory Auditors

In accordance with Section 139 of the Companies Act, 2013 and the rules made thereunder, M/s. B S R & Co., LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022) has been appointed as the statutory auditor to hold office from the conclusion of the 17th AGM on July 31, 2017 until the conclusion of the 22nd AGM in the year 2022, at a remuneration as may be approved by the Board.

B. Cost Auditors

Pursuant to directions from the Department of Company Affairs, M/s. P. M. Nanabhoy & Co., Cost Accountants, were appointed as cost auditors for the applicable products of the Company for the fiscal year 2017-18. They are required to submit the report to the Central Government within 180 days from the end of the accounting year.

C. Secretarial Auditors

The Board had appointed M/s. A. N. Ramani & Co., Company Secretaries, Practising Company Secretary, to conduct a secretarial audit for the fiscal year 2017-18. The Secretarial Audit Report for the fiscal year ended March 31, 2018, is attached herewith as **Annexure 'I'.** The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

15. Corporate Governance

Your Company continues to enjoy a Corporate Governance Rating of CGR2+ (pronounced CGR 2 plus) and a Stakeholder Value Creation and Governance Rating of SVG1 (pronounced SVG one). The '+' sign indicates a relatively high standing within the category indicated by the rating. The aforementioned ratings are on a scale of 1 to 6, where 1 is the highest rating. The two ratings indicate whether a company is being run on the principles of Corporate Governance and whether the practices followed by the company lead to value creation for all its shareholders.

[7] http://www.godrejcp.com/annual-reports.aspx

The CGR2 rating is on a scale of CGR1 to CGR6, where CGR1 denotes the highest rating. The CGR2+ rating implies that according to ICRA's current opinion, the rated company has adopted and follows such practices, conventions, and codes that would provide its financial stakeholders a high level of assurance of the quality of corporate governance.

The SVG1 rating is on a scale of SVG1 to SVG6, where SVG1 denotes the highest rating. The SVG1 rating implies that according to ICRA's current opinion, the company belongs to the highest category of the composite parameters of stakeholder value creation and management as well as corporate governance practices.

Pursuant to the Listing Regulations, the Management Discussion & Analysis Report and the Report on Corporate Governance are included in the Annual Report. The Practicing Company Secretary's Certificate certifying the Company's compliance with the requirements of Corporate Governance, in terms of the Listing Regulations, is attached as **Annexure 'J'.**

16. Acknowledgement

Your Directors wish to extend their sincere thanks to the Central and State Governments as well as the Government agencies, banks, customers, shareholders, vendors, and other related organisations that have helped in your Company's progress, as partners, through their continued support and co-operation.

For and on behalf of the Board of Directors

sd/-
Nisaba Godrej
Executive Chairperson

Mumbai, May 08, 2018

ANNEXURE 'A'

BOARD DIVERSITY POLICY

The Company is committed to equality of opportunity in all aspects of its business and does not discriminate on the grounds of nationality, race, colour, religion, caste, gender, gender identity or expression, sexual orientation, disability, age, or marital status. The Company recognises merit and continuously seeks to enhance the effectiveness of its Board. The Company believes that for effective corporate governance, the Board should have the appropriate balance of skills, experience, and diversity of perspectives. Board appointments will be made on a merit basis, and candidates will be considered on the basis of objective criteria, with due regard for the benefits of diversity on the Board. The Board believes that such merit-based appointments will best enable the Company to serve its stakeholders. The Board will regularly review this policy to ensure its effectiveness.

ANNEXURE 'B'

GCPL TOTAL REWARDS POLICY

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

Highlights

The rewards framework offers employees the flexibility to customise different elements based on need. The framework is also integrated with GCPL's performance and talent management processes and is designed to ensure sharply differentiated rewards for our best performers.

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

Total Cash Compensation

The employees' total cash compensation has the following three components:

1. 'Fixed Compensation' comprising the basic salary and retirement benefits such as the provident fund and gratuity.
2. 'Flexible Compensation' comprising a fixed predetermined component of the employees' compensation. Employees can allocate this amount to different components, as per their grade eligibility, defined at the start of each fiscal year.
3. 'Variable Compensation (Performance-Linked Variable Remuneration)' comprising employee rewards for delivering superior business results and individual performance. It is designed to provide a significant

upside earning potential without a cap for overachieving business results. It has a 'Collective' component, linked to the achievement of specified business results, measured by 'Economic Value Added' or other related metrics, relative to the target set for a given fiscal year and an 'Individual' component, based on Employee's performance, as measured by the performance management process.

Long-Term Incentives (Employee Stock Grant Scheme)

This scheme aims at driving a culture of ownership and focus on long-term results. It is applicable to Godrej Leadership Forum members. Under this scheme, performance-based stock grants are awarded. The value of the stock grant is proposed by the management and approved by the Nomination & Remuneration Committee.

ANNEXURE 'C'

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the fiscal year 2017-18; the percentage increase in the remuneration of each Director, Chief Financial Officer, and Company Secretary during the fiscal year 2017-18; and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as follows:

A. Whole-time Directors, Chief Financial Officer and Company Secretary

Sr. No.	Name of the KMP	Designation	% increase in remuneration in the fiscal year 2017-18	Ratio of median remuneration of each Director to the median remuneration paid/ payable to all employees for fiscal year 2017-18
1	Mr. Adi Godrej	Chairman Emeritus	(45.00)	168.82
2	Ms. Nisaba Godrej	Executive Chairperson	25.00	143.88
3	Mr. Vivek Gambhir	Managing Director & CEO	23.00	438.53
4	Mr. V Srinivasan	Chief Financial Officer & Company Secretary	31.00	Not Applicable

Remuneration includes the actual performance-linked variable remuneration payable for the fiscal year on the basis of performance, profitability, and optimum utilisation of capital.

B. Non-Executive Directors

Sr. No.	Name of Director	% increase/ (decrease) in remuneration in the fiscal year 2017-18	Ratio of median remuneration of each Director to the median remuneration paid/ payable to all employees
1	Jamshyd Godrej	33	5.12
2	Nadir Godrej	33	5.35
3	Tanya Dubash	33	5.12
4	Pirojsha Godrej	NA	5.35
5	Narendra Ambwani	33	5.79
6	Pippa Armerding	NA	0.67
7	Bharat Doshi	33	5.57
8	Omkar Goswami	33	5.57
9	Aman Mehta	33	5.57
10	Ndidi Nwuneli	NA	5.57
11	D Shivakumar	33	3.34
12	Ireena Vittal	33	5.57

Note:

(i) As per the approval received from the shareholders at the AGM held on July 31, 2017, the Non- Executive Directors are entitled to a Commission on Profits at a rate not exceeding 1 per cent of the net profits subject to a maximum of ₹ 20 lakhs per director, for a period of 3 fiscal years beginning from 2017-18.

(ii) Median remuneration of all the

employees of the Company for the fiscal year 2017-18: ₹ 4.49 lakh.

(iii) The percentage increase in the median remuneration of employees in the fiscal year: 6.1 per cent.

(iv) The number of permanent employees on the payrolls of the Company as on March 31, 2018 is 2578.

(v) The average percentile increase already made in the salaries of the employees other than the managerial personnel in the last fiscal year and its comparison with the percentile increase in the managerial remuneration and justification thereof: Total managerial remuneration comprises the remuneration of the Whole-time Directors and commission paid to Non-Executive Directors. The Whole-time Directors' remuneration is as per the resolution approved by the shareholders and will not exceed 10 per cent of the Company's net profits as permitted by the Companies Act, 2013. Remuneration does not include lease rent paid to Ms. Tanya Dubash, Mr. Pirojsha Godrej, and Ms. Nisaba Godrej, the details of which are given separately in related party transactions in notes to accounts. The Non-Executive Directors are also eligible for sitting fees of ₹ 1 lakh per Board meeting attended and ₹ 20,000 per Committee meeting attended. Pursuant to the resolution passed by the shareholders at the Annual General Meeting held on 31st July, 2017, there was an increase in Commission on Profits payable to the Non-Executive Directors. As compared with the previous year, the actual sitting fees paid have varied in case of some of the Non-Executive Directors according to the meetings attended. The average percentile change in the salary of employees other than managerial personnel is an increase of 19 per cent while that of Managerial Personnel is a decline of 3 per cent. Decline is largely on account of performance-linked variable remuneration.

(vi) Remuneration is as per the remuneration policy of the Company.

ANNEXURE 'D'

Form AOC-2

Form for the disclosure of particulars of contracts/arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

1 Details of contracts or arrangements or transactions not at arm's length basis **NIL**

a. Name(s) of the related party and nature of relationship

b. Nature of the contracts or arrangements or transactions

c. Duration of the contracts or arrangements or transactions

d. Salient terms of the contracts or arrangements or transactions including the value, if any

e. Justification for entering into such contracts or arrangements or transactions

f. Date(s) of approval by the Board

g. Amount paid as advances, if any

h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2 Details of material contracts or arrangement or transactions at arm's length basis **NIL**

a. Name(s) of the related party and nature of the relationship

b. Nature of contracts or arrangements or transactions

c. Duration of the contracts or arrangements or transactions

d. Salient terms of the contracts or arrangements or transactions including the value, if any

e. Date(s) of approval by the Board, if any

f. Amount paid as advances, if any

For Godrej Consumer Products Limited

sd/-
Nisaba Godrej
Executive Chairperson

Annexure 'E'

EXTRACT OF ANNUAL RETURN IN FORM MGT-9

as on March 31, 2018

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

I	**REGISTRATION AND OTHER DETAILS:**		
	a	CIN	L24246MH2000PLC129806
		Registration date	29-November-2000 (Date of Incorporation) 15-December-2000 (Date of Commencement of Business)
		Name of the Company	Godrej Consumer Products Limited
	b	Category/Sub Category	Public Company having Share Capital
	c	Listing Status, if applicable	(1) Listed on BSE Ltd and The National Stock Exchange of India Limited (2) Listed on the Futures & Options (F&O) segment of The National Stock Exchange of India Limited
	d	Company's registered office address and contact details	Godrej Consumer Products Limited Godrej One, 4th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai- 400 079, Maharashtra, India Email: investor.relations@godrejcp.com Phone: +91 22 - 25188010/20/30 Fax: +91 22 - 25188040
	e	Registrar & Transfer Agent's Name, Address and contact details	Computech Sharecap Limited, 147, Mahatma Gandhi Road, Opp Jehangir Art Gallery, Fort, Mumbai - 400 001, India Telephone: 022 - 22635000/5001 Fax: 022 - 22635005 Email: gcpl@computechsharecap.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY- all business activities contributing 10% or more of the total turnover of the Company shall be stated:

	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Household Insecticides	20211	41%
2	Soaps	20231	33%
3	Hair Colours	20236	11%

III	**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**	Annexure 'E-1'
IV	**SHAREHOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)	Annexure 'E-2'
V	**INDEBTEDNESS-** Indebtedness of the Company including interest outstanding/accrued but not due for payment:	

₹ (Crore)

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the fiscal year				
(i) Principal amount	-	150	-	150
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	0	150	0	150
Changes in Indebtedness during the fiscal year				
· Addition	0	980	-	980
· Reduction	0	(1130)	0	(1130)
Net Change	0	(150)	0	(150)
Indebtedness at the end of the fiscal year				
(i) Principal amount	0	0	0	0
(ii) Interest due but not paid	-	0	-	-
(iii) Interest accrued but not due	-	0	-	-
Total (i+ii+iii)	**0**	**0**	**0**	**0**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ (Crore)

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount	KMP other than MD/ WTD/ Manager	
		Adi Godrej (WTD)	Nisaba Godrej (WTD)	Vivek Gambhir (MD & CEO)		V Srinivasan (CFO & CS)	Total Amount
1	Gross salary						
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	5.91	5.68	15.88	27.47	2.97	2.97
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1.46	0.49	0.00	1.95	0.00	-
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2	Stock Option	0.00	0.00	3.46	3.46	0.33	0.33
3	Sweat Equity				-	0.00	-
4	Commission - as % of profit - others, specify…	0.00	0.00	0.00	-	0.00	-
5	Others (Company's Contribution to PF, Reimbursements)	0.21	0.28	0.35	0.84	0.17	0.17
	Total (A)	**7.58**	**6.45**	**19.69**	**33.72**	**3.47**	**3.47**
	Ceiling as per the Act	65.13	65.13	65.13	130.26	NA	NA

B. Remuneration to Indepdendent/other Non-Executive Directors

₹ (Crore)

Sr. No.	Particulars of Remuneration	Names of Independent Directors								Names of other Non Executive Directors				Total
		Narendra Ambwani	Bharat Doshi	Omkar Goswami	Aman Mehta	D Shivakumar	Ireena Vittal	Ndidi Nwuneli	Pippa Armerding	Jamshyd Godrej	Nadir Godrej	Tanya Dubash	Pirojsha Godrej	
1	Sitting Fees	0.06	0.05	0.05	0.05	0.03	0.05	0.05	-	0.03	0.04	0.03	0.04	0.48
2	Commission	0.20	0.20	0.20	0.20	0.12	0.20	0.20	0.03	0.20	0.20	0.20	0.20	2.15
3	Others	-	-	-	-	-	-	-	-	-	-	-	-	
	Total (B)	**0.26**	**0.25**	**0.25**	**0.25**	**0.15**	**0.25**	**0.25**	**0.03**	**0.23**	**0.24**	**0.23**	**0.24**	**2.63**

Total Managerial Remuneration (A+B)	**36.35**
Ceiling as per the Act	143.29

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment			NIL		
Compounding					
B. Directors					
Penalty					
Punishment			NIL		
Compounding					
C. Other Officers In Default					
Penalty					
Punishment			NIL		
Compounding					

ANNEXURE 'E-1'

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
1	Godrej Household Products Lanka Pvt Ltd	No 228, 3rd Floor, Mannaperuma Buiding,Galle Road,Colombo 04, Sri Lanka.	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
2	Godrej Household Products Bangladesh Pvt Ltd	Concord Madhumoti Plaza, Level-10, Plot No. 11, Road No.11, Block-G, Banani, Dhaka-1213, Bangladesh	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
3	Godrej Consumer Products Bangladesh Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
4	Godrej South Africa (Proprietary) Limited	11 Young Road, Pinetown, Kwa-Zulu Natal.	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
5	Godrej Netherlands B.V.	C/O SGG Management (Netherlands) B.V. Add - Hoogoorddreef 15, 1101 BA Amsterdam, PO Box 11063, 1001 GB Amsterdam, The Netherlands	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
6	"Godrej (UK) Limited (Erstwhile Godrej Consumer Products (UK) Ltd.)"	1st Floor, Falcon House, 115-123, Staines Road, Hounslow, Middlesex, TW3 3LL	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
7	"Godrej Consumer Products (UK) Ltd. (Erstwhile Keyline Brands Limited)"		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
8	Godrej Consumer Investments (Chile) Spa	Vargas Fontecilla 3830, Comuna Quinta Normal, Ciudad de Santiago, Región Metropolitana, Chile.	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
9	Godrej Holding (Chile) Limitada		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
10	Cosmetica Nacional		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
11	Godrej Easy IP Holding Limited	SAIF-Zone P8-06-68, P.O. Box 121748, Sharjah U.A.E	50.00%	NA-Foreign Company	Associate	2(6)
12	Godrej Nigeria Ltd	Plot No 2A, Ayodele Diyan Street, Off. Ladipo Oluwale Avenue,Ikeja, Lagos, Nigeria	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
13	Godrej Hair Care Nigeria Limited		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
14	Godrej Household Insecticide Nigeria Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
15	Godrej Hair Weave Nigeria Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
16	Panamar Produccioness S.A	"Empedrado 2435 – Ciudad Autónoma de Buenos Aires – Argentina	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
17	Argencos S.A		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
18	Laboratoria Cuenca S.A		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
19	Consell S.A		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
20	Deciral S.A	Av. Italia 7028, Montevideo, Uruguay	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
21	Issue Group Brazil Limited	Rod. João Leopoldo Jacomel 12475 – Sl 02 -Pinhais (Cep 83323-4100) – Parana - Brazil	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
22	Godrej Peru S.A.C	Av. Víctor Andrés Belaunde 280, Oficina 401, San Isidro, Lima 27-Perú	100.00%			
23	Godrej Consumer Products Holding (Mauritius) Limited	C/O SGG Corporate Services (Mauritius) Ltd, Add - 33, Edith Cavell Street, Port-Louis, Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
24	Godrej Indonesia IP Holdings Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
25	Godrej Mid East Holdings Limited	Unit S304 , Level 3, Emirates Financial Towers, Dubai International Financial Centre, Dubai, 506997, United Arab Emirates	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
26	Godrej Global Mid East FZE	B2-23, PO Box. 7966, Sharjah Airport International Free Zone, Sharjah, UAE	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
27	Indovest Capital limited	"Portcullis Trustnet (Labuan) Limited, Level 6(D), Main Office Tower, Financial Park Labuan Comple Jalan Merdeka 87000 Labuan F. T., Malaysia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
28	Godrej Consumers Products Malaysia Limited	c/o Portcullis Trustnet (Labuan) Limited, Level 6(D), Main Office Tower, Financial Park Labuan Comple Jalan Merdeka 87000 Labuan F. T., Malaysia	100.00%			
29	Godrej Consumer Products Dutch Cooperatief U.A	C/O SGG Management (Netherlands) B.V. Add - Hoogoorddreef 15, 1101 BA Amsterdam, PO Box 11063, 1001 GB Amsterdam, The Netherlands	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
30	Godrej Consumer Products (Netherlands) B.V.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
31	Godrej Consumer Holdings (Netherlands) B.V.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
32	PT Indomas Susemi Jaya	Jl. Raya Narogong KM. 15 Kampung Ciketing Barat RT.003 RW.001, Ciketing Udik Bantar Gebang Bekasi 17153	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
33	PT Intrasari Raya	Secure Building A, Jl Raya Protokol Halim, Perdanakusuma Halim, Makasar, Jakarta	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
34	PT Megasari Makmur	Jl. Pancasila V RT.04 RW.13 Cicadas Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
35	PT Ekamas Sarijaya	Jl. Pancasila IV, RT.002 RW.004, Cicadas, Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
36	PT Sarico Indah	Jl. Pancasila IV RT.02 RW.04 Cicadas Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
37	Godrej Mauritius Africa Holdings Limited	C/O SGG Corporate Services (Mauritius) Ltd, Add - 33, Edith Cavell Street, Port-Louis, Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
38	Darling Trading Company Mauritius Ltd.		90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
39	Godrej Africa Holdings Limited		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
40	Frika Weave Pty Ltd	30 Auckland Street, Paarden Eiland, Cape Town, 7405	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
41	Weave Ghana Ltd.	Plot No 128, Spintex Road, Near Polytank Factory, Greater Accra, Ghana	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
42	Kinky Group (Proprietary) Limited	11 Young Road, Pinetown, Kwa-Zulu Natal.	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
43	Lorna Nigeria Limited	Plot No 2A, Ayodele Diyan Street, Off. Ladipo Oluwale Avenue,Ikeja, Lagos, Nigeria	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
44	Godrej West Africa Holdings Limited	C/O SGG Corporate Services (Mauritius) Ltd, Add - 33, Edith Cavell Street, Port-Louis, Mauritius	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
45	Weave IP Holding Mauritius Private Limited		90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
46	Subinite Pty Limited	7 Potgieter Street, Alrode 1449, Johannesburg,Private Bag X 035, Unit 21, Alberton, 1450, South Africa	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
47	Weave Mozambique Limitada	Lot No. 198A, 202-203 &204 PIB-Zona Franca, Boane, Mozambique	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
48	Weave Trading Mauritius Private Limited	C/O SGG Corporate Services (Mauritius) Ltd, Add - 33, Edith Cavell Street, Port-Louis, Mauritius	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
49	Hair Trading (Offshore) S.A.L.	Corniche Al-Mazraa- Mama Strt.- Chamat Bldg., Beirut- Lebanon	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
50	Godrej East Africa Holdings Limited	C/O SGG Corporate Services (Mauritius) Ltd, Add - 33, Edith Cavell Street, Port-Louis, Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
51	DGH Phase Two Mauritius Private Limited		90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
52	Style Industries Limited	L.R No.1870/111/594, 1st Floor, Rivaan Centre, Westlands, P.O Box 30682, 00100, Nairobi	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
53	Charm Industries Limited	L.R No.1870/111/594, 4th Floor, Rivaan Centre, Westlands, P.O Box 18455, 00100, Nairobi	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
54	Godrej Tanzania Holdings Limited	C/O SGG Corporate Services (Mauritius) Ltd, Add - 33, Edith Cavell Street, Port-Louis, Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
55	DGH Tanzania Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
56	Sigma Hair Industries Limited	P.O.BOX 13080, Mbagala Rangi Tatu, Kimbangulile Street, Dar Es Salaam, Tanzania	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
57	Belaza Mozambique LDA	Lot No. 198A, 202-203 &204 PIB-Zona Franca, Boane, Mozambique	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
58	Hair Credentials Zambia Limited	Plot 7461, Corner of Nchoncho and Washama Roads, Off Lamumba Road, Lusaka 31471, Zambia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
59	Godrej SON Holdings Inc.	64 Ross Road, Savannah, Georgia, 31405	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
60	Style Industries Uganda Limited	Plot 865, Industrial Area Namanve, Jinja Road- Bweyogerere/Kazinga, Wakiso District, P.O. Box 29722	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
61	Old Pro International Inc (USA)	64 Ross Road, Savannah, Georgia, 31405	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
62	Strength of Nature South Africa Proprietary Limited		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
63	Strength of Nature LLC (USA)		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
64	Canon Chemicals Ltd.	Mombasa Road, Behind Mlolongo Weighbridge, P.O. Box 24336 - 00100, Nairobi, Kenya	75.00%	NA-Foreign Company	Subsidiary	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
65	Weave Senegal Ltd	Km 4,5 Boulevard du Centenaire De La Commune de Dakar, Rue 5, Dakar, Senegal	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
66	Godrej International Trading Company (Sharjah, UAE)	SAIF Office P8-05-11, P.O. Box No. 514406, Sharjah, UAE	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
67	Godrej Consumer Products International FZCO	Building No 3 E G08, Dubai Airport Free Zone, P O Box No 293725, Dubai, UAE	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
68	DGH Uganda	C/O SGG Corporate Services (Mauritius) Ltd, Add - 33, Edith Cavell Street, Port-Louis, Mauritius	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
69	Bhabhani Blunt Hairdressing Private Limited	Ground Floor, Block No. 1, Kohinoor Building, 29 Hughes Road, Mumbai - 400007, Maharashtra, India	30.00%	U93020MH2004PTC148187	Associate	2(6)

ANNEXURE 'E-2'

SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	15,087,557	-	15,087,557	4.43%	30,175,114	-	30,175,114	4.43%	0.00%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	199,441,435	-	199,441,435	58.56%	398,882,870	-	398,882,870	58.55%	-0.01%
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	0.000%	-	-	-	0.00%	0.00%
Sub-total (A) (1)	**214,528,992**	**-**	**214,528,992**	**62.99%**	**429,057,984**	**-**	**429,057,984**	**62.98%**	**-0.01%**
(2) Foreign									
a) NRIs- Individuals	967,090	-	967,090	0.28%	1,934,180	-	1,934,180	0.28%	0.00%
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**967,090**	**-**	**967,090**	**0.28%**	**1,934,180**	**-**	**1,934,180**	**0.28%**	**0.00%**
Total Shareholding of Promoter (A)= (A)(1) + (A)(2)	**215,496,082**	**-**	**215,496,082**	**63.27%**	**430,992,164**	**-**	**430,992,164**	**63.26%**	**-0.01%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	2,081,285	14,904	2,096,189	0.62%	4,666,428	25,208	4,691,636	0.69%	0.07%
b) Banks/FI	636,101	3,780	639,881	0.19%	1,317,812	7,560	1,325,372	0.19%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	-	-
d) State Govt(s)	-	-	-	0.00%	-	-	-	-	-
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	-	-
f) Insurance Co	4,628,114	-	4,628,114	1.36%	9,256,228	-	9,256,228	1.36%	0.00%
g) FIIs	96,794,367	23200	96,817,567	28.43%	190,785,302	39200	190,824,502	28.01%	-0.42%
h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	**104,139,867**	**41884**	**104,181,751**	**30.59%**	**206,025,770**	**71968**	**206,097,738**	**30.25%**	**-0.34%**
2. Non Institutional									
a) Bodies Corp.									
i) Indian	3,332,084	60,774	3,392,858	1.00%	9,372,649	99,922	9,472,571	1.39%	0.39%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹1 lakh	12,108,696	5,134,608	17,243,304	5.06%	23,911,421	7,898,553	31,809,974	4.67%	-0.39%
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	286,821	-	286,821	0.08%	2,957,071	-	2,957,071	0.43%	0.35%
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub total (B)(2)	**15,727,601**	**5,195,382**	**20,922,983**	**6.14%**	**36,241,141**	**7,998,475**	**44,239,616**	**6.49%**	**0.35%**
Total Public shareholding (B)=(B)(1) + (B)(2)	**119,867,468**	**5,237,266**	**125,104,734**	**36.73%**	**242,266,911**	**8,070,443**	**250,337,354**	**36.74%**	**0.01%**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**335,363,550**	**5,237,266**	**340,600,816**	**100.00%**	**673,259,075**	**8,070,443**	**681,329,518**	**100.00%**	**0.00%**

II. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Godrej & Boyce Mfg Co Ltd	25,003,815	7.34%	0.00%	50,007,630	7.34%	0.00%	0.00%
2	Godrej Industries Ltd	80,937,620	23.76%	0.00%	161,875,240	23.76%	0.00%	0.00%
3	Godrej Seeds & Genetics Ltd	93,500,000	27.46%	0.00%	187,000,000	27.45%	0.00%	-0.01%
4	Adi Burjorji Godrej	500	0.00%	0.00%	1,000	0.00%	0.00%	0.00%
5	Parmeshwar Adi Godrej	4	0.00%	0.00%	8	0.00%	0.00%	0.00%
6	Tanya Arvind Dubash	1,071,054	0.31%	0.00%	2,142,108	0.31%	0.00%	0.00%
7	Pirojsha Adi Godrej	1,071,075	0.31%	0.00%	2,142,150	0.31%	0.00%	0.00%
8	Nisaba Adi Godrej	1,071,061	0.31%	0.00%	2,142,122	0.31%	0.00%	0.00%
9	Jamshyd Naoroji Godrej And Others As Trustee Of Raika Godrej Family Trust	1,606,808	0.47%	0.00%	3,213,616	0.47%	0.00%	0.00%
10	Navroze Jamshyd Godrej	1,606,809	0.47%	0.00%	3,213,618	0.47%	0.00%	0.00%
11	Nadir Barjorji Godrej	917,454	0.27%	0.00%	1,834,908	0.27%	0.00%	0.00%
12	Burjis Nadir Godrej	633,724	0.19%	0.00%	1,267,448	0.19%	0.00%	0.00%
13	Sohrab Nadir Godrej	633,728	0.19%	0.00%	1,267,456	0.19%	0.00%	0.00%
14	Hormazd Nadir Godrej	1,028,728	0.30%	0.00%	2,057,456	0.30%	0.00%	0.00%
15	Nyrika Holkar	967,088	0.28%	0.00%	1,934,176	0.28%	0.00%	0.00%
16	Freyan Crishna Bieri	967,090	0.28%	0.00%	1,934,180	0.28%	0.00%	0.00%
17	Rishad Kaikhushru Naoroji	24	0.00%	0.00%	48	0.00%	0.00%	0.00%
18	Rishad Kaikhushru Naoroji (As a Partner of RKN Enterprises)	4,479,500	1.32%	0.00%	8,959,000	1.31%	0.00%	0.00%
	Total:	**215,496,082**	**63.27%**	**0.00%**	**430,992,164**	**63.26%**	**0.00%**	**-0.01%**

III. Change in Promoters' Shareholding

Sr. No.	Name	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year / end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
1	Godrej & Boyce Mfg Co Ltd	25,003,815	7.34%	31-Mar-17				7.34%
				27-Jun-17	25,003,815	Bonus Allotment	50,007,630	7.34%
				31-Mar-18			50,007,630	7.34%
2	Godrej Seeds & Genetics Ltd	93,500,000	27.46%	31-Mar-17				27.46%
				27-Jun-17	93,500,000	Bonus Allotment	187,000,000	27.46%
				31-Mar-18			187,000,000	27.45%
3	Nadir Barjorji Godrej	917,454	0.27%	31-Mar-17				0.27%
				09-Sep-16	917,454	Bonus Allotment	1,834,908	0.13%
				31-Mar-18			1,834,908	0.27%
4	Rishad Kaikhushru Naoroji	24	0.00%	31-Mar-17				0.00%
				27-Jun-17	24	Bonus Allotment	48	0.00%
				31-Mar-18			48	0.00%
5	Rishad Kaikhushru Naoroji (As a Partner of RKN Enterprises)	4,479,500	1.32%	31-Mar-17				1.32%
				27-Jun-17	4,479,500	Bonus Allotment	8,959,000	1.32%
				31-Mar-18			8,959,000	1.31%
6	Adi Barjorji Godrej	500	0.00%	31-Mar-17				0.00%
				27-Jun-17	500	Bonus Allotment	1,000	0.00%
				31-Mar-18			1,000	0.00%
7	Parmeshwar Adi Godrej	4	0.00%	31-Mar-17				0.00%
				27-Jun-17	4	Bonus Allotment	8	0.00%
				31-Mar-18			8	0.00%
8	Burjis Nadir Godrej	633,724	0.19%	31-Mar-17				0.19%
				27-Jun-17	633,724	Bonus Allotment	1,267,448	0.19%
				31-Mar-18			1,267,448	0.19%
9	Sohrab Nadir Godrej	633,728	0.19%	31-Mar-17			1,267,456	0.19%
				27-Jun-17	633,728	Bonus Allotment	1,267,456	0.19%
				31-Mar-18			1,267,456	0.19%
10	Hormazd Nadir Godrej	1,028,728	0.30%	31-Mar-17				0.30%
				27-Jun-17	1,028,728	Bonus Allotment	2,057,456	0.30%
				31-Mar-18			2,057,456	0.30%
11	Jamshyd Naoroji Godrej and Others as Trustee of Raika Godrej Family Trust	1,606,808	0.47%	31-Mar-17				0.47%
				27-Jun-17	1,606,808	Bonus Allotment	3,213,616	0.47%
				31-Mar-18			3,213,616	0.47%

Sr. No.	Name	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year / end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
12	Godrej Industries Limited	80,937,620	23.76%	31-Mar-17				23.76%
				27-Jun-17	80,937,620	Bonus Allotment	161,875,240	23.76%
				31-Mar-18			161,875,240	23.76%
13	Freyan Crishna Bieri	967,090	0.28%	31-Mar-17				0.28%
				27-Jun-17	967,090	Bonus Allotment	1,934,180	0.28%
				31-Mar-18			1,934,180	0.28%
14	Tanya Arvind Dubash	1,071,054	0.31%	31-Mar-17				0.31%
				27-Jun-17	1,071,054	Bonus Allotment	2,142,108	0.31%
				31-Mar-18			2,142,108	0.31%
15	Pirojsha Adi Godrej	1,071,075	0.31%	31-Mar-17				0.31%
				27-Jun-17	1,071,075	Bonus Allotment	2,142,150	0.31%
				31-Mar-18			2,142,150	0.31%
16	Nyrika Holkar	10,710,54	0.28%	31-Mar-17				0.28%
				27-Jun-17	967,088	Bonus Allotment	1,934,176	0.28%
				31-Mar-18			1,934,176	0.28%
17	Nisaba Adi Godrej	1,071,061	0.31%	31-Mar-17				0.31%
				27-Jun-17	1,071,061	Bonus Allotment	2,142,122	0.31%
				31-Mar-18			2,142,122	0.31%
18	Navroze Jamshyd Godrej	1,606,809	0.47%	31-Mar-17				0.47%
				27-Jun-17	1,606,809	Bonus Allotment	3,213,618	0.47%
				31-Mar-18			3,213,618	0.47%

IV. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr No	Name	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year /end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
1	Baytree Investments (Mauritius) Pte Ltd	8,391,924	2.46%	31-Mar-17				2.46%
				27-Jun-17	8,391,924	Bonus Allotment	16,783,848	2.46%
				31-Mar-18			16,783,848	2.46%
2	First State Investments ICVC-Stewart Investors Asia Pacific Leaders Fund	8,967,168	2.63%	31-Mar-17				2.63%
				2-Jun-17	(86,490)	Transfer	8,880,678	2.61%
				9-Jun-17	(829,900)	Transfer	8,050,778	2.36%
				16-Jun-17	(145,525)	Transfer	7,905,253	2.32%
				27-Jun-17	7,905,253	Bonus Allotment	15,810,506	
				18-Aug-17	(257,774)	Transfer	15,552,732	2.28%
				25-Aug-17	(1,556,314)	Transfer	13,996,418	2.05%
				1-Sep-17	(320,915)	Transfer	13,675,503	2.01%
				2-Feb-18	(3,213,060)	Transfer	10,462,443	1.54%
				31-Mar-18			10,462,443	1.54%
3	Arisaig Partners (Asia) Pte Ltd A/C Arisaig India Fund Limited	6,772,678	1.99%	31-Mar-17				1.99%
				27-Jun-17	6,772,678	Bonus Allotment	13,545,356	1.99%
				27-Oct-17	(11,307)	Transfer	13,534,049	1.99%
				31-Oct-17	(35,523)	Transfer	13,498,526	1.98%
				15-Dec-17	(466,612)	Transfer	13,031,914	1.91%
				22-Dec-17	(455,015)	Transfer	12,576,899	1.85%
				29-Dec-17	(108,655)	Transfer	12,468,244	1.83%
				5-Jan-18	(385,491)	Transfer	12,082,753	1.77%
				12-Jan-18	(127,982)	Transfer	11,954,771	1.75%
				19-Jan-18	(635,000)	Transfer	11,319,771	1.66%
				26-Jan-18	(545,833)	Transfer	10,773,938	1.58%
				2-Feb-18	(449,332)	Transfer	10,324,606	1.52%
				7-Feb-18	(53,161)	Transfer	10,271,445	1.51%
				31-Mar-18			10,271,445	1.51%
4	Life Insurance Corporation of India	4628114	1.36%	31-Mar-17				1.36%
				27-Jun-17	4628114	Bonus Allotment	9,256,228	1.36%
				31-Mar-18			9,256,228	1.36%
5	New World Fund Inc	2,985,000	0.88%	31-Mar-17				0.88%
				27-Jun-17	2,985,000	Bonus Allotment	5,970,000	0.88%
				28-Jul-17	264,843	Transfer	6,234,843	0.92%
				4-Aug-17	1,365,175	Transfer	7,600,018	1.12%
				8-Aug-17	94,273	Transfer	7,694,291	1.13%
				11-Aug-17	197,417	Transfer	7,891,708	1.16%
				18-Aug-17	78,292	Transfer	7,970,000	1.17%
				24-Nov-17	340,348	Transfer	8,310,348	1.22%
				1-Dec-17	399,652	Transfer	8,710,000	1.28%
				8-Dec-17	276,500	Transfer	8,986,500	1.32%
				31-Mar-18			8,986,500	1.32%

Sr No	Name	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year /end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
6	Government of Singapore	2,843,742	0.84%	31-Mar-17				0.84%
				7-Apr-17	(5,455)	Transfer	2,838,287	0.83%
				14-Apr-17	(1,260)	Transfer	2,837,027	0.83%
				21-Apr-17	(1,255)	Transfer	2,835,772	0.83%
				28-Apr-17	(553)	Transfer	2,835,219	0.83%
				5-May-17	(29,676)	Transfer	2,805,543	0.82%
				26-May-17	(1,472)	Transfer	2,804,071	0.82%
				2-Jun-17	(37,051)	Transfer	2,767,020	0.81%
				9-Jun-17	5,724	Transfer	2,772,744	0.81%
				23-Jun-17	(1,330)	Transfer	2,771,414	0.81%
				27-Jun-17	2,771,414	Bonus Allotment	5,542,828	0.81%
				7-Jul-17	28,925	Transfer	5,571,753	0.82%
				28-Jul-17	211,673	Transfer	5,783,426	0.85%
				4-Aug-17	301,189	Transfer	6,084,615	0.89%
				8-Aug-17	123,965	Transfer	6,208,580	0.91%
				18-Aug-17	(3,105)	Transfer	6,205,475	0.91%
				1-Sep-17	55,406	Transfer	6,260,881	0.92%
				8-Sep-17	4,603	Transfer	6,265,484	0.92%
				15-Sep-17	148,010	Transfer	6,413,494	0.94%
				22-Sep-17	95,677	Transfer	6,509,171	0.96%
				6-Oct-17	137,878	Transfer	6,647,049	0.98%
				3-Nov-17	28,613	Transfer	6,675,662	0.98%
				17-Nov-17	(1,835)	Transfer	6,673,827	0.98%
				1-Dec-17	(105,094)	Transfer	6,568,733	0.96%
				8-Dec-17	(58,051)	Transfer	6,510,682	0.96%
				5-Jan-18	83,240	Transfer	6,593,922	0.97%
				19-Jan-18	68,462	Transfer	6,662,384	0.98%
				26-Jan-18	43,649	Transfer	6,706,033	0.98%
				2-Feb-18	37,063	Transfer	6,743,096	0.99%
				7-Feb-18	(2,167)	Transfer	6,740,929	0.99%
				9-Feb-18	(5,098)	Transfer	6,735,831	0.99%
				23-Feb-18	(14,067)	Transfer	6,721,764	0.99%
				2-Mar-18	(86,373)	Transfer	6,635,391	0.97%
				9-Mar-18	(61,717)	Transfer	6,573,674	0.97%
				16-Mar-18	8,032	Transfer	6,581,706	0.97%
				30-Mar-18	26,748	Transfer	6,608,454	0.97%
				31-Mar-18			6,608,454	0.97%
7	Aberdeen Global Indian Equity Limited	4,855,520	1.43%	31-Mar-17				1.43%
				7-Apr-17	(227,934)	Transfer	4,627,586	1.36%
				17-May-17	(94,758)	Transfer	4,532,828	1.33%
				19-May-17	(11,763)	Transfer	4,521,065	1.33%
				27-Jun-17	4,521,065	Bonus Allotment	9,042,130	1.33%
				7-Jul-17	(108,419)	Transfer	8,933,711	1.31%
				14-Jul-17	(307,407)	Transfer	8,626,304	1.27%
				21-Jul-17	(584,174)	Transfer	8,042,130	1.18%
				4-Aug-17	(950,000)	Transfer	7,092,130	1.04%
				1-Dec-17	(244,640)	Transfer	6,847,490	1.01%

Sr No	Name	Shareholding: No of shares at the beginning of the year	Shareholding: % of total shares of the Company	Date	Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year /end of the period: No of shares	Cumulative Shareholding during the year /end of the period: % of total shares of the Company
				8-Dec-17	(496,346)	Transfer	6,351,144	0.93%
				15-Dec-17	(107,014)	Transfer	6,244,130	0.92%
				16-Feb-18	(530,000)	Transfer	5,714,130	0.84%
				23-Feb-18	(280,000)	Transfer	5,434,130	0.80%
				9-Mar-18	(165,355)	Transfer	5,268,775	0.77%
				23-Mar-18	(487,000)	Transfer	4,781,775	0.70%
				31-Mar-18			4,781,775	0.70%
8	New Perspective Fund	-	0.00%	31-Mar-17				0.00%
				26-Jan-18	573,109	Transfer	573,109	0.08%
				2-Feb-18	1,281,783	Transfer	1,854,892	0.27%
				7-Feb-18	412,506	Transfer	2,267,398	0.33%
				9-Feb-18	189,404	Transfer	2,456,802	0.36%
				16-Feb-18	1,382,153	Transfer	3,838,955	0.56%
				23-Feb-18	343,575	Transfer	4,182,530	0.61%
				2-Mar-18	14,814	Transfer	4,197,344	0.62%
				9-Mar-18	85,885	Transfer	4,283,229	0.63%
				31-Mar-18			4,283,229	0.63%
9	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	2,144,233	0.63%	31-Mar-17				0.63%
				23-Mar-18	4,207,019	Transfer	4,207,019	0.62%
				30-Mar-18	(19,850)	Transfer	4,187,169	0.61%
				31-Mar-18			4,187,169	0.61%
10	Franklin Templeton Investment Funds	1,550,000	0.46%	31-Mar-17				0.46%
				27-Jun-17	1,550,000	Bonus Allotment	3,100,000	0.46%
				19-Jan-18	553,200	Transfer	3,653,200	0.54%
				9-Feb-18	187,600	Transfer	3,840,800	0.56%
				31-Mar-18			3,840,800	0.56%

V. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name and Designation	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year/end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
1	Adi Godrej, Chairman	500	<0.01%	31-Mar-17				<0.01%
				27-Jun-17	500	Bonus Allotment	1,000	<0.01%
				31-Mar-18			1,000	<0.01%
2	Jamshyd Godrej and others as Trustee Of Raika Godrej Family Trust	1,606,808	0.47	31-Mar-17				0.47%
				27-Jun-17	1,606,808	Bonus Allotment	3,213,616	0.47%
				31-Mar-18			3,213,616	0.47%
3	Nadir Godrej, Director	917,454	0.27%	31-Mar-17				0.27%
				27-Jun-17	917,454	Bonus Allotment	1,834,908	0.27%
				31-Mar-18			1,834,908	0.27%
4	Tanya Dubash, Director	1,071,054	0.31%	31-Mar-17				0.31%
				27-Jun-17	1,071,054	Bonus Allotment	2,142,108	0.31%
				31-Mar-18			2,142,108	0.31%
5	Nisaba Godrej, Executive Chairperson	1,071,061	0.31%	31-Mar-17				0.31%
				27-Jun-17	1,071,061	Bonus Allotment	2,142,122	0.31%
				31-Mar-18			2,142,122	0.31%
6	Pirojsha Godrej, Director	1,071,075	0.31%	31-Mar-17				0.31%
				27-Jun-17	1,071,075	Bonus Allotment	2,142,150	0.31%
				31-Mar-18			2,142,150	0.31%
7	Vivek Gambhir, Managing Director & CEO	39,123	<0.01%	31-Mar-17				<0.01%
				27-Jun-17	39,123	Bonus Allotment	78,246	<0.01%
				5-Aug-17	36,276	Exercise of ESOP'S	114,522	<0.01%
				31-Mar-18			114,522	<0.01%
8	Narendra Ambwani, Director	1,000	<0.01%	31-Mar-17				<0.01%
				27-Jun-17	1,000	Bonus Allotment	2,000	<0.01%
				31-Mar-18			2,000	<0.01%
9	Bharat Doshi, Director	13,714	<0.01%	31-Mar-17				<0.01%
				27-Jun-17	13,714	Bonus Allotment	27,428	<0.01%
				31-Mar-18			27,428	<0.01%
10	V Srinivasan, Chief Financial Officer & Company Secretary	2,195	<0.01%	31-Mar-17				<0.01%
				27-Jun-17	2,195	Bonus Allotment	4,390	<0.01%
				5-Aug-17	3,496	Exercise of ESOP'S	7,886	<0.01%
				31-Mar-18			7,886	<0.01%

ANNEXURE 'F'

INFORMATION PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014, WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

I. Steps taken or impact of initiatives for conservation of energy and steps taken by the Company to use alternate sources of energy

NORTH-EAST CLUSTER

- Your company's North East cluster has 8 units, of which 2 are 100% LED lit. The remaining units are more than 50% LED lit, and periodic light replacements are performed only with LEDs, which lead to annual savings of 16809 kwh.
- A heat recovery system has been installed at Kalapahar Coil unit with an investment of ₹ 28 Lacs to reduce energy consumption with an expected annual saving of 340532 kwh.
- A VFD compressor has been installed with an investment of ₹ 32 Lac at Meghalaya Coil to reduce energy consumption, leading to an expected per annum saving of 130173 Kwh.
- An AIR NET system has been installed for air lines to avoid air leakage issues at Kalapahar Coil unit, which resulted in reduction of 1 bar in operating pressure.
- Lokhra Team has done engineering modification of bottle rotatory table/elevator in refill lines, which resulted in saving of 6750 kwh.
- An Eco Power Pro Energy Saving device has been installed in all air conditioners of the Lokhra unit in the month of February, with an expected annual saving of 6600 kwh.
- Various types of sensors, such as an occupancy sensor and limit switch, has been installed in all the units to reduce energy consumption, leading to an annual saving of 18148 kwh.
- Recycling of laminate scrap instead of incineration in line with our greener commitment of zero waste to landfill.
- The units are continuing using eco-friendly briquette in place of coal.

NORTH CLUSTER

The total capital investment on energy savings initiatives is ₹ 28 lacs, and savings in energy consumption is 3.3 lac KWH per annum. The energy conservation initiatives are as follows:

- Kathua and Baribrahmna units at Jammu obtained grid power and stopped using diesel as the main fuel.
- Layout of soap units were modified, and S conveyors were eliminated to reduce power consumption.
- Wrapping, stamping, and plodders were interlocked in all soap units.
- Modification was performed in SAS stamping machines for soap recycling and 02 conveyors were eliminated, resulting in power savings.
- Modification was performed in Triple roll mill 4 for soap feeding through chute, thus eliminating the conveyor and resulting in power savings.
- Noodle feeding at Silo's through Chutes by gravity flow and conveyors eliminated.
- Variable frequency drives (VFD) were installed in conveyors and banding machine, resulting in power savings.
- LED lighting was installed in Coil 11 unit, resulting into power savings.

  Awards: Thana and Katha unit won a certificate of appreciation from the National Safety Council.

CENTRAL WEST CLUSTER

Energy Conservation

The total capex utilised for energy conservation measures is ₹ 3.26 Crores. The energy conservation measures are as follows:

- Enhanced the output of online soap banding machines from 50 bundle/minute to 100 bundle/minute to remove 8 of 16 no of m/cs from soap finishing lines, resulting in saving of power consumption by 114000 kwh/annum.
- Installed a water-based vacuum system in soap finishing line 4, resulting in saving of power consumption by 53000 kWh per annum.

Water Conservation

- Installation of an innovative rain water harvesting system 'Kedia farm pattern' to recover surface runoff water during rainy season to recharge the ground water by 9.25 crore litre/annum. The investment for this project was ₹ 27 lacs.

Fuel Saving

- Installed an IOT-based instrumentation system in RO3 for reducing steam consumption during the unloading of tankers, leading to saving of fuel by 120 MT/annum.
- Installed a pre-concentrator in FSP2 to improve the yield and energy, resulting in saving of fuel by 180 MT/annum.
- Installed a heat exchanger in CFA versus DFA loop in FADP3, resulting in saving of fuel by 56 MT/annum.
- Installed a heat pump in soap making 2 chilling plant to utilize the heat rejected for preheating of boiler feed water, leading to saving of fuel by 80 MT/annum.

SOUTH CLUSTER

The total Capex utilised for energy conservation measures is ₹ 24.55 Lakhs. The energy conservation measures are as follows:

- Reduction in energy consumption by the installation of energy-efficient LED lightings and VFDs in high HP motors has resulted in saving of 153177kwh/yr covering 5 factories in Pondicherry, Karaikal, and MM Nagar.
- Use of bio waste fuels in our hot air generators to the extent of 4127 MT instead of furnace oil in our Pondicherry Coil factory.

Awards

1. ABK AOTS DOSAKAI – Chennai – Kaizen Competition – 1 Platinum and 4 Gold Awards won
2. QCFI Chennai 26th Convention - 5S Competition – 16 Platinum and 3 Gold Awards won
3. POKA – YOKE Competition (CCPYC - 2017) – MM Nagar Unit won 2 Outstanding Awards
4. CII EHS Audit - One 4 Star Rating and two 3 Star Rating Awards won
5. National Safety Council's Safety Award 2017 – Certificate of Appreciation won by Conso unit for the 4th Consecutive year

B. Technology Absorption

The Research and Development function of your organization played a key role in ensuring the successful launches of the following products during the year 17-18:

1. Goodknight – Personal Repellant, Fabric Roll on variant
2. Professional Range – Hair colours, Shampoos, Hair Conditioners, Serums, etc.
3. Goodknight Power Chip
4. High Efficacy Coil
5. Green Shakti Coil
6. HIT Xpert
7. NYU Hair colour – New Shades

The current year, similar to previous years, also saw a sharp focus on consumer-centric and relevant design-led innovation. The company put lot of focus on Innovation in new technologies, which gives value for money to the consumer.

I. R&D Product Categories Initiated by the Company

1. Hair Care
2. Skin Care
3. Household Insecticides
4. Customer Centricity
5. Packaging Development
6. Fabric Care
7. Hygiene Products
8. AER Care
9. Dry Hair

II. Benefits Derived as a Result of the Aforementioned R&D Efforts

R&D has played a pivotal role in developing new technologies in AER, Hair Colours, Personal Wash, and HI areas. Strong R&D-led initiatives with innovative projects have led to successful launches of several new products in the marketplace in the current fiscal year. Your company has entered into a professional business space with highly innovative products with exotic ingredients. The company has launched high-efficacy and cost-effective mosquito repellant product in the household category. R&D has played a pivotal role in improving cost optimization across product categories by contributing through both product- and process-related innovations and improvements.

We believe that the three key pillars of consumer centricity, new product development, and training-led skill upgradation will continue to propel your Company ahead of competition in its strategy of innovation-led value creation.

Future Plan of Action

R&D shall continue to play a key role in the advancement and successful execution of newer innovations in the marketplace, for both domestic and international business. Our R&D team shall constantly endeavour to deliver superior innovative products, thereby delighting both domestic and international customers by:

1. Ensuring successful commercial launches within hair care, household Insecticides, and personal care categories for the coming year
2. Engaging in providing support on global innovation strategies for various product categories within our international businesses and extending support on relevant product development for international markets
3. Focusing on newer consumer-relevant product experiences within all categories such as skin care, household insecticides, hair care, AER, and fabric care
4. Maintaining a strong focus on R&D training needs and people development
5. Partnering collaborations with external stake holders and leading Institutions

IV. Expenditure on R&D

₹ Crore

	Fiscal year 2017-18	Fiscal year 2016-17
Capital	0.25	1.74
Recurring	14.91	14.46
Total	15.16	16.20
Total R&D expenditure as a percentage of total sales turnover	0.29 %	0.32 %

C. Foreign Exchange Earnings and Outgo:

₹ Crore

	Fiscal year 2017-18	Fiscal year 2016-17
I. Foreign exchange used	324.04	315.33
II. Foreign exchange earned	397.69	197.75

ANNEXURE 'G'

CSR Report

A brief outline of the Company's CSR policy, including an overview of projects or programmes proposed to be undertaken, with a URL to the CSR policy and initiatives

GCPL is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. The Good & Green CSR policy focuses on addressing the critical social, environmental, and economic needs of the marginalised and less privileged sections of society. Through our Good & Green CSR policy, we align our CSR strategy with the Godrej Group's Good & Green vision and goals. We adopt an approach that integrates the solutions to these problems into the strategy of the Company to benefit communities at large and deliver social and environmental impact. The Company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013. The policy as well as projects and programmes under the CSR policy are available on the Company website which can be accessed through the following link[8].

An overview of the projects or programmes undertaken during fiscal year 2017-18 is given below. We have aligned our programmes to national missions and priorities, and they are thus categorised.

I. National Skills Mission

A. Employability and Livelihoods

At Godrej, we collaborate with non-profit organizations and social enterprises to design and run several employability training programmes for youth from low-income sections of society. We aim to improve the earning potential of our trainees by building their skills and empowering them. Apart from core domain skills, our programmes also focus on life skills training, entrepreneurship development, and post-placement support.

[8] http://www.godrejcp.com/Resources/uploads/codes-and-policies/CSRPolicy.pdf

As of March 2018, we have trained over 302,000 youth in skills that will enhance their earning potential.

Our projects include

- Salon-i, our beauty and hair care training
- Life Skills
- Rural Intensification

i. Salon-i trains young girls and women in beauty and hair care. Over 62,000 women have graduated from this programme in fiscal year 2017-18. The programme is currently operational in 300 centres across India. The curriculum is integrated with life skills and entrepreneurial modules to equip the candidates in starting their own enterprise, if they are so interested. The curriculum has been digitised and is available as audiovisual content.

   Through our partnerships, approximately 60 per cent of our alumni have found jobs in beauty parlours, many of which are nationally recognised chains; the remaining work mainly as freelancers or micro-entrepreneurs.

   Furthermore, we reached out to women in the beauty and wellness industry across India to set up the 'Beauty-preneur' platform. This program promotes entrepreneurship and enables women to start training other girls as well as empowers these women entrepreneurs through life skills and entrepreneurship modules. A total of 310 women have joined the Beauty-preneur programme and are aiming to reach out to other women as well as grow their businesses.

ii. We have developed a life skills curriculum for all our employability programmes across our businesses. The life skills curriculum supplements the current employability courses. The modules equip our trainees with financial literacy, work readiness, and critical skills, which will enable them to build stronger and more productive careers and lives. Interactive games and activities have been developed for different target audiences under this project.

iii. Rural Intensification: As a corollary to the employability and livelihoods programme, we have set up a project to identify and train unemployed women and youth in entrepreneurship skills to ensure a stable livelihood for them. The programme involves intensive mobilization and a year-long hand-holding period to ensure that they succeed at their entrepreneurial ventures. 700 youth have been trained under this project.

iv. We are also conducting a semi-longitudinal impact assessment of all our employability programmes. This impact assessment study aims to understand the socioeconomic impact of our courses on the lives of the people trained over a 3-year period. The mid-term assessment of the programme is complete.

B. Community Development

Sustainability is an integral part of our business and value chain, and it helps us provide high-quality and affordable goods to our 1.1 billion people globally, who use our products on any given day. Our stakeholders are also the communities that border our plant locations. To align our CSR activities with both community needs and our Good & Green strategy, we conducted third-party community needs assessments at our priority plant locations.

On the basis of valuable stakeholder input, we are now implementing a range of high-impact community development programmes primarily to improve the quality of education in government schools around our manufacturing sites. We have primarily invested in education, water, sanitation, and skill building initiatives across 8 villages in and around our manufacturing facilities. Our interventions help to improve the infrastructure in schools as well as the overall teaching learning environment.

In fiscal year18, we focused on boosting the educational infrastructure of schools in the vicinity of our factories and supported the construction and repair of classrooms, toilet construction, drinking water facilities, and provided furniture and equipment for teaching and learning to 5 schools across Baddi (Himachal Pradesh), Guwahati (Assam), and Malanpur (Madhya Pradesh). In addition, we conducted a range of activities in local schools in Pondicherry and a community needs assessment around our new Jammu plant.

II. Swachh Bharat Mission

A. Elimination of Vector-Borne Endemic Diseases

Elimination of Vector-Borne Endemic Diseases (EMBED) is an intensive community awareness and behaviour change communication programme to combat malaria in regions that report high annual parasite index (API). Under the EMBED programme, we collaborate with NGOs and governments, in an effort to reduce morbidity and mortality due to malaria.

The approach towards the project is as follows:

- Implement community need-based behaviour change communication interventions at the village and household level to spread awareness and encourage appropriate healthcare-seeking behaviour for prevention and control of mosquito-borne diseases
- Strengthen links with public and private health services in the prioritised blocks to improve access to preventive, diagnostic and curative services
- Evaluate the data to support scalability and replicability of the project in other geographies

Impact:

- The programme currently addresses 45% of the malaria burden in Madhya Pradesh across 9 districts, 3000 villages, 7,00,000 households, and 35,00,000 people.
- In phase I, 209 ASHA workers, 77 Rural Health Care Providers, 655 Ojhas, and 156 community volunteers have been trained on correct diagnosis treatment and/or referral of malaria cases.
- On the basis of government data, from 2015 to 2017, in phase I districts, there has been a 70%-86% decrease in API in intervention villages, compared with 40%-50% decrease in API in non-intervention villages.

B. Waste Management

We have initiated various community waste management projects across India. Some of these projects are as follows:

1. **Urban waste management in Hyderabad, Telangana:** We are working with the Greater Hyderabad Municipal Corporation (GHMC) in a multi-stakeholder project which includes the Resident Welfare Associations of Hyderabad to establish 10 *swachh* centres for segregating wet and dry waste. The recyclable plastic waste will be recycled into granules, and the non-recyclable plastic waste will be converted into poly fuel through thermal depolymerisation. The project will also manufacture briquettes from other waste for use as a fuel source. The project aims to divert more than 25 tonnes of municipal solid waste per day from landfills with the aim to become a zero waste to landfill project over time. During 2017-18, five *swachh* centres were established and plastic waste to granules plant was commissioned. Approximately 1000 tons of waste was diverted from the landfill during 2017-18.

2. **Plastic waste management in Bangalore, Karnataka:** The project aims to collect the non-recyclable multi-layered plastic waste and utilise for co-processing. Approximately 365 tons of multi-layered plastic waste was diverted from landfill through collection and co-processing in a cement plant.

3. **Waste management in Mumbai, Maharashtra:** We have engaged with 25 colleges in Mumbai to create awareness on waste management and developing wet and dry waste management systems. Wet waste is composted within the college premises, and the compost is utilised for gardening; dry waste is collected separately and sent for recycling.

4. **Rural Electrification**

We aim to create renewable energy ecosystems in rural India to address the shortage of energy supply. The project provides decentralised, off-grid renewable energy systems through community-level installations in energy-dark villages in Andhra Pradesh, Uttarakhand, and Madhya Pradesh. We supported solar energy-based home lighting in 74 villages in Andhra Pradesh, Madhya Pradesh, and Uttarakhand by installing mini and micro solar grids during the year.

In addition, we invested in 7 solar irrigation systems in Madhya Pradesh, with each solar-powered pump set covering 6-10 farmers. Furthermore, we are also training the local youth and building awareness on the potential of renewable energy systems for meeting rural energy needs.

5. **Watershed Management**

Our integrated watershed development project will help restore the ecological balance in the drought-prone district of Siddipet in Telangana. Our efforts are designed to recharge groundwater and make more water available for irrigation over a total area of more than 3,300 hectares and plantation of approximately 4 lakh saplings. We are also working to support farmers in adopting sustainable farming practices to mitigate the impacts of climate change. The Capacity Building Phase (CBP) covering an area of approximately 200 hectares was completed during 2017-18. Full Implementation Phase (FIP) will start in 2018-19.

III. Donations

A. **Support to flood affected communities in Gujarat and Assam:** GCPL's donation enabled SEEDS to provide relief and rehabilitation to flood affected communities in terms of shelter, water, health and sanitation (WASH). and education support.

B. **Green chemistry:** With the funding from GCPL, the Institute of Chemical Technology (ICT), Mumbai, has proposed to set up a skill development centre. The proposed centre has three objectives:

- To develop training programmes for the characterisation of biologics and biopharmaceuticals
- To establish a state-of-the-art centre for biophysical and biochemical analysis for skill development for training students and provide a resource to the Indian biotechnology industry
- To develop back-to-school programmes for industrial participants to hone their skills

C. **Olympic Gold Quest:** The project aims to support 49 senior Indian athletes aspiring to participate in Commonwealth Games, Asian Games, and Olympics by funding their training and sport equipment purchase as well as providing medical support.

D. **Cancer aid-critical ailment support:** The project supports the Make a Wish Foundation and Raphael to help critically ill children suffering from Cancer access quality medical treatment.

E. **Promote culture and music among children:** GCPL supports the National Centre for Performing Arts in Mumbai to run school programmes to promote Indian music and dance.

F. **Promote employability:** In line with our Good & Green initiative, support soft skills and life skills training amongst underprivileged youth

IV. Composition of the CSR Committee

The composition of the CSR Committee during the year is as follows:

1. Mr. Nadir Godrej, Chairman of the Committee
2. Ms. Tanya Dubash, Director
3. Ms. Nisaba Godrej, Executive Chairperson of the Board
4. Mr. Vivek Gambhir, Managing Director & CEO
5. Mr. Narendra Ambwani, Independent Director

V. Average Net Profit of the Company in the Last 3 fiscal years: ₹ 941.50 crore

VI. Prescribed CSR expenditure (2 per cent of the amount as in item V above): ₹ 18.83 crore

Details of CSR expenditure for the fiscal year:

a) Total amount to be spent for the fiscal year	The Company has spent ₹ 18.88 crore against the mandated amount of ₹ 18.83 crore. The manner in which the amount is spent is detailed in Table 1, which is attached.
b) Amount unspent, if any	
c) Manner in which the amount spent during the fiscal year	

Table 1- Details of CSR Expenditure for fiscal year 2017-18

₹ (Crore)

Sr. No	CSR Project/ Activity identified	Sector in which the Project is covered	Projects/Programmes 1) Local area or other 2) specify the district and state where projects or programmes were undertaken	Amount spent on the project/programmes			Cumulative expenditure up to the reporting period	Amount spent (Direct / implementing agency)
				Amount outlay (budget) project/ programme wise	Direct expenditure on projects or programmes	Over-heads		
1	Project Salon-i -Skill training for employability and Entrepreneurship leading to women empowerment	Schedule VII (ii) Livelihood Enhancement Projects	States in India, namely Gujarat, Maharashtra, Uttar Pradesh, Bihar, Chattisgarh, Assam, Nagaland, Manipur, Mizoram, and Delhi	9.18	8.86	0.34	9.20	Multiple Agencies: Dhriiti, Ambuja Cement Foundation, DDJF, Don Bosco Tech Society, Father Agnel Ashram, Labournet, Saath, Pratham, NSHM, Save the Children India, Tara Livelihood Academy, and Unnati
2	Project Life skills-career guidance for employability and work readiness	Schedule VII (ii) Livelihood Enhancement Projects	PAN India	1.12	1.08	0.04	1.12	Pratham, Edubridge, Quest
3	Rural Intensification-Skill training for micro-entrepreneurship	Schedule VII (ii) Livelihood Enhancement Projects	Tamil Nadu and West Bengal	0.29	0.28	0.01	0.29	CMI- Kolkata
4	Behaviour Change Communication on Malaria and Vector-Borne Diseases (EMBED)	Schedule VII (i) Promoting preventive healthcare	Dindori and Mandla districts of Madhya Pradesh	2.03	1.96	0.08	2.04	Family Health India
5	Community Needs Assessment	Schedule VII(x) Rural Development Projects	Jammu, Hajipur and Ludhiana	0.13	0.12	0.00	0.13	Ethica Strategy India Private Limited
6	Semi-longitudinal Impact Assessment of Godrej Employability Programmes	Schedule VII (ii) Livelihood Enhancement Project	PAN India	0.12	0.11	0.00	0.12	Collective Good Foundation

₹ (Crore)

Sr. No	CSR Project/ Activity identified	Sector in which the Project is covered	Projects/Programmes 1) Local area or other 2) specify the district and state where projects or programmes were undertaken	Amount spent on the project/programmes			Cumulative expenditure up to the reporting period	Amount spent (Direct / implementing agency)
				Amount outlay (budget) project/ programme wise	Direct expenditure on projects or programmes	Over-heads		
7	Waste Management	Schedule VII (iv) Environment Sustainability	Hyderabad, Bangalore and Mumbai	4.05	3.91	0.15	4.06	Dharthi Sustainables Pvt. Ltd. Hasiru Dala Innovations Stree Mukti Sanghatana Green Roots Solutions CII hiTech
8	Rural Electrification	Schedule VII (iv) Environment Sustainability	Andhra Pradesh, Madhya Pradesh, and Uttarakhand	0.77	0.74	0.03	0.77	Aga Khan Rural Support Programme, and Vyavasayik
9	Watershed Management	Schedule VII (iv) Environment Sustainability	Siddipet district, Telangana	0.07	0.07	0.00	0.07	Peoples Action for Creative Education (PEACE)
10	Promotion of Sports	Schedule VII(vii) Promoting nationally recognised sports	PAN INDIA	0.26	0.25	0.01	0.26	Foundation for Promotion of Sports and Games
11	Green Chemistry	Schedule VII (ii) Promoting Education	Institute of Chemical Technology,	0.21	0.20	0.01	0.21	Donation to Institute of Chemical Technology
12	Flood Relief	Schedule VII (i) Promoting preventive healthcare and sanitation and making available safe drinking water	Assam Gujarat	0.20	0.19	0.01	0.20	Donation to Flood Relief through SEEDS
13	Access to Education-CFSS (Child Friendly schools and systems)	Schedule VII (ii) Promoting Education	Mumbai	0.28	0.27	0.01	0.28	Donation to NCPA
14	Access to livelihood	Schedule VII (ii) Livelihood Enhancement Projects	Maharashtra	0.10	0.10	0.00	0.10	Donation to FUEL

₹ (Crore)

Sr. No	CSR Project/ Activity identified	Sector in which the Project is covered	Projects/Programmes 1) Local area or other 2) specify the district and state where projects or programmes were undertaken	Amount spent on the project/programmes			Cumulative expenditure up to the reporting period	Amount spent (Direct / implementing agency)
				Amount outlay (budget) project/ programme wise	Direct expenditure on projects or programmes	Over-heads		
15	Support for children with life-threatening illnesses	Schedule VII (i) Promoting preventive healthcare	Mumbai	0.02	0.02	0.00	0.02	Donation to Make a Wish Foundation
16	Critical ailment support to child suffering from Cancer	Schedule VII (i) Promoting preventive healthcare	Mumbai	0.02	0.02	0.00	0.02	Donation to Raphael
	TOTAL			18.85	18.18	0.70	18.88	

The implementation and monitoring of this CSR policy is in compliance with the CSR objectives and policy of the Company.

Nadir Godrej
Chairman of the CSR Committee

Vivek Gambhir
Managing Director & CEO
(Member of the CSR Committee)

ANNEXURE 'H'

AS PER THE DISCLOSURE REQUIREMENT SPECIFIED UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AND SECTION 62(1)(B) OF THE COMPANIES ACT, 2013 READ WITH RULE 12(9) OF THE COMPANIES (SHARE CAPITAL & DEBENTURES), RULES, 2014, THE FOLLOWING INFORMATION IS DISCLOSED IN RESPECT OF EMPLOYEE STOCK BENEFIT PLANS:

Sr. No.	Particulars	Godrej Consumer Products Limited Employee Stock Grant Scheme
1	Date of shareholders' approval for the options granted under the scheme	March 18, 2011
2	Total number of options approved for grants under the scheme	2,500,000
3	Vesting requirements	As specified by the Nomination & Remuneration Committee subject to minimum 1 year from the date of grant
4	Exercise price or pricing formula	₹ 1 per share
5	Maximum term of options granted	As may be decided by the Nomination & Remuneration Committee as per the prevalent regulatory provisions
6	Source of shares	Direct Allotment
7	Variation of terms of options	None
8	Number of Options outstanding as at April 1, 2017	128,895
9	Number of Options lapsed till June 22, 2017 (Record date for Bonus issue)	6,681
10	Number of Options outstanding as June 22, 2017	122,214
11	Number of Options outstanding after adjustment for 1:1 Bonus issue	244,428
12	Number of options lapsed after Bonus issue and till March 31, 2018	4,360
13	Number of fresh options granted during the year	111,829
14	Number of Options vested during the year	127,886
15	Number of Options exercised during the year	127,886
16	Number of shares arising as a result of exercise of options	127,886
17	Money realised by exercise of options	127,886
18	Number of options outstanding at the end of the year	224,011
19	Number of options exercisable at the end of the year	224,011
20	Method used to account for the options	The company has calculated the employee compensation cost using the fair value of stock options, in accordance with IND AS.
21	Weighted-average exercise prices and weighted-average fair values of options (shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock)	Exercise price ₹ 1.00 per share Fair Value ₹ 1587.74

Sr. No.	Particulars	Godrej Consumer Products Limited Employee Stock Grant Scheme
22	Employee-wise details of options granted to	
	i) Senior Managerial Personnel	As per Note 1 below
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	
	iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil
23	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	₹ 14.67 per share (standalone) ₹ 23.98 per share (consolidated)
24	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	The fair value of the options granted has been calculated using Black – Scholes Options pricing formula and the significant assumptions made in this regard are as follows:
	i) Risk-free interest rate,	6.46%
	ii) Expected life,	2.00
	iii) Expected volatility,	32.21%
	iv) Expected dividends, and	0.31%
	v) The price of the underlying share in market at the time of option grant*	1868.75

* Price is before issue of Bonus shares

Note 1- Employee wise details of options granted to Senior Managerial Personnel and details of options granted more than 5% in 1 year.

Name & Designation of Senior Managerial Personnel to whom stock options have been granted	Granted in fiscal year 2015-16 and outstanding as at March 31, 2018	Granted in fiscal year 2016-17 and outstanding as at March 31, 2018	Granted in fiscal year 2017-18 and outstanding as at March 31, 2018	Total outstanding options as at March 31, 2018
Vivek Gambhir, Managing Director & CEO	11,864	17,994	24,080	53,938
V Srinivasan, Chief Financial Officer & Company Secretary	1,922	3,150	4,066	9,138
Akhil Chandra, Business Head-ASEAN			5,352	5,352
Naveen Gupta, Cluster Head, Africa	2,966	4,498	5,352	12,816
Sunil Kataria, Business Head - India	2,966	4,498	6,422	13,886
Omar Momin, Business Head Darling & M&A	2,966	4,498	6,422	13,886
Rakesh Sinha, Head - Supply Chain, Manufacturing & IT	1,900	2,878	4,280	9,058
Rahul Gama, Head - Human Resources	1,482	2,250	3,210	6,942
Sunder Mahadevan, Head -R&D	1,482	2,250	3,210	6,942
Darshan Gandhi, Head - Design	712	1,080	1,284	3,076

*Option granted was more than 5% of the options granted in 1 year.

The above disclosures can also be accessed in the Company website viz. http://godrejcp.com/annual-reports.aspx

ANNEXURE 'I'

Form No. MR – 3

FOR THE FISCAL YEAR ENDED MARCH 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
Godrej Consumer Products Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed, and other records maintained by the company as well as the information provided by the Company, its officers, agents, and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the fiscal year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner reported and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by company for the fiscal year ended on March 31, 2018, according to the provisions of

(i) The Companies Act, 2013 (the Act) and the rules made thereunder

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

(d) The Securities and Exchange Board of India (Share based Employee Benefit) Regulations, 2014

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / the Listing Agreements entered into by the Company with the BSE Limited and The National Stock Exchange of India Limited

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

The other laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company based on their sector/industry are:

a. Insecticide Act, 1968 and rules made thereunder

b. Legal Metrology Act and rules made thereunder

c. Drugs & Cosmetics Act, 1940

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the aforementioned laws applicable specifically to the Company.

We further report that

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

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

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

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

We further report that during the audit period the company has

i. issued shares on exercise of option under its Employee Stock Grant Scheme

ii. increased its authorised share capital from ₹ 42,00,00,000/- (Rupees Forty Two Crores only) to ₹ 70,00,00,000/- (Rupees Seventy Crores only) and made consequential amendment to Articles of Association and Memorandum of Association of the company

iii. issued 340,600,816 equity shares as Bonus shares in the ratio of 1 (one) share of ₹ 1/- each (Rupee One each) fully paid for every 1 (one) existing equity share of ₹ 1/- each (Rupee One each)

iv. amalgamated 2 (two) subsidiary companies viz. 'Godrej Consumer Products US Holding Limited' and 'Godrej Consumer Products Mauritius Limited' with the company.

v. made investments in subsidiaries.

For A. N. RAMANI & CO.,
Company Secretaries
Unique Code - P2003MH000900

Bhavana Shewakramani
Partner
FCS - 8636, COP –9577

Place: - Thane
Date: - May 8, 2018

Annexure to the Secretarial Audit Report

The Members
Godrej Consumer Products Limited

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

1. Maintenance of Statutory and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the financial records and books of Accounts of the company. We have relied on the report of the Statutory Auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The Company is following a system of obtaining reports from various departments to ensure compliance with applicable laws. The company is following an electronic compliance management system for compliance management to ensure compliance with applicable laws, rules, regulations and guidelines.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For A. N. RAMANI & CO.,
Company Secretaries
Unique Code - P2003MH000900

Bhavana Shewakramani
Partner
FCS - 8636, COP –9577

Place: - Thane
Date: - May 8, 2018

ANNEXURE 'J'

Practising company Secretary's Certificate on Corporate Governance

To the members of
Godrej Consumer Products Limited

We have examined the compliance of conditions of corporate governance by Godrej Consumer Products Limited ('the company') to the year ended on March 31st 2018, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulation').

Management Responsibility

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management including the preparation and maintenance of all relevant supporting records and documents.

PCS Responsibility

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations as applicable during the year ended March 31, 2018.

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

Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable any other purpose.

For **A. N. RAMANI & CO.,**
Company Secretaries
Unique Code - P2003MH000900

Bhavana Shewakramani
Partner
FCS - 8636, COP –9577

Place: - Thane
Date: - May 8, 2018

REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance refers to the framework of rules and practices through which the board of directors ensures accountability, fairness, and transparency in a company's relationship with all its stakeholders.

The Company is a part of the 121-year-old Godrej Group, which has established a reputation for honesty, integrity, and sound governance. The Company's philosophy on corporate governance envisages attainment of the highest levels of transparency, accountability, and equity in all facets of its operations and interactions with its stakeholders, including shareholders, employees, lenders, and the government. The Company is committed to achieve and maintain the highest standards of corporate governance. The Company believes that all its actions must serve the underlying goal of enhancing the overall stakeholder value over a sustained period of time.

Every year, since the fiscal year 2002-03, the Company has subjected itself to a voluntary review of its corporate governance practices by an external rating agency, namely the Investment Information and Credit Rating Agency (ICRA). The Company continues to enjoy the Corporate Governance Rating of CGR2+ (pronounced CGR two plus) and the Stakeholder Value Creation and Governance Rating of SVG1 (pronounced SVG one).

The two ratings evaluate whether a company is being run on the principles of corporate governance and whether the practices followed by the company lead to value creation for all its shareholders.

The CGR2 rating is on a rating scale of CGR1 to CGR6, where CGR1 denotes the highest rating. The CGR2+ rating implies that according to ICRA's current opinion, the rated company has adopted and follows such practices, conventions, and codes that would provide its financial stakeholders a high level of assurance on the quality of corporate governance.

The SVG1 rating is on a rating scale of SVG1 to SVG6, where SVG1 denotes the highest rating. The SVG1 rating implies that in ICRA's current opinion, the Company belongs to the highest category on the composite parameters of stakeholder value creation and management as well as corporate governance practices.

1. Board of Directors

GCPL's corporate governance practices are shaped by its Board of Directors. The Board is committed to protecting the long-term interests of all our stakeholders, and considering this, it provides objective and prudent guidance to the management. The information related to the procedures, composition, committees, and several other factors of the Board is provided below.

A. Board Procedures

GCPL currently has a 14-member Board, with 7 Independent Directors who are eminent professionals from diverse fields, with expertise in finance, information systems, marketing, and corporate strategy. None of the Independent Directors have had any material association with the Godrej Group in the past. GCPL's Board has a lead Independent Director, in line with the accepted best practices, to strengthen the focus and quality of discussion at the Board level.

The Board meets at least once in a quarter to review the Company's quarterly performance and financial results. Board meetings are governed with a structured agenda. The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company. Before the commencement of the Audit Committee meeting, the members of the Audit Committee-which entirely consists of Independent Directors-have a discussion with Statutory Auditors, in the absence of the management team and Whole-time Directors. For all major items, comprehensive background information is provided to the Board members to enable them to take an informed decision. Once a year, the Board members participate in a strategy meeting, in which they also interact with the management team of the Company. The Independent Directors also have a meeting among themselves, after which they provide their insights to the entire Board and the management team.

During the year, the Company has conducted the familiarisation program for all the Independent Directors to assist them in performing their role as Independent Directors. The details of the same are available on the website of the company which can be accessed through the following link[1].

(i) Composition of the Board

The Board composition is as follows:

Category	No. of Directors as on March 31, 2018
i) Non-Independent Directors	
Executive Chairperson	1
Managing Director	1
Executive Director	1
Non-Executive Promoter Directors	4
Sub Total	**7**
ii) Independent Directors	**7**
Total Strength (i + ii)	**14**

(ii) Other relevant details of the Directors

Name of Directors	Date of Original Appointment	Relationship With other Directors	Category	Number of Directorships Held in Indian Public Limited Companies (including GCPL)*	Committee Positions including GCPL		Shares Held
					Committee Member (Excluding Committee Chairperson) **	Committee Chairperson **	
Adi Godrej	November 29, 2000	Brother of Nadir Godrej and Father of Tanya Dubash, Nisaba Godrej, and Pirojsha Godrej	Promoter/ Executive	4 (3)	1	1	1000
Jamshyd Godrej	March 1, 2001	None	Promoter/ Non-Executive	6 (4)	1	0	32,13,616***
Nadir Godrej	November 29, 2000	Brother of Adi Godrej	Promoter/ Non-Executive	10 (7)	3	3	18,34,908
Tanya Dubash	May 2, 2011	Daughter of Adi Godrej and Sister of Nisaba Godrej and Pirojsha Godrej	Promoter/ Non-Executive	7 (3)	1	1	21,42,108

[1] http://godrejcp.com/Resources/uploads/compliance_other_updates/FamiliarisationProgrammeforIDs201718.pdf

Name of Directors	Date of Original Appointment	Relationship With other Directors	Category	Number of Directorships Held in Indian Public Limited Companies (including GCPL)*	Committee Positions including GCPL: Committee Member (Excluding Committee Chairperson) **	Committee Positions including GCPL: Committee Chairperson **	Shares Held
Nisaba Godrej	May 2, 2011	Daughter of Adi Godrej and Sister of Tanya Dubash and Pirojsha Godrej	Promoter/ Executive Chairperson	4 (2)	0	0	21,42,122
Pirojsha Godrej	Apr 01, 2017	Son of Adi Godrej and Brother of Tanya Dubash and Nisaba Godrej	Promoter/ Non-Executive	2 (2)	1	0	21,42,150
Vivek Gambhir	April 30, 2013	None	Managing Director & CEO	2 (1)	2	0	1,14,522 ****
Narendra Ambwani	May 2, 2011	None	Non-Executive/ Independent	6 (4)	6	0	2,000
Pippa Tubman Armerding	January 30, 2018	None	Non-Executive/ Independent	1 (1)	1	0	Nil
Bharat Doshi	April 01, 2001	None	Non-Executive/ Independent	4 (2)	2	1	27,428
Omkar Goswami	June 18, 2008	None	Non-Executive/ Independent	8 (7)	7	0	Nil
Aman Mehta	April 26, 2006	None	Non-Executive/ Independent	6 (6)	6	1	Nil
Ndidi Nwuneli	April 01, 2017	None	Non-Executive/ Independent	1 (1)	1	0	Nil
Ireena Vittal	April 30, 2013	None	Non-Executive/ Independent	6 (6)	7	0	Nil

*Does not include Directorships in Private Companies, Section 8 Companies, and Foreign Companies.

**Does not include Chairmanship/Membership in Board Committees other than the Audit Committee, the Shareholders' Grievance Committee and Chairmanship/Membership in Board Committees in companies other than public limited companies registered in India.

***Held as one of the Trustee of Raika Godrej Family Trust.

****Under the Employee Stock Grant Scheme of the Company, Mr. Vivek Gambhir additionally holds 53,938 options that are convertible into equivalent equity shares on their vesting and exercise. The options will vest in tranches, and the same has to be exercised within 1 month of the respective vesting dates.

Notes:

- Figures in brackets denote Directorships in listed companies

(iii) Re-appointment of Directors liable to retire by rotation

The Board has five Directors whose period of office is liable to be determined for retirement by rotation, and of these five directors, one-third, i.e. two Directors, shall retire at the Annual General Meeting. Thus, Ms. Tanya Dubash and Mr. Vivek Gambhir will retire at the ensuing Annual General Meeting of the Company and will be considered for re-appointment because of their eligibility. Their brief resume is annexed to the notice of the Annual General Meeting.

(iv) Changes in Independent Directors on the Board

Mr. D Shivakumar resigned as the Independent Director of the Company with effect from November 1, 2017. The Board, at its meeting held on January 30, 2018, approved the appointment of Ms. Pippa Tubman Armerding as the additional Independent Director of the Company. Ms. Pippa meets the criteria for Independent Director as per the provisions of the Companies Act, 2013 and the Listing Regulations. Her appointment will be regularised in the ensuing Annual General Meeting. Post this appointment, the Board composition has changed to 14 Directors comprising 7 independent directors and 7 non-independent directors.

(v) Change in Leadership Positions

The Board, at its meeting held on May 09, 2017, approved the changes in the leadership positions of the Company. Ms. Nisaba Godrej, who was an Executive Director, is now the Executive Chairperson, and Mr. Adi Godrej is continuing as the Whole-time Director assuming the position of Chairman Emeritus with effect from May 10, 2017. Mr. Vivek Gambhir, Managing Director, has been designated as Managing Director and CEO with effect from May 09, 2017.

B. Committees of the Board

The Company has constituted an Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Stakeholders Relationship Committee formed in accordance with Regulation 20 of the Listing Regulations and Section 178 of the Companies Act, 2013 inter alia looks into investor grievances. The Company has also formed a Nomination & Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, which look after the appointment, remuneration, and performance evaluation of Directors. The Company also has a Risk Management Committee in accordance with Regulation 21 of the Listing Regulations.

The composition of the Committees is as below:

Name of the Directors	Category of the Directors	Position in the Committee				
		Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee	Corporate Social Responsibility Committee
Adi Godrej	Promoter and Executive	None	None	Member	None	None
Jamshyd Godrej	Promoter and Non-Executive	None	None	Member	None	None
Nadir Godrej	Promoter and Non-Executive	None	None	Chairman	None	Chairman
Nisaba Godrej	Promoter and Executive Chairperson	None	None	None	Member	Member
Tanya Dubash	Promoter and Non-Executive	None	None	None	None	Member
Pirojsha Godrej	Promoter and Non-Executive	None	None	None	None	None
Vivek Gambhir	Executive	None	None	Member	Member	Member
Narendra Ambwani	Independent	Member	Chairman	None	None	Member
Pippa Armerding	Independent	Member	Member	None	None	None
Bharat Doshi	Independent	Chairman	Member	None	None	None
Omkar Goswami	Independent	Member	Member	None	Chairman	None
Aman Mehta	Independent	Member	Member	None	None	None
Ndidi Nwuneli	Independent	Member	Member	None	None	None
Ireena Vittal	Independent	Member	Member	None	None	None
Total Strength of the Committee		7	7	4	5	5
No. of Independent Directors in the Committee		7	7	-	1	1
No. of Non-Independent Directors in the Committee		-	-	4	2	4
Members of Senior Management in the Committee		-	-	-	2	-

The composition of the Committees is as below:

Mr. V. Srinivasan, Chief Financial Officer & Company Secretary, is the Secretary of all the Board Committees. He is also the Compliance Officer of the Company and responsible for redressing investor grievances.

C. Attendance details at Board/Committee meetings and at the last Annual General Meeting

Name of Meeting	Board	Audit Committee	Nomination & Remuneration Committee	Corporate Social Responsibility	Stakeholders' Relationship Committee	Risk Management Committee	AGM July 31, 2017
No. of Meetings held>	4	4	2	2	12	1	1
Attendance of the Director							
Adi Godrej	4	NA	NA	NA	11	NA	Yes
Jamshyd Godrej	3	NA	NA	NA	8	NA	No
Nadir Godrej	4	NA	NA	2	9	NA	Yes
Tanya Dubash	3	NA	NA	1	NA	NA	Yes
Nisaba Godrej	4	NA	NA	2	NA	1	Yes
Pirojsha Godrej	4	NA	NA	NA	NA	NA	Yes

Name of Meeting	Board	Audit Committee	Nomination & Remuneration Committee	Corporate Social Responsibility	Stakeholders' Relationship Committee	Risk Management Committee	AGM July 31, 2017
Vivek Gambhir	4	NA	NA	2	9	1	Yes
Narendra Ambwani	4	4	2	2	NA	NA	Yes
Pippa Armerding**	1	NA	NA	NA	NA	NA	NA
Bharat Doshi	4	4	2	NA	NA	NA	Yes
Omkar Goswami	4	4	2	NA	NA	1	Yes
Aman Mehta	4	4	2	NA	NA	NA	Yes
Ndidi Nwuneli	4	4	2	NA	NA	NA	Yes
Ireena Vittal	4	4	2	NA	NA	NA	Yes
D Shivakumar*	2	2	1	NA	NA	NA	No

Notes:

* D Shivakumar resigned as the Independent Director of the Company with effect from November 01, 2017.

** Pippa Armerding was appointed as the additional Independent Director at the Board Meeting held on January 30, 2018.

Notes:

- Board & Audit Committee meetings were held on May 09, 2017; July 31, 2017; November 01, 2017, and January 30, 2018.
- Nomination and Remuneration Committee meetings were held on May 09, 2017 and January 30, 2018.
- Stakeholders' Relationship Committee meetings were held on April 14, 2017; May 11, 2017; May 30, 2017; July 10, 2017; August 14, 2017; September 04, 2017; October 12, 2017; November 07, 2017; November 29, 2017; January 10, 2018; February 21, 2018; and March 21, 2018.
- Risk Management Committee meeting was held on January 29, 2018.
- The maximum gap between any two Board meetings did not exceed 120 days during the year.
- Leave of absence was granted to the Directors whenever they could not be physically present for the Board/ Committee meeting.
- 'NA' indicates not a member of the Committee.

D. Terms of reference of Board Committees

(i) Audit Committee:

The terms of reference for the Audit Committee includes the matters specified in Section 177 of the Companies Act, 2013 as well as Part C of Schedule II of Listing Regulations such as:

(1) oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;

(2) recommendation for appointment, remuneration, and terms of appointment of auditors of the Company;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements related to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

(5) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(6) reviewing, with the management, the statement of uses/application of funds raised through an issue, such as public, rights, or preferential issues, the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to initiate steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance as well as the effectiveness of the audit process;

(8) approval or any subsequent modification of the transactions of the Company with related parties;

(9) scrutiny of intercorporate loans and investments;

(10) valuation of undertakings or assets of the Company, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, the performance of statutory and internal auditors and the adequacy of internal control systems;

(13) reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting the structure coverage and frequency of internal audit;

(14) discussion with internal auditors of any significant findings and follow up there on;

(15) reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the board;

(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) identification of the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends), and creditors;

(18) review the functioning of the Whistle Blower mechanism;

(19) approval of the appointment of Chief Financial Officer after assessing the qualifications, experience, and background of the candidate;

(20) performing any other function as is mentioned in the terms of reference of the Audit Committee.

(ii) Nomination & Remuneration Committee:

The terms of reference of the Nomination & Remuneration Committee are as follows:

(1) formulation of criteria for determining qualifications, positive attributes, and independence of a Director and recommend to the Board of Directors a policy related to the remuneration of the Directors, key managerial personnel, and other employees;

(2) formulation of criteria for the evaluation of performance of Independent Directors and the Board of Directors;

(3) devising a policy on the diversity of Board of Directors;

(4) identifying individuals who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

(5) Deciding whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors. The criteria for the evaluation of Independent Directors include skills, experience, and level of preparedness of the directors, attendance and extent of contribution to Board debates and discussion, and how the director leverages his/her expertise and networks to meaningfully contribute to the Company.

(iii) Stakeholders' Relationship Committee

The terms of reference of the Stakeholders' Relationship Committee is redressing grievances of shareholders, debenture holders, and other security holders. The Committee shall consider and resolve the grievances of the security holders of the Company, including complaints like transfer/ transmission of shares, non-receipt of the Annual Report, and non-receipt of declared dividends as well as those required under Companies Act, 2013.

(iv)Risk Management Committee

The terms of reference of the Committee are as follows:

a) Spearhead risk management initiative within the Company;

b) Review status of actions planned;

c) Review progress and status of mitigation for the 'Risk That Matter';

d) Set standards for risk documentation and monitoring;

e) Improve risk management techniques and enhance awareness.

(v) Corporate Social Responsibility Committee

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;

b) Recommend the amount of expenditure to be incurred on activities referred to;

c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

2. Remuneration Policy

The Remuneration Policy of the Company has been provided in the Directors' Report section of the Annual Report as Annexure 'B'.

Remuneration to Directors:

The details of the remuneration to Directors are as follows:

₹ in crore

Name of Director	Sitting Fees	Commission on Profits	Salary, Allowances and Other Benefits	Company's Contribution to PF	PLVR	Monetary Value of Perquisites	Total
Whole-Time Directors							
Adi Godrej	-	-	4.47	0.21	1.44	1.46	7.58
Nisaba Godrej			3.49	0.17	2.30	0.49	6.45
Vivek Gambhir			7.06	0.31	8.85	3.47	19.69
Non-Executive Directors							
Jamshyd Godrej	0.03	0.20	-	-	-	-	0.23
Nadir Godrej	0.04	0.20	-	-	-	-	0.24
Tanya Dubash	0.03	0.20	-	-	-	-	0.23
Pirojsha Godrej	0.04	0.20					0.24
Narendra Ambwani	0.06	0.20	-	-	-	-	0.26
Bharat Doshi	0.05	0.20	-	-	-	-	0.25
Omkar Goswami	0.05	0.20	-	-	-	-	0.25
Aman Mehta	0.05	0.20	-	-	-	-	0.25
D Shivakumar	0.03	0.12	-	-	-	-	0.15
Ireena Vittal	0.05	0.20	-	-	-	-	0.25
Ndidi Nwuneli	0.05	0.20					0.25
Pippa Armerding	0.00	0.03					0.03
Total	**0.48**	**2.15**	**15.02**	**0.69**	**12.59**	**5.42**	**36.35**

Notes:

- IIn the case of Mr. Adi Godrej, salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites includes accommodation, car, electricity expenses, reimbursement of medical/ hospitalisation expenses incurred for self and family and medical insurance premium paid by the Company.
- In the case of Ms. Nisaba Godrej and Mr. Vivek Gambhir, salary includes basic salary and various elements of flexible compensation. Additionally, the perquisites received by Mr. Vivek Gambhir include value of stock grants.
- The Performance Linked Variable Remuneration (PLVR) Ms. Nisaba Godrej, and Mr. Vivek Gambhir is the amount payable for FY 2017-18, as per the scheme of the Company. The same is based on the profitability and optimum utilisation of capital employed over the last year.
- The service contract or Mr Adi Godrej is for a period of three years with effect from April 1, 2016. The service contracts of Ms .Nisaba Godrej and Mr Vivek Gambhir are for a period of three years with effect from July 1, 2016. All the three contracts are terminable from either side with three months notice.
- Non-Executive Directors are paid commission on profits at a rate not exceeding 1% of the net profits of the Company in any financial year (computed in the manner provided in Section 197 and 198 of the Companies Act, 2013) or ₹ 20 lakh per director per annum, whichever is lower.
- All the Independent Directors except Ms. Ndidi Nwuneli and Ms. Pippa Armerding were originally appointed in terms of the erstwhile Listing Agreement (refer the table containing other relevant details of the Directors under Para 1 of Board of Directors for the original date of appointment). After the notification of Companies Act, 2013, these Independent Directors have been appointed for period of 5 years.

• Mr. Vivek Gambhir has been granted stock options, the details of which are as follows:

Grant year	No. of options	Options exercised	Options outstanding	Vesting dates of outstanding options
2015-16	29,663	17,799	11,864	31.05.2018
2016-17	26,992	8998	8998	31.05.2018
			8996	31.05.2019
2017-18	24,080	Nil	8026	19.06.2018
			8026	31.05.2019
			8028	31.05.2020

3. Details of stakeholder complaints

Sr. No.	Nature of Complaint/Query	Total Complaints Pending at the Beginning of the Year	Total Complaints Received During the Year	Total Complaints Replied During the Year	Total Complaints Pending at the End of the Year	Complaints Not Resolved to the Satisfaction of Shareholders
1.	Non-receipt of Dividend	Nil	96	96	0	0
2.	Non-receipt of shares lodged for transfer/exchange	Nil	100	100	0	0
3.	Non-receipt of the Annual Report	Nil	11	11	0	0
4.	Others	Nil	6	6	0	0
	Total	**Nil**	**213**	**213**	**0**	**0**

4. General Body Meetings

A. Annual General Meeting

Details of the last three Annual General Meetings of GCPL are as follows:

Date	Time	Venue	Details of special resolutions passed
July 29, 2015	3.30 p.m.	Y. B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai: 400021	• Private placement of Non-Convertible Debentures up to an amount of ₹ 300 crore • Approval for acquiring and holding of equity shares by Foreign Institutional Investors up to a limit of 40 per cent of the paid-up equity share capital of the Company
July 29, 2016	4.00 p.m.	Godrej One, 1st Floor Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079	• Re-appointment of Mr. Adi Godrej as Whole-time Director, designated as Chairman
July 31, 2017	3.00 p.m.	Godrej One, 1st Floor Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079	• Ratification of remuneration payable to M/s. P. M. Nanabhoy & Co., appointed as Cost Auditors of the Company for fiscal year 2017-18 • Appointment of Mr. Pirojsha Godrej as a Non-Executive Director • Appointment of Ms. Ndidi Nwuneli as an Independent Director • To fix commission on profits for Non-Executive Directors and Independent Directors of the Company

B. Postal Ballot

During FY 2017-2018, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, and any other applicable provisions of the Companies Act, 2013, one special resolution was passed by the members through postal ballot for alteration of Articles of Association of the Company.

The notice of the postal ballot dated May 12, 2017 was sent to all shareholders of the Company along with postage prepaid envelopes. Mr. Kalidas Vanjpe, Practicing Company Secretary, was appointed as the Scrutiniser for the Postal Ballot and submitted his report to Ms. Nisaba Godrej, Chairperson.

The results of the Postal Ballot were announced on June 19, 2017, and the details are as follows:

Category	Mode of Voting	No.of shares held -1	No.of votes cast -2	% of Votes cast on outstanding shares (3)=[(2)/(1)]* 100	No. Of Votes – in favour -4	No. of Votes – against -5	% of Votes in favour on votes cast (6)=[(4)/(2)]*100	% of Votes against on votes cast (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	21,54,96,082	20,97,49,130	97.33%	20,97,49,130	-	100.00%	0.00%
	Poll				NA			
	Postal Ballot		57,46,952	2.67%	57,46,952	-	100.00%	0.00%
	Total	**21,54,96,082**	**21,54,96,082**	**100.00%**	**21,54,96,082**	**-**	**100.00%**	**0.00%**
Public-Institutions	E-Voting	10,44,10,129	8,16,15,538	78.17%	8,15,81,051	34,487	99.96%	0.04%
	Poll				NA			
	Postal Ballot		0	0.00%	0	-	0.00%	0.00%
	Total	**10,44,10,129**	**8,16,15,538**	**78.17%**	**8,15,81,051**	**34,487**	**99.96%**	**0.04%**
Public-Non Institutions	E-Voting	2,06,94,605	8,54,692	4.13%	8,54,000	692	99.92%	0.08%
	Poll				NA			
	Postal Ballot		23,332	0.11%	23,067	265	98.86%	1.14%
	Total	**2,06,94,605**	**8,78,024**	**4.24%**	**8,77,067**	**957**	**99.89%**	**0.11%**
Total		**34,06,00,816**	**29,79,89,644**	**87.49%**	**29,79,54,200**	**35,444**	**99.99%**	**0.01%**

5. Means of Communication

GCPL has sent a quarterly newsletter on registered email addresses of the investors. Moreover, all vital information related to the Company and its performance, including quarterly results, press releases, and performance updates/ corporate presentations, and the information required by the Listing Regulations are posted on the Company's website - www.godrejcp.com. The quarterly, half-yearly, and annual results of the Company's performance are generally published in leading English dailies, such as The Economic Times, Business Line, and Mint, as well as in the Marathi newspaper Maharashtra Times. The Chairperson holds conference calls/meetings with financial analysts once in a quarter, and their transcripts are posted on the website soon after. The presentations made to financial analysts and institutional investors are being shared with the Stock Exchanges and also being uploaded on the Company's website. The same may be accessed through the link given below[2]. The Company files its quarterly results on the Electronic filing system of the BSE and NSE. The same are also available on the websites of the BSE Limited and National Stock Exchange of India Limited (NSE), viz. www.bseindia.com and www.nseindia.com, respectively.

[2] http://godrejcp.com/investor-meet-presentations.aspx

6. General Shareholder Information

A. Annual General Meeting

Date and Time:	**Monday, July 30, 2018, at 3.00 p.m.**
Venue :	Godrej One, 1st Floor Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079

B. Financial Calendar

Financial year:	**April 1, 2017 to March 31, 2018**

C. Interim Dividends during FY 2017–18

Declared at Board Meeting dated	Dividend rate per share on shares of face value ₹ 1 each	Record date
May 9, 2017	₹ 12.00*	May 17, 2017
July 31, 2017	₹ 1.00	August 8, 2017
November 1, 2017	₹ 1.00	November 9, 2017
January 30, 2018	₹ 1.00	February 7, 2018
	₹ 15.00	

*Note: The dividend declared on May 9, 2017 is on the pre-bonus paid up capital and all the subsequent dividends are on the post-bonus paid up capital. Subsequent to the close of FY 2017-18, the Board has declared an Interim Dividend of ₹ 7 per equity share. The Record date for the same is May 16, 2018. This dividend will be accounted in FY 2018-19.

D. Listing

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

Name & Address of the Stock Exchange	Segment	Stock/Scrip Code	ISIN number for NSDL/ CDSL
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	Equity	532424	INE102D01028
The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	Equity; Futures & Options (F&O)	GODREJCP	

The applicable listing fees has been paid to the Stock Exchanges before the due date.

E. Market Price Data

The monthly high and low prices of GCPL at the BSE Limited and the National Stock Exchange of India Limited in Equity series for the year ended March 31, 2018, are as follows:

Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-17	1795.00	1633.35	1798.00	1631.10
May-17	1956.20	1727.80	1958.35	1727.00
Jun-17*	1964.00	937.00	1965.50	936.00
Jul-17	1083.65	943.95	1083.00	941.65
Aug-17	1037.00	860.65	1020.00	859.15
Sep-17	960.05	889.55	960.00	888.45
Oct-17	997.35	910.00	997.40	910.00
Nov-17	1027.15	902.35	1029.00	900.40
Dec-17	1034.00	959.10	1037.00	959.05
Jan-18	1124.70	972.20	1128.00	971.00
Feb-18	1099.60	985.05	1099.45	996.60
Mar-18	1123.05	1042.45	1125.10	1042.60

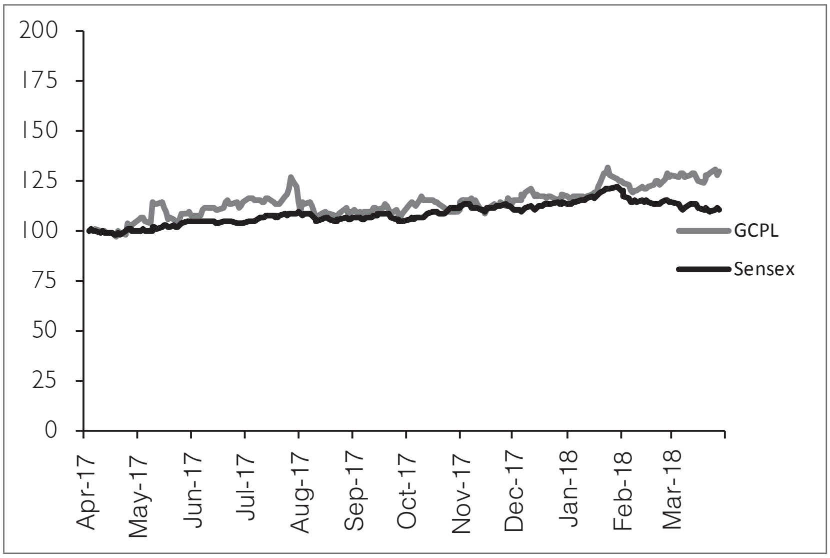
*The data with effect from June 2017 reflects the position post listing of Bonus Equity Shares by the Company in a ratio of 1:1. The High and Low in prices post June 2017 are not comparable with pre-June data due to bonus price.

Source: Websites of the respective stock exchanges

Note: High and low are in rupees per traded share

F. GCPL's share price at BSE versus the Sensex

GCPL's share performance compared with the BSE Sensex for FY 2017 -18 is as follows:



Note:

- Both the BSE Sensex and GCPL share price are indexed to 100 at the beginning of the financial year

G. Registrar and Transfer Agents

Computech Sharecap Limited, 147, M.G. Road, Opp. Jehangir Art Gallery, Mumbai - 400001

Tel. No.: 022 22635000/01 Fax: 022 22635005 Email ID: gcpl@computechsharecap.in Website: www. computechsharecap. com

H. Share Transfer

GCPL's share transfers and other related operations are performed by Computech Sharecap Limited, registered with SEBI as a Category I Registrar. Share transfer is normally effected within a maximum of 15 days from the date of receipt, if all the required documentation is submitted.

I. Distribution of Shareholding

Distribution of shareholding by size class as on March 31, 2018

Number of shares	Number of shareholders	Shareholders %	Number of shares held	Shareholding %
1-500	75,468	83.95%	10,19,92,77	1.50%
501-1,000	7,238	8.05%	5,26,00,70	0.77%
1,001-2,000	4,310	4.79%	58,47,278	0.86%
2,001-3,000	995	1.11%	24,72,479	0.36%
3,001-4,000	414	0.46%	14,97,158	0.22%
4,001-5,000	215	0.24%	9,76,423	0.14%
5,001-10,000	414	0.46%	29,59,904	0.43%
10,001 & above	843	0.94%	65,21,16,929	95.71%
Total	**89,897**	**100.00%**		**100.00%**

Distribution of shareholding by ownership as on March 31, 2018:

Category	Shares held (No.)	% of holding
Promoter's Holding		
Promoters	43,09,92,164	63.26%
Institutional Investors		
Mutual Funds	46,91,636	0.69%
Banks/Financial Institutions	13,25,372	0.19%
Insurance Companies	92,56,228	1.36%
Foreign Institutional Investors	19,08,24,502	28.01%
Others		
Private Corporate Bodies	94,72,571	1.39%
Indian Public	30,14,93,21	4.43%
NRI/OCB's	4,61,77,24	0.68%
Total	**68,13,29,518**	**100.00%**

J. Shares held in the Physical and Dematerialised Forms

Breakup of physical and dematerialised shares as on March 31, 2018:

	Number of shares	%	Number of folios	%
Physical	80,70,443	1.19%	22,894	25.47%
Demat	673,259,075	98.81%	67,003	74.53%
Total	**68,13,29,518**	**100.00%**	**89,897**	**100.00%**

Shares held in the Demat mode have more liquidity compared with those held in physical mode. Therefore, the Company urges shareholders holding shares in the physical form to convert their shareholdings to the demat mode.

K. Outstanding GDRs/ADRs/ Warrants/Convertible Instruments and their Impact on Equity

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

L. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company has foreign exchange risk and the mitigation of the same is managed by the FOREX Committee. The Company has entered into forward contracts to hedge some of the risks. Details of hedged and unhedged positions are available in the Notes to Financial Statements in the Annual Report.

M. Plant Locations

The Company's plants are located in the following states:

Name of the State	Location of Plant
Jammu & Kashmir	SICOP Industrial Estate-Kathua, Hatli Moth-Kathua, Bari Brahmana-Samba Dist.
Himachal Pradesh	Thana-Baddi, Katha-Baddi
Sikkim	Namchi
Assam	Village Sila, Kalapahar, Lokhra
Meghalaya	Byrnihat, Rebhoi District
Madhya Pradesh	Malanpur Industrial Area, District Bhind
Pondicherry	Kattukuppam - Manpet Post, Nallur Village-Mannadipet Commune, Nedungadu Commune-Karaikal, Thirunallar Commune-Karaikal
Tamil Nadu	Maraimalainagar-Kanjipuram Dist.

N. Address for Correspondence

Members can contact us at our Registered Office:

Godrej Consumer Products Limited, 4th Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079

Tel. No. : 022 25188010/20/30
Fax No. : 022 25188040;
Email ID: investor.relations@godrejcp.com

Website: www.godrejcp.com CIN: L24246MH2000PLC129806

Investor correspondence should be addressed to M/s. Computech Sharecap Limited, whose address is provided in this section of the Annual Report. To allow us to serve shareholders with greater speed and efficiency, the Company strongly recommends email-based correspondence on all issues, which do not require signature verification for being processed.

Shareholders are expected to update any change in their residential address with our RTA to avoid non-receipt of dividends, annual reports, etc. You can download the form through the link given below[3] and submit it with our RTA.

O. Electronic Credit of Dividend

The Company would encourage the shareholders to opt for electronic credit of dividend. The system is administered by the RBI, which ensures faster credit of dividends as dividends are directly credited in the electronic form to the bank accounts of the shareholder. Moreover, by availing this facility, shareholders avoid the risk of loss of dividend warrants in transit or fraudulent encashment. Shareholders holding shares in the physical form and who have not opted for the above system may provide the required data to Computech Sharecap Limited in the requisite form, which can be obtained either from GCPL's registered office or Computech Sharecap Limited or downloaded from the link given below[3]. Shareholders holding shares in the demat form are requested to provide details to NSDL/CDSL through their respective depository participants.

It may be noted that if the shareholders holding shares in the demat form provide the details directly to the Company, the Company will not be able to act on the same and consequently dividends cannot be remitted through electronic credit.

P. Consolidation of Shares under one folio

The Company would urge shareholders holding shares of GCPL under different folios to consolidate the shares under one folio. This would substantially reduce paperwork and transaction costs and benefit the shareholders and the Company. Shareholders can do so by writing to the Registrar with details on folio numbers, order of names, shares held under each folio, and the folio under which all shareholding should be consolidated. Share certificates need not be sent.

7. Other Disclosures

A. Materially significant related party transaction that may potentially conflict with the Company's interest

During FY 2017-18, there were no materially significant related party transactions; that is, transactions of the Company of material nature with bodies including its subsidiaries, promoters, directors, management, and relatives, which may have potential conflict with the interests of Company at large. Attention of members is drawn to disclosures of transactions with related parties, as set out in Notes to Accounts.

B. Details of Non-compliance

There has not been any noncompliance of mandatory requirements, expected of the Company. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI, or any statutory authority for matters related to capital markets during the last 3 years.

C. Vigil Mechanism/ Whistle Blower policy

With a view to establish a mechanism for protecting employees reporting unethical behaviour, frauds, or violation of the Company's Code of Conduct, the Board of Directors have adopted a Whistle Blower Policy. No person has been denied access to the Audit Committee.

D. Web link for Policies

The Whistle Blower Policy, the Policy for determining Material Subsidiaries, and the Policy

[3] http://godrejcp.com/investor-faq.aspx

on dealing with Related Party Transactions are available on the link given below[4].

E. Details of Compliance with Corporate Governance Requirements

The Company has complied with the requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

8. Practicing Company Secretary's Certificate on Corporate Governance

As stipulated in Para E of Schedule V of the Listing Regulations, the Practicing Company Secretary's Certificate regarding the compliance of conditions of corporate governance is attached with the Directors' Report.

Declaration by the Managing Director & CEO

I, Vivek Gambhir, Managing Director & CEO of Godrej Consumer Products Limited (GCPL) hereby confirm pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, that

- The Board of Directors of GCPL has laid down a Code of Conduct for all the Board members and senior management of the Company. The said Code of Conduct has also been posted on the Investors page of the Company website www.godrejcp.com
- All the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the year ended March 31, 2018.

For Godrej Consumer Products Ltd.

sd/-
Vivek Gambhir
Managing Director & CEO

Mumbai, May 8, 2018

[4] http://godrejcp.com/codes-and-policies.aspx

STANDALONE FINANCIALS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ CONSUMER PRODUCTS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Godrej Consumer Products Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Ind AS financial statements")

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31 March 2018, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Other matters

The comparative financial information of the Company for the year ended 31 March 2017 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated 9 May 2017 expressed an unmodified opinion. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements; - Refer Note 40 to the standalone Ind AS financial statements.
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
      iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

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

Vijay Mathur
Partner
M. No.: 046476

Mumbai: May 08, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were physically verified by the management during the year and the discrepancies reported on such verification were not material and have been properly dealt with in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.

(c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 3 to the standalone Ind AS financial statements are held in the name of the Company.

(ii) The inventory, except goods-in-transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have been substantially confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or guarantees provided to the parties covered under Section 186. The Company has not granted any loans or provided any security to the parties covered under Section 186 of the Act.

(v) The Company has not accepted deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed thereunder apply. Accordingly, paragraph (v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess, professional tax and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess, professional tax and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in the Appendix I to this report.

(viii) The Company does not have any loans or borrowings from any bank or Government, nor has it issued any debentures. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions.

(ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of paragraph 3(ix) of the Order are not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co LLP**
Chartered Accountants
Firm's Registration No.101248W/W-100022
Vijay Mathur
Partner
M. No.: 046476

Mumbai: May 08, 2018

Annexure A to the Independent Auditor's Report - 31 March 2018 (Referred to in our report of even date)

Appendix I

Name of the Statute	Nature of dues	Amount in crores* (₹)	Period to which amount relates	Forum where dispute is pending
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	23.88	2002 to 2014	Supreme Court
		9.78	1999 to 2010	High court
		0.59	2007 to 2017	Joint commissioner
		1.40	2009-10 2012-13	Joint commissioner (Appeal)
		5.30	2006 to 2014	Appellate authority
		2.42	2010 to 2016	Assessing Officer
		0.17	2005-06 2006-07	Appellate Assistant Commissioner
		2.09	2005 to 2007 2015-16	Assistant Commissioner
		1.26	2004-05 2006-07	Appellate and Revisional Board
		1.15	2009-10 and 2014-15	Deputy Commissioner
		0.21	1998-99	Deputy Commissioner (Appeals)
		2.33	2000 to 2015	Tribunal
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	38.29	2007-08 to 2010-11	Commissioner of Central Excise
		6.62	2004 to 2015	Commissioner (Appeals)
		69.35	2006 to 2015	Customs, Excise and Service Tax Appellate Tribunal of various states
		8.31	1993-1996	Supreme Court
Income tax Act, 1961	Income tax (including interest and penalty, if applicable)	8.63	2005 to 2010	High court
		5.68	2005 to 2006	Income tax Appellate Tribunal

*Net of amounts paid in protest.

Annexure B to the Independent Auditor's Report- 31 March 2018 on Standalone Ind AS Financial Statements

(Referred to in our report of even date)

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

We have audited the internal financial controls over financial reporting of Godrej Consumer Products Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by ICAI.

For **B S R & Co LLP**
Chartered Accountants
Firm's Registration No.101248W/
W-100022
Vijay Mathur
Partner
M. No.: 046476

Mumbai: May 08, 2018

BALANCE SHEET AS AT MARCH 31, 2018

₹ Crore

	Note No.	As at March 31, 2018	As at March 31, 2017
I. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment	3	**489.68**	457.43
(b) Capital work-in-progress		**50.58**	37.03
(c) Goodwill	4	**2.48**	2.48
(d) Other Intangible assets	4	**821.90**	823.59
(e) Intangible assets under development		**1.80**	2.32
(f) Financial Assets			
(i) Investments in subsidiaries and associates	5	**2,949.61**	2,785.54
(ii) Other Investments	6	**105.20**	216.51
(iii) Loans	7	**16.32**	15.33
(iv) Others	8	**4.27**	12.08
(g) Other non-current assets	9	**46.01**	35.92
(h) Non-current Tax Assets (Net)	10	**19.66**	20.67
Total Non-Current Assets		**4,507.51**	4,408.90
2. Current assets			
(a) Inventories	11	**576.25**	561.92
(b) Financial Assets			
(i) Investments	12	**847.65**	652.86
(ii) Trade receivables	13	**248.58**	209.33
(iii) Cash and cash equivalents	14 A	**86.11**	88.00
(iv) Bank balances other than (iii) above	14 B	**12.00**	10.45
(v) Loans	15	**0.25**	0.11
(vi) Others	16	**193.24**	176.35
(c) Other current assets	17	**152.49**	47.70
		2,116.57	1,746.72
(d) Non-current Assets held for sale	18	**-**	6.49
Total Current Assets		**2,116.57**	1,753.21
TOTAL ASSETS		**6,624.08**	6,162.11
II. EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share capital	19	**68.13**	34.06
(b) Other Equity	20	**4,573.46**	4,339.55
Total Equity		**4,641.59**	4,373.61
2. LIABILITIES			
Non-current liabilities			
(a) Provisions	21	**51.66**	40.95
(b) Deferred tax liabilities (Net)	22	**228.46**	224.24
(c) Other non-current liabilities	23	**17.75**	27.32
Total Non-Current Liabilities		**297.87**	292.51
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	**-**	148.97
(ii) Trade payables	25	**1,452.92**	1,120.36
(iii) Other financial liabilities	26	**39.00**	34.18
(b) Other current liabilities	27	**154.81**	155.55
(c) Provisions	28	**36.93**	35.72
(d) Current tax Liabilities (Net)		**0.96**	1.21
Total Current Liabilities		**1,684.62**	1,495.99
TOTAL EQUITY AND LIABILITIES		**6,624.08**	6,162.11

The accompanying notes 1 to 52 are an integral part of the Standalone Financial Statements.

As per our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 8, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

₹ Crore

		Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Revenue				
I	Revenue from Operations	29	**5,354.74**	5,088.99
II	Other Income	30	**73.89**	63.60
III	**Total Income (I + II)**		**5,428.63**	5152.59
IV	**Expenses**			
	Cost of Materials Consumed	31	**1,884.95**	1,834.77
	Purchases of Stock-in-Trade		**247.42**	216.26
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	**46.24**	(3.79)
	Excise Duty		**93.72**	340.89
	Employee Benefits Expense	33	**355.51**	299.01
	Finance Costs	34	**51.89**	36.06
	Depreciation and Amortization Expense	35	**63.30**	56.68
	Other Expenses	36	**1,396.59**	1,265.54
	Total Expenses		**4,139.62**	4,045.42
V	**Profit Before Exceptional Items and Tax (III-IV)**		**1,289.01**	1107.17
VI	**Exceptional Items**		**-**	-
VII	**Profit Before Tax (V+VI)**		**1,289.01**	1107.17
VIII	**Tax Expense**			
	(1) Current Tax		**283.28**	235.40
	(2) Deferred Tax		**5.86**	24.05
	Total Tax Expense		**289.14**	259.45
IX	**Profit for the Year (VII-VIII)**		**999.87**	847.72
X	**Other Comprehensive Income**			
A	**(i) Items that will not be reclassified to profit or loss**			
	Remeasurements of defined benefit plans		**(4.60)**	(11.78)
	(ii) Income tax relating to item that will not be reclassified to profit or loss		**2.63**	6.59
B	**(i) Items that will be reclassified to profit or loss**			
	The effective portion of gains and losses on hedging instruments in a cash flow hedge		**-**	(1.16)
	(ii) Income tax relating to item that will be reclassified to profit or loss		**-**	0.41
	Total Comprehensive Income for the year (IX+X)		**997.90**	841.78
XI	**Earnings per Equity Share *(Face Value ₹ 1)***	37		
	(1) Basic (₹)		**14.68**	12.45
	(2) Diluted (₹)		**14.67**	12.44

The accompanying notes 1 to 52 are an integral part of the Standalone Financial Statements.

As per our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 8, 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Exceptional Items and Tax	**1,289.01**	1,107.17
Adjustment for:		
Depreciation and amortisation	**63.30**	56.68
Unrealised Foreign Exchange (Gain) / Loss	**1.65**	0.57
Bad Debts Written off	**0.30**	0.29
Provision / (Write-back) for Doubtful Debts / Advances	**0.31**	2.43
Provision for Non-Moving Inventory	**12.45**	(3.11)
Write back of Old Balances	**(0.78)**	(0.89)
Expenses on Employee Stock Grant Scheme (ESGS)	**8.72**	7.59
Finance Costs	**51.89**	36.06
(Profit) / Loss on Fixed Assets Sold / Discarded (Net)	**4.14**	(0.13)
(Profit) / Loss on Sale of Investments (Net)	**(18.54)**	(6.23)
Reversal of provision for dimunition in the value of investments	**-**	(2.84)
Fair value Gain/ (Loss) on financial assets measured at FVTPL	**8.14**	(11.60)
Recovery of loan from GCPL ESOP Trust which was earlier written off	**-**	(0.61)
Corporate Guarantee Commission	**(16.73)**	(17.20)
Interest Income	**(41.77)**	(20.90)
	73.08	40.11
Operating Cash Flows Before Working Capital Changes	**1,362.09**	1,147.28
Adjustments for:		
Increase in inventories	**(26.78)**	(2.93)
(Increase)/Decrease trade receivables	**(40.10)**	65.25
Increase in loans	**(1.13)**	(1.03)
Increase in other financial assets	**(9.08)**	(17.55)
Increase in other non-financial assets	**(106.14)**	(39.58)
Increase in trade payable and other financial liabilities	**331.14**	276.61
Increase/ (Decrease) non-financial liabilities and provisions	**6.97**	(15.52)
	154.88	265.25
Cash Generated from Operating Activities	**1,516.97**	1,412.53
Adjustment for:		
Income taxes paid (Net)	**(281.53)**	(235.35)
Net Cash Flow from Operating Activities (A)	**1,235.44**	1,177.18
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible assets (Net)	**(119.23)**	(104.56)
Sale of Property, Plant & Equipment and Intangibles	**6.19**	1.51
Investments in Mutual Funds (Net)	**328.33**	(343.03)
Investments in Deposits with NBFCs (Net)	**(90.14)**	(149.00)
Investments in Non-Convertible Debentures with NBFCs (Net)	**(212.20)**	(206.44)
Investments in Commercial Papers	**(97.04)**	-
Investments in Fixed Deposits having maturities greater than 3 months (Net)	**(1.45)**	98.69
Investments in Subsidiaries	**(156.52)**	(359.04)
Sale of Subsidiary	**-**	32.29
Recovery of Loan from GCPL ESOP Trust which was earlier written off	**-**	0.61
Interest Received	**39.64**	20.54
Net Cash Flow used in Investing Activities (B)	**(302.42)**	(1,008.43)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Allotment of Equity Shares under ESGS	**0.01**	0.01
Expenses on issue of bonus shares	**(0.71)**	-
(Repayment)/ Proceeds from Packing Credit	**-**	(2.75)
Proceeds/ (Repayments) from Commercial Paper	**(148.97)**	148.97
Finance Cost	**(47.30)**	(31.76)
Dividend Paid	**(613.12)**	(195.78)
Dividend Distribution Tax Paid	**(124.82)**	(39.87)
Net Cash Flow used in Financing Activities (C)	**(934.91)**	(121.18)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(1.89)**	47.57
CASH AND CASH EQUIVALENTS:		
As at the beginning of the year*(Refer Note 14 A)*	**88.00**	40.57
Cash and Bank Balances	**86.11**	88.14
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents *	**-**	(0.14)
As at the end of the year *(Refer Note 14 A)*	**86.11**	88.00
* amounts less than ₹ 0.01 crore		

NOTES:

1) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows,
2) The merger of Godrej Consumer Products Mauritius Ltd. (GCPML) and Godrej Consumer Products US Holdings Ltd, (GCP USHL) with the Company is a non-cash transaction *(Refer Note 41).*
3) The accompanying notes 1 to 52 are an integral part of the standalone financial statements.

As per our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 8, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(a) Equity share capital ₹ Crore

	Note No.	
As at April 1, 2017		**34.06**
Changes in equity share capital during the year	19	34.07
As at March 31, 2018		**68.13**

(b) Other equity *(Refer Note 20)* ₹ Crore

Particulars	Reserves & Surplus				Other Comprehensive income	Total
	Securities Premium Reserve	General Reserve	Others	Retained Earnings	Effective Portion of Cash Flow Hedges	
Balance at March 31, 2017	**1,452.31**	**154.05**	**11.44**	**2,722.50**	**(0.75)**	**4,339.55**
Profit for the year	-	-	-	999.87	-	999.87
Remeasurements of defined benefit plans (net of tax)	-	-	-	(1.97)	-	(1.97)
Total comprehensive income for the year	**-**	**-**	**-**	**997.90**	**-**	**997.90**
Dividends	-	-	-	(613.12)	-	(613.12)
Dividend Distribution Tax (DDT)	-	-	-	(124.82)	-	(124.82)
Premium Received on Allotment of Shares / Exercise of Share options	6.97	-	(6.97)	-	-	-
Deferred employee compensation expense	-	-	8.72	-	-	8.72
Issue of Bonus Shares	(34.06)	-	-	-	-	(34.06)
Expenses on Issue of Bonus Shares	(0.71)	-	-	-	-	(0.71)
Balance at March 31, 2018	**1,424.51**	**154.05**	**13.19**	**2,982.46**	**(0.75)**	**4,573.46**
Balance at March 31, 2016	**1,446.27**	**154.05**	**9.89**	**2,115.62**	**-**	**3,725.83**
Profit for the year	-	-	-	847.72	-	847.72
Remeasurements of defined benefit plans (net of tax)	-	-	-	(5.19)	-	(5.19)
Other comprehensive income for the year	-	-	-	-	(0.75)	(0.75)
Total comprehensive income for the year	**-**	**-**	**-**	**842.53**	**(0.75)**	**841.78**
Dividend	-	-	-	(195.78)	-	(195.78)
Dividend Distribution Tax (DDT)	-	-	-	(39.87)	-	(39.87)
Premium Received on Allotment of Shares / Exercise of Share options	6.04	-	(6.04)	-	-	-
Deferred employee compensation expense	-	-	7.59	-	-	7.59
Balance at March 31, 2017	**1,452.31**	**154.05**	**11.44**	**2,722.50**	**(0.75)**	**4,339.55**

The accompanying notes 1 to 52 are an integral part of the Standalone Financial Statements.

As per our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 8, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1. CORPORATE INFORMATION

Godrej Consumer Products Limited (the Company) was incorporated on November 29, 2000, to take over the consumer products business of Godrej Soaps Limited (subsequently renamed as Godrej Industries Limited), pursuant to a Scheme of Arrangement as approved by the High Court, Mumbai.

The Company is a fast moving consumer goods company, manufacturing and marketing Household and Personal Care products. The Company is a public company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company's registered office is at 4th Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (east), Mumbai – 400 079.

2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and measurement

a) Basis of Preparation

The Standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

The financial statements of the Company for the year ended March 31, 2018 were approved for issue in accordance with the resolution of the Board of Directors on May 8, 2018.

b) Basis of Measurement

These financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy regarding financial instruments -2.5.f),
- Defined benefit plans – plan assets/(liability) and share-based payments measured at fair value (Note 44 & 45)
- Assets held for sale – measured at lower of carrying value or fair value less cost to sell

2.2 Key judgements, estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates:

The areas involving critical estimates or judgements are:

i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized; (Note 2.5 (a))
ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.5 (b))
iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 44)
iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.5 (j))
v. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; (Note 2.5 (l)(ii))
vi. Fair value of financial instruments; (Note 2.3)
vii. Impairment of financial and Non-Financial assets; (Note 2.5.(d) and (f))
viii. Recognition of deferred tax assets – availability of future taxable profits against which deferred tax assets; (e.g. MAT) can be used (Note 22)

2.3 Measurement of fair values

The Company's accounting

policies and disclosures require financial instruments to be measured at fair values.

The Company has an established control framework with respect to the measurement of fair values.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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.

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 Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair value is included in the Note 2.5.(f).

2.4 Standards issued but not yet effective

IND AS 115: Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The Standard is applicable to the Company with effect from 1st April, 2018.

This standard establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supercede the current revenue recognition standards Ind AS 18 Revenue and Ind AS 11 Construction Contracts when it becomes effective. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company has completed its preliminary evaluation of the possible impact of Ind AS 115 based on which no significant impact is expected, other than additional disclosures as required by the new standard.

2.5 Significant Accounting Policies

a) Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment, other than Freehold Land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

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.

Any gain or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised.

Subsequent expenditure

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

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 for the following items where useful lives estimated by the management based on internal technical assessment, past trends and expected operational lives differ from those provided in Schedule II of the Companies Act 2013:

- Leasehold land is amortised equally over the lease period.
- Leasehold Improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.
- Office Equipments are depreciated over 5 to 10 years.
- Tools are depreciated over a period of 9 years, and dies and moulds over 3 years.
- Vehicles are depreciated over a period ranging from 5 years to 8 years depending on the use of vehicles.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

b) Goodwill and other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any amortisation and accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Goodwill

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Other intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization method and period are reviewed at least 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 assets are considered to modify amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in Statement of profit or loss.

The estimated useful lives for current and comparative periods are as follows:

Software licences	6 years
Trademarks	10 years
Technical knowhow	10 years

Goodknight and Hit (Brands) are assessed as intangibles having indefinite useful life and are not amortised in the financial statements.

Residual value, is estimated to be immaterial by management and hence has been considered at ₹ 1.

c) Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

d) Impairment of non-financial assets

An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit. Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events and changes in circumstances indicate the carrying amount may not be recoverable.

e) Assets held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' if it is highly probable that they will be recovered primarily through sales rather than through continuing use.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at lower of its carrying value and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit and loss. Non-current assets held for sale are not depreciated or amortised.

f) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost,
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 48 (B).

Financial assets at fair value through profit and loss (FVTPL)

Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company

may, at initial recognition, irrevocably designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial asset included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Investments in Subsidiaries and Associates:

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its financial assets that are debt instruments and are carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the

Company applies a simplified approach. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. A financial liability is classified at FVTPL if it is classified as held for trading or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value and net gains and losses including any interest expenses are recognised in profit or loss.

In the case of loans and borrowings and payables, these are measured at amortised cost and recorded, net of directly attributable and incremental transaction cost. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or 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 the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require specified payments 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.

Where guarantees to subsidiaries in relation to loans or other payables are provided for, at no compensation, the fair values are accounted for as contributions and recognised as fees receivable under "other financial assets" or as a part of the cost of the investment, depending on the contractual terms.

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, or to realise the assets and settle the liabilities simultaneously.

g) Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and interest rate risks respectively. 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. Any changes therein are generally recognised in the profit or loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking the hedge, the hedging economic relationship between the hedged item or transaction and the nature of the risk being hedged, hedge rationale and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they are designated.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

When hedge accounting for a cash flow hedge is discontinued, the amount that has been accumulated in other equity remains there until it is reclassified to profit and loss account in the same period or periods as the hedged expected future cash flows affect profit or loss.

h) Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs are computed on the weighted average basis and are net of recoverable tax credits.

Raw materials, packing materials and stores: Costs includes cost of purchase and other costs incurred in bringing each product to its present location and condition.

Finish goods and work in progress: In the case of manufactured inventories and work in progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition.

Finished goods valuation also includes excise duty (to the extent applicable). Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

If payment for inventory is deferred beyond normal credit terms, then the 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.

i) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits held at call with financial institutions, other short term highly liquid investments, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents as defined above is net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

j) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

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.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is probable.

k) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of goods

Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/rebate, amounts collected on behalf of third parties (such as sales tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction. Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice.

Customer Loyalty Programme

Sales consideration 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 Company has fulfilled its obligations to supply the products under the terms of the programme or when it is no longer probable that the points under the programme will be redeemed.

Royalty & Technical Fees

Royalty is recognised on accrual basis in accordance with the substance of the relevant agreement.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

Dividend income

Dividends are recognised in profit or loss on the date on which the Company's right to receive payment is established.

l) Employee Benefits

i) Short-term Employee benefits

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognised as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Share-based payments

The cost of equity settled transactions is determined by the fair value at the grant date and the fair value of the employee share options is based on the Black Scholes model.

The grant-date fair value of equity-settled share-based payment granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

iii) Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

Provident Fund Contributions which are made to a Trust administered by the Company are considered as Defined Benefit Plans. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The Company's liability towards interest shortfall, if any, is actuarially determined at the year end.

The Company'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, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed at each reporting period by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or 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 recognised immediately in profit or loss.

The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other Long Term Employee Benefits

The liabilities for earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method based on actuarial valuation.

Re-measurements are recognised in profit or loss in the period in which they arise including actuarial gains and losses.

m) Leases

Lease payments

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 fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

As a lessee

Leases of assets where the company 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.

As a lessor

Leases in which the company 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 recognised 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.

Income Tax

Income tax expense/ income comprises current tax expense / income and deferred tax/ expense income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

- Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred Income tax is recognised in respect of temporary difference between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised 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 utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

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

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 by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company 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:

i. the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
ii. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period.

n) Foreign Currency Transactions

i) Functional and Presentation currency

The Company's financial statements are prepared in Indian Rupees (INR "₹") which is also the Company's functional currency.

ii) Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined. Exchange differences arising on the settlement or translation of monetary items are recognised in profit or loss in the year in which they arise except for the qualifying cash flow hedge, which are recognised in OCI to the extent that the hedges are effective.

o) Government grants

Government grants, including non-monetary grants at fair value are recognised when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods necessary to match them with the costs that they are intended to compensate.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the profit and loss on a straight line basis over the expected lives of the related assets.

p) Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution in the nature of final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

q) Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss 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 or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Segment Reporting

As per Ind AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.

NOTE 3 : PROPERTY, PLANT & EQUIPMENT

₹ Crore

Particulars	Owned Assets									Assets given on lease	Total
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	
Year ended March 31, 2018											
Gross Carrying Amount											
Opening Gross Carrying Amount	0.51	14.41	124.81	26.40	231.86	10.38	10.33	10.03	22.84	90.26	541.83
Additions	-	-	15.48	4.13	57.76	2.45	8.05	2.52	5.28	-	95.67
Disposals / Adjustments	-	-	-	-	(0.17)	-	(7.13)	-	(0.08)	-	(7.38)
Closing Gross Carrying Amount	**0.51**	**14.41**	**140.29**	**30.53**	**289.45**	**12.83**	**11.25**	**12.55**	**28.04**	**90.26**	**630.12**
Accumulated Depreciation											
Opening Accumulated Depreciation	-	1.49	5.99	5.19	53.34	1.99	3.26	2.20	8.12	2.82	84.40
Depreciation charge during the year	-	1.14	2.58	3.58	33.04	1.13	2.09	1.60	6.03	2.86	54.05
Disposals / Adjustments	-	-	-	-	3.20	-	(1.13)	-	(0.08)	-	1.99
Closing Accumulated Depreciation	**-**	**2.63**	**8.57**	**8.77**	**89.58**	**3.12**	**4.22**	**3.80**	**14.07**	**5.68**	**140.44**
Net Carrying Amount	**0.51**	**11.78**	**131.72**	**21.76**	**199.87**	**9.71**	**7.03**	**8.75**	**13.97**	**84.58**	**489.68**
Year ended March 31, 2017											
Opening Gross Carrying Amount	0.51	14.21	122.11	24.43	203.43	9.34	10.15	7.30	15.07	90.26	496.81
Additions	-	0.20	3.08	2.00	28.93	1.17	3.20	2.75	7.78	-	49.11
Assets classified as held for sale	-	-	-	-	-	-	(1.78)	-	-	-	(1.78)
Disposals	-	-	(0.38)	(0.03)	(0.50)	(0.13)	(1.24)	(0.02)	(0.01)	-	(2.31)
Closing Gross Carrying Amount	**0.51**	**14.41**	**124.81**	**26.40**	**231.86**	**10.38**	**10.33**	**10.03**	**22.84**	**90.26**	**541.83**
Accumulated Depreciation											
Opening Accumulated Depreciation	-	0.41	2.66	2.10	24.71	0.80	2.13	0.78	2.89	1.32	37.80
Depreciation charge during the year	-	1.08	3.60	3.10	28.69	1.23	2.42	1.43	5.24	1.50	48.29
Assets classified as held for sale	-	-	-	-	-	-	(0.76)	-	-	-	(0.76)
Disposals	-	-	(0.27)	(0.01)	(0.06)	(0.04)	(0.53)	(0.01)	(0.01)	-	(0.93)
Closing Accumulated Depreciation	**-**	**1.49**	**5.99**	**5.19**	**53.34**	**1.99**	**3.26**	**2.20**	**8.12**	**2.82**	**84.40**
Net Carrying Amount	**0.51**	**12.92**	**118.82**	**21.21**	**178.52**	**8.39**	**7.07**	**7.83**	**14.72**	**87.44**	**457.43**

NOTE 4 : INTANGIBLE ASSETS

₹ Crore

Particulars	Goodwill	Other Intangible assets			Total Other Intangible assets
		Trademarks and Brands*	Computer Software	Technical Knowhow	
Year ended March 31, 2018					
Gross Carrying Amount					
Opening Gross Carrying Amount	2.48	791.56	44.52	1.85	837.93
Additions	-	-	7.56	-	7.56
Disposals	-	-	-	-	-
Closing Gross Carrying Amount	**2.48**	**791.56**	**52.08**	**1.85**	**845.49**
Accumulated Amortisation					
Opening Accumulated Amortisation	-	0.14	13.65	0.55	14.34
Amortisation recognised for the year	-	0.07	8.92	0.26	9.25
Disposals	-	-	-	-	-
Closing Accumulated Amortisation	**-**	**0.21**	**22.57**	**0.81**	**23.59**
Closing Net Carrying Amount	**2.48**	**791.35**	**29.51**	**1.04**	**821.90**
Year ended March 31, 2017					
Gross Carrying Amount					
Opening Gross Carrying Amount	2.48	791.56	35.14	1.85	828.55
Additions	-	-	9.38	-	9.38
Disposals	-	-	-	-	-
Closing Gross Carrying Amount	**2.48**	**791.56**	**44.52**	**1.85**	**837.93**
Accumulated Amortisation					
Opening Accumulated Amortisation	-	0.07	5.61	0.27	5.95
Amortisation recognised for the year	-	0.07	8.04	0.28	8.39
Disposals	-	-	-	-	-
Closing Accumulated Amortisation	**-**	**0.14**	**13.65**	**0.55**	**14.34**
Closing Net Carrying Amount	**2.48**	**791.42**	**30.87**	**1.30**	**823.59**

NOTE :

* Includes trademarks / brands amounting to ₹ 791.25 crore *(31-Mar-17 ₹ 791.25 crore)* that have an indefinite life and are tested for impairment at every year end. Based on analysis of all relevant factors (brand establishment, stability, types of obsolescence etc.), there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Company.

NOTE 5 : INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

₹ Crore

	Face Value	Numbers		Amounts	
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Unquoted, fully paid up:					
Carried at cost					
(a) Investments in Equity Instruments					
(i) Subsidiary Companies					
Godrej Netherlands B.V.	EUR 100	200	200	140.93	107.23
Godrej South Africa (Pty) Ltd.	ZAR 1	18,050,000	18,050,000	12.67	12.67
Godrej Consumer Products Holding (Mauritius) Ltd.	USD 1	185,944,409	179,944,409	982.02	943.14
Godrej Household Products Lanka (Pvt) Ltd.	LKR 10	21,501,045	21,501,045	37.33	37.33
Godrej Consumer Products (Bangladesh) Ltd.	BDT 100	4,999	4,999	0.04	0.04
Godrej Mauritius Africa Holdings Ltd.	USD 1	136,240,553	136,240,553	865.49	861.02
Godrej East Africa Holdings Ltd.	USD 1	35,450,001	28,950,001	250.80	208.96
Godrej Tanzania Holdings Ltd.	USD 1	17,850,001	11,350,001	121.29	76.10
Godrej SON Holdings INC.	USD 1	77,600,000	77,600,000	504.72	504.73
(ii) Associate Company					
Bhabhani Blunt Hairdressing Pvt. Ltd.	₹ 10	5,546	5,546	22.32	22.32
				2,937.61	**2,773.54**

₹ Crore

	Face Value	Numbers		Amounts	
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
(b) Investments in Compulsorily Convertible Debentures of Associate Company					
Bhabhani Blunt Hairdressing Pvt. Ltd.	₹ 10	3,060	3,060	**12.00**	12.00
				2,949.61	2,785.54
Less : Provision for Diminution in the Value of Investments				**-**	-
TOTAL				**2,949.61**	2,785.54
Aggregate Amount of Unquoted Investments				**2,949.61**	2,785.54
Aggregate Amount of Quoted Investments				**-**	-
Aggregate Market Value of Quoted Investments				**-**	-
Aggregate Provision for Impairment in the Value of Investments				**-**	-

NOTE:

As per the Company's policy, investments include the fair value of financial guarantees issued as security for loans taken by subsidiaries. The details of such fair values included in the investments above is as shown below:

	As at March 31, 2018	As at March 31, 2017
Godrej Netherlands B.V.	**4.52**	4.52
Godrej Consumer Products Holding (Mauritius) Ltd.	**11.83**	11.83
Godrej Mauritius Africa Holdings Ltd.	**29.01**	24.54
Godrej East Africa Holdings Ltd.	**19.62**	19.62
Godrej Tanzania Holdings Ltd.	**3.07**	-
TOTAL	**68.05**	60.51

NOTE 6 : OTHER INVESTMENTS (NON-CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unquoted, fully paid up:		
At amortised cost		
Investments in Deposits with Non-Banking Financial Companies	**20.54**	62.85
At Fair Value through Profit or Loss		
Investment in Equity Instruments*	**-**	-
Quoted, fully paid up:		
At amortised cost		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**84.66**	153.66
TOTAL	**105.20**	216.51
Aggregate Amount of Unquoted Investments	**20.54**	62.85
Aggregate Amount of Quoted Investments	**84.66**	153.66
Aggregate Market Value of Quoted Investments	**84.79**	153.89
Aggregate Provision for Impairment in the Value of Investments	**-**	-

** amounts less than ₹ 0.01 crore*

NOTE 7 : LOANS (NON-CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	**0.03**	0.04
Security Deposits	**16.29**	15.29
TOTAL	**16.32**	15.33

NOTE 8 : OTHER NON-CURRENT FINANCIAL ASSETS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Fixed Deposits with remaining maturity of more than 12 months (under lien against Bank Guarantees)	**0.07**	0.06
Financial Guarantee Fee Receivables	**4.20**	12.02
TOTAL	**4.27**	12.08

NOTE 9 : OTHER NON-CURRENT ASSETS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Capital Advances *(Refer Note below)*	**27.39**	18.89
Balances with Government Authorities	**17.56**	16.03
Other non-current assets (includes prepaid expenses, vendor advances)		
Considered Good	**1.06**	1.00
Considered Doubtful	**-**	1.22
Less: Provision for Doubtful Advances	**-**	(1.22)
	1.06	1.00
TOTAL	**46.01**	35.92

NOTE:

Capital Advances include ₹ 13.96 crore *(31-Mar-17 ₹ 6.34 crore)* paid to Related Parties.

NOTE 10 : NON-CURRENT TAX ASSETS (NET)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Advance Tax	**19.66**	20.67
[Net of Provision for taxation - ₹1422.53 crore *(31-Mar-17 ₹ 1301.09)*]		
TOTAL	**19.66**	20.67

(Refer Note 22 for tax reconciliations)

NOTE 11 : INVENTORIES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
(Valued at lower of cost and net realizable value)		
Raw Materials (Including Packing Materials)	**251.89**	186.52
Goods-in Transit	**2.05**	7.80
	253.94	194.32
Work-in-Progress	**36.86**	30.81
Finished Goods	**250.25**	299.18
Stock-in-Trade	**26.17**	29.53
Stores and Spares	**9.03**	8.08
TOTAL	**576.25**	561.92

NOTE 12 : INVESTMENTS (CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unquoted, fully paid up:		
At Fair Value through Profit or Loss		
Investments in Mutual Funds	**107.63**	425.56
At amortised cost		
Investments in Deposits with Non-Banking Financial Companies	**306.97**	174.52
Investments in Commercial Papers	**97.04**	-
Quoted, fully paid up:		
At amortised cost		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**336.01**	52.78
TOTAL	**847.65**	652.86
Aggregate Amount of Unquoted Investments	**511.64**	600.08
Aggregate Amount of Quoted Investments	**336.01**	52.78
Aggregate Market Value of Quoted Investments	**339.38**	52.89
Aggregate Amount of Provision for Impairment in the Value of Investments	**-**	-

NOTE 13 : TRADE RECEIVABLES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Secured		
Considered Good	**2.81**	5.37
Unsecured		
Considered Good	**245.77**	203.96
Considered Doubtful	**5.62**	5.07
Less: Provision for Doubtful Debts	**(5.62)**	(5.07)
	245.77	203.96
TOTAL	**248.58**	209.33

Refer Note 48 (B)

NOTE 14 A : CASH AND CASH EQUIVALENTS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
- In Current Accounts	**71.91**	57.81
- Deposits with less than 3 months original maturity	**14.00**	30.00
	85.91	87.81
Cash on Hand	**0.20**	0.19
TOTAL	**86.11**	88.00

NOTE 14 B : OTHER BANK BALANCES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Deposits with maturities more than 3 months but less than 12 months *(Refer Note below)*	**2.92**	2.93
In Unpaid Dividend Accounts	**9.08**	7.52
TOTAL	**12.00**	10.45

NOTE:

The fixed deposits include deposits under lien against bank guarantees ₹ 2.82 crore *(31-Mar-17 ₹ 2.93 crore)*

NOTE 15 : LOANS (CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	**0.07**	0.07
Security Deposits	**0.18**	0.04
TOTAL	**0.25**	0.11

NOTE 16 : OTHER CURRENT FINANCIAL ASSETS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Financial guarantee fee receivable	**7.89**	3.71
Refunds/Incentives receivables from Govt. Authorities		
Considered Good	**173.66**	167.35
Considered Doubtful	**14.62**	13.62
Less: Provision for Doubtful Advances	**(14.62)**	(13.62)
	173.66	167.35
Others (includes receivables of insurance claims, exports incentives, Derivative instruments)	**11.69**	5.29
TOTAL	**193.24**	176.35

NOTE 17 : OTHER CURRENT ASSETS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Balances with Government Authorities	**111.53**	22.19
Right to receive inventory	**2.34**	3.80
Other Advances (includes prepaid expenses, vendor advances) *(Refer Note below)*		
Considered Good	**38.62**	21.71
Considered Doubtful	**0.78**	1.02
Less: Provision for Doubtful Advances	**(0.78)**	(1.02)
TOTAL	**152.49**	47.70

NOTE:

Includes NIL crore *(31-Mar-17 ₹ 0.12 crore)* paid to Related Parties.

NOTE 18 : NON-CURRENT ASSETS HELD FOR SALE

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Vehicles held for sale	**-**	6.49
TOTAL	**-**	6.49

NOTE:

In March 2017, the Management decided to dispose off vehicles which were no longer in use. The sale has been completed during the year.

NOTE 19 : EQUITY SHARE CAPITAL

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Authorised		
690,000,000 Equity Shares *(31-Mar-17: 410,000,000)* of ₹ 1 each	**69.00**	41.00
10,000,000 Preference Shares *(31-Mar-17: 10,000,000)* of ₹ 1 each	**1.00**	1.00
Issued		
681,360,642 Equity Shares *(31-Mar-17: 340,631,940)* of ₹ 1 each	**68.14**	34.06
Subscribed and Fully Paid up		
681,329,518 Equity Shares *(31-Mar-17: 340,600,816)* of ₹ 1 each fully paid up	**68.13**	34.06
TOTAL	**68.13**	34.06

NOTES:

a) During the year, the Company has issued 127,886 equity shares *(31-Mar-2017 66,993)* under the Employee Stock Grant Scheme.

b) 31,124 Right Issue equity shares (31-Mar-2017 year 31,124 equity shares) are kept in abeyance due to various suits filed in courts / forums by third parties for which final order is awaited.

c) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	**₹ Crore**	**No. of Shares**	**₹ Crore**
Shares outstanding at the beginning of the year	340,600,816	34.06	340,533,823	34.05
Add : Shares Issued during the year (Bonus Shares)	340,600,816	34.06		-
Add : Shares Issued on exercise of employee stock grant scheme	127,886	0.01	66,993	0.01
Shares outstanding at the end of the year	**681,329,518**	**68.13**	**340,600,816**	**34.06**

d) **Terms / rights attached to equity shares**

The Company has issued only one class of equity shares having a par value of ₹ 1 each. Each equity shareholder is entitled to one vote per share.

During the year ended March 31, 2018 the amount of per share dividend recognised as distribution to equity shareholders was ₹ 15 *(31-Mar-2017 ₹ 5.75).*

e) Pursuant to the approval of the shareholders on May 9, 2017, record date for ascertaining the eligibility of the shareholders for receiving the bonus shares was fixed on June 24, 2017. Accordingly, the Company has allotted 340,600,816 number of fully paid Bonus shares on June 27, 2017 in the ratio of one equity share of ₹1 each fully paid up for every one existing equity shares of ₹1 each fully paid up.

f) Shares held by Holding Company and Subsidiary of Holding Company and details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	**As at March 31, 2018**		**As at March 31, 2017**	
	No. of Shares	**% held**	**No. of Shares**	**% held**
Godrej & Boyce Manufacturing Co Ltd*	50,007,630	7.34	25,003,815	7.34
Godrej Industries Limited	161,875,240	23.76	80,937,620	23.76
Godrej Seeds & Genetics Limited	187,000,000	27.45	93,500,000	27.45

** Godrej & Boyce Manufacturing Co Ltd has ceased to be the holding company with effect from March 30, 2017 owing to reorganisation of shareholding within promoter group*

g) **Shares Reserved for issue under options**

The Company has 224,011 *(31-Mar-2017 year 128,895)* equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2018. *(As detailed in Note 45)*

h) Information regarding aggregate number of equity shares during the five years immediately preceding the date of Balance Sheet:

Pursuant to the approval of Shareholders, company has allotted 340,600,816 *(31-Mar-2017 year - Nil)* number of fully paid Bonus shares on June 27, 2017 in the ratio of one equity share of ₹1 each fully paid up for every one existing equity shares of ₹1 each fully paid up.

The Company has not issued shares for consideration other than cash and has not bought back any shares during the past five years.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

i) There are no calls unpaid on equity shares, other than shares kept in abeyance as mentioned in Note (b) above.

j) No equity shares have been forfeited.

k) **Capital Management**

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Company makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Company may make adjustments to dividend paid to its shareholders or issue new shares.

The Company monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments.

NOTE 20 : OTHER EQUITY

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Securities Premium Account	**1424.51**	1452.31
General Reserve	**154.05**	154.05
Other Reserves		
Capital Investment Subsidy Reserve	**0.15**	0.15
Capital Redemption Reserve	**1.46**	1.46
Employee Stock Options Outstanding	**11.58**	9.83
	13.19	11.44
Retained Earnings	**2982.46**	2722.50
Other Comprehensive Income (Effective portion of cash flow hedges)	**(0.75)**	(0.75)
TOTAL	**4573.46**	4339.55

OTHER RESERVES MOVEMENT

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Capital Investment Subsidy Reserve		
Balance as per last financial statements	**0.15**	0.15
Closing Balance	**0.15**	0.15
Capital Redemption Reserve		
Balance as per last financial statements	**1.46**	1.46
Closing Balance	**1.46**	1.46
Employee Stock Options Outstanding		
Gross Employee Compensation for Options granted	**9.83**	8.28
(-) Exercise of Share options	**(6.97)**	(6.04)
(+) Deferred Employee Compensation Expense *(Refer Note 33)*	**8.72**	7.59
Closing Balance	**11.58**	9.83
TOTAL	**13.19**	11.44

Nature and purpose of reserves

1) Securities Premium Reserve

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

2) 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.

3) Capital Investment Subsidy Reserve

Capital Investment Subsidy Reserve represents subsidy received from the government for commissioning of Malanpur plant in the nature of capital investment.

4) Capital Redemption Reserve

Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

5) Employee Stock Options Outstanding

The shares option outstanding account is used to recognise the grands date fair value of options issued to employees under the Employee Stock Grands Scheme which are unvested as on the reporting date and is net of the deferred employee compensation expense.

Refer Note 45 for details on ESGS Plans.

6) Effective Portion of Cash Flow Hedges

The cash flow hedging reserve represents the cumulative portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accummulated under the heading of cash flow reserve will be reclassified to Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non financial hedged item.

NOTE 21 : PROVISIONS (NON-CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Provision for Employee Benefits		
Gratuity *(Refer Note 44)*	**47.35**	*37.18*
Compensated Absences	**4.31**	3.77
TOTAL	**51.66**	40.95

NOTE 22 : TAX RECONCILIATIONS

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Tax expense recognised in the Statement of Profit and Loss		
Current Tax:		
Current tax on profits for the year	**283.28**	235.40
Deferred tax (Net)	**5.86**	24.05
Total income tax expense	**289.14**	259.45

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Current tax and Deferred Tax related to items recognised in Other Comprehensive Income during the year:		
On remeasurements of defined benefit plans	**(2.63)**	(6.59)
On revaluation of cash flow hedges	**-**	(0.41)
TOTAL	**(2.63)**	(7.00)

Reconciliation of tax expense and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate into income tax expense reported in Statement of Profit & Loss is given below:

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Profit before income taxes	**1,289.01**	1,107.17
Indian statutory income tax rate	**34.61%**	34.61%
Expected income tax expense	**446.10**	383.28
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Deduction under Sec 80IC and 80IE	**(223.05)**	(213.22)
Incremental deduction allowed for research and development costs	**(0.03)**	(0.03)
Tax impact of income not subject to tax	**1.35**	(0.05)
Tax effects of amounts which are not deductible for taxable income	**8.82**	11.49
Additional tax paid on book profits	**58.31**	77.98
Others	**(2.36)**	-
Total income tax expense	**289.14**	259.45

The Company benefits from the tax holiday available to units set up under section 80-IC and 80-IE of Income Tax Act, 1961. These tax holidays are available for a period of ten years from the date of commencement of operations.

Deferred Tax (Liabilities):

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Property, Plant and Equipment	**(32.90)**	(30.04)
Intangible assets	**(239.59)**	(225.10)
Others	**(1.95)**	(5.40)
Total deferred tax liabilities	**(274.44)**	(260.54)

Deferred Tax Assets:

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Defined benefit obligations	**2.52**	2.28
Provisions	**36.97**	27.39
Others	**6.49**	6.63
Total deferred tax assets	**45.98**	36.30
Net Deferred tax (Liabilities) / Assets	**(228.46)**	(224.24)

Movement in Deferred tax Liabilities / Asset

₹ Crore

	Property, plant and equipment	Intangible assets	Other Deferred Tax Liability	Defined benefit obligations	Provisions	Other Deferred Tax Asset	Deferred Tax Liabilities / Asset (net)
As at 31st March 2016	**(24.27)**	**(208.85)**	**(1.26)**	**1.84**	**22.46**	**5.41**	**(204.67)**
(Charged)/Credited :							
- to profit or loss	(5.77)	(16.25)	(4.14)	0.44	0.86	0.81	(24.05)
- to other comprehensive income	-	-	-	-	4.07	0.41	4.48
At 1st April 2017	**(30.04)**	**(225.10)**	**(5.40)**	**2.28**	**27.39**	**6.63**	**(224.24)**
(Charged)/Credited :							
- to profit or loss	(2.86)	(14.49)	3.45	0.24	7.93	(0.14)	(5.86)
- to other comprehensive income					1.64		1.64
As at 31st March 2018	**(32.90)**	**(239.59)**	**(1.95)**	**2.52**	**36.96**	**6.49**	**(228.46)**

The company offsets deferred 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 and the period over which deferred income tax assets will be recovered.

As on March 31, 2018 the tax liability with respect to the dividends proposed is ₹ 98.03 crores *(31-Mar-17 : ₹ 83.21 crores)* During the year, the Company has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ 58.31 crores *(31-Mar-17 : ₹ 71.75 crores)*. The Company is not reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.

₹ Crore

Tax Credits carried forward	As at March 31, 2018	Expiry Date	As at March 31, 2017	Expiry Date
2007-08	12.02	March 31, 2023	12.02	March 31, 2018
2008-09	8.30	March 31, 2024	8.30	March 31, 2019
2009-10	29.72	March 31, 2025	29.72	March 31, 2020
2010-11	100.08	March 31, 2026	100.08	March 31, 2021
2011-12	40.09	March 31, 2027	40.09	March 31, 2022
2012-13	60.60	March 31, 2028	60.60	March 31, 2023
2013-14	84.35	March 31, 2029	84.35	March 31, 2024
2014-15	95.63	March 31, 2030	95.63	March 31, 2025
2015-16	83.65	March 31, 2031	83.65	March 31, 2026
2016-17	71.75	March 31, 2032	71.75	March 31, 2027
2017-18	58.31	March 31, 2033	-	

NOTE 23 : OTHER NON-CURRENT LIABILITIES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unearned premium on guarantees given to subsidiaries	**15.38**	26.27
Others (includes deferred grants, sundry deposits)	**2.37**	1.05
TOTAL	**17.75**	27.32

NOTE 24 : BORROWINGS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unsecured, Other Loans		
Commercial Papers *(Refer Note (a) below)*	**-**	148.97
TOTAL	**-**	148.97

NOTES:

a) Commercial Papers in previous year carried an average interest rate of 6.49% and were repaid at maturity dates in May 2017.

b) The Company does not have any default as on the Balance Sheet date in the repayment of any loan or interest.

NOTE 25 : TRADE PAYABLES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Dues to Micro, Small and Medium Enterprises	**-**	-
Others*	**1,452.92**	1,120.36
TOTAL	**1,452.92**	1,120.36

* Trade Payables includes invoices discounted by Vendors with banks

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 26 : OTHER CURRENT FINANCIAL LIABILITIES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Security Deposit Received	**3.91**	4.19
Unclaimed Dividends *(Refer Note (a) below)*	**9.08**	7.52
Capital creditors and other payables	**26.01**	22.47
TOTAL	**39.00**	34.18

NOTE:

a) There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

NOTE 27 : OTHER CURRENT LIABILITIES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Statutory Dues (VAT, Excise, Service Tax, Octroi, TDS etc)	**7.54**	38.89
Advance received from Customers	**23.83**	7.45
Employee Benefits Payable	**101.31**	85.94
Unearned premium on guarantees given to subsidiaries	**17.35**	19.15
Others (includes PF, deferred revenue)	**4.78**	4.12
TOTAL	**154.81**	155.55

NOTE 28 : PROVISIONS (CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Provision for Employee Benefits		
Gratuity *(Refer Note 44)*	**7.82**	6.98
Compensated Absences	**2.90**	2.81
Other provisions		
Provision for Sales Returns	**13.50**	14.03
Provision towards Litigations	**12.71**	11.90
TOTAL	**36.93**	35.72

Movements in each of the class of other provision during the financial year are set out below:

₹ Crore

	Sales Return	Provision towards Litigation
As at April 1, 2017	**14.03**	11.90
Additional provisions recognised	**-**	0.81
Amount Utilised /Unused amounts reversed	**(0.53)**	-
As at March 31, 2018	**13.50**	12.71

Sales Returns:

When a customer has a right to return the product within a given period, the Company recognises a provision for sales return. This is measured on the basis of average past trend of sales return as a percentage of sales. Revenue is adjusted for the expected value of the returns and cost of sales are adjusted for the value of the corresponding goods to be returned.

Legal Claims:

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. A provision is recognised for legal cases if the company assesses that it is probable that an outflow of economic resources will be required. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

NOTE 29 : REVENUE FROM OPERATIONS

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Sale of Products (including excise duty)	**5256.36**	5013.69
Other Operating Revenues		
a) Royalty & Technical Fees	**17.63**	54.60
b) Miscellaneous Income	**80.75**	20.70
TOTAL	**5354.74**	5088.99

NOTE :

Sales from July 1, 2017 is net of Goods and Service Tax (GST). However, sales till period ended June 30, 2017 and for the previous year ended on March 31, 2017 is gross of Excise Duty.

NOTE 30 : OTHER INCOME

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income on:		
Non-convertible debentures and fixed deposits with Non-Banking Financial Companies at amortised cost	**39.06**	18.74
Deposits with banks	**1.52**	1.99
On Income-tax Refund	**0.84**	-
On Others	**1.19**	0.17
Net Gain on Sale of Investments (Mutual Funds)	**18.54**	6.23
Fair Value Gain/(Loss) on financial assets measured at fair value through profit or loss	**(8.14)**	11.60
Reversal of provision for diminution in investments	**-**	2.84
Other Non-Operating Income		
Profit on Sale of Fixed Assets (Net)	**-**	0.13
Guarantee Commission income	**20.24**	20.99
Miscellaneous Non-operating Income *(Refer Note below)*	**0.64**	0.91
TOTAL	**73.89**	63.60

NOTE :

Miscellaneous non-operating income includes Nil crore *(Previous Year ₹ 0.61 crore)*, recovered from the GCPL ESOP Trust towards loan repayment, which was earlier written off against reserves under a Scheme of Amalgamation approved by the Hon'ble High Court of Bombay.

NOTE 31 : COST OF MATERIALS CONSUMED

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Raw material and packing material		
Opening Inventory	**194.32**	193.11
Add : Purchases (Net)	**1944.57**	1835.98
	2138.89	2029.09
Less: Closing Inventory	**(253.94)**	(194.32)
Cost of Materials Consumed	**1884.95**	1834.77

NOTE 32 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN- TRADE AND WORK-IN-PROGRESS

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Opening Inventory		
Finished Goods	**299.18**	295.44
Stock-in-Trade	**29.53**	24.31
Work-in-Progress	**30.81**	35.98
	359.52	355.73
Less: Closing Inventory		
Finished Goods	**250.25**	299.18
Stock-in-Trade	**26.17**	29.53
Work-in-Progress	**36.86**	30.81
	313.28	359.52
(Increase)/Decrease in Inventories	**46.24**	(3.79)

NOTE 33 : EMPLOYEE BENEFITS EXPENSE

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	**322.45**	270.87
Contribution to Provident and Other Funds	**18.20**	14.94
Share based payments to Employees (Employee Stock Grant Scheme) *(Refer Note 45)*	**8.72**	7.59
Staff Welfare Expenses	**6.14**	5.61
TOTAL	**355.51**	299.01

NOTE 34 : FINANCE COSTS

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Interest Expense		
Unwinding of interest on liabilities	**1.70**	2.79
Others	**15.51**	5.20
Bill discounting Charges	**34.68**	28.07
TOTAL	**51.89**	36.06

NOTE 35 : DEPRECIATION AND AMORTISATION EXPENSES

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipment	**54.05**	48.29
Amortisation on intangible assets	**9.25**	8.39
TOTAL	**63.30**	56.68

NOTE 36 : OTHER EXPENSES

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Consumption of Stores and Spare Parts	**15.18**	12.50
Power and Fuel	**80.12**	68.89
Rent (Net) *(Refer Note 42)*	**41.53**	40.30
Repairs and Maintenance		
Plant and Equipment	**4.47**	4.20
Buildings	**5.22**	5.13
Others (Net)	**25.21**	23.15
	34.90	32.48
Insurance	**4.31**	4.39
Rates and Taxes	**6.38**	3.08
Processing and Other Manufacturing Charges	**149.33**	149.12
Travelling and Conveyance	**36.61**	31.85
Auditors' Remuneration (includes amount paid to previous auditors)		
As Statutory Auditor	**1.48**	1.44
For Taxation Matters	**-**	0.40
For Other Services	**-**	0.48
Reimbursement of Expenses	**0.08**	0.05
Service Tax	**-**	0.09
	1.56	2.46
Legal and Professional Charges	**19.28**	19.17
Donations	**2.18**	1.36
Sales Promotion	**45.55**	35.45
Advertising and Publicity	**613.07**	528.22
Selling and Distribution Expenses	**71.36**	78.20
Freight	**188.92**	178.38
Net Loss on Sale/ write off of Fixed Assets	**4.14**	-
Net Loss on Foreign Currency Transactions and Translations	**1.08**	0.95
Bad Debts Written Off	**0.30**	0.29
Provision for Doubtful Debts / Advances	**0.31**	2.43
Miscellaneous Expenses (Net) *(Refer Note (a) below)*	**80.48**	76.02
TOTAL	**1396.59**	1265.54

NOTE :

a) Miscellaneous Expenses include the Company's share of various expenses incurred by group companies for sharing of services and use of common facilities.

NOTE 37 : EARNINGS PER SHARE

₹ Crore

	Year Ended March 31, 2018	Year Ended March 31, 2017
Net Profit After Tax (₹ Crore)	**999.87**	847.72
Number of Shares outstanding at the beginning of the year *(Refer Note below)*	**681,201,632**	681,067,646
Add : Shares Issued during the year	**127,886**	133,986
Number of Shares outstanding at the end of the year	**681,329,518**	681,201,632
Weighted Average Number of Equity Shares		
For calculating Basic EPS	**681,285,371**	681,157,948
Effect of dilution:		
Shared based payments	**154,769**	171,848
For calculating Diluted EPS	**681,440,140**	681,329,796
Earnings Per Share Before and After Extraordinary Items *(Face Value ₹ 1)*		
Basic (₹)	**14.68**	12.45
Diluted (₹)	**14.67**	12.44

NOTE:

Number of shares for the year ended 31 March 2017 have been adjusted for the bonus shares issued during the current year.

NOTE 38 : COMMITMENTS

Estimated value of contracts remaining to be executed on capital account to the extent not provided for : ₹ 29.60 crore *(31-Mar-17 ₹ 46.72 crore)*, net of advances there against of ₹ 27.39 crore *(31-Mar-17 ₹ 15.80 crore)*.

NOTE 39 : DIVIDEND

During the year 2017-18,the Board has paid four interim dividends. The first dividend was declared on May 9, 2017 at the rate of ₹ 12 per equity share (1200% of the face value of ₹ 1 each) on the pre-bonus paid up capital of the Company. The Company made a bonus issue in the ratio of 1:1 on June 27, 2017. Subsequent to the bonus issue, the Board paid three more interim dividends aggregating to ₹ 3 per share (300% of the face value ₹ 1 each). The total dividend rate for all the four interim dividends during the year after adjusting for the pre-bonus interim dividend rate aggregates to ₹ 9 per equity share (900% of the face value ₹ 1 each) and amounts to ₹ 613.12 crore. The dividend distribution tax on the said dividends is ₹ 124.82 crore.

Subsequent to the close of the financial year, the Board has declared an interim dividend of ₹ 7.00 per equity share (700% of the face value ₹ 1 each) aggregating to ₹ 476.93 crore. The dividend distribution tax on the said dividend is ₹ 98.03 crore.

NOTE 40 : CONTINGENT LIABILITIES

₹ Crore

			As at March 31, 2018	As at March 31, 2017
a)	**CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS**			
	i)	Excise duty and service tax matters	**65.14**	64.20
	ii)	Sales tax and VAT matters	**48.43**	51.53
	iii)	Income-tax matters	**14.33**	12.61
	iv)	Other matters	**3.00**	3.00
b)	**GUARANTEES GIVEN ON BEHALF OF SUBSIDIARIES**			
	i)	Guarantee amounting to USD 29 million (31-Mar-17 USD 43 million) given by the Company to DBS Bank Limited, Singapore against loan provided to Godrej Mauritius Africa Holdings Ltd.	**186.40**	278.21
	ii)	Guarantee amounting to GBP 18 million (31-Mar-17 GBP 30 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited, Hongkong against loan provided to Godrej Netherlands BV.	**163.79**	242.71
	iii)	Guarantee amounting to USD 51 million (31-Mar-17 USD 67 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited, Hongkong against loan provided to Godrej East Africa Holdings Limited.	**329.52**	436.31
	iv)	Guarantee amounting to USD 87 million (31-Mar-17 USD 145 million) to given by the Company to Hongkong and Shanghai Banking Corporation Limited (Hongkong), DBS Bank (Singapore) and Standard Chartered Bank Mauritius Limited against loan provided to Godrej Mauritius Africa Holdings Ltd.	**567.80**	941.62
	v)	Guarantee amounting to USD 23 million (31-Mar-17 USD 34 million) given by the Company to Barclays Bank PLC, London towards loan against provided to Godrej Mauritius Africa Holdings Ltd.	**149.12**	222.57
	vi)	Guarantee amounting to USD 57 million (31-Mar-17 USD 57 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited & Standard Chartered Bank Mauritius Limited against loan provided to Godrej East Africa Holdings Limited.	**372.80**	370.94
	vii)	Guarantee amounting to USD 88 million (31-Mar-17 USD 88 million) given by the Company to DBS Bank Ltd (Singapore) & Sumitomo Mitsui Banking Corporation (Singapore) against loan provided to Godrej Consumer Products Holdings Mauritius Ltd.	**573.54**	570.68
	viii)	Guarantee amounting to USD 121 million (31-Mar-17 USD 121 million) given by the Company to Bank of Tokyo Mitsubishi UFJ Ltd (London) against loan provided to Godrej SON Holdings, Inc.	**788.62**	784.69
	ix)	Guaranteeamounting to USD 1 million (31-Mar-17 USD 1 million) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards IRS taken by Godrej Consumer Products Holdings Mauritius Ltd.	**7.82**	7.78
	x)	Guarantee amounting to USD 28 million (31-Mar-17 USD 28 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited, Mauritius, against loan provided to Godrej East Africa Holdings Ltd.	**179.23**	178.34

		As at March 31, 2018	As at March 31, 2017
			₹ Crore
xi)	Guarantee amounting to Nil (31-Mar-17 USD 10 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Mauritius against SBLC facility provided to Godrej Consumer Products Mauritius Ltd	**-**	64.85
xii)	Guarantee amounting to USD 1 million (31-Mar-17 USD 1 million) given by the Company to DBS Bank Ltd (Singapore) towards IRS taken by Godrej Consumer Products Mauritius Ltd.	**7.82**	7.78
xiii)	Guarantee amounting to USD 2 million (31-Mar-17 USD 2 million) given by the Company to JP Morgan Chase towards IRS taken by Godrej East Africa Holdings Ltd	**10.43**	10.38
xiv)	Guarantee amounting to USD 1 million (31-Mar-17 Nil) given by the Company to Hongkong and Shanghai Banking Corporation Limited Mauritius towards SBLC line given to Godrej Tanzania Holdings Limited	**65.18**	-
xv)	Guarantee amounting to USD 28 million (31-Mar-17 Nil) given by the Company to Standard Chartered Bank Mauritius towards SBLC line given to Godrej Tanzania Holdings Limited	**179.23**	-
xvi)	Guarantee amounting to USD 44 million (31-Mar-17 Nil) given by the Company to CITI US towards loan provided to Godrej Mauritius Africa Holdings Ltd.	**286.77**	-
xvii)	Guarantee amounting to USD 2 million (31-Mar-17 Nil) given by the Company to DBS Bank Limited towards IRS taken by Godrej Mauritius Africa Holdings Ltd.	**13.04**	-
	TOTAL	**3881.11**	4116.85
c)	**OTHER GUARANTEES**		
i)	Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 2.99 crore	**12.17**	11.81
ii)	Guarantee given by the Company to Yes Bank for credit facilities extended to M/s. Broadcast Audience Research Council	**0.80**	0.80
	TOTAL	**12.97**	12.61
d)	**CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:**		
i)	Claims by various parties on account of unauthorized, illegal and fraudulent acts by an employee.	**32.22**	32.22
ii)	Others	**0.18**	0.23

NOTE 41 : RELATED PARTY DISCLOSURES

A) Related Parties and their Relationship

a) Holding Company:

Godrej & Boyce Mfg. Co. Limited *(upto March 29, 2017)*

b) Subsidiaries:

Name of the Subsidiary	Country	% Holding as at March 31, 2018	% Holding as at March 31, 2017
Godrej Netherland B.V.	Netherlands	**100%**	100%
Godrej (UK) Ltd	UK	**100%**	100%
Godrej Consumer Products (UK) Limited	UK	**100%**	100%
Godrej Consumer Investments (Chile) Spa	Chile	**100%**	100%
Godrej Holdings (Chile) Limitada	Chile	**100%**	100%
Cosmetica National	Chile	**100%**	100%
Godrej South Africa Proprietary Limited	South Africa	**100%**	100%
Godrej Consumer Products Holding (Mauritius) Limited	Mauritius	**100%**	100%
Indovest Capital	Labuan	**100%**	100%
Godrej Global Mideast FZE	Sharjah	**100%**	100%
Godrej Indonesia IP Holdings Ltd	Mauritius	**100%**	100%
Godrej Mid East Holding Limited	Dubai	**100%**	100%
Godrej Consumer Products Dutch Cooperatief UA	Netherlands	**100%**	100%
Godrej Consumer Products (Netherlands) B.V.	Netherlands	**100%**	100%
Godrej Consumer Holdings (Netherlands) B.V.	Netherlands	**100%**	100%
PT Indomas Susemi Jaya	Indonesia	**100%**	100%

Name of the Subsidiary	Country	% Holding as at March 31, 2018	% Holding as at March 31, 2017
PT Intrasari Raya	Indonesia	**100%**	100%
PT Megasari Makmur	Indonesia	**100%**	100%
PT Ekamas Sarijaya	Indonesia	**100%**	100%
PT Sarico Indah	Indonesia	**100%**	100%
Laboratoria Cuenca	Argentina	**100%**	100%
Consell	Argentina	**100%**	100%
Godrej Peru SAC	Peru	**100%**	100%
Deciral S.A.	Uruguay	**100%**	100%
Issue Brazil Limited	Brazil	**100%**	100%
Panamar Producciones SA	Argentina	**100%**	100%
Argencos SA	Argentina	**100%**	100%
Godrej SON Holdings Inc.	USA	**100%**	100%
Strength of Nature LLC	USA	**100%**	100%
Strength of Nature South Africa Proprietary Limited	South Africa	**100%**	100%
Old Pro International, Inc.	USA	**100%**	100%
Godrej Household Products Bangladesh Pvt. Ltd.	Bangladesh	**100%**	100%
Godrej Household Products Lanka Pvt. Ltd.	Sri Lanka	**100%**	100%
Godrej Consumer Products Bangladesh Limited	Bangladesh	**100%**	100%
Godrej Mauritius Africa Holdings Limited	Mauritius	**100%**	100%
Darling Trading Company Mauritius Limited	Mauritius	**90%**	90%
Godrej Consumer Products International FZCO	Dubai	**90%**	90%
Godrej Africa Holdings Limited	Mauritius	**100%**	100%
Frika Weave (Pty) Ltd	South Africa	**100%**	100%
Kinky Group (Proprietary) Limited	South Africa	**100%**	100%
Lorna Nigeria Limited	Nigeria	**100%**	100%
Weave Ghana	Ghana	**100%**	100%
Weave Trading Mauritius Pvt. Ltd.	Mauritius	**51%**	51%
Hair Trading (Offshore) S.A.L.	Lebanon	**51%**	51%
Godrej International Trading Company	Sharjah	**51%**	51%
Godrej West Africa Holdings Limited	Mauritius	**90%**	90%
Subinite (Pty) Ltd	South Africa	**90%**	90%
Weave IP Holdings Mauritius Pvt. Ltd.	Mauritius	**90%**	90%
Weave Mozambique Limitada	Mozambique	**90%**	90%
Godrej Nigeria Limited	Nigeria	**100%**	100%
Godrej Hair Care Nigeria Limited	Nigeria	**100%**	100%
Godrej Household Insecticide Nigeria Ltd	Nigeria	**100%**	100%
Godrej Hair Weave Nigeria Ltd	Nigeria	**100%**	100%
Godrej East Africa Holdings Limited	Mauritius	**100%**	100%
DGH Phase Two Mauritius	Mauritius	**90%**	90%
Style Industries Pvt Ltd	Kenya	**90%**	90%
Charm Industries Limited	Kenya	**100%**	100%
Canon Chemicals Limited	Kenya	**75%**	75%
Godrej Tanzania Holdings Limited	Mauritius	**100%**	100%
DGH Tanzania Limited	Mauritius	**100%**	100%
Sigma Hair Industries Ltd.	Tanzania	**100%**	100%
Belaza Mozambique LDA	Mozambique	**100%**	100%
Hair Credentials Zambia Limited	Zambia	**100%**	100%
DGH Uganda	Mauritius	**51%**	51%
Style Industries Uganda Limited	Uganda	**51%**	51%
Weave Senegal	Senegal	**100%**	100%

Notes:

Pursuant to a Scheme of amalgamation (the Scheme) sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench on 8th March, 2018, Godrej Consumer Products Mauritius Ltd. (GCPML) and Godrej Consumer Products US Holdings Ltd, (GCP USHL) have merged with Godrej Consumer Products Ltd. The appointed date for the Scheme is October 1, 2016. The Scheme has become effective post filing of e-Form INC–28, on 26th March, 2018 with the Registrar of Companies / Ministry of Corporate Affairs.

Consequently, following 'pooling of interest' method as specified under IND AS 103 'Business combinations' for entities under common control , with effect from October 1, 2016, the entire business and whole of the undertaking of GCPML and GCP USHL including all their assets and liabilities are transferred and vested in the Company on a going concern basis so as to become the assets and liabilities of the Company as reflected below:

In respect of GCPML	**₹ Crore**
- Investment	588.87
- Cash & Cash Equivalents	1.45
- Retained Earnings	(23.97)
- Advances	0.50

In repsect of GCP USHL	**₹ Crore**
- Investment	504.06
- Cash & Cash Equivalents	0.01
- Retained Earnings	(0.04)

Further as specified in IND AS 103, the previous year figures have been restated to the extent of above amounts as if the business combination had occurred in the previous period.

c) Fellow Subsidiaries with whom transactions have taken place during the year (upto March 29, 2017):

i) Godrej Industries Limited
ii) Godrej Agrovet Limited
iii) Godrej Tyson Foods Limited
iv) Godrej Properties Limited
v) Natures Basket Limited
vi) Godrej Vikhroli Properties LLP
vii) Godrej Infotech Limited
viii) Godrej Projects Development Private Limited
ix) Godrej Anandan
x) Godrej One Premises Management Private Limited
xi) Godrej Seeds & Genetics Limited
xii) Godrej Seaview Properties Private Limited

d) Joint Venture:

Name of the Joint Venture	**Country**	**% Holding as at March 31, 2018**	**% Holding as at March 31, 2017**
Godrej Easy IP Holdings (FZC) (Dubai)	Dubai	50%	50%

e) Associate Company:

Name of the Associate Company	**Country**	**% Holding as at March 31, 2018**	**% Holding as at March 31, 2017**
Bhabhani Blunt Hairdressing Pvt Limited	India	30%	30%

f) Investing Entity in which the reporting entity is an Associate *(w.e.f. March 30, 2017)*

i) Godrej Industries Limited
ii) Godrej Seeds & Genetics Limited

g) Companies under common Control with whom transactions have taken place during the year *(w.e.f March 30, 2017)*

i) Godrej & Boyce Mfg. Co. Limited
ii) Godrej Agrovet Limited
iii) Godrej Tyson Foods Limited
iv) Godrej Properties Limited
v) Natures Basket Limited
vi) Godrej Vikhroli Properties LLP
vii) Godrej Infotech Limited
viii) Godrej Projects Development Private Limited
ix) Godrej Anandan
x) Godrej One Premises Management Private Limited
xi) Godrej Seaview Properties Private Limited

h) Key Management Personnel and Relatives

i)	Mr. Adi Godrej	Chairman Emeritius
ii)	Ms. Nisaba Godrej	Executive Chairperson / Daughter of Mr. Adi Godrej
iii)	Mr. Vivek Gambhir	Managing Director & CEO
iv)	Mr. V. Srinivasan	Chief Financial Officer and Company Secretary
v)	Ms. Parmeshwar Godrej	Wife of Mr. Adi Godrej *(Deceased on October 10, 2016)*
vi)	Mr. Pirojsha Godrej	Non-Executive Director / Son of Mr. Adi Godrej
vii)	Mr. Nadir Godrej	Non-Executive Director/ Brother of Mr. Adi Godrej
viii)	Ms. Tanya Dubash	Non-Executive Director/ Daughter of Mr. Adi Godrej
ix)	Mr. Jamshyd Godrej	Non Executive Director
x)	Mr. D Shivakumar	Independent Director *(till November 1, 2017)*
xi)	Mr. Aman Mehta	Independent Director
xii)	Mr. Omkar Goswami	Independent Director
xiii)	Ms. Ireena Vittal	Independent Director
xiv)	Mr. Bharat Doshi	Independent Director
xv)	Mr. Narendra Ambwani	Independent Director
xvi)	Ms. Ndidi Nwuneli	Independent Director *(from April 1, 2017)*
xvii)	Ms. Pippa Armerding	Independent Director *(from January 30, 2018)*
xviii)	Mr. Burjis Godrej	Son of Mr. Nadir Godrej
xix)	Ms. Rati Godrej	Wife of Mr. Nadir Godrej
xx)	Mr. Sohrab Godrej	Son of Mr. Nadir Godrej
xxi)	Mr. Hormazd Godrej	Son of Mr. Nadir Godrej
xxii)	Mr. Navroze Godrej	Son of Mr. Jamshyd Godrej
xxiii)	Mr. Arvind Dubash	Husband of Ms. Tanya Dubash

i) Post employment Benefit Trust where the reporting entity exercises significant influence

i) Godrej Consumer Products Employees' Provident Fund

B) The Related Party Transactions are as under :

₹ Crore

	Holding Company		Subsidiary Companies		Fellow Subsidiaries		Associate Company		Investing Entity in which the reporting entity is an associate		Companies Under Common Control		Key Management Personnel and Relatives		Controlled Trust		Post employment benefit trust		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	Current Year	Previous Year
Sale of Goods	-	0.53	40.21	36.11	-	11.87	0.57	0.54	18.86	0.16	1.71	-	-	-	-	-	-	-	61.35	49.21
Sale of Capital Asset	-	0.04	-	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02	0.04
Purchase of Materials and Spares	-	0.03	4.26	3.30	-	33.71	-	-	40.16	0.22	0.13	-	-	-	-	-	-	-	44.55	37.26
Purchase of Fixed Asset including Assets under Construction	-	1.59	-	-	-	3.82	-	-	-	-	10.74	-	-	-	-	-	-	-	10.74	5.41
Advance Paid	-	0.37	-	-	-	-	-	-	1.51	-	0.25	-	-	-	-	-	-	-	1.76	0.37
Royalty and Technical Fees Received	-	-	13.24	54.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.24	54.60
Royalty and Technical Fees Paid	-	-	0.12	-	-	-	0.87	0.62	-	-	-	-	-	-	-	-	-	-	0.99	0.62
Business Development Expenses	-	-	-	1.81	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.81
Establishment & Other Expenses Paid (Including provision for doubtful debts if any)	-	0.23	0.35	4.73	-	39.97	1.19	0.24	33.50	5.14	6.92	0.02	-	-	-	-	-	-	41.96	50.33
Expenses Recovered	-	-	16.36	13.94	-	1.69	0.01	-	0.23	-	0.35	-	-	-	-	0.61	-	-	16.95	16.24
Investments Made	-	-	156.52	359.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	156.52	359.04
Investments Sold / Redeemed	-	-	-	32.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32.29
Fair Value of Financial Guarantees included in Investments	-	-	7.54	16.27	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.54	16.27
Guarantees Given / (Cancelled)	-	-	544.21	1657.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	544.21	1657.14
Guarantees / Surety Bonds Obtained / (Cancelled)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Guarantee Fee Receivable	-	-	4.01	3.79	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.01	3.79
Guarantee Commission Income	-	-	20.24	20.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20.24	20.99
Income from Business Support Services	-	-	15.96	11.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.96	11.06
Dividend Paid	-	68.14	-	-	-	46.54	-	-	313.99	-	45.01	-	17.69	5.65	-	-	-	-	376.69	120.33
Commission on Profits and Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-	2.64	1.83	-	-	-	-	2.64	1.83
Lease Rentals Received	-	-	-	-	-	9.20	-	-	10.87	-	-	-	-	-	-	-	-	-	10.87	9.20
Lease Rentals Paid	-	-	-	-	-	12.71	-	-	15.49	-	-	-	0.26	2.46	-	-	-	-	15.75	15.17
Contribution during the year (Including Employees' Share)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11	15.34	13.73	15.34	13.84
Short Term Employment Benefits	-	-	-	-	-	-	-	-	-	-	-	-	33.40	34.44	-	-	-	-	33.40	34.44
Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-	-	0.42	1.82	-	-	-	-	0.42	1.82
Other Long Term Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	0.27	-	-	-	-	-	0.27
Share Based Payment	-	-	-	-	-	-	-	-	-	-	-	-	3.80	3.06	-	-	-	-	3.80	3.06
TOTAL	**-**	**70.93**	**823.02**	**2215.07**	**-**	**159.51**	**2.64**	**1.40**	**434.63**	**5.52**	**65.11**	**0.02**	**58.21**	**49.53**	**-**	**0.72**	**15.34**	**13.73**	**1398.95**	**2516.43**

Outstanding Balances

₹ Crore

	Receivables		Payables		Guarantees Outstanding		Commitments	
	As at March 31, 2018	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**
Subsidiary Companies	46.39	58.62	0.88	0.45	3,881.11	4,116.85	-	-
Associate Company	0.07	0.08	-	-	-	-	0.01	0.01
Enterprise Over Which KMP Exercise Significant Influence	-	-	-	-	-	-	-	-
Companies with Common Directors	-	-	-	-	-	-	-	-
Investing Entity in which the reporting entity is an associate	0.97	2.45	-	1.12	(26.88)	(26.88)	2.61	0.50
Common Control	0.34	0.32	0.02	-	(1.21)	(1.21)	0.99	12.08
Key Management Personnel and Relatives	-	-	16.22	22.81	-	-	-	-
Directors and their relatives	-	-	-	-	-	-	-	-
Controlled Trust	-	-	-	-	-	-	-	-
Post employment benefit trust	-	-	-	1.14	-	-	-	-
TOTAL	**47.77**	**61.47**	**17.12**	**25.52**	**3,853.02**	**4,088.76**	**3.61**	**12.59**

NOTE : Refer note 5 for investments in subsidiaries and associates.

NOTE 42 : LEASES

The Company's significant leasing agreements are in respect of operating lease for Computers and Premises (office, godown, etc.) and the aggregate lease rentals payable are charged as rent. The Total lease payments accounted for the year ended March 31, 2018 is ₹ 41.53 crore *(previous year ₹ 40.3 crore)*.

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

₹ Crore

	As at March 31, 2018	**As at March 31, 2017**
Not later than one year	**12.63**	11.02
Later than one year and not later than five years	**36.27**	19.89
Later than five years	**10.59**	-
TOTAL	**59.49**	30.91

NOTE: The Company has entered into an agreement to give one of its office building on operating lease effective May 2015. Total lease rentals earned during the year ended March 31, 2018 amounting to ₹ 9.13 crore have been netted off against rent expense of ₹ 9.13 crore in Note 36 for similar premises in the same building.

The future minimum lease rental receivable under the non-cancellable operating lease is as follows:

₹ Crore

	As at March 31, 2018	**As at March 31, 2017**
Not later than one year	**9.13**	9.12
Later than one year and not later than five years	**10.20**	19.39
Later than five years	**-**	-
TOTAL	**19.33**	28.51

NOTE 43 : HEDGING CONTRACTS

The Company uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitments in accordance with its forex policy as determined by its Forex Committee. The Company does not use foreign exchange forward contracts for trading or speculation purposes.

Forward / Spot Contracts outstanding are as follows:

	As at March 31, 2018		**As at March 31, 2017**	
	In million		In million	
Forward Contracts to Purchase (USD)	**US** $	**20.53**	US $	4.53
[31 contracts (31-Mar-17: 12 contracts)]				
Forward Contracts to Sell (EUR)	**€**	**-**	€	1.05
[2 contracts (31-Mar-17: 2 contracts)]				

NOTE 44 : EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLAN

Provident Fund:

The contributions to the Provident Fund of certain employees (including some employees of the erstwhile Godrej Household Products Ltd) are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Superannuation Fund constitutes an insured benefit, which is classified as a defined contribution plan as the Company contributes to an Insurance Company and has no further obligation beyond making payment to the insurance company.

b) DEFINED BENEFIT PLAN

Gratuity:

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

The Gratuity scheme of the erstwhile Godrej Household Products Ltd., which was obtained pursuant to the Scheme of Amalgamation, is funded through Unit Linked Gratuity Plan with HDFC Standard Life Insurance Company Limited.

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

The Company has a gratuity trust. However, the Company funds its gratuity payouts from its cash flows. Accordingly, the Company creates adequate provision in its books every year based on actuarial valuation.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

Provident Fund:

The Company manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. 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 Company 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 Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2018.

₹ Crore

	As at March 31, 2018
Plan assets at period end, at fair value	129.57
Provident Fund Corpus	128.51
Valuation assumptions under Deterministic Approach:	
Weighted Average Yield	8.75%
Weighted Average Yield to Maturity	8.95%
Guaranteed Rate of Interest	8.65%

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 11.03 crore *(previous year ₹ 9.93 crore)* has been included in Note 33 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 6.41 crore *(previous year ₹ 4.62 crore)* has been included in Note 33 under Contribution to Provident and Other Funds.

d) The amounts recognised in the Company's financial statements as at year end are as under: ₹ Crore

		As at March 31, 2018	As at March 31, 2017
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	**48.07**	33.29
	Current Service Cost	**3.40**	2.40
	Interest Cost	**3.28**	2.66
	Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions	**(0.13)**	3.77
	Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions	**2.82**	6.28
	Actuarial (Gain) / Loss on Obligation- Due to Experience	**1.79**	1.85
	Benefits Paid	**(2.85)**	(2.18)
	Present value of the obligation at the end of the year	**56.38**	48.07
ii)	**Change in Plan Assets**		
	Fair value of Plan Assets at the beginning of the year	**3.91**	5.53
	Interest Income	**0.27**	0.44
	Return on plan assets excluding interest income	**(0.13)**	0.12
	Benefits Paid	**(2.85)**	(2.18)
	Fair value of Plan Assets at the end of the year	**1.20**	3.91
iii)	**Amounts Recognised in the Balance Sheet:**		
	Present value of Obligation at the end of the year	**56.38**	48.07
	Fair value of Plan Assets at the end of the year	**1.20**	3.91
	Funded status - Deficit	**55.18**	44.16
	Net Liability recognised in the Balance Sheet	**55.18**	44.16
iv)	**Amounts Recognised in the Statement of Profit and Loss:**		
	Current Service Cost	**3.40**	2.40
	Interest Cost/Income on Obligation/ Plan assets (Net)	**3.01**	2.22
	Net Cost Included in Personnel Expenses	**6.41**	4.62
v)	**Recognised in other comprehensive income for the year**		
	Actuarial (Gain) / Loss on Obligation	**4.47**	11.90
	Return on plan assets excluding interest income	**0.13**	(0.12)
	Recognised in other comprehensive income	**4.60**	11.78
vi)	**Weighted average duration of Present Benefit Obligation**	**6 years**	6 years
vii)	**Estimated contribution to be made in next financial year**	**7.82**	6.98
viii)	**Major categories of Plan Assets as a % of total Plan Assets**		
	Insurer Managed Funds	**100%**	100%
ix)	**Actuarial Assumptions**		
	i) Discount Rate	**7.80% P.A.**	6.82% P.A.
	ii) Salary Escalation Rate	**9.00% P.A.**	7.00% P.A.
	iii) Mortality	**Indian Assured Lives Mortality (2006-08) Ultimate**	

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

		As at March 31, 2018	As at March 31, 2017
x)	**Maturity Analysis of Projected Benefit Obligation: From the Fund**		
	Projected Benefits Payable in Future Years From the Date of Reporting		
	Within the next 12 months	**12.41**	10.34
	2nd Following Year	**4.99**	4.11
	3rd Following Year	**5.41**	4.00
	4th Following Year	**5.02**	4.21
	5th Following Year	**4.85**	3.82
	Sum of Years 6 To 10	**23.89**	19.14

xi) 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:

	March 31, 2018		March 31, 2017	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(2.77)	3.11	(2.53)	2.85
Future salary growth (1% movement)	3.04	(2.77)	2.82	(2.55)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Other details

Methodology Adopted for ALM	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity analysis	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Comment on Quality of Assets	Since investment is with insurance company, Assets are considered to be secured.

NOTE 45 : EMPLOYEE STOCK BENEFIT PLANS

I. EMPLOYEE STOCK GRANT SCHEME

a) The Company set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders on March 18, 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 of the Company or its Subsidiaries. The entitlement of each employee will be decided by the Compensation Committee of the Company based on the employee’s performance, level, grade, etc.

d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 2,500,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 500,000 (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 or as may be decided by the Compensation Committee from the date on which the Stock Grants are awarded for a period of three consecutive years subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

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

g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The fair value is treated as Employee Compensation Expenses and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

h) The details of the scheme are as below:

Scheme	Grant Date	No. of Options	Vesting Condition	Exercise Price (₹) per share	Weighted average Exercise Price (₹) per share	Exercise period
Employees Stock Grant Scheme 2011	From 2011 to 2017	635,424	Vested in the proportion of 1/3rd at the end of each year	1.00	1.00	within 1 month from the date of vesting

Movement in the number of share options during the year:

	As at March 31, 2018	As at March 31, 2017
Outstanding at the beginning of the year	**128,895**	141,096
Add: Bonus issue during the year	**122,214**	-
Add: Granted during the year	**111,829**	58,376
Less: Exercised during the year	**127,886**	66,993
Less: Forfeited/ lapsed during the year	**11,041**	3,584
Outstanding at the end of the year	**224,011**	128,895

Weighted average remaining contractual life of options as at 31st March, 2018 was 1.24 years *(31-Mar-17: 1.56 years).*

Weighted average equity share price at the date of exercise of options during the year was ₹ 1297.64 *(previous year ₹ 1,558.62).*

The fair value of the employee share options has been measured using the Black-Scholes formula. The following assumptions were used for calculation of fair value of grants:

	As at March 31, 2018	As at March 31, 2017
Risk-free interest rate (%)	**6.46%**	7.04%
Expected life of options (years)	**2.00**	2.00
Expected volatility (%)	**32.21%**	32.21%
Dividend yield	**0.31%**	0.39%
The price of the underlying share in market at the time of option grant (₹)*	**1868.75**	1481.60

* Price is before issue of Bonus shares

II. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.

NOTE 46 : CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

Expenditure related to CSR as per section 135 of the Companies Act, 2013 read with Schedule VII thereof, against the mandatory spend of ₹ 18.83 crore *(previous year ₹ 16.38 crore):*

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Revenue Expenditure in cash on CSR activities	**18.88**	16.52
TOTAL	**18.88**	16.52

NOTE 47 : FINANCIAL INSTRUMENTS

A. 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 presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ Crore

As at March 31, 2018	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	84.66	84.66	-	84.79	-	84.79
Deposits with Non-Banking Financial Companies	-	-	20.54	20.54	-	20.54	-	20.54
Loans	-	-	16.32	16.32	-	-	-	-
Other Non-Current Financial Assets	-	-	4.27	4.27	-	-	-	-
Current								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	336.01	336.01	-	339.38	-	339.38
Mutual Funds	107.63	-	-	107.63	-	107.63	-	107.63
Commercial papers	-	-	97.04	97.04	-	97.04	-	97.04
Deposits with Non-Banking Financial Companies			306.97	306.97		306.97		
Trade receivables	-	-	248.58	248.58	-	-	-	-
Cash and cash equivalents	-	-	86.11	86.11	-	-	-	-
Other Bank balances	-	-	12.00	12.00	-	-	-	-
Loans	-	-	0.25	0.25	-	-	-	-
Refunds/Incentives receivables from Govt. Authorities	-	-	173.66	173.66	-	-	-	-
Other Current Financial Assets	0.61	-	18.97	19.58	-	-	-	-
TOTAL	**108.24**	**-**	**1,405.38**	**1,513.62**	**-**	**956.34**	**-**	**649.38**
Financial liabilities								
Current								
Borrowings (Commercial Paper)	-	-	-	-	-	-	-	-
Trade and other payables	-	-	1,452.92	1,452.92	-	-	-	-
Other Current Financial Liabilities	-	-	39.00	39.00	-	-	-	-
TOTAL	**-**	**-**	**1,491.92**	**1,491.92**	**-**	**-**	**-**	**-**

There are no transfer between levels 1 and 2 during the year.

₹ Crore

As at March 31, 2017	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current								-
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	153.66	153.66	-	153.89	-	153.89
Deposits with Non-Banking Financial Companies	-	-	62.85	62.85	-	62.85	-	62.85
Loans	-	-	15.33	15.33	-	-	-	-
Other Non-Current Financial Assets	-	-	12.08	12.08	-	-	-	-
Current				-				
Investments				-				
Non-convertible Debentures with Non-Banking Financial Companies	-	-	52.78	52.78	-	52.89	-	52.89
Mutual Funds	425.56	-	-	425.56	-	425.56	-	425.56
Deposits with Non-Banking Financial Companies	-	-	174.52	174.52	-	174.52	-	174.52
Trade receivables	-	-	209.33	209.33	-	-	-	-
Cash and cash equivalents	-	-	88.00	88.00	-	-	-	-
Other Bank balances	-	-	10.45	10.45	-	-	-	-
Loans	-	-	0.11	0.11	-	-	-	-
Refunds/Incentives receivables from Govt. Authorities	-	-	167.35	167.35	-	-	-	-
Other Current Financial Assets	-	-	9.00	9.00	-	-	-	-
TOTAL	**425.56**	**-**	**955.46**	**1,381.02**	**-**	**869.71**	**-**	**869.71**
Financial liabilities								
Current								
Borrowings (Commercial Paper)	-	-	148.97	148.97	-	148.97	-	148.97
Trade and other payables	-	-	1,120.36	1,120.36	-	-	-	-
Other Current Financial Liabilities	0.34	-	33.84	34.18	-	0.34	-	0.34
TOTAL	**0.34**	**-**	**1,303.17**	**1,303.51**	**-**	**149.31**	**-**	**149.31**

There are no transfer between levels 1 and 2 during the year.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

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:

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund Investments	NAV quoted by the Mutual Fund	NA	NA
Investments in NonConvertible Debenture/Commercial papers with Non-Banking Financial Companies	Broker Quote	NA	NA
Deposits with Non-Banking Financial Companies	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Commercial Paper issued by the Company	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Derivative Financial Instruments	MTM from Banks	NA	NA

NOTE 48 : FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company has constituted a Risk Management Committee and risk management policies which are approved by the Board to identify and analyze the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings, foregin currency receivables/payables, EEFC bank account balances, investments and derivative financial instruments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of 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. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

(ii) Management of price risk:

The Company invests its surplus funds in various debt instruments including liquid and short term schemes of debt mutual funds, deposits with banks and financial institutions and non-convertible debentures (NCD's). Investments in mutual funds, deposits and NCD's are susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments. This risk is mitigated by the Company by investing the funds in various tenors depending on the liquidity needs of the Company.

(iii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

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

₹ Crore

	March 31, 2018	March 31, 2018	March 31, 2018	March 31, 2018	March 31, 2018	March 31, 2018
	GBP	**USD**	**EURO**	**ZAR**	**AED**	**Others**
Financial assets						
Cash and cash equivalents	-	6.11	-	-	-	-
Trade and other receivables	1.19	47.05	36.10	-	2.32	-
Less: Forward contracts for trade receivables	-	-	-	-	-	-
Other Non-Current Financial Assets	-	4.20	-	-	-	-
Other Current Financial Assets	-	7.89	-	-	-	-
	1.19	**65.25**	**36.10**	**-**	**2.32**	**-**
Financial liabilities						
Trade and other payables	1.95	198.64	5.05	-	-	-
Less: Forward contracts for trade payables	-	(133.80)	-	-	-	-
Other Current Financial Liabilities	-	0.21	-	-	-	-
	1.95	**65.05**	**5.05**	**-**	**-**	**-**
Net exposure	**(0.76)**	**0.20**	**31.05**	**-**	**2.32**	**-**

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

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

₹ Crore

	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017
	GBP	**USD**	**EURO**	**ZAR**	**AED**	**Others**
Financial assets						
Cash and cash equivalents	-	27.96	0.27	-	-	-
Trade and other receivables	1.29	60.55	28.56	-	1.11	-
Less: Forward contracts for trade receivables	-	-	(7.28)	-	-	-
Other Non-Current Financial Assets	-	12.02	-	-	-	-
Other Current Financial Assets	-	3.94	-	-	-	-
	1.29	**104.47**	**21.55**	**-**	**1.11**	**-**
Financial liabilities						
Trade and other payables	0.44	109.63	5.93	-	-	-
Less: Forward contracts for trade payables	-	(29.35)	-	-	-	-
Other Current Financial Liabilities	-	0.12	-	-	-	-
	0.44	**80.40**	**5.93**	**-**	**-**	**-**
Net exposure	**0.85**	**24.07**	**15.62**	**-**	**1.11**	**-**

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

INR	Year-end spot rate as at	
	March 31, 2018	**March 31, 2017**
GBP INR	**91.76**	80.90
USD INR	**65.18**	64.85
EUR INR	**80.45**	69.29
ZAR INR	**5.53**	4.85
AED INR	**17.74**	18.49

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of GBP/USD/EURO/AED against the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in GBP/USD/EURO/AED and affected 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.

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2018		
5% movement		
GBP	**(0.04)**	0.04
USD	**0.01**	(0.01)
EUR	**1.55**	(1.55)
AED	**0.12**	(0.12)
	1.64	(1.64)

₹ Crore

Effect in INR	Profit or loss Strengthening	Profit or loss Weakening
March 31, 2017		
5% movement		
GBP	**0.04**	(0.04)
USD	**1.20**	(1.20)
EUR	**0.78**	(0.78)
AED	**0.06**	(0.06)
	2.08	(2.08)

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and from its investing activities including investments in mutual funds, deposits with banks and financial institutions and NCD's, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

Credit risk from investments of surplus funds is managed by the Company's treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements prescribed by the Board. The Company monitors the credit ratings and financial strength of its counter parties and adjusts its exposure accordingly.

At March 31, 2018, the ageing for the financial assets as mentioned in the note below & that were not impaired (not provided for) was as follows:

Trade receivables ₹ Crore

	As at March 31, 2018	As at March 31, 2017
Neither past due nor impaired	**171.78**	144.97
Past due 1–90 days	**54.11**	48.24
Past due 91–120 days	**0.93**	2.23
Past due 120 days	**21.76**	13.89
	248.58	209.33

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available:

The movement in the allowance for impairment in respect of trade receivables is as follows: ₹ Crore

	As at March 31, 2018	As at March 31, 2017
Opening balance	**5.07**	3.00
Impairment loss recognised during the year	**0.55**	2.07
Closing balance	**5.62**	5.07

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a robust cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments:

₹ Crore

March 31, 2018	Carrying amount	Contractual cash flows				
		Total	Less than 1 Year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Commercial papers	-			-	-	-
Trade payables	1,452.92	1,452.92	1,452.92	-	-	-
Other Financial Liabilities	39.00	39.00	39.00	-	-	-
Derivative financial liabilities						
Forward exchange contracts used for hedging						
- Outflow	134.37	134.37	134.37	-	-	-
- Inflow	-	-	-	-	-	-

₹ Crore

March 31, 2017	Carrying amount	Contractual cash flows				
		Total	Less than 1 Year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Commercial papers	148.97	148.97	148.97	-	-	-
Trade payables	1,120.36	1,120.36	1,120.36	-	-	-
Other Financial Liabilities	34.18	34.18	34.18	-	-	-
Derivative financial liabilities						
Forward exchange contracts used for hedging						
- Outflow	37.43	37.43	37.43	-	-	-
- Inflow	7.37	7.37	7.37	-	-	-

NOTE 49 : HEDGE ACCOUNTING

The objective of hedge accounting is to represent, in the Company's financial statements, the effect of the Company's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Company makes use of financial derivative instruments, including foreign exchange forward contracts, for hedging the risk embedded in some of its highly probable forecast investment.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency risk on highly probable forecast investment. The tenor of hedging instrument may be less than or equal to the tenor of underlying highly probable forecast investment.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge. The Company applies cash flow hedge accounting to hedge the variability in the future cash flows on the overseas remittance to its subsidiaries, subject to foreign exchange risk.

The Company has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective in offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

Hedge effectiveness is assessed through the application of critical terms match method & dollar off-set method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

The table below enumerates the Company's hedging strategy, typical composition of the Company's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship:

Sr No.	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Currency risk hedge	Highly Probable Foreign currency (FCY) denominated investment in Overseas Subsidiary	FCY denominated highly probable forecast investment is converted into functional currency using a plain vanila foreign currency forward contract.	Foreign Exchange forward contracts	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market.	Cash flow hedge

The table below provide details of the derivatives that have been designated as cash flow hedges for the year presented:

For the year ended March 31, 2018

Hedging Instrument	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Gain/ (Loss) dues	Change in fair value for the year recognised in Other Comprehensive Income (OCI)	Ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	-	-	-	-	-	-	NA	NA	NA

For the year ended March 31, 2017

Hedging Instrument	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Gain/ (Loss) due to change in fair value	Change in fair value for the year recognised in Other Comprehensive Income (OCI)	Ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	-	-	-	(1.16)	(1.16)	-	NA	NA	NA

The following table provides a reconciliation by risk category of the components of equity and analysis of Other Comprehensive Income (OCI) items resulting from hedge accounting:

	Movement in Cash flow hedge	
	As at 31 March, 2018	**As at 31 March, 2017**
Opening balance	**(0.75)**	-
Gain / (Loss) on the Effective portion of changes in fair value:		
Currency risk	-	(1.16)
Net amount reclassified to profit or loss:	-	-
Currency risk	-	-
Tax on movements on reserves during the year	-	0.41
Closing balance	**(0.75)**	(0.75)

Disclosure of effects of hedge accounting on financial performance for the year ended March 31, 2018:

Type of hedge	Gain/(Loss) due to change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Currency risk	-	-	-	NA

Disclosure of effects of hedge accounting on financial performance for the year ended March 31, 2017:

Type of hedge	Gain/(Loss) due to change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Currency risk	(1.16)	-	-	NA

NOTE 50 : DISCLOSURE U/S 186 (4) OF THE COMPANIES ACT, 2013

Details of Investments made are disclosed under Note 5 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 40.

NOTE 51 : SUBSEQUENT EVENTS

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

NOTE 52 : GENERAL

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirements of Schedule III, unless otherwise stated.

As per our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

Vijay Mathur
Partner
M. No. 046476

Mumbai: May 8, 2018

V Srinivasan
Chief Financial Officer
& Company Secretary

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

CONSOLIDATED FINANCIALS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ CONSUMER PRODUCTS LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Godrej Consumer Products Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and its joint venture , which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs, consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and of its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.

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

Opinion

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

Other Matters

1 The comparative financial information of the Group, its associate and joint venture for the year ended 31 March 2017 prepared in accordance with Ind AS included in these consolidated financial statements has been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated 9 May 2017 expressed an unmodified opinion.

2 (a) We did not audit the financial statements of 51 subsidiaries, whose financial statements reflect total assets of ₹ 16,815 crore as at 31 March 2018, total revenues of ₹ 7,444 crore and net cash outflows/ inflows amounting to ₹ 24.47 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The consolidated financial statements also include the Group's share of net profit of ₹ 1.08 crores for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of an associate and a joint venture whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate 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 associate and joint venture is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, joint venture and an associate, 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, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". We have not commented on the internal financial controls with reference to financial statements of the subsidiaries since all the subsidiaries are incorporated outside India.

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture. Refer Note 42 to the consolidated financial statements.

ii. The Group, its associate and joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2018.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2018.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

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For **B S R & Co LLP**
Chartered Accountants
Firm's Registration No.101248W/W-100022
Vijay Mathur
Partner
M. No.: 046476

Mumbai: May 08, 2018

Annexure A to Independent Auditors' Report – 31 March 2018
(Referred to in our report of even date)

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

We have audited the internal financial controls over financial reporting of Godrej Consumer Products Limited (hereinafter referred to as "the Holding Company"), as at 31 March 2018 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B S R & Co LLP**
Chartered Accountants
Firm's Registration No.101248W/
W-100022
Vijay Mathur
Partner
M. No.: 046476

Mumbai: May 08, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

₹ Crore

	Note No.	As at March 31, 2018	As at March 31, 2017
I. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment	3	**1,066.36**	942.58
(b) Capital work-in-progress		**82.08**	95.11
(c) Goodwill	4	**4,718.87**	4,662.56
(d) Other Intangible assets	4	**2,529.77**	2,477.75
(e) Intangible assets under development		**1.80**	2.32
(f) Investments in associate	5	**36.32**	35.24
(g) Financial Assets			
(i) Others Investments	6	**105.20**	216.51
(ii) Loans	7	**18.87**	19.28
(iii) Others	8	**9.57**	5.35
(h) Deferred tax assets (net)	9D	**100.04**	96.28
(i) Other non-current assets	10	**64.89**	59.77
(j) Non-Current Tax Assets (net)	9C	**61.26**	45.73
Total Non Current Assets		**8,795.03**	8,658.48
2. Current assets			
(a) Inventories	11	**1,577.72**	1,412.50
(b) Financial Assets			
(i) Investments	12	**855.76**	681.79
(ii) Trade receivables	13	**1,245.50**	1,028.74
(iii) Cash and cash equivalents	14A	**898.02**	895.05
(iv) Bank balances other than (iii) above	14B	**62.19**	17.61
(v) Loans	15	**2.89**	3.61
(vi) Others	16	**199.11**	190.04
(c) Other current assets	17	**326.49**	142.22
		5,167.68	4,371.56
(d) Non Current Assets held for sale	18	**-**	6.49
Total Current Assets		**5,167.68**	4,378.05
TOTAL ASSETS		**13,962.71**	13,036.53
II. EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share Capital	19	**68.13**	34.06
(b) Other Equity	20	**6,190.18**	5,267.89
Total Equity		**6,258.31**	5,301.95
2. LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	**2,380.32**	3,108.25
(ii) Other financial liabilities	22	**753.95**	911.24
(b) Provisions	23	**98.24**	80.57
(c) Deferred tax liabilities (net)	9E	**304.72**	286.11
(d) Other non-current liabilities	24	**2.37**	1.05
Total Non Current Liabilities		**3,539.60**	4,387.22
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	**140.51**	232.55
(ii) Trade payables	26	**2,356.85**	1,723.90
(iii) Other financial liabilities	27	**1,285.39**	1,022.64
(b) Other current liabilities	28	**311.36**	302.54
(c) Provisions	29	**47.82**	58.14
(d) Current tax liabilities (net)	9C	**22.87**	7.59
Total Current Liabilities		**4,164.80**	3,347.36
TOTAL EQUITY AND LIABILITIES		**13,962.71**	13,036.53

Notes forming part of the Consolidated Financial Statements 1 to 59

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our Report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

Vijay Mathur
Partner
M.No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 8, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

₹ Crore

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Revenue			
I. Revenue from Operations	30	**9,936.99**	9,608.80
II. Other income	31	**107.55**	75.30
III. Total Income (I+II)		**10,044.54**	9,684.10
IV. Expenses			
Cost of Materials Consumed	32	**3,646.23**	3,801.91
Purchases of Stock-in-Trade		**572.13**	463.94
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	33	**56.00**	(133.33)
Excise Duty		**93.72**	340.89
Employee Benefits Expenses	34	**1,057.41**	988.46
Finance Costs	35	**160.74**	145.22
Depreciation and Amortization Expenses	36	**155.68**	141.57
Other Expenses	37	**2,444.39**	2,249.21
Total Expenses		**8,186.30**	7,997.87
V. Profit before Exceptional Items, Share of Net Profits of equity accounted investess and Tax (III-IV)		**1,858.24**	1,686.23
VI. Share of net Profits of equity accounted investees (net of income tax)		**1.08**	0.82
VII Profit before Exceptional Items and Tax (V+VI)		**1,859.32**	1,687.05
VIII. Exceptional Items (net)	38	**179.56**	0.08
IX. Profit before Tax (VII+VIII)		**2,038.88**	1,687.13
X. Tax expense:			
(i) Current Tax	9A	**392.50**	369.17
(ii) Deferred Tax	9A	**12.20**	9.99
Total Tax Expense		**404.70**	379.16
XI. Profit for the Year (IX-X)		**1,634.18**	1,307.97
XII. Other Comprehensive Income			
A (i) *Items that will not be reclassified to profit or loss*			
Remeasurements of defined benefit plans		**(5.24)**	(12.95)
(ii) Income tax relating to items that will not be reclassified to profit or loss	9A	**2.63**	6.60
		(2.61)	(6.35)
B (i) *Items that will be reclassified to profit or loss*			
a) Exchange differences in translating financial statements of foreign operations		**45.48**	(90.67)
b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		**(5.92)**	13.20
(ii) Income tax relating to items that will be reclassified to profit or loss	9A	**-**	0.41
		39.56	(77.06)
Other Comprehensive Income (net of income tax)		**36.95**	(83.41)
XIII. Total Comprehensive Income for the year		**1,671.13**	1,224.56
Profit attributable to:			
Owners of the Company		**1,634.18**	1,304.08
Non-controlling interests		**-**	3.89
Other Comprehensive Income attributable to:			
Owners of the Company		**36.95**	(83.41)
Non-controlling interests		**-**	-
Total Comprehensive Income attributable to:			
Owners of the Company		**1,671.13**	1,220.67
Non-controlling interests		**-**	3.89
XIV. Earnings per equity share (₹)			
1. Basic	39	**23.99**	19.15
2. Diluted		**23.98**	19.14

Notes forming part of the Consolidated Financial Statements 1 to 59
The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our Report of even date attached

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

Vijay Mathur
Partner
M.No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 8, 2018

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

₹ Crore

		Year ended March 31, 2018	Year ended March 31, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before Exceptional Items and Tax	**1,859.32**	1,687.05
	Adjustments for :		
	Depreciation and amortization expenses	**155.68**	141.57
	Bad Debts Written off	**6.00**	2.35
	Provision / (Write-back) for Doubtful Debts / Advances	**12.67**	12.55
	Write back of Old Balances	**(0.78)**	(0.89)
	Expenses on Employee Stock Grant Scheme (ESGS)	**8.71**	7.59
	Profit on sale of Property, Plant & Equipment and Intangible assets (net)	**(4.35)**	(1.84)
	Finance cost	**160.74**	145.22
	Interest Income	**(68.50)**	(40.81)
	Share of profit of equity accounted investees	**(1.08)**	(0.82)
	Fair value (Gain) / Loss on financial assets measured at FVTPL (net)	**8.14**	(11.60)
	Profit on Sale of Investments (net)	**(18.54)**	(9.07)
	Unrealised exchange (Gain)/ Loss	**29.06**	15.68
		287.75	259.93
	Operating Cash Flows Before Working Capital Changes	**2,147.07**	1,946.98
	Adjustments for :		
	(Increase)/Decrease in inventories	**(165.22)**	46.09
	(Increase)/Decrease in trade receivables	**(245.47)**	166.06
	(Increase)/Decrease in loans	**1.13**	(2.87)
	Increase in other financial assets	**(19.04)**	(2.34)
	Increase in other non-current assets	**(0.72)**	(88.63)
	(Increase)/Decrease in other current assets	**(184.27)**	4.17
	Increase in trade and other payables	**613.22**	196.04
	Increase in other financial liabilities	**(30.83)**	10.73
	Increase in other liabilities and provisions	**15.66**	11.37
		(15.54)	340.62
	Cash generated from Operations	**2,131.53**	2,287.60
	Income Taxes paid (net)	**(392.75)**	(407.29)
	Cash Flow before exceptional items	**1,738.78**	1,880.31
	Exceptional Items:		
	Restructuring Cost	**(15.43)**	(20.09)
	Net Cash Flows From Operating Activities (A)	**1,723.35**	1,860.22
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant & Equipment and Intangible assets (net)	**(311.49)**	(180.29)
	Investments in Mutual Funds (net)	**349.15**	(367.11)
	Investments in Deposits with NBFCs (net)	**(90.14)**	(149.00)
	Investments in Non Convertible Debentures with NBFCs (net)	**(212.20)**	(206.44)
	Investments in Commercial Papers	**(97.04)**	-
	Payment for Business Acquisitions (net)	**-**	(1,431.32)
	Investments in Fixed Deposits having maturities greater than 3 months (net)	**(44.58)**	123.59
	Interest Received	**66.47**	40.81
	Net Cash Flows From Investing Activities (B)	**(339.83)**	(2,169.76)

₹ Crore

		Year ended March 31, 2018	Year ended March 31, 2017
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Allotment of Equity Shares under ESGS	**0.01**	0.01
	Loans and borrowings (net)	**(487.56)**	1,024.34
	Expenses on issue of bonus shares	**(0.70)**	-
	Finance Cost	**(157.82)**	(124.05)
	Dividend Paid	**(613.12)**	(195.78)
	Dividend Distribution Tax Paid	**(124.82)**	(39.87)
	Net Cash Flow from / (used) in Financing Activities (C)	**(1,384.01)**	664.65
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(0.49)**	355.11
	CASH AND CASH EQUIVALENTS:		
	As at the beginning of the year* *(Refer Note 14A)*	**895.05**	612.59
	Less: Cash credit	**(0.84)**	(34.35)
	Acquired pursuant to Business Combination	**-**	16.09
	Effect of exchange difference on translation of cash and cash equivalents on consolidation	**0.88**	(55.23)
	As at the end of the year* *(Refer Note 14A)*	**898.02**	895.05
	Less: Cash credit	**(3.42)**	(0.84)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(0.49)**	355.11

* Cash and Cash equivalents includes cash credits, that are repayable on demand and form an integral part of Group's cash management.

Note: 1 The above statement of cash flow has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows'.
2 The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our Report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

Vijay Mathur
Partner
M.No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 8, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(a) Equity Share Capital

₹ Crore

	Note No.	
As at April 1, 2017		**34.06**
Changes in equity share capital during the year	19	34.07
As at March 31, 2018		**68.13**

(b) Other Equity (Refer Note 20)

₹ Crore

Particulars	Reserves & Surplus				Other Comprehensive Income				
	Securities Premium Reserve	General Reserve	Other Reserves	Retained Earnings	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operations	Total	Non-Controlling Interests	Total Equity
Balance as at April 1, 2016	**1,446.27**	**154.05**	**9.89**	**2,688.85**	**-**	**(66.15)**	**4,232.91**	**10.02**	**4,242.93**
Profit for the year	-	-	-	1,304.08	-	-	1,304.08	3.89	1,307.97
Remeasurements of defined benefit plans (net of tax)	-	-	-	(6.35)	-	-	(6.35)	-	(6.35)
Other comprehensive income for the year	-	-	-		13.61	(90.67)	(77.06)	-	(77.06)
Total comprehensive income for the year	**-**	**-**	**-**	**1,297.73**	**13.61**	**(90.67)**	**1,220.67**	**3.89**	**1,224.56**
Premium received on allotment of shares / Excercise of Share Options	6.04	-	(6.04)	-	-	-	-	-	-
Deferred employee compensation expense	-	-	7.59	-	-	-	7.59	-	7.59
Dividend	-	-	-	(195.78)	-	-	(195.78)	-	(195.78)
Dividend Distribution Tax (DDT)	-	-	-	(39.87)	-	-	(39.87)	-	(39.87)
Revaluation of put option liability	-	-	-	46.42	-	-	46.42	-	46.42
Acquisition of balance stake in a subsidiary	-	-	-	(4.05)	-	-	(4.05)	(13.91)	(17.96)
Balance as at March 31, 2017	**1,452.31**	**154.05**	**11.44**	**3,793.30**	**13.61**	**(156.82)**	**5,267.89**	**-**	**5,267.89**
Profit for the year			-	1,634.18	-	-	1,634.18	-	1,634.18
Remeasurements of defined benefit plans (net of tax)	-	-	-	(2.61)	-	-	(2.61)	-	(2.61)
Other comprehensive income for the year	-	-	-	-	(5.92)	45.48	39.56	-	39.56
Total comprehensive income for the year	**-**	**-**	**-**	**1,631.57**	**(5.92)**	**45.48**	**1,671.13**	**-**	**1,671.13**
Premium received on allotment of shares / Excercise of Share Options	6.97		(6.97)	-	-	-	-	-	-

(b) Other Equity (Refer Note 20)

₹ Crore

Particulars	Reserves & Surplus				Other Comprehensive Income		Total	Non-Controlling Interests	Total Equity
	Securities Premium Reserve	General Reserve	Other Reserves	Retained Earnings	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operations			
Deferred employee compensation expense	-	-	8.71	-	-	-	8.71	-	8.71
Issue of Bonus Shares	(34.06)						(34.06)		(34.06)
Expenses on Issue of Bonus Shares	(0.70)						(0.70)		(0.70)
Dividend	-	-	-	(613.12)	-	-	(613.12)	-	(613.12)
Dividend Distribution Tax (DDT)	-	-	-	(124.82)	-	-	(124.82)	-	(124.82)
Revaluation of put option liability	-	-	-	15.15	-	-	15.15	-	15.15
Balance as at March 31, 2018	**1,424.52**	**154.05**	**13.18**	**4,702.08**	**7.69**	**(111.34)**	**6,190.18**	**-**	**6,190.18**

Notes forming part of the Consolidated Financial Statements 1 to 59

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our Report of even date attached

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

Vijay Mathur
Partner
M.No. 046476

Mumbai: May 8, 2018

V Srinivasan
Chief Financial Officer
& Company Secretary

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vivek Gambhir

Managing Director & CEO
DIN: 6527810

1) CORPORATE INFORMATION

Godrej Consumer Products Limited (the Company) was incorporated on November 29, 2000, to take over as a going concern the consumer products business of Godrej Soaps Limited (subsequently renamed as Godrej Industries Limited), pursuant to a Scheme of Arrangement as approved by the High Court, Mumbai. The Company is a fast moving Consumer Goods company, manufacturing and marketing Household and Personal Care products. The Company is a public company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company's registered office is at 4th Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (east), Mumbai – 400 079. These Consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in an associate and a joint venture.

2) BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and measurement

a. Basis of preparation

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The Consolidated financial statements were authorized for issue by the Company's Board of Directors on May 8, 2018.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of classification of assets and liabilities into current and non-current.

b. Basis of measurement

These Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amounts:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans – plan assets and share based payments measured at fair value
- Assets held for sale – measured at lower of carrying value or fair value less cost to sell

c. Principles of consolidation

The Company consolidates all the entities which are controlled by it.

The Company establishes control when, it has the power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full for consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interest and non-controlling interest are adjusted to reflect the change in their relative interest in the subsidiaries. Any difference between the amount at which the non- controlling interest are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Company.

Investments in associate and joint venture are accounted using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements includes Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

d. Business combination and goodwill

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognized in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair value at the acquisition date.

Purchase consideration paid in excess of the fair value of the net assets acquired is recognized as goodwill. Where the fair values of the identifiable assets and liabilities exceeds the cost of acquisition after reassessing sale values of the net assets and contingent liabilities, the excess is recognized as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at non-controlling interest's proportionate share of acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfer of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve.

2.2 Key estimates and assumptions

In preparing these Consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgements are:

i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized; (Note 2.5.a)
ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.5.b)
iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 2.5.l)
iv. Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used; (Note 2.5.n)
v. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.5.j)
vi. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; (Note 2.5.l)
vii. Rebates and sales incentives accruals (Note 2.5.k)
viii. Fair value of financial instruments (Note 2.3)
ix. Impairment of Goodwill (Note 2.5.b)

2.3 Measurement of fair values

The Group's accounting policies and disclosures require certain financial and non-financial assets and liabilities to be measured at fair values.

The Group has an established control framework with respect to the measurement of fair values. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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.

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 entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.4 Standards issued but not yet effective

IND AS 115: Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The Standard is applicable to the Group with effect from April 1, 2018. This standard establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede the current revenue recognition standards Ind AS 18 Revenue and Ind AS 11 Construction Contracts when it becomes effective. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group has completed its preliminary evaluation of the possible impact of Ind AS 115 based on which no significant impact is expected, other than additional disclosures as required by the new standard.

2.5 Significant Accounting Policies

a. Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment, other than Freehold Land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at cost.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

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.

Any gain or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised

subsequent expenditure.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

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 the following items where useful lives estimated by the management based on internal technical assessment, past trends and expected operational lives differ from those provided in Schedule II of the Companies Act 2013:

- Leasehold land is amortised equally over the lease period.
- Leasehold Improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.
- Office Equipments are depreciated over 5 to 10 years.
- Tools are depreciated over a period of 9 years, and dies and moulds over 3 years.
- Vehicles are depreciated over a period ranging from 5 years to 8 years depending on the use of vehicles.
- In some of the subsidiaries, useful lives are estimated to be lower or higher as compared to useful lives defined in Schedule II of the Companies Act, 2013 for certain class of assets due to different geographical environment.

  Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

b. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization (where applicable) and any accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Goodwill

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Other intangible assets

Intangible assets with definite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization method and period are reviewed at least 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 assets are considered to modify amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Amortisation of other intangible assets.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives for current and comparative periods are as follows:

Software licences 6 years

Trademarks 10 years

Technical knowhow 10 years

Trademarks acquired are amortised equally over the best estimate of their useful life not exceeding a period of 10 years, except in the case of Soft & Gentle, Pamela Grant & Milleofiori, Non-Valon brands like Pride, Climax, Odonil, Supalite, Twilite, Lavik, Peurex, Corawwi and Simba brands where the brands are amortised equally over a period of 20 years.

Goodknight, Hit, Valon, Abuja and Darling Class-3, are assessed as intangibles having indefinite useful life and are not amortised in the consolidated financial statements, but are tested for impairment annually. Residual value, is estimated to be immaterial by management and hence has been considered at ₹ 1.

c. Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

d. Impairment of Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial (except for inventories and deffered tax assets) assets are assessed at the end of each reporting date to determine weather there is any indication of impairment.

An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Consolidated Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro-rata based on the carrying amount of each asset in the unit.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

e. Assets held for sale

Non-current assets or disposal 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 conducted within 12 months of the Balance Sheet date.

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

f. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and futures.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in three categories:

- Amortised cost,
- Fair value through other comprehensive income (FVTOCI)
- Fair value through Profit and Loss account (FVTPL)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

A debt instrument is measured at FVOCI if it means both of the following conditions and is not designated as at FVTPL

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

Fair value through profit and loss (FVTPL)

A financial asset, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.This includes all derivative financial assets.

In addition, the Group may, at initial recognition, irrevocably designate a financial assets, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

All equity investments within the scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Impairment of financial assets (ECL)

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets that are carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies a simplified approach. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

Financial liabilities

The Group financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Classification and measurement

Financial liabilities are classified, as measured at amortized cost or FVTPL. Financial liability is classified as at FVTPL if it is classified as held for trading, or it is derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Consolidated Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the Consolidated Statement of Profit and Loss. Any gain or loss on de-recognition is also recognized in the Consolidated Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidatedstatement of profit and loss.

Derecognition

Financial Assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expire, or it transfers the rights to the receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions where by it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial Liabilities

The Group derecognizes

a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognizes a financial liability when its terms are modified and cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and new financial liability with modified terms is recognized in Consolidated Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require specified payments 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.

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, or to to realise the assets and settle the liabilities simultaneously.

g. Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts, futures and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. 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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and later reclassified to profit and loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group risk management objective and strategy for undertaking the hedge, the hedging economic relationship the hedged item or transaction the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they are designated.

Cash flow hedges

When a derivative is designed as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognized in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, the hedge accounting is discontinued prospectively. When hedge accounting for a cash flow hedge is discontinued, the amount that has been accumulated in other equity remains there until is reclassified to profit and loss account in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

h. Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs are computed on the weighted average basis and are net of recoverable tax credits.

Raw materials, packing materials and stores: Costs includes cost of purchase and other costs incurred in bringing each product to its present location and condition.

Finished goods and work-in-progress: In the case of manufactured inventories and work-in-progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition.

Finished goods valuation also includes excise duty (to the extend applicable). Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

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.

i. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits held at call with financial institutions, other short term highly liquid investments, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents as defined above is net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

j. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

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.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefits is probable.

k. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of goods

Revenue from Sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. The Group recognizes revenues on the sale of products, net of returns, discounts, sales incentives/rebate, amounts collected on behalf of third parties (such as sales tax, Goods and Service Tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction. Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice.

Customer Loyalty Programme

Sales consideration 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 products under the terms of the programme or when it is no longer probable that the points under the programme will be redeemed.

Royalty & Technical Fees

Royalty is recognized on accrual basis in accordance with the substance of the relevant agreement.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

Dividend income

Dividends are recognised in profit or loss on the date on which the Groups right to receive payment is established.

l. Employee Benefit

i. Short-term Employee benefits

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Consolidated Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Share-based payments

The cost of equity settled transactions is determined by the fair value at the grant date and the fair value of the employee share options is based on the Black Scholes model.

The grant-date fair value of equity-settled share-based payment granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

iii. Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

Gratuity Fund

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 in India or as applicable in the respective geography as per the Group scheme whichever is more beneficial to the employees.

Provident Fund

Provident fund contributions which are made to a Trust administered by the Company are considered as Defined Benefit Plans. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 or as applicable in the respective geography and shortfall, if any, shall be made good by the Company. The Company's liability towards interest shortfall, if any, is actuarially determined at the year end.

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, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or 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 recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other Long Term Employee Benefits

The liabilities for earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method based on actuarial valuation. Actuarial gains and losses in respect of such benefits are charged to the Consolidated Statement of Profit and Loss account in the period in which they arise.

m. Leases

Lease payments

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 fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

As a 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.

As 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. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

n. Income Tax

Income tax expense /income comprises current tax expense / income and deferred tax expense / income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

- Current tax assets and liabilities are offset only if, the Group has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred Income tax is recognized in respect of temporary difference between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for taxation purpose.

Deferred tax assets are recognised 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 utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised.

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

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 by the end of the reporting period.

The measurement of deferred tax assets and liabilities 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 liabilities are not recognised for temporary differences between the carrying amount and tax base of investments in subsidiaries, branches, associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset only if:

i. the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
ii. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

    Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is a convincing evidence that the Group will pay normal tax during the specified period.

o. Foreign Currency Transactions and Translation

i. Functional and Presentation currency

The Consolidated financial statements are prepared in Indian Rupees (INR "₹") which is also the Parent Company's functional currency.

ii. Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the year in which they arise except for the qualifying cash flow hedge, which are recognized in other comprehensive income to the extent that the hedges are effective.

- tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income, qualifying cash flow hedge to the extent that the hedges are effective.

In respect of non-monetary items, where a gain or loss is recognized in other comprehensive income as required by other Ind AS, the exchange component of that gain or loss is also recognized in other comprehensive income.

Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operations recognized in OCI is reclassified to Consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amount of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate of exchange at the reporting date.

p. Government grants

Government grants, including non-monetary grants at fair value are recognized when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods necessary to match them with the costs that they are intended to compensate.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the profit and loss on a straight line basis over the expected lives of the related assets.

q. Dividend

The Group recognizes a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorized and the distribution is no longer at the discretion of the Group on or before the end of the reporting period. A corresponding amount is recognized directly in equity.

r. Earnings Per Share

Basic Earnings per share is calculated by dividing the profit or loss 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 or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined in Ind AS-108 'Operating Segments' for allocating resources and assessing performance. The Group has identified geographical segments as its reporting segments based on the CODM approach. Refer Note 55 in the Consolidated financial statements for additional disclosures on segment reporting.

t. 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 and accordingly, disclosed in the notes accompanying the Consolidated financial statements.

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

₹ Crore

PARTICULARS	Owned Assets									Assets given on lease		Total
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	Vehicles	
Year ended March 31, 2018												
Gross carrying amount												
Opening gross carrying amount	36.42	72.08	301.82	38.20	434.59	24.78	44.85	17.27	38.28	90.26	2.19	1,100.74
Additions	2.71	6.72	93.11	13.91	103.43	9.27	14.11	8.70	11.11	-	-	263.07
Reclassified as Investment Property	-	-	(1.01)	-	-	-	-	(0.02)	-	-	-	(1.03)
Disposals	(2.25)	-	(2.20)	-	(22.01)	(2.96)	(11.12)	(1.37)	(1.63)	-	(0.07)	(43.61)
Other Adjustments (consist of exchange difference on translation of foreign operations)	0.87	1.22	2.55	0.36	1.25	1.08	(3.21)	(0.62)	(1.03)	-	(0.07)	2.40
Closing Gross Carrying Amount	**37.75**	**80.02**	**394.27**	**52.47**	**517.26**	**32.17**	**44.63**	**23.96**	**46.73**	**90.26**	**2.05**	**1,321.57**
Accumulated Depreciation												
Opening Accumulated Depreciation	-	2.06	18.36	7.47	89.77	4.80	12.53	4.02	14.47	2.82	1.86	158.16
Depreciation charge during the year	-	1.97	10.78	9.65	58.69	3.42	8.70	3.09	11.12	2.86	0.31	110.59
Reclassified as Investment Property	-		(0.47)	-				(0.01)				(0.48)
Disposals	-	-	(0.89)	-	(3.17)	(1.25)	(3.62)	(1.06)	(1.55)	-	0.27	(11.27)
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	0.08	(0.19)	0.71	0.41	0.73	(2.28)	(0.40)	(0.20)	-	(0.65)	(1.79)
Closing Accumulated Depreciation	**-**	**4.11**	**27.59**	**17.83**	**145.70**	**7.70**	**15.33**	**5.64**	**23.84**	**5.68**	**1.79**	**255.21**
Net Carrying Amount	**37.75**	**75.91**	**366.68**	**34.64**	**371.56**	**24.47**	**29.30**	**18.32**	**22.89**	**84.58**	**0.26**	**1,066.36**
Year ended March 31, 2017												
Gross Carrying Amount												
Opening gross carrying amount	37.14	49.04	269.71	29.78	342.55	20.74	39.14	14.22	24.22	90.26	2.15	918.95
Additions	-	0.20	15.87	9.36	54.05	4.98	13.15	4.60	15.34	-	-	117.55
Additions on account of Business Combination	-	24.84	21.00	-	53.67	-	-	-	-	-	-	99.51
Assets classified as held for sale (Note 18)	-	-	-	-	-	-	(1.78)	-	-	-	-	(1.78)
Disposals	-	-	(0.37)	(0.24)	(2.61)	(0.74)	(1.19)	(0.32)	-	-	-	(5.47)
Other Adjustments (consist of exchange difference on translation of foreign operations)	(0.72)	(2.00)	(4.39)	(0.70)	(13.07)	(0.20)	(4.47)	(1.23)	(1.28)	-	0.04	(28.02)
Closing Gross Carrying Amount	**36.42**	**72.08**	**301.82**	**38.20**	**434.59**	**24.78**	**44.85**	**17.27**	**38.28**	**90.26**	**2.19**	**1,100.74**

₹ Crore

PARTICULARS	Owned Assets									Assets held under lease		Total
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	Vehicles	
Accumulated Depreciation												
Opening Accumulated Depreciation	-	0.65	9.43	3.05	40.57	1.47	6.79	1.84	5.62	1.32	1.12	71.86
Depreciation charge during the year	-	1.91	10.48	4.92	58.64	3.57	9.39	2.84	9.41	1.50	0.30	102.96
Assets classified as held for sale (Note 18)	-	-	-	-	-	-	(0.76)	-	-	-	-	(0.76)
Disposals	-	-	(0.27)	(0.01)	(0.39)	(0.37)	(0.95)	(0.07)	-	-	-	(2.06)
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	(0.50)	(1.28)	(0.49)	(9.05)	0.13	(1.94)	(0.59)	(0.56)	-	0.44	(13.84)
Closing Accumulated Depreciation	**-**	**2.06**	**18.36**	**7.47**	**89.77**	**4.80**	**12.53**	**4.02**	**14.47**	**2.82**	**1.86**	**158.16**
Net Carrying Amount	**36.42**	**70.02**	**283.46**	**30.73**	**344.82**	**19.98**	**32.32**	**13.25**	**23.81**	**87.44**	**0.33**	**942.58**

Refer Note 56 for property, plant and equipment pledged as security against borrowings.

NOTE 4 : INTANGIBLE ASSETS

₹ Crore

PARTICULARS	Goodwill (Refer note 54)	Other Intangible assets			Total Other Intangible assets
		Trademarks and Brands *	Computer Software	Technical Knowhow	
Year ended March 31, 2018					
Opening Gross carrying amount	4,662.56	2,458.78	67.06	1.85	2,527.69
Additions	-	28.98	40.67	-	69.65
Disposals	-	-	(0.02)	-	(0.02)
Other Adjustments (consist of exchange difference on translation of foreign operations)	56.31	36.84	(0.85)	-	35.99
Closing Gross Carrying Amount	**4,718.87**	**2,524.60**	**106.86**	**1.85**	**2,633.31**
Accumulated Amortisation					
Opening Accumulated Amortisation	-	28.76	20.66	0.52	49.94
Amortisation recognised for the year	-	25.34	19.03	0.72	45.09
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	9.50	(0.55)	(0.44)	8.51
Closing Accumulated Amortisation	**-**	**63.60**	**39.14**	**0.80**	**103.54**
Net Carrying Amount	**4,718.87**	**2,461.00**	**67.72**	**1.05**	**2,529.77**
Year ended March 31, 2017					
Opening Gross carrying amount	4,142.36	906.09	54.84	1.85	962.78
Additions	-	49.05	14.35	-	63.40
Additions on account of Business Combination	488.08	1,557.54			1,557.54
Disposals	-	(1.40)	-	-	(1.40)
Other Adjustments (consist of exchange difference on translation of foreign operations)	32.12	(52.50)	(2.13)	-	(54.63)
Closing Gross Carrying Amount	**4,662.56**	**2,458.78**	**67.06**	**1.85**	**2,527.69**
Accumulated Amortisation					
Opening Accumulated Amortisation		11.96	8.60	0.26	20.82
Amortisation recognised for the year	-	24.87	12.85	0.89	38.61
Additions on account of Business Combination		0.76			0.76
Disposals	-	(0.05)	-	-	(0.05)
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	(8.78)	(0.79)	(0.63)	(10.20)
Closing Accumulated Amortisation	**-**	**28.76**	**20.66**	**0.52**	**49.94**
Net Carrying Amount	**4,662.56**	**2,430.02**	**46.40**	**1.33**	**2,477.75**

* Includes trademarks / brands amounting to ₹ 2,130.64 crore *(Mar-31-2017 : ₹ 2,092.83 crore)* that have an indefinite life and are tested for impairment at every year end. Based on analysis of all relevant factors (brand establishment, stability, types of obsolescence etc.), there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Company.

NOTE 5: INVESTMENTS IN ASSOCIATE

₹ Crore

	Face Value	Numbers As at March 31, 2018	Numbers As at March 31, 2017	Amounts As at March 31, 2018	Amounts As at March 31, 2017
Unquoted, fully paid up:					
(a) Investments in Equity Instruments of Associate Company					
Bhabhani Blunt Hairdressing Pvt. Ltd.	₹ 10	**5,546**	5,546	**24.32**	23.24
(b) Investments in Compulsorily Convertible Debentures of Associate Company					
Bhabhani Blunt Hairdressing Pvt. Ltd.	₹ 10	**3,060**	3,060	**12.00**	12.00
TOTAL				**36.32**	35.24

Note:
The Group's interest in associate is accounted for using the equity method in the Consolidated Financial Statements.

NOTE 6: OTHER INVESTMENTS (NON-CURRENT)

₹ Crore

	Amounts As at March 31, 2018	Amounts As at March 31, 2017
Unquoted, fully paid up:		
At Amortised Cost		
Investments in Deposits with Non-Banking Financial Companies	**20.54**	62.85
Quoted, fully paid up:		
At Amortised Cost		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**84.66**	153.66
TOTAL	**105.20**	216.51
Aggregate Amount of Unquoted Investments	**20.54**	62.85
Aggregate Amount of Quoted Investments	**84.66**	153.66
Aggregate Market Value of Quoted Investments	**84.79**	153.89

NOTE 7: LOANS (NON-CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unsecured, Considered Good, Unless Otherwise Stated		
Security Deposits	**18.67**	18.33
Others	**0.20**	0.95
TOTAL	**18.87**	19.28

NOTE 8 : OTHER NON-CURRENT FINANCIAL ASSETS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Fixed Deposits with maturity of more than 12 months (under lien against Bank Guarantees)	**0.07**	0.06
Others (includes sundry deposits, prepaid expenses)	**9.50**	5.29
TOTAL	**9.57**	5.35

NOTE 9: INCOME TAXES

A The income tax expense consists of the following:

i Tax expense recognised in the Statement of Profit and Loss

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Current Tax:		
Current tax on profits for the year	392.50	369.17
Deferred tax (net)	12.20	9.99
Total income tax expense	**404.70**	379.16

ii Current Tax and Deferred Tax related to items recognised in Other Compresensive Income during the year :

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Deferred Tax:		
On remeasurements of defined benefit plans	(2.63)	(6.60)
On revaluation of cash flow hedges	-	(0.41)
TOTAL	**(2.63)**	(7.01)

B Reconciliation of tax expense and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate and income tax expense reported in Consolidated Statement of Profit and Loss is given below:

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Profit Before Tax	2,038.88	1,687.13
Statutory Income tax rate	28.96%	27.45%
Expected income tax expense	590.37	463.15
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Deduction under Sec 80IC & 80IE of Indian Income Tax Act, 1961	(223.05)	(213.22)
Incremental deduction allowed for research and development costs	(0.03)	(0.03)
Tax impact of income not subject to tax	(48.45)	(0.05)
Tax effects of amounts which are not deductible for taxable income	12.43	11.61
Additional tax paid on book profits	58.31	77.98
Unclaimed witholding tax credit	3.61	23.21
Adjustment in respect to current income tax of previous years	(0.96)	-
Effect of different tax rate	(11.06)	(3.15)
Deferred Tax Asset not recognised on losses	26.24	19.74
Previously unrecognised tax losses now recouped to reduce income tax expense	-	(0.08)
Others	(2.71)	-
Total income tax expense	**404.70**	379.16

The Company benefits from the tax holiday available to units set up under section 80-IC and 80-IE of Income Tax Act, 1961. These tax holidays are available for a period of ten years from the date of commencement of operations.

C Tax Assets And Liabilities

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Non-Current Tax Assets (net)	61.26	45.73
Current Tax Liabilities (net)	22.87	7.59

D Deferred Tax Assets (Net of Liabilities):

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liability on account of :		
Property, Plant and Equipment	**(15.01)**	(2.20)
Intangible assets	**(0.41)**	(0.52)
Others	**(0.95)**	-
Deferred Tax Asset on account of :	**-**	-
Provisions	**75.48**	52.60
Others (includes defined benefit obligations)	**40.93**	46.40
Total Deferred tax Assets	**100.04**	96.28

E Deferred Tax Liabilities (Net of Assets):

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liability on account of :		
Property, Plant and Equipment	**(48.97)**	(31.85)
Intangible assets	**(313.32)**	(290.09)
Others	**(3.45)**	(5.40)
Deferred Tax Asset on account of :	**-**	-
Defined benefit obligations	**2.57**	2.28
Provisions	**51.71**	35.91
Others	**6.74**	3.04
Total Deferred tax (Liabilities)	**(304.72)**	(286.11)
Net Deferred Tax (Liabilities) / Assets	**(204.68)**	(189.83)

F. Movement in Deferred Tax (Liabilities) / Asset

₹ Crore

	Property, plant and equipment	Intangible assets	Other Deferred Tax Liability	Defined benefit obligations	Provisions	Other Deferred Tax Asset	Deferred Tax Liability / Asset (net)
As at April 1, 2016	**(31.96)**	**(211.14)**	**(2.08)**	**1.84**	**60.45**	**46.71**	**(136.18)**
Charged/(credited) :							
- to profit or loss	(2.09)	(33.37)	(3.32)	0.44	25.07	3.28	(9.99)
- increase due to acquisition		(46.10)					(46.10)
- foreign currency translation	-	-	-	-	(1.10)	(0.95)	(2.05)
- to other comprehensive income	-	-	-	-	4.08	0.41	4.49
As at March 31, 2017	**(34.05)**	**(290.61)**	**(5.40)**	**2.28**	**88.50**	**49.45**	**(189.83)**
Charged/(credited) :							
- to profit or loss	(29.93)	(23.12)	1.00	(1.34)	42.96	(1.77)	(12.20)
- foreign currency translation	-	-	-	-	(4.28)		(4.28)
- to other comprehensive income	-	-	-	1.63	-	-	1.63
As at March 31, 2018	**(63.98)**	**(313.73)**	**(4.40)**	**2.57**	**127.18**	**47.68**	**(204.68)**

The company 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.

The Group has not recognized deferred tax liability on undistributed profits of its subsidiaries and associates amounting to ₹ 525.25 crores (Mar-31-2017 : ₹ 459.94 crores) because it is able to control the timing of the reversal of temporary differences associated with such undistributed profits and it is probable that such differences will not reverse in the foreseeable future.

For the year ended March 31 2018, the Company has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ 58.31 crores (Mar-31-2017 : ₹ 71.75 crores) . The Company is not reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.

₹ Crore

Tax Credits carried forward	31 March 2018	Expiry Date	31 March 2017	Expiry Date
2007-08	**12.02**	March 31, 2023	12.02	March 31, 2018
2008-09	**8.30**	March 31, 2024	8.30	March 31, 2019
2009-10	**29.72**	March 31, 2025	29.72	March 31, 2020
2010-11	**100.08**	March 31, 2026	100.08	March 31, 2021
2011-12	**40.09**	March 31, 2027	40.09	March 31, 2022
2012-13	**60.60**	March 31, 2028	60.60	March 31, 2023
2013-14	**84.35**	March 31, 2029	84.35	March 31, 2024
2014-15	**95.63**	March 31, 2030	95.63	March 31, 2025
2015-16	**83.65**	March 31, 2031	83.65	March 31, 2026
2016-17	**71.75**	March 31, 2032	71.75	March 31, 2027
2017-18	**58.31**	March 31, 2033		

NOTE 10: OTHER NON-CURRENT ASSETS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Capital Advances	**45.46**	41.06
Balances with Government Authorities	**18.37**	17.71
Other non-current assets		
Considered Good	**1.06**	1.00
Considered Doubtful	**-**	1.22
Less: Provision for Doubtful Advances	**-**	(1.22)
	1.06	1.00
TOTAL	**64.89**	59.77

NOTE 11: INVENTORIES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
(Valued at lower of cost and net realizable value)		
Raw Materials (Including Packing Materials)	**867.05**	643.32
Goods-in Transit	**2.05**	7.80
	869.10	651.12
Work-in-Process	**65.60**	40.10
Finished goods	**499.18**	619.71
Stock-in-Trade	**125.85**	86.82
Stores and Spares	**17.99**	14.75
TOTAL	**1,577.72**	1,412.50

NOTE 12: INVESTMENTS (CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unquoted, fully paid up:		
At Fair Value through Profit or Loss		
Investments in Mutual Funds	**115.74**	454.49
At Amortised Cost		
Investments in Deposits with Non-Banking Financial Companies	**306.97**	174.52
Investments in Commercial Papers	**97.04**	-
Quoted, fully paid up:		
At Amortised Cost		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**336.01**	52.78
TOTAL	**855.76**	681.79
Aggregate amount of unquoted investments	**519.75**	629.01
Aggregate amount of quoted investments	**336.01**	52.78
Aggregate Market Value of quoted Investments	**339.38**	52.89
Aggregate amount of Provision for Impairment in the value of Investments	-	-

NOTE 13: TRADE RECEIVABLES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Secured		
Considered Good	**2.81**	6.64
Unsecured		
Considered Good	**1,242.69**	1,022.10
Considered Doubtful	**44.43**	32.33
Less: Provision for Doubtful Debts	**(44.43)**	(32.33)
	1,242.69	1,022.10
TOTAL	**1,245.50**	1,028.74

NOTE 14A: CASH AND CASH EQUIVALENTS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
- In Current Accounts	**304.75**	452.05
- Deposits with less than 3 months original maturity	**579.55**	421.51
	884.30	873.56
Cheques, Drafts on Hand	**9.96**	14.97
Cash on hand	**3.76**	6.52
TOTAL	**898.02**	895.05

NOTE 14B: OTHER BANK BALANCES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Deposits with maturities more than 3 months but less than 12 months (Refer Note (a))	**53.11**	10.09
In Unpaid Dividend Accounts	**9.08**	7.52
TOTAL	**62.19**	17.61

NOTE:

a) The fixed deposits include deposits under lien against bank guarantees ₹ 2.82 crore (Mar-31-2017 : ₹ 2.94 crore)

NOTE 15: LOANS (CURRENT)

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Unsecured, Considered Good, Unless Otherwise Stated		
Security Deposits	**2.82**	3.54
Other Loans and Advances	**0.07**	0.07
TOTAL	**2.89**	3.61

NOTE 16: OTHER CURRENT FINANCIAL ASSETS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Derivative asset	**10.74**	16.49
Refunds/Incentives receivables from Govt. Authorities		
Considered Good	**173.66**	167.34
Considered Doubtful	**14.62**	13.62
Less: Provision for Doubtful Advances	**(14.62)**	(13.62)
	173.66	167.34
Others (includes insurance claim receivables & export incentive receivables)	**14.71**	6.21
TOTAL	**199.11**	190.04

NOTE 17: OTHER CURRENT ASSETS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Balances with Government Authorities	**131.98**	41.32
Right to receive inventory	**5.25**	11.36
Other Advances		
Considered Good	**189.26**	89.54
Considered Doubtful	**1.71**	1.74
Less: Provision for Doubtful Advances	**(1.71)**	(1.74)
	189.26	89.54
TOTAL	**326.49**	142.22

NOTE 18: NON CURRENT ASSETS HELD FOR SALE

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Vehicles held for sale	**-**	6.49
TOTAL	**-**	6.49

NOTE 19 : SHARE CAPITAL

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Authorised		
690,000,000 Equity Shares *(Mar-31-2017 : 410,000,000) of ₹ 1 each*	**69.00**	41.00
10,000,000 Preference Shares *(Mar-31-2017 : 10,000,000) of ₹ 1 each*	**1.00**	1.00
Issued		
681,360,642 Equity Shares *(Mar-31-2017 : 340,631,940) of ₹ 1 each*	**68.14**	34.06
Subscribed and Fully Paid up		
681,329,518 Equity Shares *(Mar-31-2017 : 340,600,816) of ₹ 1 each fully paid up*	**68.13**	34.06
TOTAL	**68.13**	34.06

NOTES:

a) During the year, the Company has issued 127,886 equity shares *(Mar-31-2017 : 66,993)* under the Employee Stock Grant Scheme.

b) 31,124 Right Issue equity shares *(Mar-31-2017 : 31,124 equity shares)* are kept in abeyance due to various suits filed in courts / forums by third parties for which final order is awaited.

(c) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
Shares outstanding at the beginning of the year	340,600,816	34.06	340,533,823	34.06
Add : Shares Issued during the year (Bonus Shares)	340,600,816	34.06		
Add : Shares Issued on exercise of employee stock grant scheme	127,886	0.01	66,993	0.01
Shares outstanding at the end of the year	**681,329,518**	**68.13**	**340,600,816**	**34.06**

d) **Terms / rights attached to equity shares**

The Company has issued only one class of equity shares having a par value of ₹ 1 each. Each equity shareholder is entitled to one vote per share. During the year ended March 31, 2018 the amount of per share dividend recognised as distribution to equity shareholders was ₹ 15 *(Mar-31-2017 :₹ 5.75)*.

e) Pursuant to the approval of the shareholders on May 9, 2017 record date for ascertaining the eligibility of the shareholders for receiving the bonus shares was fixed on June 24, 2017. Accordingly, the Company has allotted 340,600,816 number of fully paid Bonus shares on June 27, 2017 in the ratio of one equity share of ₹ 1 each fully paid up for every one existing equity shares of ₹ 1 each fully paid:

f) Shares held by Holding Company and Subsidiary of Holding Company and details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Co Ltd *	50,007,630	7.34	25,003,815	7.34
Godrej Industries Limited	161,875,240	23.76	80,937,620	23.76
Godrej Seeds & Genetics Limited	187,000,000	27.45	93,500,000	27.45

** Godrej & Boyce Manufacturing Company has ceased to be the holding company with effect from March 30, 2017 owing to reorganisation of shareholding within promoter group.*

g) **Shares Reserved for issue under options**

The Company has 224,011 (previous year 128,895) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2018.*(As detailed in Note 47)*

h) Information regarding aggregate number of equity shares during the five years immediately preceding the date of Balance Sheet:

Pursuant to the approval of the shareholders the Company has allotted 340,600,816 (Mar-31-17 : Nil) number of fully paid Bonus shares on June 27, 2017 in the ratio of one equity share of ₹ 1 each fully paid up for every one existing equity shares of ₹ 1 each fully paid.

The Company has not issued shares for consideration other than cash and has not bought back any shares during the past five years.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

i) There are no calls unpaid on equity shares, other than shares kept in abeyance as mentioned in Note (b) above.

j) No equity shares have been forfeited.

k) **Capital Management**

The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Group makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Group may make adjustments to dividend paid to its shareholders or issue new shares.

The Group monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments.

NOTE 20: OTHER EQUITY

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Securities Premium Account	**1,424.52**	1,452.31
General Reserve	**154.05**	154.05
Other Reserves		
Capital Investment Subsidy Reserve	**0.15**	0.15
Capital Redemption Reserve	**1.46**	1.46
Employee Stock Options Outstanding	**11.57**	9.83
	13.18	11.44
Retained Earnings	**4,702.08**	3,793.30
Other Comprehensive Income (effective portion of cash flow hedges & exchange differences in translating financial statements of foreign operations)	**(103.65)**	(143.21)
Equity attributable to the owners of the parent	**6,190.18**	5,267.89
TOTAL	**6,190.18**	5,267.89

OTHER RESERVES MOVEMENT

	As at March 31, 2017	As at March 31, 2016
Capital Investment Subsidy Reserve		
Balance as per last financial statements	**0.15**	0.15
Closing Balance	**0.15**	0.15
Capital Redemption Reserve		
Balance as per last financial statements	**1.46**	1.46
Closing Balance	**1.46**	1.46
Employee Stock Options Outstanding		
Gross Employee Compensation for Options granted	**9.83**	8.28
(-) Exercise of Share options	**(6.97)**	(6.04)
(+) Deferred Employee Compensation Expense *(Refer Note 34)*	**8.71**	7.59
Closing Balance	**11.57**	9.83
	13.18	11.44

Nature and purpose of reserves

1) **Securities Premium Reserve**

   The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act..

2) **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.

3) **Capital Investment Subsidy Reserve**

   Capital Investment Subsidy Reserve represents subsidy received from the government for commissioning of Malanpur plant in the nature of capital investment.

4) **Capital Redemption Reserve**

   Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

5) **Employee Stock Options Outstanding**

   The shares option outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Option Plan and the Employee Stock Grant Scheme which are unvested as on the reporting date and is net of the deferred employee compensation expense. Refer note 47 for details on ESGS Plans.

6) **Effective portion of Cash Flow Hedges**

   The cash flow hedging reserve represents the cumulative portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accummulated under the heading of cash flow reserve will be reclassified to Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non financial hedged item.

7) **Exchange differences on translating the financial statements of foreign operations**

   The translation reserve comprises all foreign currency exchange differences arising from the translation of the financial statements of foreign operations.

NOTE 21: NON-CURRENT BORROWINGS

₹ Crore

	Maturity Date	Terms of Repayment	Coupon/ Interest rate	As at March 31, 2018	As at March 31, 2017
Unsecured					
Term loans					
a) From Banks in USD	Upto July 2021	Payable in Multiple Installments every year	1.6% - 2.79%	**3,347.94**	3,755.29
b) Term Loans from Banks	Upto March 2021	Payable in Multiple Installments every year	6% - 32%	**5.28**	11.76
c) Others				**0.02**	1.33
				3,353.24	3,768.38
Less: Current maturities of long term debt (from banks in USD) *(Refer Note 27)*				**(972.92)**	(660.13)
TOTAL				**2,380.32**	**3,108.25**

NOTE 22: OTHER NON-CURRENT FINANCIAL LIABILITIES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Liabilities for business combinations *(Refer Note 38 & 53)*	**753.95**	911.24
	753.95	911.24

NOTE 23 :PROVISIONS

	As at March 31, 2018	As at March 31, 2017
Provision for Employee Benefits		
Gratuity *(Refer Note 46)*	**93.93**	76.80
Compensated Absences	**4.31**	3.77
TOTAL	**98.24**	80.57

NOTE 24: OTHER NON-CURRENT LIABILITIES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Others (includes deferred grants, sundry deposits)	**2.37**	1.05
	2.37	1.05

NOTE 25: CURRENT BORROWINGS

₹ Crore

		Maturity Date	Terms of Repayment	Coupon/ Interest rate	As at March 31, 2018	As at March 31, 2017
A.	**Secured**					
	Loans repayable on demand from banks (Refer Note (a) below)	Cash Credit	Payable on demand	9% - 11%	**3.42**	0.84
					3.42	0.84
B.	**Unsecured**					
	Loans repayable on demand from banks	Upto 12 months	Mulitple dates	2.50%-13.00%	**5.42**	8.24
	USD Overdraft from banks	On demand	On demand	2.00%-2.50%	**34.07**	54.08
	Overdraft from banks	On demand	On demand	9% - 11%	**97.60**	20.42
	Commercial Paper	Multiple dates in May, 2017	Payable on commercial paper maturity date	6.49%	**-**	148.97
					137.09	231.71
	TOTAL				**140.51**	232.55

NOTES:

a) Cash Credit from Banks are secured by hypothecation of Inventories and Book debts repayable on demand

b) The Company does not have any default as on the Balance Sheet date in the repayment of any loan or interest.

NOTE 26: TRADE PAYABLES

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Dues to Micro, Small and Medium Enterprises	**-**	-
Other Payables*	**2,356.85**	1,723.90
TOTAL	**2,356.85**	1,723.90

* Trade Payables Includes invoices discounted by Vendors with banks

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 27: OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2018	As at March 31, 2017
Current Maturities of Long Term Debt *(Refer Note 21)*	**972.92**	660.13
Security deposit received	**8.50**	4.19
Unclaimed Dividends *(Refer Note (a) below)*	**9.08**	7.52
Put Option liability	**244.56**	303.06
Interest accrued	**7.11**	3.35
Derivative liability	**17.41**	21.47
Other payables	**25.81**	22.92
TOTAL	**1,285.39**	1,022.64

a) There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

NOTE 28: OTHER CURRENT LIABILITIES

	As at March 31, 2018	As at March 31, 2017
Statutory Dues (VAT, Excise, Service Tax, Octroi, TDS etc)	**36.89**	67.14
Other Payables (includes employee payables, advance received from customers)	**274.47**	235.40
TOTAL	**311.36**	302.54

NOTE 29: PROVISIONS

	As at March 31, 2018	As at March 31, 2017
Provision for Employee Benefits		
Gratuity (net) *(Refer Note 46)*	**7.82**	6.98
Compensated Absences	**2.90**	2.81
Other Provision :		
Provision for Sales Returns	**19.32**	31.94
Provision towards Litigations	**17.78**	16.41
TOTAL	**47.82**	58.14

Movements in each class of other provisions during the financial year are set out below:

	Sales Returns	Provision towards Litigation
As at April 1, 2017	**31.94**	16.41
Additional provisions recognised	**0.43**	2.61
Amount Utilised /Unused amounts reversed	**(12.56)**	-
Foreign currency translation difference	**(0.49)**	(1.24)
As at March 31, 2018	**19.32**	17.78

Sales Returns:

When a customer has a right to return the product within a given period, the Group recognises a provision for sales return. This is measured basis average past trend of sales return as a percentage of sales. Revenue is adjusted for the expected value of the returns and cost of sales are adjusted for the value of the corresponding goods to be returned.

Legal Claims:

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. A provision is recognised for legal cases; if the Group assesses that it is possible/probable that an outflow of economic resources will be required. These provisions have not been discounted as it is not practicable for the Group to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

NOTE 30 : REVENUE FROM OPERATIONS

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Sale of Products *(Refer Note)*	**9,861.74**	9,583.70
Other Operating Income(includes export incentive, GST refunds, scrap sales etc)	**75.25**	25.10
TOTAL	**9,936.99**	9,608.80

Note: Sales for the year ended March 31, 2018 is net of Goods and Service Tax (GST). However, sales till period ended June 30, 2017 and comparative period is gross of Excise Duty.

NOTE 31 : OTHER INCOME

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income on:		
Non-convertible debentures and fixed deposits with Non-Banking Financial Companies at amortised cost	**39.06**	18.74
On Advances and Fixed Deposits	**29.44**	22.07
Net Gain on Sale of Investments	**18.54**	9.07
Fair Value Gain/(Loss) on financial assets measured at fair value through profit or loss (net)	**(8.14)**	11.60
Other Non-Operating Income		
Profit on Sale of Property, Plant & Equipment	**9.26**	1.86
Miscellaneous non operating income (Refer Note below)	**19.39**	11.96
TOTAL	**107.55**	75.30

NOTE: Miscellaneous non-operating income includes Nil crore (Mar-31-2017 : ₹ 0.61 crore), recovered from the GCPL ESOP Trust towards loan repayment, which was earlier written off against reserves under a Scheme of Amalgamation approved by the Hon'ble High Court of Bombay.

NOTE 32: COST OF MATERIALS CONSUMED

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Raw material and packing material		
Opening Inventory	**651.12**	680.71
Add : Purchases (Net)	**3,864.21**	3,772.32
	4,515.33	4,453.03
Less: Closing Inventory	**(869.10)**	(651.12)
Cost of Materials Consumed	**3,646.23**	3,801.91

NOTE 33: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Opening Inventory		
Finished Goods	**619.71**	470.42
Stock-in-Trade	**86.82**	93.56
Work-in-Progress	**40.10**	49.32
	746.63	613.30
Less: Closing Inventory		
Finished Goods	**499.18**	619.71
Stock-in-Trade	**125.85**	86.82
Work-in-Progress	**65.60**	40.10
	690.63	746.63
(Increase)/Decrease in Inventories	**56.00**	(133.33)

NOTE 34: EMPLOYEE BENEFITS EXPENSES

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	**972.98**	914.35
Contribution to Provident and Other Funds (Refer Note 46)	**20.71**	18.96
Share based payments to Employees (Employee Stock Grant Scheme) (Refer Note 47)	**8.71**	7.59
Staff Welfare Expenses	**55.01**	47.56
TOTAL	**1,057.41**	988.46

NOTE 35: FINANCE COSTS

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Interest Expense		
Unwinding of interest on liabilities	**14.58**	18.81
Interest on loans	**105.81**	94.32
Bill Discounting Charges	**40.35**	32.09
TOTAL	**160.74**	145.22

NOTE 36: DEPRECIATION AND AMORTIZATION EXPENSES

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipment	**110.59**	102.96
Amortisation of intangible assets	**45.09**	38.61
TOTAL	**155.68**	141.57

NOTE 37: OTHER EXPENSES

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Consumption of Stores and Spares	**29.29**	27.11
Power and Fuel	**101.11**	89.02
Rent (net)	**89.44**	84.76
Repairs and Maintenance		
Plant and Equipment	**24.34**	21.80
Buildings	**12.11**	9.63
Others (net)	**43.19**	42.63
	79.64	74.06
Insurance	**16.48**	19.07
Rates and Taxes	**33.36**	34.81
Processing and Other Manufacturing Charges	**209.82**	201.68
Travelling and Conveyance	**75.99**	65.15
Legal and Professional Charges	**100.21**	101.90
Donations	**2.63**	1.98
Sales Promotion	**199.06**	202.77
Advertising and Publicity	**810.27**	718.14
Selling and distribution expenses	**116.08**	121.42
Freight	**309.68**	277.76
Royalty	**1.56**	1.69
Commission	**19.47**	21.92
Bank charges	**12.38**	8.97
Net Loss on Sale / write off of Property, plant & equipment	**4.91**	0.02
Net Loss on Foreign Currency Transactions and Translations	**29.06**	15.68
Bad Debts Written Off	**6.00**	2.35
Provision for Doubtful Debts / Advances	**12.67**	12.55
Miscellaneous Expenses (net) *(Refer Note (a) below)*	**185.28**	166.40
TOTAL	**2,444.39**	2,249.21

NOTE :

a) Miscellaneous Expenses include the Company's share of various expenses incurred by group companies for sharing of services and use of common facilities.

NOTE 38: EXCEPTIONAL ITEMS GAIN/(LOSS)

₹ Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Restructuring Cost	**(15.43)**	(20.09)
Acquisition related reversal	**-**	5.83
Change in exit liability relating to Darling business	**-**	14.34
Reversal in liability for business combination (Refer Note (a) below)	**194.99**	-
TOTAL	**179.56**	0.08

NOTE:

(a) During the year there was a change in the provision for earn out liability on account of change in expected EBITDA of a subsidiary which is the basis for its estimation.

This consideration is payable after March 31, 2019 and is based on a multiple of future EBITDA of this business achieved as in FY 2018-19. The fair value of contingent consideration is determined by discounting the estimated amount payable to the sellers of SON based on expected future performance

NOTE 39: EARNINGS PER SHARE

	Year ended March 31,2018	Year ended March 31,2017
Net Profit After Tax (₹ Crore)	**1,634.18**	1,304.08
Number of Shares outstanding at the beginning of the year	**681,201,632**	681,067,646
Add : Shares Issued during the year	**127,886**	133,986
Number of Shares outstanding at the end of the year	**681,329,518**	681,201,632
Weighted Average Number of Equity Shares		
For calculating Basic EPS	**681,285,371**	681,157,948
Effect of dilution:		
Shared based payments	**154,769**	171,848
For calculating Diluted EPS	**681,440,140**	681,329,796
Earnings Per Share Before and After Extraordinary Items ***(Face Value ₹ 1)***		
Basic (₹)	**23.99**	19.15
Diluted (₹)	**23.98**	19.14

During the year, the Company has issued and allotted bonus shares in the ratio of 1 equity share of face value ₹ 1 each for every share held. Total number of bonus shares so issued is 340,600,816 equity shares of face value ₹ 1 each. As a result the calculation of basic and diluted earnings per share for all relevant periods presented has been adjusted.

NOTE 40 : COMMITMENTS

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Estimated value of contracts remaining to be executed on capital account to the extent not provided, net of advances there against of ₹ 27.39 crore *(Mar-31-2017 : ₹ 15.80 crore)*	**31.84**	50.52
Others	0.43	1.77
TOTAL	**32.27**	52.29

NOTE 41 : DIVIDEND

During the year 2017-18,the Board has paid four interim dividends. The first dividend was declared on May 9, 2017 at the rate of ₹ 12 per equity share (1200% of the face value of ₹ 1 each) on the pre-bonus paid up capital of the Company. The Company made a bonus issue in the ratio of 1:1 on June 27, 2017. Subsequent to the bonus issue, the Board paid three more interim dividends aggregating to ₹ 3 per share (300% of the face value ₹ 1 each). The total dividend rate for all the four interim dividends during the year after adjusting for the pre-bonus interim dividend rate aggregates to ₹ 9 per equity share (900% of the face value ₹ 1 each) and amounts to ₹ 613.12 crore. The dividend distribution tax on the said dividends is ₹ 124.82 crore.

Subsequent to the close of the financial year, the Board has declared an interim dividend of ₹ 7.00 per equity share (700% of the face value ₹ 1 each) aggregating to ₹ 476.93 crore. The dividend distribution tax on the said dividend is ₹ 98.03 crore.

NOTE 42 : CONTINGENT LIABILITIES

₹ Crore

			As at March 31, 2018	As at March 31, 2017
a)	**CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS**			
	i)	Excise duty demands against which the Company has preferred appeals	**65.14**	64.20
	ii)	Sales tax demands against which the Company has preferred appeals	**63.38**	54.49
	iii)	Income-tax matters		
		Demand notices issued by Income-tax Authorities	**70.99**	75.10
	iv)	Other matters	**3.00**	3.00
b)	**Guarantees against Borrowings (in excess of Loans outstanding) / Bank facilities**			
	i)	Guarantee amounting to GBP 17.75 million (Mar-31-2017 GBP 30.0 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Hongkong against loan provided to Godrej Netherlands BV.	**32.76**	48.59
	ii)	Guarantee amounting to USD 50.56 million (Mar-31-2017 USD 67.3 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Hongkong (1-April-15 guarantee provided to The Hongkong and Shanghai Banking Corporation Limited, Hongkong & Standard Chartered Bank Mauritius Limited) against loan provided to Godrej East Africa Holdings Limited	**29.96**	41.63

₹ Crore

		As at March 31, 2018	As at March 31, 2017
iii)	Guarantee amounting to USD 87.12 million (Mar-31-2017 USD 145.20 million) given by the Company to DBS Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Hongkong & Standard Chartered Bank Mauritius Limited against loan provided to Godrej Mauritius Africa Holding Limited	**51.62**	85.85
iv)	Guarantee amounting to USD 28.60 million (Mar-31-2017 USD 42.90 million) given by the Company to DBS Bank Limited, Singapore against loan provided to Godrej Mauritius Africa Holding Limited	**16.95**	25.37
v)	Guarantee amounting to USD 22.88 million (Mar-31-2017 USD 34.3 million) given by the Company to Barclays Bank PLC, London against loan provided to Godrej Mauritius Africa Holding Limited	**13.56**	20.29
vi)	Guarantee amounting to USD 57.2 million (Mar-31-2017 USD 57.2 Million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Hongkong & Standard Chartered Bank Mauritius Limited against loan provided to Godrej East Africa Holdings Limited	**33.89**	33.82
vii)	Guarantee amounting to USD 10 million (Mar-31-2017 USD 10 million) given by the Company to HSBC Bank (Mauritius) Limited towards bank facilities provided to Godrej Consumer Products Mauritius Limited	**-**	65.04
viii)	Guarantee amounting to USD 88 million (Mar-31-2017 USD 88 million) given by the Company to DBS Bank Limited, Singapore and Sumitomo Mitsui Banking Corporation, Singapore Branch towards loan provided to Godrej Consumer Products Holding (Mauritius) Limited	**52.14**	52.03
ix)	Guarantee amounting to USD 1.20 million (Mar-31-2017 USD 1.20 million) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards interest rate swap / derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Limited	**7.82**	7.80
x)	Guarantee amounting to USD 1.20 million (Mar-31-2017 USD 1.20 million) given by the Company to DBS Bank Limited towards interest rate swap / derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Limited	**7.82**	7.80
xi)	Guarantee amounting to USD 27.50 million (Mar-31-2017 USD 27.50 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited towards loan raised by Godrej East Africa Holdings Limited	**16.29**	16.26
xii)	Guarantee amounting to USD 1.60 million (Mar-31-2017 USD 1.60 million) given by the Company to JP Morgan Chase Bank NA towards interest rate swap / derivative facilities provided to Godrej East Africa Holdings Limited	**10.43**	10.41
xiii)	Guarantee amounting to USD 121 million (Mar-31-2017 USD 121 million) given by the Company to The Bank of Tokyo-Mitsubishi UFJ Ltd, London Branch towards loan provided to Godrej SON Holdings, Inc.	**71.69**	71.54
xiv)	Guarantee amounting to USD 10 million (Mar-31-2017 USD Nil million) given by the Company to HSBC Bank (Mauritius) Limited towards bank facilities provided to Godrej Tanzania Holdings Limited	**65.18**	-
xv)	Guarantee amounting to USD 27.5 million (31-Mar-2017 USD Nil million) given by the Company to Standard Chartered Bank, Mauritius towards bank facilities provided to Godrej Tanzania Holdings Limited	**179.23**	-
xvi)	Guarantee amounting to USD 44 million (31-Mar-2017 USD Nil million) given by the Company to CITI Bank NA, London Branch towards loan provided to Godrej Mauritius Africa Holdings Ltd.	**26.07**	-
xvii)	Guarantee amounting to USD 2 million (31-Mar-2017 USD Nil million) given by the Company to DBS Bank Limited towards interest rate swap / derivative facilities provided to Godrej Mauritius Africa Holdings Limited	**13.04**	-
	Others		
i)	Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 2.99 crore (31-Mar-17 ₹ 2.99 crore)].	**27.86**	13.24
ii)	Guarantee given by the Company to Yes Bank for credit facilities extended to M/s. Broadcast Audience Research Council.	**0.80**	0.80
c)	**Claims against the Company not acknowledged as debt**	**34.20**	33.08
d)	The Group has reviewed all its pending litigations and proceedings and has adequately made provisions wherever required and disclosed as contingent liability wherever applicable in the consolidated financial statements. The Group does not expect the outcome of the proceedings to have a materially adverse effect on its financial results.		

NOTE 43 : RELATED PARTY DISCLOSURES

A) Related Parties and their Relationship

a) Holding Company:

Godrej & Boyce Mfg. Co. Ltd. *(upto March 29, 2017)*

b) Fellow Subsidiaries with whom transactions have taken place during the year *(upto March 29, 2017)*:

i) Godrej Industries Limited
ii) Godrej Agrovet Limited
iii) Godrej Tyson Foods Limited
iv) Godrej Properties Limited
v) Natures Basket Limited
vi) Godrej Vikhroli Properties LLP
vii) Godrej Infotech Limited
viii) Godrej Projects Development Private Limited
ix) Godrej Anandan
x) Godrej One Premises Management Pvt Ltd
xi) Godrej Seeds & Genetics Limited
xii) Godrej Seaview Properties Private Limited

c) Joint Venture:

Name of the Joint Venture	Country	% Holding as at March 31, 2018	% Holding as at March 31, 2017
Godrej Easy IP Holdings (FZC) (Dubai)	Dubai	50%	50%

d) Associate Company:

Name of the Associate Company	Country	% Holding as at March 31, 2018	% Holding as at March 31, 2017
Bhabhani Blunt Hairdressing Pvt Limited	India	30%	30%

e) Investing Entity in which the reporting entity is an Associate *(w.e.f. March 30, 2017)*

i) Godrej Industries Limited
ii) Godrej Seeds & Genetics Limited

f) Companies under common Control with whom transactions have taken place during the year *(w.e.f March 30, 2017)*

i) Godrej & Boyce Mfg. Co. Limited
ii) Godrej Agrovet Limited
iii) Godrej Tyson Foods Limited
iv) Godrej Properties Limited
v) Natures Basket Limited
vi) Godrej Vikhroli Properties LLP
vii) Godrej Infotech Limited
viii) Godrej Projects Development Private Limited
ix) Godrej Anandan
x) Godrej One Premises Management Private Limited
xi) Godrej Seaview Properties Private Limited

g) Key Management Personnel and Relatives:

i)	Mr. Adi Godrej	Chairman Emeritius
ii)	Ms. Nisaba Godrej	Executive Chairperson / Daughter of Mr. Adi Godrej
iii)	Mr. Vivek Gambhir	Managing Director & CEO
iv)	Mr. V. Srinivasan	Chief Financial Officer and Company Secretary
v)	Ms. Parmeshwar Godrej	Wife of Mr. Adi Godrej (Deceased on October 10, 2016)
vi)	Mr. Pirojsha Godrej	Non-Executive Director / Son of Mr. Adi Godrej
vii)	Mr. Nadir Godrej	Non-Executive Director/ Brother of Mr. Adi Godrej
viii)	Ms. Tanya Dubash	Non-Executive Director/ Daughter of Mr. Adi Godrej
ix)	Mr. Jamshyd Godrej	Non Executive Director
x)	Mr. D Shivakumar	Independent Director (till November 1, 2017)
xi)	Mr. Aman Mehta	Independent Director
xii)	Mr. Omkar Goswami	Independent Director
xiii)	Ms. Ireena Vittal	Independent Director
xiv)	Mr. Bharat Doshi	Independent Director
xv)	Mr. Narendra Ambwani	Independent Director
xvi)	Ms. Ndidi Nwuneli	Independent Director (from April 1, 2017)
xvii)	Ms. Pippa Armerding	Independent Director (from January 30, 2018)
xviii)	Mr. Burjis Godrej	Son of Mr.Nadir Godrej
xix)	Ms. Rati Godrej	Wife of Mr.Nadir Godrej
xx)	Mr. Sohrab Godrej	Son of Mr.Nadir Godrej
xxi)	Mr. Hormazd Godrej	Son of Mr.Nadir Godrej
xxii)	Mr.Navroze Godrej	Son of Mr. Jamshyd Godrej
xxiii)	Mr. Arvind Dubash	Husband of Ms. Tanya Dubash

h) Post employment Benefit Trust where the reporting entity exercises significant influence

i) Godrej Consumer Products Employees' Provident Fund

B) The Related Party Transactions are as under :

₹ Crore

	Holding Company		Fellow Subsidiaries		Associate Company		Investing Entity in which the reporting entity is an associate		Companies Under Common Control		Key Management Personnel and Relatives		Post employment benefit trust		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
Sale of Goods	-	0.53	-	11.87	0.57	0.54	18.86	0.16	1.71	-	-	-	-	-	21.14	13.10
Sale of Capital Asset	-	0.04	-	-	-	-	0.02	-	-	-	-	-	-	-	0.02	0.04
Purchase of Materials and Spares	-	0.03	-	35.83	-	-	44.19	0.22	0.13	-	-	-	-	-	44.32	36.08
Purchase of Fixed Asset including Assets under Construction	-	1.59	-	3.82	-	-	-	-	11.44	-	-	-	-	-	11.44	5.41
Advance Paid	-	0.37	-	0.20	-	-	1.51	-	0.25	-	-	-	-	-	1.76	0.57
Royalty and Technical Fees Paid	-	-	-	-	0.87	0.62	-	-	-	-	-	-	-	-	0.87	0.62
Establishment and Other Expenses Paid (including provision for doubtful debts if any)	-	0.23	-	39.97	1.19	0.24	33.50	5.14	6.92	0.02	-	-	-	-	41.61	45.60
Expenses Recovered	-	-	-	1.69	0.01	-	0.23	-	0.35	-	-	-	-	-	0.59	1.69
Dividend Paid	-	68.14	-	46.54	-	-	313.99	-	45.01	-	17.69	5.65	-	-	376.69	120.33
Commission on Profits and Sitting Fees	-	-	-	-	-	-	-	-	-	-	2.64	1.83	-	-	2.64	1.83
Lease Rentals Received	-	-	-	9.20	-	-	10.87	-	-	-	-	-	-	-	10.87	9.20
Lease Rentals Paid	-	-	-	12.71	-	-	15.49	-	-	-	0.26	2.46	-	-	15.75	15.17
Contribution during the year (including Employees' share)	-	-	-	-	-	-	-	-	-	-	-	-	15.34	13.73	15.34	13.73
Short Term Employment Benefits		-		-		-	-	-	-	-	33.40	34.44		-	33.40	34.44
Post Employment Benefits		-		-		-	-	-	-	-	0.42	1.82		-	0.42	1.82
Other Long Term Benefits		-		-		-	-	-	-	-	-	0.27		-	-	0.27
Share Based Payment		-		-		-	-	-	-	-	3.80	3.06		-	3.80	3.06
TOTAL	-	**70.93**	**-**	**161.83**	**2.64**	**1.40**	**438.66**	**5.52**	**65.81**	**0.02**	**58.21**	**49.53**	**15.34**	**13.73**	**580.66**	**302.96**

Outstanding Balances

₹ Crore

	Receivables		Payables		Guarantees		Commitments	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Associate Company	0.07	0.08		-	-	-	0.01	0.01
Investing Entity in which the reporting entity is an associate	0.97	2.45	0.30	1.12	(26.88)	(26.88)	2.61	0.50
Companies under Common Control	0.34	0.32	0.02	-	(1.21)	(1.21)	0.99	12.08
Key Management Personnel and Relatives	-	-	16.22	22.81	-	-	-	-
Post employment benefit trust	-	-	-	1.14	-	-	-	-
TOTAL	**1.38**	**2.85**	**16.54**	**25.07**	**(28.09)**	**(28.09)**	**3.61**	**12.59**

NOTE 44 : LEASES

The Group's significant leasing agreements are in respect of operating lease for Computers and Premises (office, godown, etc.) and the aggregate lease rentals payable are charged as rent. The Total lease payments accounted for the year ended March 31, 2018 is ₹ 89.44 crore(Mar-31-2017 : ₹ 84.76 crore).

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

Operating Lease ₹ Crore

	As at March 31, 2018	As at March 31, 2017
Not later than one year	**27.28**	26.36
Later than one year and not later than five years	**62.78**	41.05
Later than five years	**13.03**	3.59
TOTAL	**103.09**	71.00

The Group has entered into an agreement to give one of its office building on operating lease effective May, 2015. Total lease rentals earned during the year ended March 31, 2018 amounting to ₹ 9.13 crore have been netted off against rent expense of ₹ 9.13 crore in Note 37 for similar premises in the same building.

The future minimum lease rental receivable under the non-cancellable operating lease is as follows:

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Not later than one year	**9.13**	9.12
Later than one year and not later than five years	**10.20**	19.39
Later than five years	**-**	-
TOTAL	**19.33**	28.51

Finance Lease

	As at March 31, 2018	As at March 31, 2017
Not later than one year	**0.02**	0.79
Later than one year and not later than five years	**-**	0.09
Later than five years	**-**	-
TOTAL	**0.02**	0.88

NOTE 45 : HEDGING 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/ Spot Contracts outstanding as at March 31, 2018: In million

	As at March 31, 2018		As at March 31, 2017	
Forward Contracts to Purchase (USD)	US $	28.89	US $	16.80
[150 contracts (previous year 30 contracts)]				
Forward Contracts to Purchase (CNH)		1.05		5.95
[5 contracts (previous year 13 contracts)]				
Forward Contracts to Sell (EUR)	€	-	€	1.05
[Nil contracts (previous year 2 contracts)]				

NOTE 46 : EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLAN

Provident Fund:

The contributions to the Provident Fund of certain employees (including some employees of the erstwhile Godrej Household Products Ltd) are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Superannuation Fund constitutes an insured benefit, which is classified as a defined contribution plan as the Company contributes to an Insurance Company and has no further obligation beyond making payment to the insurance company.

b) DEFINED BENEFIT PLAN

Gratuity:

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

The Gratuity scheme of the erstwhile Godrej Household Products Ltd., which was obtained pursuant to the Scheme of Amalgamation, is funded through Unit Linked Gratuity Plan with HDFC Standard Life Insurance Company Limited.

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

The Company has a gratuity trust. However, the Company funds its gratuity payouts from its cash flows. Accordingly, the Company creates adequate provision in its books every year based on actuarial valuation.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

Provident Fund:

The Company manages the Provident Fund plan through a Provident Fund Trust for its employees other than those covered under Government Scheme which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. 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 Company 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 Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2018.

₹ Crore

	As at March 31,2018
Plan assets at period end, at fair value	129.57
Provident Fund Corpus	128.51
Valuation assumptions under Deterministic Approach:	
Weighted Average Yield	8.75%
Weighted Average Yield to Maturity	8.95%
Guaranteed Rate of Interest	8.65%

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 11.03 crore (Mar-31-2017 : ₹ 9.93 crore)has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 6.41 crore (Mar-31-2017 : ₹ 4.62 crore) has been included in Note 34 under Contribution to Provident and Other Funds.

d) **The amounts recognised in the Company's financial statements as at year end are as under:**

₹ Crore

			As at March 31, 2018	As at March 31, 2017
i)	**Change in Present Value of Obligation**			
	Present value of the obligation at the beginning of the year		**88.11**	68.67
	Current Service Cost		**9.25**	6.92
	Interest Cost		**6.53**	5.52
	Benefits Paid		**(4.72)**	(3.75)
	Exchange difference		**(0.83)**	(2.33)
	Actuarial (Gain) / Loss on Obligation- due to change in demographic assumptions		**(0.13)**	3.61
	Actuarial (Gain) / Loss on Obligation- due to change in financial assumptions		**3.61**	7.67
	Actuarial (Gain) / Loss on Obligation- due to experience		**1.68**	1.80
	Present value of the obligation at the end of the year		**103.50**	88.11
ii)	**Change in Plan Assets**			
	Fair value of Plan Assets at the beginning of the year		**4.33**	6.28
	Interest Income		**0.34**	0.51
	Return on plan assets excluding interest income		**(0.13)**	0.12
	Actuarial Gain / (Loss) on Plan Assets		**0.05**	0.01
	Contributions by the Employer		**1.88**	1.43
	Benefits Paid		**(4.72)**	(3.75)
	Exchange difference		**-**	(0.27)
	Fair value of Plan Assets at the end of the year		**1.75**	4.33
iii)	**Amounts Recognised in the Balance Sheet:**			
	Present value of Obligation at the end of the year		**103.50**	88.11
	Fair value of Plan Assets at the end of the year		**1.75**	4.33
	Funded status		**101.75**	83.78
	Net Liability recognised in the Balance Sheet		**101.75**	83.78
iv)	**Amounts Recognised in the Statement of Profit and Loss:**			
	Current Service Cost		**9.24**	6.92
	Interest Cost / Income on Obligation / Plan assets (net)		**6.19**	5.00
	Net Cost Included in Personnel Expenses		**15.44**	11.92
v)	**Recognised in other comprehensive income for the year**			
	Actuarial (Gain) / Loss on Obligation		**5.16**	13.08
	Return on plan assets excluding interest income		**0.08**	(0.13)
	Recognised in other comprehensive income		**5.24**	12.95
vi)	**Weighted average duration of Present Benefit Obligation**		**7.90 years**	8.97 years
vii)	**Estimated contribution to be made in next financial year**		**11.47**	9.39
viii)	**Major categories of Plan Assets as a % of total Plan Assets**		**100%**	100%
	Insurer Managed Funds			
ix)	**Actuarial Assumptions**			
	i) Discount Rate		7.29%-13.75%p.a	6.82%-16.50% P.A.
	ii) Salary Escalation Rate		7% p.a.-11%p.a	7.00%-13.00% P.A.
	iii) Mortality for geographies:	India	Indian Assured Lives Mortality (2006-08) Ultimate	
		Indonesia	As per Indonesian Mortality Table 2011 (TMI11)	
		Nigeria	Rates published in the A49/52 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK, rated down by one year to reflect mortality in Nigeria	

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.

x) **Maturity Analysis of Projected Benefit Obligation: From the Fund**

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Projected Benefits Payable in Future Years From the Date of Reporting		
Within the next 12 months	**14.42**	11.24
2nd Following Year	**11.59**	8.94
3rd Following Year	**12.02**	8.83
4th Following Year	**11.62**	9.04
5th Following Year	**11.46**	8.65
Sum of Years 6 To 10	**59.61**	42.58

xi) 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.

₹ Crore

	March 31, 2018		March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(6.28)	7.11	(5.47)	6.26
Future salary growth (1% movement)	7.08	(6.35)	6.25	(5.55)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Other details	
Methodology Adopted for ALM	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity analysis	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Comment on Quality of Assets	Since investment is with insurance company, Assets are considered to be secured.

NOTE 47 : EMPLOYEE STOCK BENEFIT PLANS

I. EMPLOYEE STOCK GRANT SCHEME

a) The Company set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders on March 18, 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 of the Company or its Subsidiaries. The entitlement of each employee will be decided by the Compensation Committee of the Company based on the employee’s performance, level, grade, etc.

d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 2,500,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 500,000 (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 or as may be decided by the Compensation Committee from the date on which the Stock Grants are awarded for a period of three consecutive years subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

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

g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The fair value value is treated as Employee Compensation Expenses and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

h) The details of the scheme are as below:

Scheme	Grant Date	No. of Options	Vesting Condition	Exercise Price (₹) per share	Weighted average Exercise Price (₹) per share	Exercise period
Employees Stock Grant Scheme 2011	From 2011 to 2017	6,35,424	Vested in the proportion of 1/3rd at the end of each year	1.00	1.00	within 1 month from the date of vesting

Movement in the number of share options during the year:

	As at March 31, 2018	As at March 31, 2017
Outstanding at the beginning of the year	**1,28,895**	1,41,096
Add: Bonus issue during the year	**1,22,214**	-
Add: Granted during the year	**1,11,829**	58,376
Less: Exercised during the year	**1,27,886**	66,993
Less: Forfeited/ lapsed during the year	**11,041**	3,584
Outstanding at the end of the year	**2,24,011**	1,28,895

Weighted average remaining contractual life of options as at 31st March, 2018 was 1.24 years (31-Mar-17 : 1.56 years). Weighted average equity share price at the date of exercise of options during the year was ₹ 1,297.64 (31-Mar-17 : ₹ 1,558.62).

The fair value of the employee share options has been measured using the Black-Scholes formula. The following assumptions were used for calculation of fair value of grants:

	Year ended March 31, 2018	Year ended March 31, 2017
Risk-free interest rate (%)	6.46%	7.04%
Expected life of options (years)	2.00	2.00
Expected volatility (%)	32.21%	32.21%
Dividend yield	0.31%	0.39%
The price of the underlying share in market at the time of option grant (₹)*	1868.75	1,481.60

* Price is before issue of Bonus share.

III. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.

NOTE 48 : DISCLOSURE U/S 186 (4) OF THE COMPANIES ACT, 2013

Details of Investments made are disclosed under Note 5 and Note 12 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 42.

NOTE 49 : SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the consolidated financial statements.

NOTE 50 : FINANCIAL INSTRUMENTS

A. 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 presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ Crore

	Carrying amount / Fair Value				Fair value Hierarchy			
As at March 31, 2018	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non Current								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	84.66	84.66	-	84.79	-	84.79
Deposits with Non-Banking Financial Companies	-	-	20.54	20.54	-	20.54	-	20.54
Loans	-	-	18.87	18.87	-	-	-	-
Other Financial Assets	-	-	9.57	9.57	-	-	-	-
Current								
Current investments								
Deposits with Non-Banking Financial Companies	-	-	306.97	306.97	-		-	-
Investments in Commercial Papers			97.04	97.04	-	97.04	-	97.04
Mutual Fund	115.74	-	-	115.74	-	115.74	-	115.74
Non-convertible Debentures with Non-Banking Financial Companies	-	-	336.01	336.01	-	339.38	-	339.38
Trade receivables	-	-	1,245.50	1,245.50	-	-	-	-
Cash and cash equivalents	-	-	898.02	898.02	-	-	-	-
Bank balances others			62.19	62.19	-	-	-	-
Loans			-	-			-	-
Security Deposits and Others	-	-	2.89	2.89	-	-	-	-
Derivative Asset	-	10.74	-	10.74	-	10.74	-	10.74
Others	-	-	188.37	188.37	-	-	-	-
	115.74	**10.74**	**3,270.63**	**3,397.11**	**-**	**668.23**	**-**	**668.23**
Financial liabilities								
Non-Current								
Borrowings	-	-	2,380.32	2,380.32	-	-	-	-
Liabilities for business combinations	753.95	-	-	753.95	-	-	753.95	753.95
Current								
Borrowings	-	-	140.51	140.51	-	-	-	-
Trade and other payables	-	-	2,356.85	2,356.85	-	-	-	-
Put Option Liability *	-	-	-	244.56	-	-	244.56	244.56
Current Maturities of Long Term Debt	-	-	972.92	972.92	-	-	-	-
Derivative liability		17.41	-	17.41	-	17.41	-	17.41
Others	-	-	50.50	50.50	-	-	-	-
	753.95	**17.41**	**5,901.10**	**6,917.02**	**-**	**17.41**	**998.51**	**1,015.92**

₹ Crore

	Carrying amount / Fair Value				Fair value Hierarchy			
As at March 31, 2017	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non Current								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-		153.66	153.66		153.89		153.89
Shares	-	-	-	-	-	-	-	-
Mutual Fund	-			-				-
Others	-			-				-
Deposits with Non-Banking Financial Companies	-		62.85	62.85	-	62.85	-	62.85
Loans		-	19.28	19.28	-	-	-	-
Other Financial Assets	-	-	5.35	5.35	-	-	-	-
Current								
Current investments		-	-	-	-	-	-	-
Deposits with Non-Banking Financial Companies	-	-	174.52	174.52	-		-	-
Mutual Fund	454.49	-		454.49	-	454.49	-	454.49
Non-convertible Debentures with Non-Banking Financial Companies	-	-	52.78	52.78	-	52.89	-	52.89
Trade receivables	-		1,028.74	1,028.74	-	-	-	-
Cash and cash equivalents	-		895.05	895.05				
Bank balances others		-	17.61	17.61	-	-	-	-
Loans		-		-	-	-	-	-
Security Deposits and Others	-	-	3.61	3.61	-	-	-	
other	-	-		-	-	-	-	-
Derivative Asset	-	16.49		16.49	-	16.49	-	16.49
Others			6.21	6.21				
	454.49	**16.49**	**2,419.66**	**2,890.64**	**-**	**740.61**	**-**	**740.61**
Financial liabilities								
Non-Current								
Borrowings		-	3,108.25	3,108.25	-	-	-	-
Liabilities for business combinations	911.24	-	-	911.24	-	-	911.24	911.24
Current	-							

₹ Crore

As at March 31, 2017	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Borrowings	-	-	232.55	232.55	-	-	-	-
Trade and other payables		-	1,723.90	1,723.90	-	-	-	-
Put Option Liability*	-	-	-	303.06	-	-	303.06	303.06
Current Maturities of Long Term Debt		-	660.13	660.13	-	-	-	-
Derivative liability	-	21.47	-	21.47	-	21.47	-	21.47
Others		-	37.98	37.98	-	-	-	-
	911.24	**21.47**	**5,762.81**	**6,998.58**	**-**	**21.47**	**1,214.30**	**1,235.77**

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)

** The put option liability is fair valued at each reporting date through equity.*

NOTE: The group has not disclosed fair values of financial instruments other than mutual funds, deposits with non-banking financial companies, non-convertible debentures with non-banking financial companies, investment in commercial papers, derivative asset, derivative liability and liabilities for business combinations, because the carrying amounts are a reasonable approximation of fair value.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

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.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund Investments	NAV quoted by the Mutual Fund	NA	NA
Investments in Non Convertible Debenture with Non-Banking Financial Companies	Broker Quote	NA	NA
Deposits with Non-Banking Financial Companies	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Commercial Paper issued by the Company	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Derivative Asset	MTM from banks	NA	NA
Derivative Liability	MTM from banks	NA	NA
Liabilities for business combination	Present Value of expected payment discounted using an risk adjusted discounting rate	Inputs are given in next page	Refer next page for inter-relationship between significant unobservable inputs and fair value measurement

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

₹ Crore

Particulars	Total
As at April 1, 2017	1,214.30
Net change in fair value through reserves	(15.15)
Net change in fair value through PL (Refer Note (a) below)	11.29
Net change in liability due to payments	(17.01)
Reversal in liability for business combination	(194.99)
Exchange difference	0.07
As at March 31, 2018	**998.51**

NOTE: (a) Interest unwinding charges

Valuation processes

The main level 3 inputs for put option, liability for business combination are derived and evaluated as follows :

Liability for Business Combination -The key inputs used in the determination of fair value of Liability for Business Combination are the discount rate and expected future performance of the business (EBIDTA).(Refer Note 53a).

Put Option Liability -The key inputs used in the determination of fair value of put option liability is expected future performance of the business.

Sensitivity analysis

For the fair values of put option liability and liability for business combination, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Liability for Business Combination ₹ Crore

	Year ended March 31, 2018	
	Profit or loss	
Significant unobservable inputs	**Increase**	**Decrease**
Achievement of financial target (10% movement)	(80.48)	80.48

	Year ended March 31, 2017	
	Profit or loss	
Significant unobservable inputs	**Increase**	**Decrease**
Achievement of financial target (10% movement)	(95.00)	95.00

Put Option Liability

₹ Crore

	Year ended March 31, 2018	
	Equity	
Significant unobservable inputs	**Increase**	**Decrease**
Achievement of financial target (10% movement)	(24.57)	24.57

	Year ended March 31, 2017	
	Equity	
Significant unobservable inputs	**Increase**	**Decrease**
Achievement of financial target (10% movement)	(32.98)	32.98

NOTE 51 : FINANCIAL RISK MANAGEMENT

The activities of the Group exposes it to a number of financial risks – market risk, credit risk and liquidity risk. The Group seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The risk management policy which is approved by the Board, is closely monitored by the senior management.

A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency rate risk, interest rate risk and price risk. Financial instruments affected by market risk includes borrowings, trade receivables and payables, bank deposits, investments and derivative financial instruments. The Group has international operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of price risk:

The Company invests its surplus funds in various debt instruments including liquid and short term schemes of debt mutual funds, deposits with banks and financial institutions, commercial papers and non-convertible debentures (NCD's). Investments in mutual funds and NCD's are susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments. This risk is mitigated by the Company by investing the funds in various tenors depending on the liquidity needs of the Company.

(ii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Group mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Group may be impacted due to volatility of the functional currency against foreign currencies.

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

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

₹ Crore

As at March 31, 2018	GBP	USD	EURO	ZAR	AED	Others
Financial assets						
Cash and cash equivalents	0.08	70.69	0.29	0.23	-	2.24
Long-term loans and advances	-	10.52	-	-	-	-
Short-term loans and advances	-	1.99	-	-	-	-
Trade and other receivables	1.52	241.64	36.12	0.49	2.32	-
Other Non-Current financial assets	-	7.81	-	-	-	-
Other Current financial assets	-	7.89	-	-	-	-
	1.60	**340.54**	**36.41**	**0.72**	**2.32**	**2.24**
Financial liabilities						
Long term borrowings	-	8.37	-	-	-	-
Short term borrowings	-	92.72	-	-	-	-
Trade and other payables	2.96	449.96	7.95	-	-	5.38
Less: Forward contracts for trade payables	-	(187.94)	-	-	-	(1.09)
Other Current financial liabilities	-	0.19	-	-	-	-
	2.96	**363.30**	**7.95**	**-**	**-**	**4.29**
Net Exposure	**(1.36)**	**(22.76)**	**28.46**	**0.72**	**2.32**	**(2.05)**

₹ Crore

As at March 31, 2017	GBP	USD	EURO	ZAR	AED	Others
Financial assets						
Cash and cash equivalents	0.38	97.49	0.79	0.57	-	0.22
Current investments	-	0.57	-	-	-	-
Long-term loans and advances	-	*12.75*	-	-	-	-
Short-term loans and advances	-	0.20	-	-	-	-
Trade and other receivables	1.29	264.77	28.69	0.45	1.11	0.47
Less: Forward contracts for trade receivables	-	-	(7.28)	-	-	-
Other Non-Current financial assets	-	14.54	-	-	-	-
Other Current financial assets	-	*3.94*	-	-	-	-
	1.67	**394.26**	**22.20**	**1.02**	**1.11**	**0.69**
Financial liabilities						
Long term borrowings	-	15.26	-	-	-	-
Short term borrowings	-	2.46	-	-	-	-
Trade and other payables	0.68	439.62	6.11	-	-	5.78
Less: Forward contracts for trade payables	-	(122.97)	-	-	-	(5.61)
Other Current financial liabilities	-	0.18	-	-	-	-
	0.68	**334.55**	**6.11**	**-**	**-**	**0.17**
Forecasted sales	-	-	3.77	-	-	-
Less: Forward contracts on forecasted sales	-	-	(3.77)	-	-	-
Net Exposure	**0.99**	**59.71**	**16.09**	**1.02**	**1.11**	**0.52**

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

	Year-end spot rate	
	March 31, 2018	March 31, 2017
GBP INR	**91.76**	80.98
USD INR	**65.18**	65.04
EUR INR	**80.62**	69.29
ZAR INR	**5.53**	5.00
AED INR	**17.74**	18.49

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of GBP/USD/EURO/ZAR/AED/CNH/KWD against the India rupee at March 31 would have affected the measurement of financial instruments denominated in GBP/USD/EURO/ZAR/AED and affected 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.

Effect in INR	Profit or loss	
	Strengthening	Weakening
March 31, 2018		
GBP	(0.07)	0.07
USD	(1.14)	1.14
EURO	1.42	(1.42)
ZAR	0.04	(0.04)
AED	0.12	(0.12)
Others - CNH/KWD	(0.10)	0.10
	0.27	**(0.27)**

Effect in INR	Profit or loss	
	Strengthening	Weakening
March 31, 2017		
GBP	0.05	(0.05)
USD	2.99	(2.99)
EURO	0.80	(0.80)
ZAR	0.05	(0.05)
AED	0.06	(0.06)
Others - CNH/KWD	0.03	(0.03)
	3.98	**(3.98)**

(iii) Management of interest 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.

Exposure to interest rate risk

The Group's exposure to interest rate risks relates primarily to the Group's interest obligations on its borrowings. To mitigate this risk the Group enters into derivative financial instruments like interest rate swaps.

The interest rates profile of the Group's interest bearing financial instruments is as follows:

₹ Crore

	As at March 31, 2018	As at March 31, 2017
Borrowings		
Fixed rate instruments	**145.46**	250.81
Variable-rate instruments	**3,348.29**	3,748.79
Investments		
Fixed rate investments	**960.96**	860.59
	2,532.79	3,139.01

Fair value sensitivity analysis for fixed-rate instruments

The Company 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 50 basis points (bp) in interest rate at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

The risk estimates provided assume a parallel shift of 50 basis points interest rate across all yield curves. 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 period end balances are not necessarily representative of the average debt outstanding during the period.

₹ Crore

	Profit or loss / Equity	
	50 bp increase	**50 bp decrease**
As at March 31, 2018		
Variable-rate instruments	(16.74)	16.74
Less : Interest-rate swap on Variable rate instrument	9.03	(9.03)
Cash flow sensitivity (net)	**(7.71)**	**7.71**
As at March 31, 2017		
Variable-rate instruments	(18.74)	18.74
Less : Interest-rate swap on Variable rate instrument	9.85	(9.85)
Cash flow sensitivity (net)	**(8.89)**	**8.89**

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counter party to the Group resulting in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (trade receivables) and from its investing activities including investments in mutual funds, deposits with banks and financial institutions and NCD's, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed by each business unit subject to the Group's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Group extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Group has no concentration of credit risk as the customer base is widely distributed.

Credit risk from investments of surplus funds is managed by the Group's treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counter parties who meet the minimum threshold requirements prescribed by the Board. The Group monitors the credit ratings and financial strength of its counter parties and adjusts its exposure accordingly.

At March 31, 2018, the ageing for the trade receivables as mentioned in the note below and that were not impaired (not provided for) was as follows:

Trade Receivables ₹ Crore

	As at March 31, 2018	**As at March 31, 2017**
Neither past due nor impaired	**732.52**	676.41
Past due 1–90 days	**340.91**	293.60
Past due 91–120 days	**94.27**	29.94
Past due more than 120 days	**77.80**	28.79
TOTAL	**1,245.50**	1,028.74

Loans and advances given are monitored by the Group on a regular basis and these are neither past due nor impaired.

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The movement in allowances for impairment in respect of trade receivables is as follows:

₹ Crore

	Trade receivables Impairments
Balance as at March 31, 2017	**32.33**
Impairment loss recognised	17.56
Amounts written off / written back	(6.00)
Exchange difference	0.54
Balance as at March 31, 2018	**44.43**

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Group may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Group's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Group closely monitors its liquidity position and has a robust cash management system. The Group maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

₹ Crore

		Contractual cash flows			
As at March 31, 2018	**Carrying amount**	**Total**	**Less than 1 year**	**1-3 years**	**More than 3 years**
Non-derivative financial liabilities					
Term loan and overdrafts from banks	3,493.75	3,647.82	1,198.25	2,449.57	-
Trade payables	2,356.85	2,356.85	2,356.85	-	-
other financial liabilities	1,049.01	1,049.01	295.06	753.95	-
Derivative financial liabilities					
Interest rate swaps	17.41	44.16	25.12	19.04	-
Forward exchange contracts used for hedging					
- Outflow	-	194.02	194.02	-	-
- Inflow	-	-	-	-	-

₹ Crore

		Contractual cash flows			
As at March 31, 2017	**Carrying amount**	**Total**	**Less than 1 year**	**1-3 years**	**More than 3 years**
Non-derivative financial liabilities					
Term loan and overdrafts from banks	3,851.96	4,021.42	818.18	2,065.01	1,138.23
Commercial papers	148.97	150.00	150.00	-	-
Trade payables	1,723.90	1,723.90	1,723.90	-	-
Other financial liabilities	1,252.28	1,252.28	341.04	911.24	-
Derivative financial liabilities					
Interest rate swaps	21.47	64.20	39.13	25.07	-
Forward exchange contracts used for hedging					
- Outflow	-	136.88	136.88	-	-
- Inflow	-	136.55	136.55	-	-

NOTE 52 : HEDGE ACCOUNTING

The objective of hedge accounting is to represent, in the Group's financial statements, the effect of the Group's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Group makes use of financial derivative instruments namely foreign exchange forward contracts & interest rate swaps for hedging the risk embedded in some of its highly probable forecast investment & interest rate fluctuation on variable rate loans.

For derivative contracts designated as hedge, the Group documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the method used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency risk on highly probable forecast investment & interest risk on variable rate loans. The tenor of hedging instrument may be less than or equal to the tenor of underlying.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge. The Group applies cash flow hedge accounting to hedge the variability in a) the future cash flows on the overseas remittance to its subsidiary subject to foreign exchange risk; b) interest payments on variable rate loans.

The Group has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

Hedge effectiveness is assessed through the application of critical terms match method & dollar off-set method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

The table below enumerates the Group's hedging strategy, typical composition of the Group's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship:

Sr No.	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Currency risk hedge	Highly Probable Foreign currency (FCY) denominated investment into Overseas Subsidiary	FCY denominated highly probable forecast investment is converted into functional currency using a plain vanila foreign currency forward contract.	Fx forward contracts	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market.	Cash flow hedge
2	Interest rate hedge	Floating rate loans	Floating rate financial liability is converted into a fixed rate financial liability using a floating to fixed interest rate swap.	Interest rate swap	Interest rate swap is a derivative instrument whereby the Group receives at a floating rate in return for a fixed rate liability.	Cash flow hedge

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

For the period ended 31 March 2018 ₹ Crore

Hedging Instrument	Notional principal amounts outstanding	Derivative Financial Instruments - Assets outstanding	Derivative Financial Instruments – Liabilities outstanding	Gain/ (Loss) due to change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Interest rate swaps	1,806.65	8.47	-	(5.92)	(5.92)	-	NA	NA	NA
Previous Year	*1970.71*	*14.36*	-	*14.36*	*14.36*	-	*NA*	*NA*	*NA*

Note: In previous year there was loss due to changes in fair value of foreign exchange forward contracts amounting to ₹ 1.16 crore which was recognised in OCI.

The table below provides a profile of the timing of the notional amounts of the Group's hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

₹ Crore

	As at 31 March 2018				As at 31 March 2017			
	Total	**Less than 1 year**	**1-5 years**	**Over 5 years**	**Total**	**Less than 1 year**	**1-5 years**	**Over 5 years**
Interest rate risk:								
Notional principal amount	1,806.65	1,285.25	521.40	-	1,907.71	-	1,907.71	-
Average rate	1.95%	1.83%	3.18%	-	1.83%	-	1.83%	-

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

₹ Crore

Particulars	Movement in Cash flow hedge reserve for the period ended March 31, 2018	Movement in Cash flow hedge reserve for the period ended March 31, 2017
Opening balance	**13.61**	**-**
Gain / (Loss) on the Effective portion of changes in fair value:		
a) Interest rate risk	(5.92)	14.36
b) Currency risk	-	(1.16)
Tax on movements on reserves during the year	-	0.41
Closing balance	**7.69**	**13.61**

NOTE 53 : BUSINESS COMBINATIONS

(a) Summary of acquisitions

On 28th April 2016, the Group acquired 100% equity stake in Strength of Nature (SON), a manufacturer and marketer of hair care products for women of African descent. The acquisition will help the group expand its Wet Hair Care presence in Africa.

On 5th May 2016, the Group acquired 75% equity stake in Canon Chemicals limited (Canon), a Kenya based home and personal care company. This acquisition helps GCPL in further building its presence in the Sub Saharan Africa market. The group or the sellers have an option to buy or sell the balance stake on or after 15th May, 2019 at a price determined by a multiple of the future operating profit of the business. If any of the parties do not exercise their option within a year from 15th May, 2019, then the sellers need to mandatorily sell their stake to the Group on 15th May, 2020. The Group has accounted for the balance 25% stake by applying the anticipated acquisition method. This liability for the put option is reported under the head "Other financial liabilities". This liability for business combination is reported under the head "Non-Current Other financial liabilities" *(Refer Note 22)*..

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

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

₹ Crore

Particulars	SON	Canon
Cash paid	1,239.84	133.77
Contingent consideration	864.03	-
Liability to acquire balance stake	-	60.99
Total purchase consideration	**2,103.87**	**194.76**

For SON, the total purchase consideration comprises of the initial purchase consideration plus the estimated value of the earnout payment of ₹ 864.03 cr. This consideration is payable after March 31, 2019 and is based on a multiple of future EBITDA of this business achieved as in FY 2018-19 . The fair value of contingent consideration is determined by discounting the estimated amount payable to the sellers of SON based on expected future performance.

For Canon, the total purchase consideration comprises of the initial purchase consideration plus the estimated payment of ₹ 60.99 cr for the liability to be paid for acquiring balance stake. The amount payable is is determined by discounting the estimated amount payable based on expected future performance.

Acquisition-related cost

SON: The net transaction costs of ₹ 33.12 cr related to the acquisition was recognized as and when incurred in FY 17. These are reported under the line item exceptional items in the consolidated statement of profit and loss for the year ended March 31, 2017.

Canon: The net transaction costs of ₹ 2.32 cr related to the acquisition was recognized under the line item exceptional items in the consolidated statement of profit and loss for the year ended March 31, 2016, when they were incurred.

Identifiable assets acquired and liabilities assumed

The assets and liabilities recognised as a result of the acquisition are as follows:

₹ Crore

Particulars	SON	Canon
	Fair value	Fair value
Land & building	-	45.84
Property, Plant and Equipment	49.22	4.45
Intangible assets	1,431.40	126.14
Inventories	137.69	13.93
Trade receivables	83.14	14.41
Cash and cash equivalents	13.97	2.13
Prepaid assets	2.66	-
Accrued expenses	(14.63)	-
Loans and borrowings	-	(28.66)
Deferred tax liabilities	-	(46.09)
Trade payables	(19.29)	(5.75)
Total identifiable net assets acquired	**1,684.16**	**126.40**

Calculation of Goodwill ₹ Crore

Particulars	SON	Canon
Consideration transferred	2,103.87	194.76
Less: Net identifiable assets acquired	(1,684.16)	(126.40)
Goodwill	**419.71**	**68.36**

SON and Canon: The Goodwill reflects growth opportunities in the business and synergy benefits from integrating the business.

Contingent consideration:

SON: The key inputs used in the determination of fair value of contingent consideration are the discount rate and expected future performance of the business.

Canon: The key inputs used in the determination of liability towards NCI is the discount rate and expected future performance of the business. The consideration also includes a component of excise duty which becomes payable to sellers if excise duty on petroleum jelly is not reintroduced. As the excise duty was reintroduced, the contingent consideration is no longer payable and consequently this income was recorded under the line item exceptional items in the consolidated statement of profit and loss for the year ended March 31, 2017.

Goodwill is deductible for tax purposes in the case of SON and not deductible for Canon.

There were no business combinations in the year ending 31 March 2018.

Significant Judgement:

Acquired receivables

The gross amount of trade receivables acquired and their fair value is ₹ 83.14 cr and ₹ 14.41 cr from SON and Canon respectively. These amounts are fully collectible.

Revenue (Sales) and profit after tax contribution

The acquired businesses contributed revenues and profits to the group for the period 31st March 2017 as follows:

(i) SON: Revenue of ₹ 528.27 cr and profit of ₹ 35.59 cr

(ii) Canon: Revenue of ₹ 69.85 cr and profit of ₹ 7.73 cr

If the acquisitions had occurred on 1 April 2016, consolidated proforma revenue and profit for the year ended 31 March 2017 would have been ₹ 9640.78 and ₹ 1310.31 respectively.

(b) Purchase Consideration-Cash outflow

Particulars	**31st March 2018**	**31st March 2017**
Outflow of cash to acquire subsidiaries, net of cash acquired		
Cash consideration	NIL	1,373.61
Less: Balances acquired		
Cash and cash equivalents	NIL	(16.09)
Net outflow of cash-investing activities	**NIL**	1,357.52

NOTE 54 : GOODWILL AND OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

For the purposes of impairment testing, goodwill has been allocated to the Group's CGU as follows:

₹ Crore

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
India	**2.47**	2.47
Indonesia	**1,352.68**	1,345.36
Africa (including SON)	**2,785.44**	2,766.29
Argentina	**299.44**	298.80
Others	**278.84**	249.64
Total	**4,718.87**	4,662.56

Each unit or group of units to which the goodwill is allocated -

a. represents the lowest level within the entity at which the goodwill is monitored for internal management purpose and

b. is not larger than an operating segment as defined Ind AS 108 operating segments, before aggregation.

For the purpose of impairment testing, indefinite life brands have been allocated to the Group's CGU as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
India	**791.42**	791.42
Africa (including SON)	**1,339.22**	1,301.41

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. The measurement using discounted cash flow is level 3 fair value based on inputs to the valuation technique used. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre tax discount rate.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2018	As at March 31, 2017
Pre Tax discount rate	9.2% - 21.4%	16.8% - 26.5%
Long term growth rate beyond 5 years	2% - 8.6%	2% - 3%

The pre tax discount rate is based on risk free rate, beta variant adjusted for market premium and company specific risk factors.

As at March 31, 2018 and March 31, 2017, there was no impairment for goodwill and other indefinite life intangible assets.

With regard to the assessment of value in use, no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGUs to exceed their recoverable amount.

NOTE 55 : SEGMENT REPORTING

Description of segments and principal activities:

The Group has identified geographical segments as reportable segments which are as follows:

- Segment-1, India
- Segment-2, Indonesia
- Segment-3, Africa (Including Strength of Nature)
- Segment-4, others

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit as the performance indicator for all of the operating segments.

The group is engaged in manufacturing of personal and household care products.

Information about reportable segments for the year ended March 31, 2018 and March 31, 2017 is as follows:

₹ Crore

Particluars	India	Indonesia	Africa (including Strength of Nature)	Others	Total
	Year ended March 31, 2018				
Segment Revenue	5,354.74	1,354.48	2,184.97	1,139.65	10,033.84
Add/(Less): Inter segment revenue	(69.00)	(22.46)	(1.83)	(3.56)	(96.85)
Revenue from Operations	5,285.74	1,332.02	2,183.14	1,136.09	**9,936.99**
Segment result	1,330.30	323.89	267.65	145.27	2,067.11
Add/(Less): Inter segment	-	-	(0.14)		(0.14)
Other income	11.04	9.96	13.67	4.52	39.19
Depreciation & Amortization	(63.31)	(20.60)	(48.72)	(23.05)	(155.68)
Interest income	42.62	21.21	3.72	0.95	68.50
Finance costs (Unallocable)	-	-	-	-	(160.74)
Exceptional items (net)	-	-	-	-	179.56
Share of net profits of equity accounted investees (net of income tax)	-	-	-	-	1.08
Profit Before Tax					**2,038.88**
Tax expense	-	-	-	-	(404.70)
Profit After Tax					**1,634.18**

₹ Crore

Particluars	India	Indonesia	Africa (including Strength of Nature)	Others	Total
	Year ended March 31, 2017				
Segment Revenue	5,088.99	1,527.61	2,032.12	1,076.01	9,724.73
Less: Inter segment revenue	(101.84)	(7.66)	(1.81)	(4.62)	(115.93)
Revenue from Operations	4,987.15	1519.95	2030.31	1071.39	**9,608.80**
Segment result	1,136.88	310.90	307.56	142.39	1,897.72
Add/(Less): Inter segment	-	-	(0.85)	(0.16)	(1.01)
Other income	21.10	4.70	7.40	2.30	35.50
Depreciation & Amortization	(56.68)	(21.11)	(41.26)	(22.52)	(141.57)
Interest income	20.90	15.43	3.65	0.83	40.81
Finance costs (Unallocable)	-	-	-	-	(145.22)
Exceptional items (net)	-	-	-	-	0.08
Share of net profits of equity accounted investees (net of income tax)	-	-	-	-	0.82
Profit Before Tax					**1,687.13**
Tax expense	-	-	-	-	(379.16)
Profit After Tax					**1,307.97**

₹ Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Segment Assets		
a) India	**3,708.79**	3,410.89
b) Indonesia	**2,543.56**	2,326.03
c) Africa (including Strength of Nature)	**6,403.15**	6,146.46
d) Others	**1,399.52**	1,264.48
Less: Intersegment Eliminations	**(92.31)**	(111.33)
	13,962.71	13,036.53
Segment Liabilities		
a) India	**1,982.49**	1,639.53
b) Indonesia	**347.40**	327.94
c) Africa (including Strength of Nature)	**656.69**	397.30
d) Others	**320.65**	271.62
Less: Intersegment Eliminations	**(95.09)**	(117.04)
	3,212.14	2519.35
Add: Unallocable liabilities	**4,492.26**	5,215.23
Total Liabilities	**7,704.40**	7,734.58

Information about major customers:

No Single customer represents 10% or more of the Group's total revenue for the year ended March 31, 2018 and March 31, 2017

Capital expenditure

₹ Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a) India	**116.25**	90.68
b) Indonesia	**13.36**	15.40
c) Africa (including Strength of Nature)	**162.31**	1,764.34
d) Others	**27.25**	27.48
TOTAL	**319.17**	1,897.90

NOTE 56 : ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

₹ Crore

Particulars		As at March 31, 2018	As at March 31, 2017
Current			
Financial assets			
Floating charge			
Receivables		**1.55**	0.81
Total	**(a)**	**1.55**	0.81
Non-Financial assets			
First charge			
Inventories	**(b)**	**13.15**	16.69
Total current assets pledged as security	**(c) = (a) + (b)**	**14.70**	17.50
Non-Current			
First charge			
Plant & Machinery *(Refer Note 3)*		**13.96**	14.58
Total non-current assets pledged as security	**(d)**	**13.96**	14.58
Total assets pledged as security	**(e) = (c) + (d)**	**28.66**	32.08

NOTE 57 : ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY/ASSOCIATES

	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
Name of the Enterprise	**As % of consolidated net assets**	**Amount (₹ in crore)**	**As % of consolidated profits**	**Amount (₹ in crore)**	**As % of consolidated OCI**	**Amount (₹ in crore)**	**As % of Total Comprehensive Income**	**Amount (₹ in crore)**
Parent								
Godrej Consumer Products Limited (India)	74.17%	4,641.59	61.18%	999.87	-5.33%	(1.97)	59.71%	997.90
Subsidiaries								
Foreign								
Argencos SA	0.16%	10.07	-0.15%	(2.39)			-0.14%	(2.39)
Beleza Mozambiqe LDA	0.48%	30.33	1.04%	17.04			1.02%	17.04
Consell SA	0.00%	0.11	0.00%	(0.01)			0.00%	(0.01)
Cosmetica Nacional	2.95%	184.63	1.81%	29.50			1.77%	29.50
Charm Industries Limited	0.15%	9.52	-0.41%	(6.66)			-0.40%	(6.66)
Canon Chemicals Limited	0.97%	60.96	-0.19%	(3.15)			-0.19%	(3.15)
Darling Trading Company Mauritius Ltd	1.53%	95.91	3.86%	63.02			3.77%	63.02
Deciral SA	0.22%	13.86	0.10%	1.59			0.09%	1.59
DGH Phase Two Mauritius	3.98%	248.85	0.14%	2.29			0.14%	2.29
DGH Tanzania Limited	0.99%	61.91	-0.01%	(0.12)			-0.01%	(0.12)
DGH Uganda	0.00%	(0.13)	-0.01%	(0.13)			-0.01%	(0.13)
Frika Weave (PTY) LTD	0.04%	2.58	-0.01%	(0.22)			-0.01%	(0.22)
Godrej Africa Holdings Limited	36.09%	2,258.36	4.07%	66.55			3.98%	66.55
Godrej Consumer Holdings (Netherlands) B.V.	10.30%	644.43	-0.01%	(0.19)			-0.01%	(0.19)
Godrej Consumer Investments (Chile) Spa	4.17%	260.94	0.00%	(0.00)			0.00%	(0.00)
Godrej Consumer Products (UK) Limited	2.03%	127.18	2.57%	41.93			2.51%	41.93
Godrej Consumer Products (Netherlands) B.V.	0.59%	37.21	-0.01%	(0.16)			-0.01%	(0.16)
Godrej Consumer Products Bangladesh Ltd	0.00%	(0.06)	0.00%	(0.05)			0.00%	(0.05)
Godrej Consumer Products Dutch Coöperatief U.A.	11.09%	693.82	-0.04%	(0.65)			-0.04%	(0.65)
Godrej Consumer Products Holding (Mauritius) Limited	23.03%	1,441.01	2.41%	39.40	-8.31%	(3.07)	2.17%	36.33
Godrej Consumer Products International (FZCO)	0.32%	20.28	2.24%	36.57			2.19%	36.57
Godrej East Africa Holdings Ltd	2.45%	153.27	-1.59%	(25.98)	-3.73%	(1.38)	-1.64%	(27.36)
Godrej Global Mid East FZE	0.29%	18.07	0.42%	6.84			0.41%	6.84
Godrej Hair Care Nigeria Limited	0.00%	-	0.00%	-			0.00%	-
Godrej Hair Weave Nigeria Limited	0.00%	-	0.00%	-			0.00%	-
Godrej Holdings (Chile) Limitada	4.66%	291.77	-0.03%	(0.48)			-0.03%	(0.48)

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profits	Amount (₹ in crore)	As % of consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
Godrej Household Products (Bangladesh) Pvt. Ltd.	0.34%	21.29	-1.09%	(17.74)			-1.06%	(17.74)
Godrej Household Products (Lanka) Pvt. Ltd.	0.11%	6.63	-0.58%	(9.45)			-0.57%	(9.45)
Godrej Household Insecticide Nigeria Limited	0.00%	-	0.00%	-			0.00%	-
Godrej IIP Holdings Ltd	19.02%	1,190.63	3.13%	51.20			3.06%	51.20
Godrej International Trading Company (Sharjah)	-0.01%	(0.32)	-0.01%	(0.13)			-0.01%	(0.13)
Godrej Mauritius Africa Holdings Ltd	15.86%	992.29	4.88%	79.68	-3.98%	(1.47)	4.68%	78.21
Godrej MID East Holdings Limited	19.42%	1,215.63	3.06%	49.98			2.99%	49.98
Godrej Netherlands B.V.	3.26%	203.92	2.67%	43.70			2.61%	43.70
Godrej Nigeria Limited	0.37%	23.36	0.17%	2.78			0.17%	2.78
Godrej Peru SAC	0.00%	(0.17)	-0.01%	(0.21)			-0.01%	(0.21)
Godrej SON Holdings Inc	7.62%	477.04	-1.03%	(16.87)			-1.01%	(16.87)
Godrej South Africa Proprietary Ltd.	1.92%	119.92	-0.45%	(7.29)			-0.44%	(7.29)
Godrej Tanzania Holdings LTD.	1.87%	116.92	-0.09%	(1.46)			-0.09%	(1.46)
Godrej (UK) Ltd	3.44%	215.37	2.94%	48.10			2.88%	48.10
Godrej West Africa Holdings Ltd.	1.70%	106.14	2.27%	37.14			2.22%	37.14
Hair Credentials Zambia Limited	0.14%	8.67	-0.18%	(2.87)			-0.17%	(2.87)
Hair Trading (offshore) S. A. L	0.93%	58.15	5.28%	86.29			5.16%	86.29
Indovest Capital	0.01%	0.90	-0.01%	(0.10)			-0.01%	(0.10)
Issue Group Brazil Limited	0.01%	0.50	0.18%	3.01			0.18%	3.01
Kinky Group (Pty) Limited	0.12%	7.81	-0.01%	(0.24)			-0.01%	(0.24)
Laboratoria Cuenca S.A	1.67%	104.54	1.71%	27.89			1.67%	27.89
Lorna Nigeria Ltd.	3.04%	190.21	-1.74%	(28.45)	-1.16%	(0.43)	-1.73%	(28.88)
Old Pro International Inc	1.92%	119.99	0.00%	-			0.00%	-
Panamar Producciones S.A.	0.04%	2.42	0.00%	(0.01)			0.00%	(0.01)
PT Ekamas Sarijaya	0.21%	12.97	0.11%	1.75			0.10%	1.75
PT Indomas Susemi Jaya	0.79%	49.74	0.63%	10.32			0.62%	10.32
PT Intrasari Raya	1.11%	69.17	0.58%	9.54			0.57%	9.54
PT Megasari Makmur	11.10%	694.48	10.63%	173.77	-0.57%	(0.21)	10.39%	173.56
PT Sarico Indah	0.16%	9.88	-0.04%	(0.64)			-0.04%	(0.64)
Sigma Hair Industries Limited	0.22%	13.46	-1.04%	(16.93)			-1.01%	(16.93)
Style Industries Uganda Limited	0.00%	0.00	0.00%	-			0.00%	-
Strength of Nature LLC	32.69%	2,045.60	3.85%	62.97			3.77%	62.97
Strength of Nature South Africa Proprietary Limited	0.04%	2.44	-0.07%	(1.09)			-0.07%	(1.09)

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profits	Amount (₹ in crore)	As % of consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
Style Industries Limited	3.11%	194.61	-2.13%	(34.81)			-2.08%	(34.81)
Subinite (Pty) Ltd.	1.38%	86.18	1.66%	27.12			1.62%	27.12
Weave Ghana Ltd	0.94%	58.60	-0.13%	(2.20)			-0.13%	(2.20)
Weave IP Holdings Mauritius Pvt. Ltd.	0.01%	0.59	0.01%	0.23			0.01%	0.23
Weave Mozambique Limitada	2.45%	153.14	1.93%	31.51			1.89%	31.51
Weave Senegal Ltd	0.15%	9.36	-0.39%	(6.30)			-0.38%	(6.30)
Weave Trading Mauritius Pvt. Ltd.	0.00%	0.03	3.98%	65.09			3.89%	65.09
Godrej Consumers Products Malaysia Ltd	0.00%	-	0.00%	-			0.00%	-
Adjustment arising out of consolidation					123.09%	45.48	2.72%	45.48
Associates (Investment accounted as per Equity method)								
Bhabani Blunt Hairdressing Pvt. Ltd.	-	-	0.07%	1.08			0.06%	1.08
Eliminations	-217.79%	(13630.28)	-18.15%	(296.57)			-17.75%	(296.57)
Joint Ventures								
Godrej Easy IP Holding Ltd	0.00%	0.04	0.00%	(0.02)			0.00%	(0.02)
Grand Total	100.00%	6258.31	100.00%	1634.18	100.00%	36.95	100.00%	1671.13

NOTE 58 : DETAILS OF SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE

The companies considered in the consolidated financial statements are:

Name of the entity	Country of Incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Godrej Household Products (Lanka) Pvt. Ltd.	Srilanka	100%	100%	-	-
Godrej South Africa Proprietary Ltd	South Africa	100%	100%	-	-
Godrej Consumer Products Bangladesh Ltd	Bangladesh	100%	100%	-	-
Godrej Household Products (Bangladesh) Pvt. Ltd.	Bangladesh	100%	100%	-	-
Bhabhani Blunt Hairdressing Private Limited *(Associate)*	India	30%	30%	70%	70%
Argencos SA	Argentina	100%	100%	-	-
Beleza Mozambique LDA	Mozambique	100%	100%	-	-
Consell SA	Argentina	100%	100%	-	-
Cosmetica Nacional	Chile	100%	100%	-	-
Charm Industries Limited	Kenya	100%	100%	-	-
Canon Chemicals Limited	Kenya	100%	100%	-	-
Darling Trading Company Mauritius Ltd	Mauritius	100%	100%	-	-
Deciral SA	Uruguay	100%	100%	-	-
DGH Phase Two Mauritius	Mauritius	100%	100%	-	-
DGH Tanzania Limited	Mauritius	100%	100%	-	-
DGH Uganda	Mauritius	100%	100%	-	-
Frika Weave (PTY) LTD	South Africa	100%	100%	-	-
Godrej Africa Holdings Limited	Mauritius	100%	100%	-	-
Godrej Consumer Holdings (Netherlands) B.V.	Netherlands	100%	100%	-	-
Godrej Consumer Investments (Chile) Spa	Chile	100%	100%	-	-
Godrej Consumer Products (Netherlands) B.V.	Netherlands	100%	100%	-	-
Godrej Consumer Products (UK) Limited	UK	100%	100%	-	-
Godrej Consumer Products Dutch Coöperatief U.A.	Netherlands	100%	100%	-	-
Godrej Consumer Products Holding (Mauritius) Limited	Mauritius	100%	100%	-	-
Godrej Consumer Products International (FZCO)	Dubai	100%	100%	-	-
Godrej East Africa Holdings Ltd	Mauritius	100%	100%	-	-
Godrej Global Mid East FZE	Sharjah	100%	100%	-	-
Godrej Hair Care Nigeria Limited	Nigeria	100%	100%	-	-
Godrej Hair Weave Nigeria Limited	Nigeria	100%	100%	-	-
Godrej Holdings (Chile) Limitada	Chile	100%	100%	-	-
Godrej Household Insecticide Nigeria Limited	Nigeria	100%	100%	-	-
Godrej IIP Holdings Ltd	Mauritius	100%	100%	-	-
Godrej International Trading Company (Sharjah)	Sharjah	100%	100%	-	-
Godrej Mauritius Africa Holdings Limited	Mauritius	100%	100%	-	-
Godrej MID East Holdings Limited	Dubai	100%	100%	-	-
Godrej Netherlands B.V.	Netherlands	100%	100%	-	-
Godrej Nigeria Limited	Nigeria	100%	100%	-	-
Godrej Peru SAC	Peru	100%	-		
Godrej SON Holdings INC	USA	100%	100%	-	-
Godrej Tanzania Holdings Ltd	Mauritius	100%	100%	-	-
Godrej (UK) Ltd	UK	100%	100%	-	-
Godrej West Africa Holdings Ltd.	Mauritius	100%	100%	-	-

Name of the entity	Country of Incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Hair Credentials Zambia Limited	Zambia	100%	100%	-	-
Hair Trading (offshore) S. A. L	Lebanon	100%	100%	-	-
Indovest Capital	Labuan	100%	100%	-	-
Issue Group Brazil Limited	Brazil	100%	100%	-	-
Kinky Group (Pty) Limited	South Africa	100%	100%	-	-
Laboratoria Cuenca S.A	Argentina	100%	100%	-	-
Lorna Nigeria Ltd.	Nigeria	100%	100%	-	-
Old Pro International Inc	USA	100%	100%	-	-
Panamar Producciones S.A.	Argentina	100%	100%	-	-
PT Ekamas Sarijaya	Indonesia	100%	100%	-	-
PT Indomas Susemi Jaya	Indonesia	100%	100%	-	-
PT Intrasari Raya	Indonesia	100%	100%	-	-
PT Megasari Makmur	Indonesia	100%	100%	-	-
PT Sarico Indah	Indonesia	100%	100%	-	-
Sigma Hair Industries Limited	Tanzania	100%	100%	-	-
Style Industries Uganda Limited	Uganda	100%	100%	-	-
Strength of Nature LLC	USA	100%	100%	-	-
Strength of Nature South Africa Proprietary Limited	South Africa	100%	100%	-	-
Style Industries Limited	Kenya	100%	100%	-	-
Subinite (Pty) Ltd.	South Africa	100%	100%	-	-
Weave Ghana Ltd	Ghana	100%	100%	-	-
Weave IP Holdings Mauritius Pvt. Ltd.	Mauritius	100%	100%	-	-
Weave Mozambique Limitada	Mozambique	100%	100%	-	-
Weave Senegal Ltd	Senegal	100%	100%	-	-
Weave Trading Mauritius Pvt. Ltd.	Mauritius	100%	100%	-	-
Godrej Easy IP Holdings (FZC) *(Joint Venture)*	Dubai	50%	50%	50%	50%
Godrej Consumers Products Malaysia Ltd	Malaysia	100%	-	-	-

Notes: Pursuant to a Scheme of amalgamation sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench on 8th March, 2018, Godrej Consumer Products Mauritius Ltd. (GCPML) and Godrej Consumer Products US Holdings Ltd, (GCPUSHL) have merged with Godrej Consumer Products Ltd. The appointed date for the Scheme is October 1, 2016. The Scheme has become effective post filing of e-Form INC–28, on 26th March, 2018 with the Registrar of Companies / Ministry of Corporate Affairs.

Consequently, following 'pooling of interest' method for entities under common control, specified in Ind AS 103 Business Combination with effect from October 1, 2016, the entire business and whole of the undertaking of GCPML and GCPUSHL including all their assets and liabilities are transferred and vested in the Company on a going concern basis so as to become the assets and liabilities of the Company.

NOTE 59 : GENERAL

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crore as per the requirements of Schedule III, unless otherwise stated.

As per our Report of even date attached

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

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M.No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 8, 2018

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
1	Argencos SA	2/Jun/10	01-Apr-2017 To 31-Mar-2018	ARS	3.235	0.60	9.47	12.09	2.02	0.00	0.04	(3.20)	(0.81)	(2.39)	-	100%
2	Beleza Mozambique LDA	13/Oct/11	01-Apr-2017 To 31-Mar-2018	MZN	1.047	12.95	17.38	135.12	104.79	0.00	69.01	17.04	0.00	17.04	-	100%
3	Consell SA	2/Jun/10	01-Apr-2017 To 31-Mar-2018	ARS	3.235	0.94	(0.83)	0.16	0.05	0.00	0.00	0.01	0.02	(0.01)	-	100%
4	Cosmetica Nacional	20/Apr/12	01-Apr-2017 To 31-Mar-2018	CPeso	0.108	138.41	46.22	252.04	67.41	0.00	203.66	38.46	8.95	29.50	-	100%
5	Charm Industries Limited	9/Sep/14	01-Apr-2017 To 31-Mar-2018	KES	0.647	0.65	8.87	24.77	15.25	0.00	27.15	(9.50)	(2.84)	(6.66)	-	100%
6	Canon Chemicals Limited	5/May/16	01-Apr-2017 To 31-Mar-2018	KES	0.647	8.74	52.21	87.56	26.60	0.00	92.44	(3.19)	(0.04)	(3.15)	-	75%*
7	Darling Trading Company Mauritius Ltd	22/Jan/15	01-Apr-2017 To 31-Mar-2018	USD	65.175	6.52	89.39	160.60	64.69	6.52	192.16	63.02	0.00	63.02	-	90%*
8	Deciral SA	2/Jun/10	01-Apr-2017 To 31-Mar-2018	ARS	3.235	10.47	3.39	23.36	9.50	0.00	19.78	2.03	0.45	1.59	-	100%
9	DGH Phase Two Mauritius	9/May/12	01-Apr-2017 To 31-Mar-2018	USD	65.175	227.27	21.58	248.92	0.07	260.52	2.79	2.65	0.36	2.29	-	90%*
10	DGH Tanzania Limited	6/Dec/12	01-Apr-2017 To 31-Mar-2018	USD	65.175	62.49	(0.58)	62.00	0.09	29.33	0.00	(0.12)	0.00	(0.12)	-	100%
11	DGH Uganda	31/Jan/17	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.00	(0.13)	0.00	0.13	0.00	0.00	(0.13)	0.00	(0.13)	-	51%*
12	Frika Weave (PTY) LTD	6/Jan/15	01-Apr-2017 To 31-Mar-2018	ZAR	5.534	6.13	(3.55)	2.61	0.03	0.00	1.50	(0.22)	0.00	(0.22)	-	100%

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
13	Godrej Africa Holdings Limited	19/Jan/15	01-Apr-2017 To 31-Mar-2018	USD	65.175	2096.74	161.62	2258.51	0.15	2258.15	66.69	66.55	0.00	66.55	-	100%
14	Godrej Consumer Holdings (Netherlands) B.V.	31/Mar/10	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.17	644.26	644.43	0.00	644.42	0.00	(0.19)	0.00	(0.19)	-	100%
15	Godrej Consumer Investments (Chile) Spa	28/Mar/12	01-Apr-2017 To 31-Mar-2018	USD	65.175	275.92	(14.98)	260.94	(0.00)	260.67	0.00	(0.00)	0.00	(0.00)	-	100%
16	Godrej Consumer Products (Netherlands) B.V.	31/Mar/10	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.15	37.06	37.21	0.00	37.17	0.00	(0.16)	0.00	(0.16)	-	100%
17	Godrej Consumer Products (UK) Limited	31/Oct/05	01-Apr-2017 To 31-Mar-2018	GBP	91.760	0.27	126.91	257.55	130.37	0.00	495.00	54.19	12.26	41.93	-	100%
18	Godrej Consumer Products Bangladesh Ltd	13/Apr/10	01-Apr-2017 To 31-Mar-2018	Taka	0.776	0.04	(0.09)	0.04	0.10	0.00	0.00	(0.05)	0.00	(0.05)	-	100%
19	Godrej Consumer Products Dutch Coöperatief U.A.	24/Mar/10	01-Apr-2017 To 31-Mar-2018	USD	65.175	555.35	138.47	696.11	2.30	695.84	0.00	(0.65)	0.00	(0.65)	-	100%
20	Godrej Consumer Products Holding (Mauritius) Limited	23/Apr/10	01-Apr-2017 To 31-Mar-2018	USD	65.175	1223.52	217.49	1970.91	529.90	1862.81	53.40	39.52	0.12	39.40	-	100%
21	Godrej Consumer Products International (FZCO)	28/Feb/17	01-Apr-2017 To 31-Mar-2018	USD	65.175	6.52	13.76	295.22	274.94	0.00	261.69	36.57	0.00	36.57	-	90%*
22	Godrej East Africa Holdings Ltd	20/Jul/12	01-Apr-2017 To 31-Mar-2018	USD	65.175	250.36	(97.09)	1107.29	954.02	1093.74	2.96	(25.98)	0.00	(25.98)	-	100%
23	Godrej Global Mid East FZE	5/Jul/11	01-Apr-2017 To 31-Mar-2018	AED	17.741	8.14	9.94	44.62	26.54	0.00	69.55	6.84	0.00	6.84	-	100%

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
24	Godrej Hair Care Nigeria Limited	2/Mar/16	01-Apr-2017 To 31-Mar-2018	Naira	0.213	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	100%
25	Godrej Hair Weave Nigeria Limited	2/Mar/16	01-Apr-2017 To 31-Mar-2018	Naira	0.213	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	100%
26	Godrej Holdings (Chile) Limitada	29/Mar/12	01-Apr-2017 To 31-Mar-2018	USD	65.175	260.92	30.85	399.51	107.74	399.10	2.08	(0.48)	0.00	(0.48)	-	100%
27	Godrej Household Products (Bangladesh) Pvt. Ltd.	1/Apr/10	01-Apr-2017 To 31-Mar-2018	Taka	0.776	82.77	(61.48)	36.83	15.54	0.00	55.26	(15.78)	1.96	(17.74)	-	100%
28	Godrej Household Products (Lanka) Pvt. Ltd.	1/Apr/10	01-Apr-2017 To 31-Mar-2018	LKR	0.419	19.08	(12.45)	21.92	15.29	0.00	38.47	(8.97)	0.48	(9.45)	-	100%
29	Godrej Household Insecticide Nigeria Limited	12/Jan/16	01-Apr-2017 To 31-Mar-2018	Naira	0.213	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	100%
30	Godrej IIP Holdings Ltd	17/Mar/15	01-Apr-2017 To 31-Mar-2018	USD	65.175	1190.81	(0.19)	1190.87	0.24	1190.49	51.49	51.20	0.00	51.20	-	100%
31	Godrej International Trading Company (Sharjah)	1/Sep/16	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.00	(0.32)	0.03	0.35	0.00	0.00	(0.13)	0.00	(0.13)	-	51%*
32	Godrej Mauritius Africa Holdings Ltd.	14/Mar/11	01-Apr-2017 To 31-Mar-2018	USD	65.175	917.43	74.86	2288.57	1296.29	2185.60	115.33	79.68	0.00	79.68	-	100%
33	Godrej MID East Holdings Limited	28/Jul/15	01-Apr-2017 To 31-Mar-2018	USD	65.175	1190.49	25.15	1216.69	1.05	0.00	51.69	49.98	0.00	49.98	-	100%
34	Godrej Netherlands B.V.	19/Oct/05	01-Apr-2017 To 31-Mar-2018	GBP	91.760	4.28	199.63	325.32	121.41	322.74	48.18	43.70	0.00	43.70	-	100%
35	Godrej Nigeria Limited	26/Mar/10	01-Apr-2017 To 31-Mar-2018	Naira	0.213	0.32	23.04	99.91	76.55	0.00	137.27	3.74	0.97	2.78	-	100%

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
36	Godrej Peru SAC	11/Apr/17	11-Apr-2017 To 31-Mar-2018	ARS	3.235	0.00	(0.18)	5.94	6.11	0.00	3.20	(0.29)	(0.08)	(0.21)	-	100%
37	Godrej SON Holdings INC	22/Mar/16	01-Apr-2017 To 31-Mar-2018	USD	65.175	505.76	(28.72)	1256.09	779.05	1214.72	12.27	(16.87)	0.00	(16.87)	-	100%
38	Godrej South Africa Proprietary Ltd	1/Sep/06	01-Apr-2017 To 31-Mar-2018	ZAR	5.534	9.99	109.93	153.91	33.99	0.00	106.41	(9.08)	(1.79)	(7.29)	-	100%
39	Godrej Tanzania Holdings Ltd	30/Nov/12	01-Apr-2017 To 31-Mar-2018	USD	65.175	119.43	(2.50)	140.85	23.93	107.27	0.26	(1.46)	0.00	(1.46)	-	100%
40	Godrej (UK) Ltd	24/Oct/05	01-Apr-2017 To 31-Mar-2018	GBP	91.760	104.00	111.37	215.37	0.00	214.55	48.17	48.10	0.00	48.10	-	100%
41	Godrej West Africa Holdings Ltd.	11/Feb/14	01-Apr-2017 To 31-Mar-2018	USD	65.175	106.11	0.03	106.23	0.09	106.15	40.55	40.43	3.29	37.14	-	90%*
42	Hair Credentials Zambia Limited	23/Dec/15	01-Apr-2017 To 31-Mar-2018	ZMK	6.775	0.02	8.65	16.35	7.68	0.00	15.49	(5.33)	(2.45)	(2.87)	-	100%
43	Hair Trading (offshore) S. A. L	26/Sep/11	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.13	58.02	89.18	31.02	0.00	185.13	86.29	0.00	86.29	-	51%*
44	Indovest Capital	17/Mar/10	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.08	0.83	0.97	0.07	0.00	0.00	(0.07)	0.03	(0.10)	-	100%
45	Issue Group Brazil Limited	23/May/10	01-Apr-2017 To 31-Mar-2018	ARS	3.235	21.60	(21.09)	2.78	2.28	0.00	3.63	3.55	0.55	3.01	-	100%
46	Kinky Group (Pty) Limited	01/Apr/08	01-Apr-2017 To 31-Mar-2018	ZAR	5.534	0.00	7.81	35.16	27.35	0.00	55.05	(0.24)	0.00	(0.24)	-	100%
47	Laboratoria Cuenca S.A	02/Jun/10	01-Apr-2017 To 31-Mar-2018	ARS	3.235	3.56	100.98	231.26	126.72	5.06	338.47	44.40	16.50	27.89	-	100%
48	Lorna Nigeria Ltd.	06/Sep/11	01-Apr-2017 To 31-Mar-2018	Naira	0.213	117.55	72.66	391.90	201.69	0.00	283.01	(28.87)	(0.42)	(28.45)	-	100%
49	Old Pro International Inc	28/Apr/16	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.00	119.99	119.99	0.00	0.00	0.00	0.00	0.00	0.00	-	100%

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
50	Panamar Producciones S.A.	2/Jun/10	01-Apr-2017 To 31-Mar-2018	ARS	3.235	0.18	2.24	2.42	(0.00)	1.82	0.00	(0.01)	0.00	(0.01)	-	100%
51	PT Ekamas Sarijaya	17/May/10	01-Apr-2017 To 31-Mar-2018	IDR	0.005	1.18	11.78	13.44	0.47	0.00	30.12	2.24	0.49	1.75	-	100%
52	PT Indomas Susemi Jaya	17/May/10	01-Apr-2017 To 31-Mar-2018	IDR	0.005	1.36	48.38	57.52	7.78	0.00	40.33	13.20	2.88	10.32	-	100%
53	PT Intrasari Raya	17/May/10	01-Apr-2017 To 31-Mar-2018	IDR	0.005	0.47	68.70	331.12	261.95	0.00	1449.63	13.38	3.84	9.54	-	100%
54	PT Megasari Makmur	17/May/10	01-Apr-2017 To 31-Mar-2018	IDR	0.005	69.44	625.03	1002.19	307.71	0.00	1165.11	228.99	55.22	173.77	-	100%
55	PT Sarico Indah	17/May/10	01-Apr-2017 To 31-Mar-2018	IDR	0.005	3.18	6.70	12.44	2.56	0.00	19.31	(0.97)	(0.33)	(0.64)	-	100%
56	Sigma Hair Industries Limited	19/Dec/12	01-Apr-2017 To 31-Mar-2018	TZS	0.029	28.40	(14.93)	32.36	18.89	0.00	47.67	(16.53)	0.40	(16.93)	-	100%
57	Style Industries Uganda Limited	15/Jun/16	01-Apr-2017 To 31-Mar-2018	UGX	0.177	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	51%*
58	Strength of Nature LLC	28/Apr/16	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.00	2045.60	2106.19	60.59	29.50	550.38	59.33	(3.63)	62.97	-	100%
59	Strength of Nature South Africa Proprietary Limited	28/Apr/16	01-Apr-2017 To 31-Mar-2018	ZAR	5.534	0.00	2.44	12.47	10.02	0.00	10.78	(1.42)	(0.33)	(1.09)	-	100%
60	Style Industries Limited	1/Nov/12	01-Apr-2017 To 31-Mar-2018	KES	0.647	0.79	193.83	242.89	48.28	0.00	281.60	(51.22)	(16.41)	(34.81)	-	90%*
61	Subinite (Pty) Ltd.	6/Sep/11	01-Apr-2017 To 31-Mar-2018	ZAR	5.534	0.00	86.18	328.76	242.57	0.00	530.73	36.03	8.90	27.12	-	90%*
62	Weave Ghana Ltd	16/Sep/14	01-Apr-2017 To 31-Mar-2018	CEDI	14.745	62.56	(3.97)	72.48	13.88	0.00	102.41	(2.20)	0.00	(2.20)	-	100%

₹ (Crore)

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
63	Weave IP Holdings Mauritius Pvt. Ltd.	11/Jul/11	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.04	0.55	0.71	0.12	0.00	0.51	0.30	0.08	0.23	-	90%*
64	Weave Mozambique Limitada	13/Oct/11	01-Apr-2017 To 31-Mar-2018	MZN	1.047	12.93	140.22	188.09	34.95	0.00	263.66	38.41	6.90	31.51	-	90%*
65	Weave Senegal Ltd	08/Apr/16	01-Apr-2017 To 31-Mar-2018	XOF	0.123	18.37	(9.01)	11.72	2.37	0.00	4.27	(6.30)	0.00	(6.30)	-	100%
66	Weave Trading Mauritius Pvt. Ltd.	5/Jul/11	01-Apr-2017 To 31-Mar-2018	USD	65.175	0.01	0.02	0.20	0.17	0.13	65.18	65.09	0.00	65.09	-	51%*
67	Godrej Consumers Products Malaysia Ltd	7/Feb/18	07-Feb-2018 To 31-Mar-2018	USD	65.175	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	100%

** Financials of subsidiaries, associate and joint venture were considered 100% in consolidated financails statements*

Names of subsidiaries which are yet to commence operations:

Godrej Hair Care Nigeria Limited

Godrej Household Insecticide Nigeria Limited

Godrej Hair Weave Nigeria Limited

Godrej Consumers Products Malaysia Limited

Names of subsidiaries which have been liquidated or sold during the year:

NIL

Names of Subsidiaries which have been ceased during the year:

Plasticos Nacional

Godrej Consumer Products Mauritius Limited

Godrej Consumer Products US Holding Limited

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ Crore

Sl. No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for FY 18	
			No.	Amount of Investment in Associates/Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1.	Bhabhani Blunt Hairdressing Private Limited	Year ended March 31, 2017	5546 Equity Instruments & 3060 Debentures	₹ 22.32 cr & ₹ 12 cr	30%	Godrej Consumer Products Ltd is holding more than 20% of share capital	Godrej Consumer Products Ltd stake is less than 51%	3.23	1.08	2.51
2.	Godrej Easy IP Holdings (FZC)	Year ended March 31, 2018	50 Equity Instruments	₹ 0.14 cr	50%	Godrej Consumer Products Ltd is holding more than 20% of share capital	Godrej Consumer Products Ltd stake is less than 51%	(0.05)	(0.02)	(0.02)

1. Names of associates or joint ventures which are yet to commence operations -NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year - NIL

For and on behalf of the Board

Nisaba Godrej	**Vivek Gambhir**	**V Srinivasan**
Executive Chairperson	Managing Director & CEO	Chief Financial Officer &
DIN: 00591503	DIN: 6527810	Company Secretary

Date: May 8, 2018

CORPORATE INFORMATION

Registered Office

Godrej One, 4th floor,
Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079.
Phone: 022-25188010,
022-25188020, 022-25188030

Fax: 022-25188040
Website: www.godrejcp.com
CIN: L24246MH2000PLC129806

Company Secretary

V. Srinivasan

Auditors

B S R & Co. LLP

Registrar

Computech Sharecap Ltd.

Bankers

Central Bank of India,
HDFC Bank Limited,
State Bank of India,
The Hongkong & Shanghai Banking Corporation Limited,
Citibank N. A.

Branches

Delhi	Kolkata	Chennai	Mumbai

Factories in India

Assam	Jammu & Kashmir	Pondicherry
Goa	Madhya Pradesh	Sikkim
Himachal Pradesh	Meghalaya	Tamil Nadu

International Operations

Asia	Middle East	Africa	Europe	North America	Latin America
Indonesia	UAE	South Africa	United Kingdom	United States of America	Argentina
Bangladesh	Lebanon	Mozambique			Uruguay
Sri Lanka		Nigeria			Chile
		Kenya			Peru
		Ghana			
		Tanzania			
		Senegal			
		Zambia			

GODREJ CONSUMER PRODUCTS LIMITED

Registered Office:
Godrej One, 4th Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079
Tel.: +91 22 25188010/20/30 **Fax:** +91 22 25188040
Website: www.godrejcp.com **E-mail:** investor.relations@godrejcp.com
CIN: L24246MH2000PLC129806

NOTICE OF THE AGM

NOTICE is hereby given that the 18th ANNUAL GENERAL MEETING (AGM) of the members of GODREJ CONSUMER PRODUCTS LIMITED will be held on Monday, July 30, 2018, at 3.00 p.m. at Godrej One, 1st Floor Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai- 400079 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statements (both standalone and consolidated) of the Company for the year ended March 31, 2018, which include the Statement of Profit & Loss and Cash Flow Statement for the year ended March 31, 2018, the Balance Sheet as on that date, the Auditors' Report thereon, and the Directors' Report;
2. To confirm the Interim Dividends paid during fiscal year 2017-18;
3. To appoint a Director in place of Mr. Vivek Gambhir (DIN: 06527810), who retires by rotation, and being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Ms. Tanya Dubash (DIN: 00026028), who retires by rotation, and being eligible, offers herself for re-appointment;
5. To ratify the appointment of Statutory Auditors for their remaining term and fix their remuneration and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "Resolved That pursuant to Section 139, Section 142, and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the appointment of M/s. B S R & Co, LLP (Firm Registration No. 101248W/W-100022) as Statutory Auditors of the Company to hold office from the conclusion of the 18th Annual General Meeting of the Company to the conclusion of the 22nd Annual General Meeting to be held in 2022, on a remuneration as may be agreed upon by the Board of Directors and the Auditors, be and is hereby ratified."

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification(s) the following resolutions:

6. **Ordinary Resolution for the ratification of remuneration payable to M/s. P. M. Nanabhoy & Co. (Firm Membership number 000012), appointed as Cost Auditors of the Company for the fiscal year 2018-19**

   "Resolved That pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. P. M. Nanabhoy

& Co. (Firm Membership number 000012), Cost Accountants, appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the fiscal year 2018-19, be paid a remuneration of ₹ 6,21,000/- per annum plus applicable taxes and out-of-pocket expenses that may be incurred.

Resolved Further That the Board of Directors of the Company be and is hereby authorised to perform all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **Ordinary Resolution for appointment of Ms. Pippa Tubman Armerding (DIN: 08054033) as an Independent Director**

   "Resolved That pursuant to the provisions of Sections 149, 150, and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Ms Pippa Tubman Armerding (DIN: 08054033), who was appointed as an Additional Independent Director of the Company with effect from January 30, 2018, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing along with a deposit from a member proposing her candidature for the office of an Independent Director not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years with effect from January 30, 2018."

8. **Ordinary Resolution for fixing Commission on Profits to Non-Executive Directors**

   "Resolved That in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) including any statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company and subject to all applicable approval(s) as may be required, consent of the Members be and is hereby accorded for payment of commission from Financial Year 2018-19 to the Non Executive Directors of the Company as may be decided by the Board from time to time, provided that the total commission payable to the Non Executive Directors per annum shall not exceed one percent of the net profits of the Company for that year as computed in the manner specified under Section 198 of the Act plus applicable taxes, with authority to the Board to determine the manner and proportion in which the amount be distributed among the Non-Executive Directors."

By Order of
the Board of Directors

V Srinivasan
Chief Financial Officer
& Company Secretary

Mumbai, June 22, 2018

Notes:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed herewith.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and on poll, to vote on his/her behalf. Such a proxy need not be a member of the Company. The enclosed proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM.
   A person shall not act as a Proxy for more than 50 members and holding, in aggregate, not more than 10 per cent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10 per cent of the total voting share capital of the Company provided that such a person shall not act as a proxy for any other person.
3. Proxy-holders are requested to carry an Identity Proof at the time of attending the meeting.
4. Members are requested to bring their copy of the Annual Report to the AGM.
5. Members are requested to send in their queries at least a week in advance to the Chief Financial Officer & Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.
6. The route map for the venue of the meeting has been provided in the attendance slip.
7. Members are requested to note that as per Section 124 of the Companies Act, 2013, dividends 7 years from the date of transfer to the Company's Unpaid Dividend

Account shall be transferred to the 'Investor Education and Protection Fund' (IEPF) of the Government. Unclaimed Dividends, as per the details given in the table below, will be transferred to the IEPF on the dates mentioned in the table. Those members who have not, so far, encashed these dividend warrants or any subsequent dividend warrants may claim or approach our Registrars, Computech Sharecap Ltd., 147, M. G. Road, Fort, Mumbai 400001 (e-mail: gcpl@computechsharecap.in) or the Company for payment thereof

Dividend Period	Type of Dividend	Paid in	Due date for transfer
2011-12	1st Interim	August 2011	August 28, 2018
2011-12	2nd Interim	November 2011	November 26, 2018
2011-12	3rd Interim	February 2012	February 26, 2019
2011-12	4th Interim	May 2012	June 5, 2019
2012-13	1st Interim	August 2012	September 8, 2019

Please note that Section 124(6) of the Companies Act, 2013 also provides that all shares in respect of which the dividend of last 7 consecutive years has remained unclaimed, shall also be transferred to the IEPF.
Hence, it is in the shareholders' interest to claim any uncashed dividends and for future dividends, opt for Electronic Credit of dividend so that dividends paid by the Company are credited to the investor's account on time.

8. Details as stipulated under Listing Regulations in respect of the Directors being appointed/re-appointed are attached herewith to the Notice.
9. E-voting
   In accordance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and the Secretarial Standards issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members the facility to exercise their right to vote at the 18th AGM through electronic means and the business may be transacted through the e-voting services provided by the Central Depository Services Limited (CDSL).

The instructions for members for voting electronically are as follows:-

(i) The e-voting facility is available from 9.00 a.m. on Thursday, July 26, 2018 to 5.00 p.m. on Sunday, July 29, 2018. The e-voting module shall be disabled by CDSL for voting thereafter. During this period, shareholders of the Company, holding shares either in physical or dematerialised (demat) form, as on the cut-off date, Monday, July 23, 2018, may cast their vote electronically.
(ii) The shareholders should log on to the e-voting website www.evotingindia.com.
(iii) Click on Shareholders.
(iv) Enter their User ID
   a. For CDSL use the 16-digit beneficiary ID,
   b. For NSDL use the 8-character DP ID followed by a 8-digit Client ID,
   c. Members holding shares in the physical form should enter the Folio Number registered with the Company.
(v) Next, enter the Image Verification as displayed and Click on Login.
(vi) If shareholders hold shares in demat form and have previously logged on to www.evotingindia.com and have voted earlier on a poll of any company, then the existing password is to be used.
(vii) First time users should follow the following steps

	For Members holding shares in demat and physical forms
PAN	Enter your 10-digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to enter the sequence numbers provided on the address label.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in the dd/mm/yyyy format) as recorded in your demat account or in the Company records to login. • If both the details are not recorded with the depository or Company please enter the member ID/folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on 'SUBMIT' tab.

(ix) Members holding shares in the physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach the 'Password Creation' menu, wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company for which they are eligible to vote, provided that the company opts for e-voting through the CDSL platform. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.

(x) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for GODREJ CONSUMER PRODUCTS LIMITED to vote.

(xii) On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.

(xiv) After selecting the resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.

(xv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on 'Click here to print' option on the voting page.

(xvii) If a demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on 'FORGOT PASSWORD' and enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android-based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store, respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-Individual Shareholders and Custodians

- Non-individual shareholders (i.e. other than Individuals, including HUFs, NRIs, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User will be able to link the account(s) for which they wish to vote.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com, and on approval of the accounts, they will be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in the PDF format in the system for the scrutiniser to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and the e-voting manual available on www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

10. In case of members who are attending the AGM and are entitled to vote but have not

exercised their right to vote electronically, the Executive Chairperson of the Company will order a poll on her own motion for all businesses specified in the accompanying Notice. Poll papers will be distributed at the meeting to enable such shareholders to cast their vote. For clarity, please note that the members who have exercised their right to vote electronically shall not vote by way of poll at the Meeting. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off/record date i.e. July 23, 2018. The poll process shall be conducted and scrutinised and a report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Rules made thereunder.

11. Mr. Kalidas Vanjpe, Practising Company Secretary, (Membership No. FCS 7132) or, failing him, Ms. Bhavana Shewakramani (Membership No. FCS 8636) has been appointed as the Scrutiniser to scrutinise the e-voting process (including the poll cast by the Members at the AGM) in a fair and transparent manner.
12. The Scrutiniser shall, within a period not exceeding 3 working days from the date of close of e-voting, unlock the votes in the presence of at least two witnesses, not in the employment of the Company and shall forthwith prepare the Scrutiniser's Report of the votes cast in favour of or against, if any, on the resolutions and submit the same to the Executive Chairperson or the Managing Director & CEO of the Company.
13. The results of e-voting and the poll on resolutions shall be aggregated and declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date, subject to the receipt of the requisite numbers of votes in favour of the resolutions.
14. The results declared along with the Scrutiniser's Report shall be placed on the Company website www.godrejcp.com within 2 days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges, where the shares of the Company are listed and traded.

By Order of the Board of Directors

V Srinivasan
Chief Financial Officer
& Company Secretary

Mumbai, June 22, 2018

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

ITEM 6

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records for applicable products of the Company.

On the recommendation of the Audit Committee, at its meeting held on May 8, 2018, the Board considered and approved the appointment of M/s. P. M. Nanabhoy & Co., Cost Accountants as the Cost Auditor for the fiscal year 2018-19 at a remuneration of ₹ 6,21,000/- per annum plus applicable taxes and reimbursement of out-of-pocket expenses.

The Board of Directors recommend the Ordinary Resolution as set out in Item No. 6 of the Notice for the approval of the shareholders.

None of the Directors, Key Managerial Personnel (KMP), or their relatives are, in any way, concerned with or interested in, financially or otherwise, the said resolution.

ITEM 7

The Board of Directors, at its meeting held on January 30, 2018, approved the appointment of Ms. Pippa Tubman Armerding as an Additional & Independent Director subject to the shareholders' approval.

The details of Ms. Pippa Tubman Armerding, as required to be given pursuant to the Listing Regulations and the Secretarial Standards, are attached to the Notice.

Godrej Consumer Products Limited (GCPL) has a significant presence in the sub-Saharan African sub-continent and Africa is expected to be a major growth engine for the Company going forward. Pippa is a lawyer and business professional with 20 years of experience operating across Africa, Asia, Europe and America. Pippa's professional expertise, significant experience and perspectives will be very helpful in the GCPL's growth in Africa.

The Board of Directors recommend the Ordinary Resolution as detailed in Item No. 7 of the Notice for approval of the shareholders, as in the opinion of the Board, Ms Pippa Armerding fulfils the conditions for appointment as specified in the Companies Act, 2013.

Ms Pippa Armerding herself is interested in Item No. 7. None of the other Directors or Key Managerial Persons or their relative are interested in the above item.

ITEM 8

The Non-Executive Directors of your Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, technology, corporate strategy, information systems, and finance.

The shareholders of the Company have at the AGM held on July 31, 2017, accorded their consent for payment of commission on profits to the Non-Executive Directors and the Independent Directors of the Company at a rate not exceeding 1 per cent of the net profits of the Company in any fiscal year (computed in the manner provided in Sections 197 and 198 of the Companies Act, 2013) plus applicable tax at an applicable rate OR ₹ 20 lakhs per Non-Executive Director or Independent Director per annum plus service tax as applicable, whichever is less, for the fiscal years 2017-18, 2018-19, and 2019-20.

The Board is of the view that it is necessary to pay Commission to the Non-Executive Directors commensurate with their roles and responsibilities, and, the Board should have flexibility in determining the amount payable per Director within the overall permissible limits as per the Act.

The resolution earlier passed in July 2017, is hence sought to be modified by removing the maximum commission amount limit of ₹ 20 lac per director. The Nomination & Remuneration Committee will decide the maximum Commission payable to each of the Non-Executive Directors other than Independent Directors while the Board of Directors will decide the maximum Commission payable to each of the Independent Directors. The total Commission to all the Non-Executive Directors shall not exceed 1 per cent of the net profits of the Company in any fiscal year (computed in the manner provided in Sections 197 and 198 of the Companies Act, 2013) plus GST at the applicable rate.

Accordingly the Board of Directors recommend the Ordinary Resolution as set out in Item No. 8 of the Notice for the approval of the shareholders.

The following Key Managerial Persons viz. Mr Adi Godrej and Ms. Nisaba Godrej, and all other Non-Executive Directors are interested in the proposal directly or indirectly.

By Order of the Board of Directors

V Srinivasan
Chief Financial Officer
& Company Secretary

Mumbai, June 22, 2018

Information pursuant to the Listing Regulations and Secretarial Standards in respect to Appointment/ Re-appointment of Directors

Names of Director	Vivek Gambhir	Tanya Dubash	Pippa Tubman Armerding
Category	Executive Director	Non-Executive Director	Independent Director
DIN	06527810	00026028	08054033
Date of Birth and Age	November 27, 1968 50 years	September 14, 1968 50 years	November 29, 1968 50 years
Qualification	• MBA from the Harvard Business School • BS (Computer Science) • BA (Economics) from Lafayette College	• Graduate in Economics and Political Science from Brown University, USA • Completed Advanced Management Programme from Harvard Business School	• B.A. in Government cum laude from Harvard University • Graduate of the Harvard Business School General Management programme.
Nature of Expertise/ Experience	General Management	Industrialist	Lawyer and Business Professional
Brief Resume	Appended at end of this table	Appended at end of this table	Appended at end of this table
First Appointment on the Board	April 30, 2013	May 2, 2011	January 30, 2018
Terms & Conditions of Appointment/ re-appointment	Appointment as MD & CEO for a period of 3 years from 01.07.2016 to 30.06.2019 subject to retirement by rotation	Appointment as a Non-Executive Director subject to retirement by rotation	Appointment as an Independent Director for 5 years
Last Drawn Remuneration Details along with remuneration sought to be paid	Last drawn remuneration is given in the Corporate Governance Section of the Annual Report. As an Executive Director, he is entitled to remuneration as approved by the Shareholders at the Annual General Meeting held on July 29, 2016.	Last drawn remuneration is given in the Corporate Governance Section of the Annual Report. As a Non-Executive Director, she is entitled to sitting fees for attending meetings of the Board/Committee and Commission on Profits as may be approved by the shareholders from time-to-time within the limits set out in the Companies Act, 2013	As a Non-Executive Director, she is entitled to sitting fees for attending meetings of the Board/ Committee and Commission on Profits as may be approved by the shareholders from time-to-time within the limits set out in the Companies Act, 2013
No. of shares held in GCPL as at March 31, 2018	1,14,522	21,42,108	Nil
Relationship with other Directors/ Manager/ KMP	Not related	Daughter of Adi Godrej, Sister of Nisaba Godrej and Pirojsha Godrej	Not related
No. of Board meetings attended out of 4 meetings held during the year	4	3	NA

Names of Director	Vivek Gambhir	Tanya Dubash	Pippa Tubman Armerding
Directorship details	**<u>Listed Public Companies:</u>** Godrej Consumer Products Ltd. **<u>Public Companies:</u>** Philips India Ltd. **<u>Foreign Companies:</u>** Godrej Consumer Products UK Ltd. Strength of Nature LLC. PT Megasari Makmur PT Ekamas Sarijaya PT Sarico Indah PT Indomas Susemi Jaya PT Intrasari Raya **<u>Others:</u>** Harvard Business School Club of India	**<u>Listed Public Companies:</u>** Godrej Consumer Products Ltd. Godrej Industries Ltd. Godrej Agrovet Ltd. **<u>Public Companies:</u>** Godrej Seeds & Genetics Ltd. Vora Soaps Ltd. Ensemble Holdings & Finance Ltd. Natures Basket Ltd. **<u>Private Companies:</u>** Godrej Holdings Pvt Ltd. Innovia Multiventures Pvt Ltd. **<u>Others:</u>** Anamudi Real Estates LLP RKN Enterprises	**<u>Listed Public Companies:</u>** Godrej Consumer Products Ltd. **<u>Foreign Companies:</u>** Oprah Winfrey Leadership Academy for Girls MFS Investments
Committee Positions	**<u>Member:</u>** **Stakeholders' Relationship Committee:** Godrej Consumer Products Limited **Audit Committee:** Philips India Limited **CSR Committee:** Godrej Consumer Products Limited **Risk Management Committee** Godrej Consumer Products Limited **<u>Chairman:</u>** **Nomination & Remuneration Committee:** Philips India Limited **CSR Committee:** Philips India Limited	**<u>Member:</u>** **Stakeholders' Relationship Committee:** Godrej Industries Limited Risk Management Committee Godrej Industries Limited **CSR Committee:** Godrej Industries Limited Godrej Consumer Products Limited **Nomination & Remuneration Committee** Natures Basket Limited **<u>Chairperson:</u>** **Audit Committee:** Natures Basket Limited	**<u>Member:</u>** **Audit Committee:** Godrej Consumer Products Limited **Nomination & Remuneration Committee:** Godrej Consumer Products Limited

Brief Resume of the Directors proposed to be appointed/re-appointed:

Mr Vivek Gambhir

Vivek Gambhir is Managing Director and CEO, Godrej Consumer Products Limited (GCPL).

He was the key architect of GCPL's 3 by 3 strategy and has been instrumental in driving the company's efforts to become a leading emerging markets FMCG leader.

He joined Godrej Industries in 2009 as Chief Strategy Officer responsible for guiding overall Group strategy, conducting portfolio analysis and driving special projects. He helped define the CREATE portfolio approach and the 10X10 objective for the Group.

Prior to joining the Godrej Group, Vivek was a partner at Bain & Company, one of the world's leading business consulting firms. He worked with Bain in Boston, Singapore and New Delhi. He was a founding member of Bain's consulting operations in India and led the firm's FMCG practice in India.

Vivek is an Independent Director on the Board of Philips India Limited. He serves as President of the Harvard Business School club in India and is an advisor to the Kailash Satyarthi Children's Foundation. He also writes a weekly blog on leadership called 'Monday-8AM' (http://www.monday-8am.com).

He has an MBA from the Harvard Business School and a BS (Computer Science) and BA (Economics) from Lafayette College.

Ms Tanya Dubash

Tanya Dubash is a Non-executive Director of the company. She is Executive Director and Chief Brand Officer of the Godrej Industries Ltd and is responsible for the Godrej Group's marketing function including guiding the Godrej Masterbrand. Tanya is also the Chairperson of Godrej Nature's Basket and a Director on the Board of Godrej Industries Limited, Godrej Consumer Products Limited and Godrej Agrovet Limited.

She also serves on the boards of the Customer Value Foundation and AIESEC India. Additionally, Tanya is a member of the CII Council on India@75. She was recognised by the World Economic Forum as a Young Global Leader in 2007. She is AB cum laude, Economics & Political Science, Brown University, USA, and an alumnus of the Harvard Business School.

Ms Pippa Armerding

Pippa Tubman Armerding is an Additional Director of the Company. Pippa Tubman Armerding is a lawyer and business professional with 20 years of experience operating across Africa, Asia, Europe and the Americas. Throughout her career Pippa has worked in multi-cultural, global environments, providing sophisticated legal and strategic advice to multi-national clients. Pippa is passionate about Africa and opportunities which enable her to use her broad experience to contribute to the development of the continent and make a difference in the lives of its people. Pippa is currently Director of the Harvard Business School (HBS) Africa Research Office where she is the primary lead for HBS activities on the continent. In her role Pippa is focused on developing and strengthening relationships with business and academic leaders across sub-Saharan Africa, enabling HBS engagement and activities on the continent and supporting the deepening of HBS faculty understanding of African management issues, trends and practices, to develop locally relevant case studies and materials for use in business education around the world.

Prior to joining HBS, Pippa was an independent legal & strategy consultant. She was also Legal & Corporate Affairs Director for Microsoft South Africa where as chief legal officer and member of the leadership team she was responsible for all the company's legal and corporate affairs matters.

Prior to joining Microsoft, Pippa held several leadership roles with The Coca-Cola Company across Africa. She served as Director of Pan-African Strategic Initiatives driving the acceleration of still beverages across the continent. Pippa also served as General Counsel for Coca-Cola East & Central Africa based in Nairobi, Kenya where she was responsible for the company's diverse legal affairs across more than 38 countries in the region.

Pippa began her legal career as an attorney with the corporate law firm of Davis Polk & Wardwell in New York and Paris. She is admitted to the New York State bar and received her J.D. in international law from New York University School of Law. Pippa received a B.A. in Government cum laude from Harvard University and is also a graduate of the Harvard Business School General Management program.

Pippa is a member of the board of the Oprah Winfrey Leadership Academy for Girls and of the Harvard University Alumni Association of South Africa, She is also the author of "National Jurisprudence in International Tribunals", in International Law Decisions in International Courts, published by Transnational, 1996.

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PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

Godrej Consumer Products Limited

Registered Office: Godrej One, 4th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai - 400079 **CIN:** L24246MH2000PLC129806

18th Annual General Meeting (AGM) – July 30, 2018

Name of the Member(s):	Email:
Registered Address:	Folio No/Client ID:
	DP ID:
	No. of shares held:

I/We being the holders of ____________________ shares of the above named Company hereby appoint

Name	
Email	
Address	
Or failing him	
Name	
Email	
Address	
Or failing him	
Name	
Email	
Address	

as my/our proxy, whose signature is appended overleaf, to attend and vote (on a poll) for me/us on my/our behalf in respect of such resolutions as are indicated below, at the 18th AGM of the Company to be held on Monday, July 30, 2018, at Godrej One, 1st Floor Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli East, Mumbai- 400079.

P.T.O.

Resolution No.		Vote		
	Resolution	For	Against	Abstain
Ordinary Business				
1.	To consider and adopt the audited financial statements (both standalone and consolidated) for the year ended March 31, 2018, which include the Statement of Profit & Loss and Cash Flow Statement, the Balance Sheet, the Auditors' Report thereon, and the Directors' Report.			
2.	To confirm the Interim Dividends paid during fiscal year 2017-18.			
3.	To appoint a Director in place of Mr. Vivek Gambhir (DIN: 06527810), who retires by rotation, and being eligible, offers himself for re-appointment.			
4.	To appoint a Director in place of Ms. Tanya Dubash (DIN: 00026028) who retires by rotation, and being eligible, offers herself for re-appointment.			
5.	To ratify the appointment of Statutory Auditors for their remaining term and fix their remuneration.			
Special Business				
6.	Ratification of remuneration payable to M/s. P. M. Nanabhoy & Co., appointed as Cost Auditors of the Company for fiscal year 2017-18.			
7.	Appointment of Ms Pippa Armerding (DIN: 08054033) as an Independent Director.			
8.	To fix commission on profits for Non-executive Directors of the Company.			

Signed this ______________________ day of ______________________, 2018.

____
Signature of the Member

Affix revenue stamp of not less than ₹ 1/-

Signature of First Proxy Holder **Signature of Second Proxy Holder** **Signature of Third Proxy Holder**

Notes:

1. This form, in order to be effective, should be duly stamped, signed, completed, and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.
2. It is optional to indicate your preference. If you leave the for, against, or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. Members are requested to note that a person can act as proxy on behalf of not more than 50 members and holding in aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10 per cent of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other member.

ATTENDANCE SLIP

Godrej Consumer Products Limited

Registered Office: Godrej One, 4th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400079 **CIN:** L24246MH2000PLC129806

18th Annual General Meeting (AGM) – July 30, 2018

Registered Folio No./DP ID No./Client ID No.: ______________________________

No. of Shares held: ______________________________

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 18th Annual General Meeting of the Company on Monday, July 30, 2018, at 3.00 p.m. at Godrej One, 1st Floor Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli East, Mumbai - 400079

______________________ ______________________

Name of Member/Proxy (in block letters) Signature of Member/Proxy

Note:

1. Please fill up the attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report at the AGM.
2. The map to reach the AGM venue is given overleaf.

VENUE OF THE AGM

Godrej One
1st Floor Auditorium
Pirojshanagar
Eastern Express Highway
Vikhroli (E), Mumbai- 400 079.

Note: The Company has arranged for a bus service to the venue from Vikhroli Railway Station (East). The bus will pick you up near the station auto rickshaw stand at 2.30 PM. A drop back facility will also be available.

Godrej One, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai
www.godrejcp.com