

**Godrej Industries Limited**  
**Regd. Office:** Godrej One,  
Pirojshanagar,  
Eastern Express Highway,  
Vikhroli (E), Mumbai 400079. India.  
Tel.: 91-22-2518 8010/8020/8030  
Fax: 91-22-2518 8068/8063/8074  
Website: www.godrejindustries.com

CIN: L24241MH1988PLC097781

Date: July 17, 2023

To,  
**BSE Limited**  
P. J. Towers, Dalal Street, Fort  
Mumbai – 400 001

**Ref.: BSE Scrip Code No. "500164"**

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra - Kurla Complex,  
Bandra (East), Mumbai-400 051

**Ref.: "GODREJIND"**

**Debt Segment NSE:**

NCD- GIL24 - ISIN: INE233A08030  
NCD- GIL25 - ISIN: INE233A08048  
NCD- GIL28 - ISIN: INE233A08055  
NCD- GIL26 - ISIN: INE233A08071  
NCD- GIL25A-ISIN: INE233A08063

**Sub.: Notice of 35<sup>th</sup> (Thirty Fifth) Annual General Meeting and Annual Report for the Financial Year 2022-23 of Godrej Industries Limited**

Dear Sir / Madam,

Further to our letters dated May 19, 2023 and July 4, 2023, we wish to inform you that pursuant to Regulations 30, 34, 50(2) and 53 read with Para A of Part A of Schedule III to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 35<sup>th</sup> (Thirty Fifth) Annual General Meeting ("AGM") of the Company is scheduled to be held on Friday, August 11, 2023, through Video Conferencing / Other Audio Visual Means at 3:00 p.m. (IST). Please find enclosed herewith the Notice of the AGM along with the Annual Report of the Company for the Financial Year 2022-23, which is being sent through email to the Members whose email ids are registered with the Company / Registrar and Transfer Agent / Depository Participants, in compliance with Ministry of Corporate Affairs' Circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and December 28, 2022 read with SEBI Circular dated May 12, 2020 and January 5, 2023.

The Annual Report for the Financial Year 2022-23 along with the Notice of the AGM is also made available on the website of the Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com).

Kindly take the above on your record.

Thanking you,

Yours sincerely,

**For Godrej Industries Limited**

**Tejal Jariwala**  
**Company Secretary & Compliance Officer**  
**(FCS 9817)**

Encl.: A/a







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# BOARD OF **DIRECTORS &** CHAIRMAN **EMERITUS**



**Adi  
Godrej**  
Chairman  
Emeritus



**Nadir  
Godrej**  
Chairman &  
Managing  
Director



**Jamshyd  
Godrej**  
Director



**Tanya  
Dubash**  
Executive Director  
& Chief Brand  
Officer



**Pirojsha  
Godrej**  
Director



**Nitin  
Nabar**  
Executive Director  
& President  
(Chemicals)



**Mathew  
Eipe**  
Independent  
Director



**Ganapati  
Yadav**  
Independent  
Director



**Monaz  
Noble**  
Independent  
Director



**Shweta  
Bhatia**  
Independent  
Director



**Sandeep  
Murthy**  
Independent  
Director



**Ajaykumar  
Vaghani**  
Independent  
Director

# Corporate Information

## BOARD COMMITTEES

Audit Committee	:	Mr. Mathew Eipe (Chairman) Ms. Monaz Noble Dr. Ganapati Yadav Mr. Sandeep Murthy Mr. Nitin Nabar
Nomination & Remuneration Committee	:	Mr. Mathew Eipe (Chairman) Ms. Monaz Noble Ms. Shweta Bhatia Mr. Sandeep Murthy
Stakeholders' Relationship Committee	:	Mr. Mathew Eipe (Chairman) Mr. Nadir Godrej Ms. Tanya Dubash Mr. Nitin Nabar Ms. Shweta Bhatia
Corporate Social Responsibility Committee	:	Mr. Nadir Godrej (Chairman) Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe
Risk Management Committee	:	Mr. Nadir Godrej (Chairman) Mr. Nitin Nabar Mr. Mathew Eipe Dr. Ganapati Yadav Mr. Clement Pinto
Management Committee	:	Mr. Nadir Godrej (Chairman) Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe Dr. Ganapati Yadav Mr. Sandeep Murthy
<b>AUDITORS</b>	:	M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants
<b>CHIEF FINANCIAL OFFICER</b>	:	Mr. Clement Pinto
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	:	Ms. Tejal Jariwala
<b>REGISTERED OFFICE</b>	:	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079, Maharashtra, India. Phone: 022-2518 8010, 2518 8020, 2518 8030 Fax: 022-2518 8066 Email: <a href="mailto:investor@godrejinds.com">investor@godrejinds.com</a> Website: <a href="http://www.godrejindustries.com">www.godrejindustries.com</a> CIN: L24241MH1988PLC097781

## REGISTRARS & TRANSFER AGENT

Equity Shares

Computech Sharecap Limited  
147, Mahatma Gandhi Road, Opp. Jahangir Art Gallery,  
Fort, Mumbai - 400 001, Maharashtra, India.  
Phone: 022 - 2263 5000, 2263 5001  
Fax: 022 - 2263 5001  
E-Mail: [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)  
Website: [www.computechsharecap.com](http://www.computechsharecap.com)

Non-Convertible Debentures

Bigshare Services Private Limited  
Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Mahakali Caves Road, Next to Ahura Centre,  
Andheri (East), Mumbai - 400 093,  
Maharashtra, India.  
Phone: 022-6263 8200  
E-Mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

## DEBENTURE TRUSTEE

Catalyst Trusteeship Limited  
Windsor, 6<sup>th</sup> Floor, Office No.604, C.S.T. Road, Kalina,  
Santacruz (East), Mumbai - 400 098, Maharashtra, India.  
Tel.: 022-4922 0555  
E-Mail: [ComplianceCTL-Mumbai@ctltrustee.com](mailto:ComplianceCTL-Mumbai@ctltrustee.com)  
Website: [www.catalysttrustee.com](http://www.catalysttrustee.com)

## FACTORIES

Ambernath

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

Valia

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

Wadala

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

Dombivli

: Plot No: W-61, MIDC Phase II, Sagaon, Sonarpada,  
Dombivli - East, Thane, Maharashtra - 421 204, India.  
Phone: 0251 - 2871177

## BANKERS

Central Bank of India  
State Bank of India  
Bank of India  
HDFC Bank Limited  
HSBC Limited  
DBS Bank Limited  
ICICI Bank Limited  
Axis Bank Limited





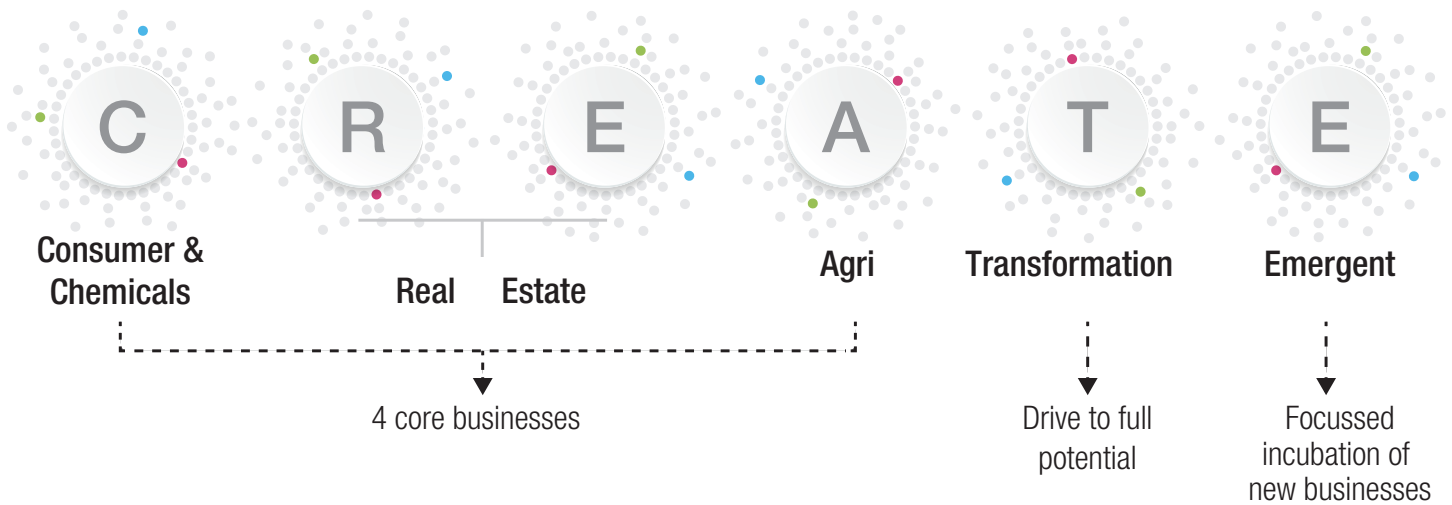
# CHAIRMAN & MANAGING DIRECTOR'S **STATEMENT**

Dear Shareholders,

I am delighted to share with you the events and developments of your Company during the course of the Financial Year 2022-23. The year gone by is representative of the value Godrej Industries continues to create for all its stakeholders.

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

**Nadir Godrej**



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

## **C – Consumer and Chemicals**

### **Consumer (GCPL)**

FY22-23 was a moderate year in performance, but a fantastic year of transformation.

GCPL saw progressively stronger performance each quarter, closing out with a very strong fourth quarter. It was a record year in terms of cash flow from operations, something that was in the making for a few quarters.

In the fourth quarter in India, GCPL's India branded business delivered strong growth of 16%, with Household Insecticides growing at 14%. It was heartening that much of this broad-based sales growth came from volume growth (13% underlying volume growth) and that categories like Hair Colour and Air Care have delivered explosive growth. Profitability also increased sharply with gross margins of 56.2% and EBITDA margins of 26.6%. This is despite a 51% increase in media spends. Indonesia's sales growth excluding Hygiene in the fourth quarter was at 11% in constant currency terms and EBITDA margins at 21.5%. While Africa had a slightly slower close to the year at 8% sales growth, it has been largely due to demonetisation in Nigeria.

As GCPL centralizes and leverages synergies for R&D and marketing, it is also setting up Godrej International, a dedicated team to scale up global exports and serve world class product mixes.

### **Chemicals**

Our Chemicals business had an outstanding year. The Total revenue of the business stood at ₹4,173 Crore and recorded a growth of 36%, operating profit of the business stood at ₹706 Crore and recorded growth of 207% over the previous year. The business did well across its product categories.

We continue to ensure that our growth is both sustainable as well as profitable, and that we continue to accord the highest importance to safety. Several initiatives taken by the Business resulting in energy and operating efficiencies has also helped the business to grow in a profitable and sustainable manner.

I am happy to share that the Chemicals Business received several awards and recognition. GIL Chemicals was recognized by FICCI with the "Environment Friendly Company of the Year" Award, the "Export Excellence Award" by CHEMEXCIL and the "Earth Care Award" for Innovation in GHG emissions by JSW and TOI.

We have created a wonderful workplace culture and value our employees. I am happy to share that GIL Chemicals has been recognized among India's Top 50 Best Workplaces™ in Manufacturing 2023™ by Great Place To Work® India as well as one of the Best in Chemicals by by Great Place To Work®.

## **R E – Real Estate (GPL)**

FY23 has been a landmark year for Godrej Properties as it recorded its best ever annual sales, cash collections, earnings, deliveries and business development. GPL delivered its highest ever sales booking of ₹12,232 Crore, a growth of 56% over the previous year.

GPL's robust sales performance has translated into its highest ever collections. It achieved collections of ₹8,991 Crore for FY 23, representing a growth of 40% over the previous year.

In FY23, GPL also added 18 new projects with an estimated revenue potential of ₹32,000 Crore, a 250% increase over FY22 and delivered its best ever year from a business development perspective.

I am happy to share that GPL continues to be ranked #1 for the third consecutive year amongst residential developers by Global Real Estate Sustainability benchmark (GRESB) - an industry-driven organization which assesses Environmental, Social and Governance (ESG) performance.

Residential real estate demand in India has been strong throughout FY23 and leading developers have benefited from both sectoral growth as well as market share gains. With a robust launch pipeline, strong balance sheet, and sectoral tailwinds, we are confident of building on this momentum in FY24.

## **A – Agri Business (GAVL)**

In FY23, GAVL's consolidated revenues from operations increased to ₹9,374 Crore from ₹8,306 Crore, a growth of 13% year-on-year. The growth was primarily driven by market share gains in Animal Feed and robust volume growth in branded products in our food businesses i.e. Dairy and Poultry.

Our Animal Feed segment delivered continued volume growth of 7% year-on-year led by market share gains in cattle feed and Aqua feed categories. However, the feed industry faced multiple profitability headwinds during the year and our Animal Feed business too was impacted. Our Vegetable Oil business recorded another good year despite last year's high base, with revenues increasing to ₹1,298 Crore in FY23 from ₹1,265 Crore in FY22 and profits increasing to ₹ 249 Crore from ₹241 Crore. GAVL's Standalone Crop Protection business revenues increased to ₹596 Crore in the FY23 from ₹545 Crore in the FY22. Crop Protection sales growth was led by in-house and in-licensed product portfolio. However, margin profile was impacted by lower volumes under plant growth regulators category. Astec LifeSciences recorded consolidated total income of ₹641 Crore as compared to ₹687 Crore in the previous year. Decline in total income and profitability in FY23 was due to the unprecedented drop in volumes as well as realizations mainly in the second half of the year.

During FY23, Creamline Dairy Products recorded a Total Income of ₹1,501 Crore, a growth of 28%. The continued growth in FY23 was led primarily by market share gains in value-added products, mainly Curd, Milk drinks and Ghee.

Godrej Agrovet continued to focus on investing for long-term sustainable growth. In April 2023, Astec LifeSciences, commissioned a new state-of-the-art Research & Development centre, named "Adi Godrej Centre for Chemical Research and Development" in Maharashtra.

## **T – Transformation**

As a Group, your Company believes in inclusive growth that aims at enhancing the competitiveness of the businesses while simultaneously advancing the economic and social conditions of the

communities in which it operates. This focus is implemented Group wide through the 'Godrej Good and Green' initiative.

Our companies have a high focus on environmental performance that's now backed with strong risk management processes and governance that we've built over a decade. We are working to get into the leadership position. All our companies have committed towards Science Based Targets to further strengthen our climate action response.

## **E – Emergent Businesses**

Over the many years, your company has incubated new businesses and grown them successfully. We believe that there is a good potential for Housing Finance and Non-banking Finance business in our Country. Looking at this opportunity, these businesses will be nurtured under your Company. Godrej Capital Limited (GCL), a subsidiary of your company, is a Non-Banking Finance Company - Core Investment Company (NBFC-CIC) (exempt from registration). GCL is the holding company of Godrej Housing Finance Limited (GHFL), a Non-Banking Finance Company – Housing Finance Company and Godrej Finance Limited (GFL), a Non-Banking Finance Company.

During the year, GHFL sanctioned loans amounting ~₹3,500 Crore and had Asset Under Management (AUM) as on March 31, 2023 at ~₹3,800 Crore as compared to ~₹1,800 Crore as on March 31, 2022.

During the year GFL sanctioned loans amounting to ~₹1,400 Crore and had Asset Under Management (AUM) as on March 31, 2023 at ~₹1,300 Crore as compared to ~₹45 Crore as on March 31, 2022.

We believe that these new businesses will create overall value to the Stakeholders.

We through Godrej Maxximilk, a subsidiary of GAVL is engaged in 'in-vitro' production of high-quality cows that aid dairy farmers produce top-quality milk, which help in increasing their yield by a significant proportion.

To conclude, we had a good year. We remain encouraged and confident of achieving our long term objectives of inclusive, sustainable and profitable growth. As we look ahead, I feel confident of strong growth in the medium to long term.

I am confident that our disciplined strategy, prudent approach, focus on agile execution and our committed team will enable us to improve performance further and create greater shareholder value.

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

Yours sincerely,

**Nadir Godrej**

Chairman and Managing Director,  
Godrej Industries Limited



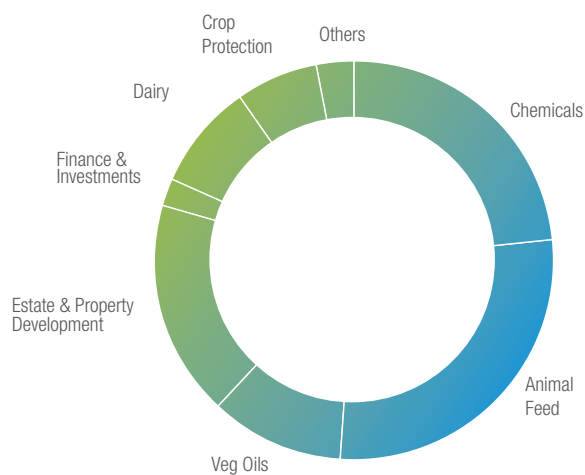
FINANCIAL  
**HIGHLIGHTS**

# Financial Highlights

₹ Crore

<b>FINANCIAL HIGHLIGHTS</b>	<b>2022-23</b>	<b>2021-22</b>
Total Income <sup>+</sup>	17,762	15,065
Profit before Finance Costs, Depreciation and Amortisation and Tax & including Share of Profit of Associates <sup>+</sup>	2,929	2,179
Depreciation and Amortisation Expense	305	274
Finance Costs	943	623
Tax	260	290
Non-Controlling Interest	446	339
Net Profit (Attributable to Owners of the Company)	975	654
<sup>+</sup> Including other income and exceptional items		

## Total Income 2022-23



## Break-up of Total Income\* ₹ Crore

Chemicals	4,164
Animal Feed	4,957
Veg Oils	1,928
Estate & Property Development	3,097
Finance & Investments	391
Dairy	1,501
Crop Protection	1,196
Others	528
<b>Total</b>	<b>17,762</b>

\* net of intersegment income



NOTICE TO  
**SHAREHOLDERS**

# Notice to Shareholders

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**NOTICE** is hereby given that the 35<sup>th</sup> (THIRTY FIFTH) Annual General Meeting of the Members of **GODREJ INDUSTRIES LIMITED** (“the Company”) will be held on **Friday, August 11, 2023 at 3:00 p.m. (IST)** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses:

## **ORDINARY BUSINESS:**

**1. Adoption of Audited Financial Statements for the Financial Year ended March 31, 2023 (ORDINARY RESOLUTION)**

To consider, approve and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2023 and the Board’s Report along with Annexures and the Statutory Auditor’s Report thereon.

**2. Appointment of Mr. Jamshyd Godrej, as a Director liable to retire by rotation, who has offered himself for re-appointment (ORDINARY RESOLUTION)**

To appoint a Director in place of Mr. Jamshyd Godrej (DIN: 00076250), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment, with the continuation of such directorship being subject to the fulfilment of requirements under applicable laws, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **SPECIAL BUSINESS:**

**3. Approval for re-appointment of Mr. Mathew Eipe as an “Independent Director” of the Company**

To consider and if thought fit, to pass, the following as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, if any, of the Act and the Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Mathew Eipe (DIN: 00027780), who has submitted a declaration confirming that he meets the criteria of independence as provided under the Act and the SEBI Listing Regulations and who is eligible for re-appointment, be and is hereby appointed as an “Independent Director” (Non-Executive) of the Company, not liable to retire by rotation, for the second consecutive term commencing from May 13, 2024 up to June 6, 2027.”

**4. Approval for re-appointment of Dr. Ganapati Yadav as an “Independent Director” of the Company**

To consider and if thought fit, to pass, the following as an **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, if any, of the Act and the Rules framed thereunder and the applicable provisions of the Securities and Exchange



Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Dr. Ganapati Yadav (DIN: 02235661), who has submitted a declaration confirming that he meets the criteria of independence as provided under the Act and the SEBI Listing Regulations and who is eligible for re-appointment, be and is hereby appointed as an “Independent Director” (Non-Executive) of the Company, not liable to retire by rotation, for the second consecutive term commencing from May 13, 2024 up to September 13, 2027.”

**5. Ratification of remuneration of M/s. R. Nanabhoy & Co., Cost Accountants appointed as the “Cost Auditors” of the Company**

To consider and if thought fit, to pass, the following as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to Section 148 and all applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof), the Company hereby approves and ratifies the remuneration of ₹4,03,000/- (Rupees Four Lakh Three Thousand Only) plus Goods and Service Tax and reimbursement of out-of-pocket expenses payable to M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No. 000010), the Cost Auditors of the Company, for conducting the audit of the Cost Records of the Company for the Financial Year ending on March 31, 2024.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and / or the Chief Financial Officer and / or the Company Secretary and Compliance Officer be and are hereby severally authorized to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto.”

**Date and Place: May 19, 2023, Mumbai**

**Registered Office:**  
Godrej One, Pirojshanagar,  
Eastern Express Highway, Vikhroli (East),  
Mumbai 400 079, Maharashtra.  
Tel.: +91 22 2518 8010  
Fax: +91 22 2518 8066  
Website: [www.godrejindustries.com](http://www.godrejindustries.com)  
Email: [investor@godrejinds.com](mailto:investor@godrejinds.com)  
CIN: L24241MH1988PLC097781

**By Order of the Board of Directors  
of Godrej Industries Limited**  
  
**Tejal Jariwala**  
**Company Secretary & Compliance Officer**  
**(FCS 9817)**

**NOTES:**

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) and Secretarial Standard – 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India for special businesses under Item Nos. 3 to 5 of the Notice is annexed hereto.
2. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Secretarial Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity)

Regulations, 2021 and any other relevant documents referred to in the accompanying Notice and Explanatory Statements, shall be made available for inspection electronically only during the AGM in accordance with the applicable statutory requirements based on the requests received by the Company on [investor@godrejinds.com](mailto:investor@godrejinds.com).

3. The Company's Statutory Auditors, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166), were appointed for a period of 5 (Five) consecutive years at the 34<sup>th</sup> (Thirty Fourth) Annual General Meeting ("AGM") of the Members held on August 12, 2022, at a remuneration as decided by the Board of Directors of the Company.
4. In compliance with General Circular No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs ("MCA Circular") read with SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013, the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 35<sup>th</sup> (Thirty Fifth) AGM of the Company is being conducted through Video Conference (VC) / Other Audio Visual Means (OAVM), which does not require physical presence of Members at a common venue, in compliance with the aforesaid MCA Circulars and SEBI Circulars.

In terms with the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the venue of the 35<sup>th</sup> (Thirty Fifth) AGM shall be deemed to be the Registered Office of the Company situated at "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079, Maharashtra.

5. Since this AGM is being held pursuant to the MCA and SEBI circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 35<sup>th</sup> (Thirty Fifth) AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to this Notice.

However, in terms of the provisions of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

Participation of Members through VC /OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution / Authorization can be sent to the Company on [investor@godrejinds.com](mailto:investor@godrejinds.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Members and Share Transfer Books will remain closed from Friday, August 4, 2023 to Friday, August 11, 2023 (both days inclusive) for the purpose of the Annual General Meeting.
9. The details required under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of the Directors proposed to be appointed / re-appointed at this AGM forms a part of this Notice.

10. The Company's Registrar and Share Transfer Agents for its Share Registry Work are **Computech Sharecap Limited**, having their office at 147, Mahatma Gandhi Road, Opp. Jehangir Art Gallery, Fort, Mumbai – 400 001, Maharashtra.

Members holding shares in physical form are requested to notify/send any change in their address / bank mandate to the Company's Registrar and Share Transfer Agent at the above mentioned address. Members may also address all other correspondences to the Registrar and Share Transfer Agent at the address mentioned above.

**DISPATCH OF ANNUAL REPORT THROUGH EMAIL, REGISTRATION OF EMAIL IDs AND KYC UPDATION:**

11. Pursuant to Sections 101 and 136 of the Act read with the relevant Rules framed thereunder and Regulation 36 of the Listing Regulations, companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository Participant(s).

In compliance with General Circular no. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs ("MCA Circular") read with SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 and SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023, issued by the Securities and Exchange Board of India ("SEBI Circulars"), the Annual Report for Financial Year 2022-23 (comprising of the Financial Statements including Boards' Report, Auditor's report or other documents required to be attached therewith (together referred to as "Annual Report") including Notice of AGM are being sent in electronic mode to Equity Shareholders and Debenture holders, whose e-mail address(es) are registered with the Company or the Depository Participant(s).

The Notice of AGM along with Annual Report for Financial Year 2022-23, is available on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com), on the website of Stock Exchanges, i.e., BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

12. Members are requested and encouraged to register / update their email addresses, with their Depository Participant (in case of Shares held in dematerialised form) or with Computech Sharecap Limited, our Registrar and Share Transfer Agents (RTA) (in case of Shares held in physical form).

The Company and RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned Members, subject to receipt of the required documents and information from the Members.

13. The Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities in physical form. Members holding shares in physical mode and who have not updated their email addresses / other details like Nomination, KYC etc., with the Company / Depository Participant(s) / RTA pursuant to the aforesaid circular, may follow the process detailed below:

Type of holder	Process to be followed														
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company <sup>^</sup> :														
	<table border="1"> <thead> <tr> <th>Form No.</th> <th>Description of the Form</th> </tr> </thead> <tbody> <tr> <td>Form-ISR 1</td> <td>Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode</td> </tr> <tr> <td>Form-ISR 2</td> <td>Update of signature of securities holder by Banker</td> </tr> <tr> <td>Form-ISR 3</td> <td>Declaration Form for opting out of Nomination</td> </tr> <tr> <td>Form-ISR 4</td> <td>Form for requesting issue of duplicate certificate and other service requests for shares held in physical form</td> </tr> <tr> <td>Form SH-13</td> <td>For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014</td> </tr> <tr> <td>Form SH-14</td> <td>Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee</td> </tr> </tbody> </table>	Form No.	Description of the Form	Form-ISR 1	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form-ISR 2	Update of signature of securities holder by Banker	Form-ISR 3	Declaration Form for opting out of Nomination	Form-ISR 4	Form for requesting issue of duplicate certificate and other service requests for shares held in physical form	Form SH-13	For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014	Form SH-14	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee
	Form No.	Description of the Form													
	Form-ISR 1	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode													
	Form-ISR 2	Update of signature of securities holder by Banker													
	Form-ISR 3	Declaration Form for opting out of Nomination													
	Form-ISR 4	Form for requesting issue of duplicate certificate and other service requests for shares held in physical form													
	Form SH-13	For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014													
Form SH-14	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee														
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.														

<sup>^</sup>Forms ISR-1, ISR-2, ISR-3, ISR-4, SH-13 & SH-14 along with the supporting documents as stated above are required to be submitted to the RTA of the Company at the address mentioned below:

Computech Sharecap Limited, via post to 147, Mahatma Gandhi Road, Opp. Jehangir Art Gallery, Fort, Mumbai – 400 001, Maharashtra. Alternatively, the same can be sent through e-mail to [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)

Effective from October 1, 2023 or such other date as may be decided by the relevant Statutory Authority, any service requests or complaints received from the Member holding shares in physical form, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after October 1, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com).

#### 14. GREEN INITIATIVE

To support the Green Initiative, Members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically by following the procedure mentioned in the Note No. 13 above.

#### 15. NOMINATION

Pursuant to Section 72 of the Companies Act, 2013 and SEBI Circular, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14, as the case may be. The said forms can be downloaded from the Company's website at [www.godrejindustries.com](http://www.godrejindustries.com).

## **16. SHARE TRANSFER AND ISSUE OF SECURITIES WHILE PROCESSING SERVICE REQUESTS ARE PERMITTED ONLY IN DEMAT**

As per the provisions of Regulation 40 of the Listing Regulations, Members may note that with effect from April 1, 2019, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are requested to dematerialize their shares if held in physical form.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 for issuance of Duplicate Share Certificate and Form ISR-5 for Transmission of Securities. The said form can be downloaded from the Company's website at [www.godrejindustries.com](http://www.godrejindustries.com).

## **17. SUBMISSION OF PAN**

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, who have not updated their PAN with the Company are therefore requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA of the Company or directly to the Company by submitting Form ISR-1.

Members are requested to note that furnishing of Permanent Account Number (PAN) is now mandatory in the following cases:-

- a. Transferees and Transferors PAN Cards for transfer of shares,
- b. Legal Heirs'/Nominees' PAN Card for transmission of shares,
- c. Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and
- d. Joint Holders' PAN Cards for transposition of shares.

According to SEBI Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, the folios wherein PAN is not available on or after October 1, 2023 or such other date as may be decided by the relevant Statutory Authority, shall be frozen by the RTA.

18. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the Members for a period of 7 (Seven) consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of Members whose dividends remain unpaid / unclaimed for a period of 7 (Seven) consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on August 12, 2022 (date of last AGM) are available on the website of the Company. The Members whose dividend / shares are transferred to the IEPF Authority can now claim the same from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority, viz. [www.iepf.gov.in](http://www.iepf.gov.in).

During the Financial Year 2022-23, the Company in compliance with the aforesaid provisions and the said Rules has transferred 16,040 (Sixteen Thousand Forty) Equity Shares of the Face Value of ₹1/- (Rupee One Only) each underlying the unclaimed dividends for the Financial Year 2014-15 as the base. Shareholders are requested to take note of the aforesaid applicable provisions of the Companies Act, 2013 and claim their unclaimed dividends immediately to avoid transfer of the underlying shares to the IEPF. Further, the Company also transferred below unclaimed dividend amounts of the previous Financial Years to IEPF in compliance with applicable laws:

Sr. No.	Particulars	Amt. in ₹
1	Unclaimed Dividend amounts of the Financial Year 2014-15	8,21,819.00
2	Unclaimed Dividend amounts of the Financial Year 2015-16 (interim dividend)	6,88,591.00

Further, below are the details of transfer of dividend amounts to IEPF:

Dividend for the Financial Year ended	Date of Dividend Declaration	Due Date for Transfer
31.03.2017	11.08.2017	17.09.2024
31.03.2018	13.08.2018	19.09.2025
31.03.2019	13.08.2019	19.09.2026
31.03.2020	Not Applicable	Not Applicable
31.03.2021	Not Applicable	Not Applicable
31.03.2022	Not Applicable	Not Applicable

## 19. VOTING

All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e., **August 4, 2023**, only shall be entitled to vote at the Annual General Meeting by availing the facility of remote e-voting or by voting at the AGM.

Any person becoming a Member of the Company after the Notice of the Meeting is sent out through e-mail and holds shares as on the cut-off date i.e. July 14, 2023, may obtain the User ID and Password by sending a request to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and can exercise their voting rights through remote e-voting by following the instructions listed hereinbelow or by voting facility provided during the meeting.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (“CDSL”) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by Members using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM but shall not be entitled to cast their vote again.

### RESULTS OF E-VOTING

- Mr. Kalidas Vanjpe, Practicing Company Secretary, (Membership No. FCS 7132) or failing him Mr. Ashok Ramani (Membership No. FCS 6808) of M/s. A. N. Ramani & Co., Company Secretaries have been appointed as the Scrutinizers to scrutinize the remote e-voting process as well as the e-voting process to be conducted at the AGM, in a fair and transparent manner.
- The Scrutinizer, after scrutinizing the e-voting completed at the Meeting and through remote e-voting will not later than 48 (Forty-Eight) hours of conclusion of the Meeting, make the

Scrutinizer's Report and submit the same to the Chairman or a person duly authorised by the Chairman. The Results shall be declared within 48 (Forty-Eight) hours after the conclusion of the AGM.

- c. The Results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com) immediately after the Results are declared and will simultaneously be communicated to CDSL, viz., [www.evotingindia.com](http://www.evotingindia.com) and the Stock Exchanges, viz., BSE Limited and the National Stock Exchange of India Limited, where the Equity Shares of the Company are listed.
- d. Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on the cut-off date i.e., **Friday, August 4, 2023**. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date, i.e., **Friday, August 4, 2023**, only shall be entitled to avail the facility of remote e-voting.
- e. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and is holding shares as of the cut-off date, i.e., **Friday, August 4, 2023**, may obtain the login details in the manner as mentioned below.

• **THE INSTRUCTIONS FOR MEMBERS VOTING ELECTRONICALLY ARE AS UNDER:**

The voting period begins on **Monday, August 7, 2023 at 9:00 a.m. (IST)** and ends on **Thursday, August 10, 2023, at 5:00 p.m. (IST)**. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., **Friday, August 4, 2023**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**A. The details of the process and manner for e-Voting and joining virtual meeting for Individual shareholders & Members holding shares in dematerialized form.**

- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 and the provisions contained in Regulation 44 of Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions to increase participation by the public non-institutional shareholders/retail shareholders.
- In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the E-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility being provided by Listed entities, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and Email Id in their Demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular, Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>Members who have opted for CDSL Easi / Easiest facility, can login through their existing User ID and Password. Option will be made available to reach e-Voting page without any further authentication. The Members to login to Easi / Easiest are requested to visit CDSL website at <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on “Login” icon and select “New System Myeasi” Tab.</li> <li>After successful login to the Easi / Easiest facility, Member will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the “e-voting option”, the Member will be able to see e-Voting page of the e-Voting service provider for casting their vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KARVY/LINKINTIME, so that the Member can visit the e-Voting service providers’ website directly.</li> <li>If the Member is not registered at Easi/Easiest facility, option to register is available at CDSL website at <a href="http://www.cdslindia.com">www.cdslindia.com</a> by clicking on “Login” icon &amp; selecting “New System Myeasi” Tab and then clicking on “Registration” option.</li> <li>Alternatively, the Member can directly access e-Voting page by providing Demat Account Number and PAN from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the Member by sending OTP on registered Mobile Number &amp; Email ID, as recorded in the Demat Account. After successful authentication, Member will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in Demat mode with NSDL Depository	<ol style="list-style-type: none"> <li>Members who are already registered under the NSDL IDeAS facility, may please visit the e-Services website of NSDL. <ul style="list-style-type: none"> <li>Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile.</li> <li>Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section.</li> <li>A new screen will open. Member will have to enter User ID and Password. After successful authentication, Member will be able to see e-Voting services.</li> <li>Click on “Access to e-Voting” under e-Voting services and Member will be able to see e-Voting page.</li> <li>Click on company name or e-Voting service provider name and Member will be re-directed to e-Voting service provider website for casting their vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul> </li> <li>If the Member is not registered for NSDL IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” Portal or click on <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. <ul style="list-style-type: none"> <li>Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile.</li> <li>Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>A new screen will open. Members will have to enter User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>After successful authentication, Member will be re-directed to NSDL Depository site wherein Member can see e-Voting page.</li> <li>Click on company name or e-Voting service provider name and Member will be re-directed to e-Voting service provider website for casting their vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul> </li> </ol>
Individual Shareholders (holding securities in Demat mode) login through their Depository Participants	<ol style="list-style-type: none"> <li>Members can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>After Successful login, Member will be able to see e-Voting option.</li> <li>Once Member clicks on e-Voting option, Member will be re-directed to NSDL/CDSL Depository site after successful authentication, wherein Member can see e-Voting feature.</li> <li>Click on company name or e-Voting service provider name and Member will be re-directed to e-Voting service provider website for casting their vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.**

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository, i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no.: 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**B. The details of the process and manner for remote e-voting and joining virtual meeting for Shareholders other than individual shareholders and Members holding shares in physical mode, are explained herein below:**

- i. The Members may please log on to the e-voting website at [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on “**SHAREHOLDERS**” module.
- iii. Now Enter your User ID
  - For **CDSL**: 16 digits beneficiary ID,
  - For **NSDL**: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on “**LOGIN**”.
- v. If Members are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then their existing password is to be used.
- vi. If Members are a first-time user, follow the steps given below:

**For Members holding shares in Demat Form (other than individual shareholders) and Members holding shares in Physical Form**

PAN	<ul style="list-style-type: none"> <li>• Enter 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in demat account or in the company records in order to login.</li> <li>• 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 (iii).</li> </ul>

- vii. After entering these details appropriately, click on “**SUBMIT**” tab.

- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN: **GODREJ INDUSTRIES LIMITED**.
- xi. 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.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi. If a Demat account holder has forgotten the login 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.
- xvii. There is also an optional provision to upload Board Resolution (BR) / Power of Attorney (POA), if any uploaded, which will be made available to scrutinizer for verification

**xviii. Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to mandatorily send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) / [investor@godrejinds.com](mailto:investor@godrejinds.com), if they have voted from individual

tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case of any queries or issues regarding attending AGM and e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no.: 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no.: 1800 22 55 33.

**C. INSTRUCTIONS FOR MEMBERS VOTING ELECTRONICALLY DURING THE AGM ARE AS UNDER:**

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- c. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- d. If any Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the Meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the Meeting is available only to the Members attending the Meeting.
- e. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**D. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- a. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system.
- b. Members may access the same at [www.evotingindia.com](http://www.evotingindia.com) under Shareholders / Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholder / Members login where the EVSN of Company will be displayed. Click on live streaming appearing beside the EVSN.
- c. The Members can join the AGM in the VC/OAVM mode 15 (Fifteen) minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to the Members on first come first served basis.
- d. Members are encouraged to join the Meeting through Laptops / iPads for better experience.

**Suggested System requirements for best VC experience:**

Internet connection – broadband, wired or wireless (3G/4G/LTE or above), with a speed of 5 Mbps or more  
Microphone and speakers – built-in or USB plug-in or wireless Bluetooth

**Browser:**

Google Chrome : Version 72 or latest Mozilla Firefox: Version 72 or latest Microsoft Edge  
Chromium: Version 72 or latest Safari: Version 11 or latest Internet explorer: Not Supported

Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**E. PROCESS FOR MEMBERS WHOSE EMAIL/MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:**

- a. **For Physical Shareholders** - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at [investor@godrejinds.com](mailto:investor@godrejinds.com) / RTA at [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)
- b. **For Demat Shareholders** - Please update your email id & mobile number with your respective Depository Participant (DP).
- c. **For Individual Demat Shareholders** - Please update your email id & mobile number with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**20. PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT**

- As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, Demat account number / folio number, email id, mobile number to [investor@godrejinds.com](mailto:investor@godrejinds.com). Questions / queries received by the Company till 5:00 p.m. (IST) on Wednesday, August 9, 2023, shall only be considered and responded to during the AGM.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number to [investor@godrejinds.com](mailto:investor@godrejinds.com) from Monday, July 31, 2023 (9:00 a.m. IST) to Wednesday, August 9, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the Meeting.
- The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM, depending on availability of time.

Members who need assistance before or during the AGM, can contact CDSL by sending an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800 22 55 33.

21. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. on Friday, August 11, 2023, subject to receipt of the requisite number of votes in favour of the Resolutions.

**Date and Place: May 19, 2023, Mumbai**

**Registered Office:**

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

Tel.: +91 22 2518 8010

Fax: +91 22 2518 8066

Website: [www.godrejindustries.com](http://www.godrejindustries.com)

Email: [investor@godrejinds.com](mailto:investor@godrejinds.com)

CIN: L24241MH1988PLC097781

**By Order of the Board of Directors  
of Godrej Industries Limited**

**Tejal Jariwala  
Company Secretary & Compliance Officer  
(FCS 9817)**

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

The following Explanatory Statement sets out all the material facts relating to the Special businesses mentioned under Item Nos. 3 to 5 of the accompanying Notice dated May 19, 2023.

### **ITEM NO. 3**

Mr. Mathew Eipe was appointed as a “Non-Executive Independent Director” of the Company for a term of 5 (Five) consecutive years, i.e., from May 13, 2019 to May 12, 2024. It is proposed to re-appoint him for a second term with effect from May 13, 2024 up to June 6, 2027.

The Nomination and Remuneration Committee and the Board of Directors of the Company had, vide resolutions passed at their respective Meetings on May 19, 2023, recommended and approved, the re-appointment of Mr. Mathew Eipe as the “Non-Executive Independent Director” of the Company in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”), Sections 149, 150 and 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), to hold office for the second consecutive term commencing from May 13, 2024 to June 6, 2027, not liable to retire by rotation, subject to the approval of the Members.

The Company has received the consent from Mr. Mathew Eipe and also his declaration confirming that he is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and that he meets the criteria of independence as provided under Section 149(6) of the Act as well as Regulation 16(1)(b) of the SEBI Listing Regulations.

Mr. Mathew Eipe is independent of the Management of the Company and in the opinion of the Board of Directors of the Company, he fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director of the Company.

A copy of the draft letter of appointment in respect of Independent Director setting out the terms and conditions would be available electronically for inspection by the Members on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com).

This Explanatory Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations. A brief profile of Mr. Mathew Eipe along with detailed disclosure in terms of Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is given elsewhere in this Notice.

Other than Mr. Mathew Eipe, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned Item No. 3 of this Notice.

The Board recommends the **SPECIAL RESOLUTION** as set out at **ITEM NO. 3** of the accompanying Notice for approval by the Members.

#### **ITEM NO. 4**

Dr. Ganapati Yadav was appointed as a “Non-Executive Independent Director” of the Company for a term of 5 (Five) years, i.e., from May 13, 2019 to May 12, 2024. It is proposed to re-appoint him for a second term with effect from May 13, 2024 to September 13, 2027.

The Nomination and Remuneration Committee and the Board of Directors of the Company had, vide resolutions passed at their respective Meetings on May 19, 2023, recommended and approved, the re-appointment of Dr. Ganapati Yadav as the “Non-Executive Independent Director” of the Company in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”), Sections 149, 150 and 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), to hold office for the second consecutive term commencing from May 13, 2024 to September 13, 2027, not liable to retire by rotation, subject to the approval of the Members.

The Company has received the consent from Dr. Ganapati Yadav and also his declaration confirming that he is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and that he meets the criteria of independence as provided under Section 149(6) of the Act as well as Regulation 16(1)(b) of the SEBI Listing Regulations.

Dr. Ganapati Yadav is independent of the Management of the Company and in the opinion of the Board of Directors of the Company, he fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for re-appointment as an Independent Director of the Company.

A copy of the draft letter of appointment in respect of Independent Director setting out the terms and conditions would be available electronically for inspection by the Members on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com).

This Explanatory Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations. A brief profile of Dr. Ganapati Yadav along with detailed disclosure in terms of Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is given elsewhere in this Notice.

Other than Dr. Ganapati Yadav, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned Item No. 4 of this Notice.

The Board recommends the **SPECIAL RESOLUTION** as set out at **ITEM NO. 4** of the accompanying Notice for approval by the Members.

#### **ITEM NO. 5**

The Board of Directors of the Company, based on recommendations of the Audit Committee, has appointed M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai, as the “Cost Auditors” of the Company for the Financial Year 2023-24, pursuant to Section 148 and other applicable provisions of the Act, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, at its Meeting held on May 19, 2023.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors. Therefore, pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹4,03,000/- (Rupees Four Lakh Three Thousand Only) per annum, exclusive of applicable tax(es) and reimbursement of out - of - pocket expenses, if any, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, shall require subsequent ratification by the Members.

Based on the certification received from the Cost Auditors, it may be noted that: -

- a. the Cost Auditors do not suffer from any disqualifications as specified under Section 141(3) of the Act;
- b. their appointment is in accordance with the limits specified in Section 141(3)(g) of the Act;
- c. none of their Partners is in the whole-time employment of any Company; and
- d. they are an independent firm of Cost Accountants holding valid certificate of practice and are at arm's length relationship with the Company, pursuant to Section 144 of the Act.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 5.

The Board recommends the ORDINARY RESOLUTION set forth in ITEM NO. 5 for approval of the Members.

**Date and Place: May 19, 2023, Mumbai**

**Registered Office:**

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

Tel.: +91 22 2518 8010

Fax: +91 22 2518 8066

Website: [www.godrejindustries.com](http://www.godrejindustries.com)

Email: [investor@godrejinds.com](mailto:investor@godrejinds.com)

CIN: L24241MH1988PLC097781

**By Order of the Board of Directors  
of Godrej Industries Limited**

**Tejal Jariwala**

**Company Secretary & Compliance Officer  
(FCS 9817)**



## **BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT**

*[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India]*

<b>Name of the Director</b>	<b>Mr. Jamshyd Godrej</b>	<b>Mr. Mathew Eipe</b>	<b>Dr. Ganapati Yadav</b>
DIN	00076250	00027780	02235661
Date of Birth	January 24, 1949	June 7, 1952	September 14, 1952
Age	74	70	70
Nationality	Indian	Indian	Indian
Date of appointment	March 7, 1988	May 13, 2019	May 13, 2019
Qualification	B.E. Mechanical, Illinois Institute of Technology, USA	B.Tech. in Chemical Engineering, IIT, Mumbai, Post Graduate Diploma in Management (PGDM), IIM, Calcutta	B. Chem. Eng. Ph.D. (Tech). D.Sc (Hon. Causa, DYPK), FTWAS, FNA, FASc, FNASc, FNAE, FRSC (UK), FISTE, FICHEM (UK), FIICHE, FICS
Nature of expertise in specific functional area	Engineering and Management	Marketing and Business Management in Chemicals Business.	Chemical Engineering, Energy Engineering, Biotechnology, Nanotechnology, Green technology, etc.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company inter-se	None	None	None
Brief Profile / Resume of the Director	<p>Mr. Jamshyd N. Godrej is the Chairman &amp; Managing Director of Godrej &amp; Boyce Manufacturing Company Limited, which is a leader in home appliances, consumer durables, office equipment, industrial products, consumer products and services.</p> <p>Mr. Godrej graduated in Mechanical Engineering from Illinois Institute of Technology, USA. He is the Chairman &amp; Founding Trustee of Ananta Centre. He is also the Chairman of the Board of Shakti Sustainable Energy Foundation, Foundation for Medical Research, India Resources Trust and Council on Energy, Environment and Water. He is a Director of Climate Works Foundation and World Resources Institute, USA. and a Trustee of the Asia Society, USA. He is the Past President of Confederation of Indian Industry, Indian Machine Tool Manufacturers' Association and World-Wide Fund for Nature-India. He is also a Member of the Board of Governors of the Centre for Asian Philanthropy and Society Limited.</p>	<p>Mr. Mathew Eipe joined Godrej Soaps Limited as a management trainee in 1977 after completing his graduate Chemical Engineering studies at IIT Mumbai, and his post graduate studies in Business Management at IIM Calcutta. In 1994, he was appointed as Sr. Vice President Marketing in the Chemicals Division of Godrej Soaps Limited from 1995 to 2000. He led the successful turnaround and integration of GGIC (Gujarat Godrej Innovative Chemicals) with Godrej Soaps Limited. In 2001, after the demerger of Godrej Soaps Limited he was appointed as Executive Director and President (Chemicals) at Godrej Industries Limited and headed the Chemicals business till his retirement in 2013. During 2010 to 2013, he led the team that successfully relocated the Chemicals factory from Vikhroli to a world class manufacturing facility at Ambernath near Mumbai. He served on the Board of Godrej Industries Limited from 2001 till his retirement in 2013. He was a member of the Group Management Committee from 1994 till 2013.</p>	<p>Dr. Ganapati Yadav is one of the highly prolific and versatile engineering scientists in India. He is currently the National Science Chair (SERB/ DST/ Govt. of India) and Emeritus Professor of Eminence, Founding Vice Chancellor and R. T. Mody Distinguished Professor, and Tata Chemicals Darbari Seth Distinguished Professor of Innovation and Leadership of the Institute of Chemical Technology (ICT), Mumbai. He is a former J. C. Bose National Fellow, Conjoint Professor University of New Castle, Australia and University of Saskatchewan, Canada, Distinguished Visiting Professor, IIT Guwahati and SOA University, Bhubaneswar. He was conferred Padma Shri by the President of India in 2016 for his outstanding contributions to Science and Engineering.</p>

Name of the Director	Mr. Jamshyd Godrej	Mr. Mathew Eipe	Dr. Ganapati Yadav
Brief Profile / Resume of the Director	<p>He is also a Non-Executive Director on the Boards of Godrej Industries Limited, Godrej Properties Limited, Godrej Consumer Products Limited and Godrej Agrovet Limited.</p> <p>Mr. Godrej is the Chairman of the CII Sohrabji Godrej Green Business Centre. The Centre is housed in a LEED Platinum demonstration building which is the first green building in India and the greenest building in the world at the time when it was rated. The Green Business Centre is a Centre of Excellence for green buildings, energy efficiency, energy conservation, non-conventional energy sources, water policy, water conservation, etc.</p> <p>The President of India conferred on Mr. Godrej the "Padma Bhushan" on 3<sup>rd</sup> April 2003.</p>		<p>He has won over 125 national and international honours, awards, fellowships, editorships, etc. He was elected to the US National Academy of Engineering in 2022, one among 21 Indian citizens and as Fellow of the US National Academy of Inventors, only the second Indian to be so honoured. He is currently the President of Indian Chemical Society, and Maharashtra Academy Sciences. He is an elected Fellow of all Science and Engineering Academies in India. He holds two honorary doctorates. He has earned B. Chem. Eng. and Ph.D. (Tech.) in Chemical Engineering of the University of Bombay. His prestigious fellowships include: NAE (US), FNAI (US), FTWAS, FNA, FASc, FNAsc, FNAE, FRSC (UK), FISTE, FICHEM (UK), FIChE(UK), FIChE, FICS, FBRSI. He is both a chartered Engineer and Chemist. He is Chairman of Research Council of DRDO DIBER, Chairman, Waste Management Expert Committee, DST-Govt of India, among others. He serves on Boards of six companies as Independent Director.</p>
Terms and Conditions of appointment	<p>Mr. Jamshyd Godrej is an 'Non- Executive Director' of the Company, liable to retire by rotation.</p> <p>The other terms and conditions of his appointment will be as per the Nomination and Remuneration Policy of the Company.</p>	<p>Mr. Mathew Eipe is being re-appointed as a "Non-Executive Independent Director" for the second term commencing from May 13, 2024 to June 6, 2027.</p> <p>The other terms and conditions of appointment form part of the explanatory statement to the Notice of the 35<sup>th</sup> Annual General meeting and are as per the Nomination and Remuneration Policy of the Company.</p>	<p>Dr. Ganapati Yadav is being re-appointed as a "Non-Executive Independent Director" for the second term commencing from May 13, 2024 to September 13, 2027.</p> <p>The other terms and conditions of appointment form part of the explanatory statement to the Notice of the 35<sup>th</sup> Annual General meeting and are as per the Nomination and Remuneration Policy of the Company.</p>
Directorship in Other listed entities	<p>1) Godrej Agrovet Limited 2) Godrej Consumer Products Limited 3) Godrej Properties Limited</p>	-	<p>1) Aarti Industries Limited 2) Clean Science and Technology Limited 3) Meghmani Organics Limited 4) Bhageria Industries Limited</p>
Directorship in Other Companies (excluding Listed Entities, Foreign Companies and Section 8 Companies)	<p><b>Public Company:</b> Godrej &amp; Boyce Manufacturing Company Limited</p> <p><b>Private Companies:</b> -Illinois Institute of Technology (India) Private Limited -Godrej Enterprises Private Limited -Godrej UEP Private Limited</p>	<p><b>Public Company:</b> Unitherm Engineers Limited</p>	<p><b>Public Company:</b> Survival Technologies Limited</p>

Name of the Director	Mr. Jamshyd Godrej	Mr. Mathew Eipe	Dr. Ganapati Yadav
Chairmanships / Memberships of Committees held in Committees of Other Companies	<p><u>Godrej &amp; Boyce Manufacturing Company Limited:</u> Member of Corporate Social Responsibility Committee</p> <p><u>Indian Machine Tool Manufactures Association:</u> -Chairman of Audit &amp; Finance Committee -Chairman of Nomination &amp; Remuneration Committee</p>	None	<p><u>Aarti Industries Limited:</u> Member of Audit Committee</p> <p><u>Bhageria Industries Limited:</u> Member of Risk Management Committee</p> <p><u>Meghmani Organics Limited:</u> -Member of Audit Committee; -Member of Nomination and Remuneration Committee</p> <p><u>Clean Science and Technology Limited:</u> -Member of Audit Committee; -Chairman of Nomination and Remuneration Committee; -Chairman of Corporate Social Responsibility Committee</p> <p><u>Survival Technologies Limited:</u> -Chairman of Stakeholder Relationship Committee; -Chairman of Nomination and Remuneration Committee; -Member of Corporate Social Responsibility Committee</p>
Names of the listed entities from which Director has resigned in the past 3 (Three) years	Mr. Jamshyd Godrej has not resigned from any Listed Company in the past 3 (Three) years	Mr. Mathew Eipe has not resigned from any Listed Company in the past 3 (Three) years.	Dr. Ganapati Yadav has not resigned* from any Listed Company in the past 3 (Three) years.
No. of shares held by Director:			
By Self:	3,14,29,854 Equity Shares	82,434 Equity Shares	Nil
As a beneficial owner of:	1 (as Trustee of PJG Children Trust) 1 (as Trustee of NJG Children Trust) 1 (as Trustee of RJG Children Trust)	Nil	Nil
Skills and abilities required for the Role as an Independent Director		Strategy & Business expertise, Industry Expertise, Market Expertise, People & Talent Understanding, Governance, Finance & Risk.	Strategy & Business expertise, Industry Expertise, Technology & Future Readiness Perspective, Governance, Finance & Risk, Diversity of Perspective.
Justification for the Manner in which proposed appointee meets requirement (only in case of re-appointment of Independent Directors)^		Given the vast experience and expertise possessed by Mr. Mathew Eipe, the Nomination and Remuneration Committee and the Board of Directors have recommended his re-appointment for the second term.	Given the vast experience and expertise possessed by Dr. Ganapati Yadav, the Nomination and Remuneration Committee and the Board of Directors have recommended his re-appointment for the second term.
Summary of Performance Evaluation Report (only in case of re-appointment of Independent Directors)^	Not Applicable^	<p>The re-appointment of Mr. Mathew Eipe as an Independent Director is based on the positive feedback received from the Individual Board Member Feedback Report which was generated as a part of the Board Effectiveness and Evaluation Process.</p> <p>The re-appointment is based on the recommendation of the Nomination and Remuneration Committee and Board of Directors.</p>	<p>The re-appointment of Dr. Ganapati Yadav as an Independent Director is based on the positive feedback received from the Individual Board Member Feedback Report which was generated as a part of the Board Effectiveness and Evaluation Process.</p> <p>The re-appointment is based on the recommendation of the Nomination and Remuneration Committee and Board of Directors.</p>

Name of the Director	Mr. Jamshyd Godrej	Mr. Mathew Eipe	Dr. Ganapati Yadav
Remuneration last drawn (in ₹)  (during Financial Year 2022-23)	Sitting Fees: ₹3,00,000/-	Sitting Fees: ₹21,00,000/- Commission: ₹10,00,000/-	Sitting Fees: ₹14,00,000/- Commission: ₹10,00,000/-
Remuneration to be paid	Sitting fees for attending Board and Committee Meetings	Sitting fees for attending Board and Committee Meetings and Commission	Sitting fees for attending Board and Committee Meetings and Commission
Number of Meetings of the Board attended during the year (Financial Year 2022-23)	3 (Three)	4 (Four)	4 (Four)
Number of Meetings of the Board attended during the year (Financial Year 2023-24, i.e., up to May 19, 2023)	Nil	1(One)	1(One)

\* Dr. Ganapati Yadav ceased to be an Independent Director of Meghmani Organics Limited (L24110GJ1995PLC024052) due to amalgamation and the said Company stood dissolved in terms of Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal's order dated May 3, 2021.

^ In accordance with para. 1.2.5 of Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, the said details shall form part of explanatory statement only in case of re-appointment of Independent Directors.



BOARD'S  
**REPORT**

# Board's Report

To the Members,

Your Company's Directors have pleasure in presenting the Board's Report along with the Audited Financial Statements for the Financial Year ended March 31, 2023.

## Review of Operations / Financial Summary

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

<b>Particulars</b>	(₹ Crore)	(₹ Crore)
	<b>2022-23</b>	<b>2021-22</b>
Revenue from Operations	4,487.96	3,339.60
Other Income	69.00	74.61
<b>Total Income</b>	<b>4,556.96</b>	<b>3,414.21</b>
Total Expenditure other than Finance Costs and Depreciation and Amortisation	3,767.80	2,955.69
Profit before Finance Costs, Depreciation and Amortisation	789.16	458.52
Depreciation and Amortisation	78.96	74.80
Profit before Finance Costs, exceptional items and Tax	710.20	383.72
Finance Costs (net)	477.63	363.90
Exceptional Item	-	(64.01)
Profit / (Loss) before Tax	232.57	(44.19)
Provision for Current Tax	-	-
Provision for Deferred Tax	-	-
<b>Net Profit / (loss)</b>	<b>232.57</b>	<b>(44.19)</b>
Surplus brought forward	400.28	444.47
Profit after Tax available for appropriation	632.85	400.28
Appropriation		
Dividend on Equity Shares	-	-
Tax on Distributed Profit	-	-
Transfer to General Reserve	-	-
<b>Surplus Carried Forward</b>	<b>632.85</b>	<b>400.28</b>

## Share Capital

The Paid-up Equity Share Capital as on March 31, 2023 was ₹33,66,38,257/- (Rupees Thirty Three Crore Sixty Six Lakh Thirty Eight Thousand Two Hundred Fifty Seven Only) divided into 33,66,38,257 (Thirty Three Crore Sixty Six Lakh Thirty Eight Thousand Two Hundred Fifty Seven) Equity Shares of Face Value of ₹1/- (Rupee One Only) each. During the Financial Year under review, your Company has allotted 53,944 (Fifty Three Thousand Nine Hundred and Forty Four) Equity Shares of Face Value of ₹1/- (Rupee One Only) each pursuant to exercise of Options by the employees of the Company under Godrej Industries Limited-Employee Stock Grant Scheme, 2011 (ESGS 2011).

## Debentures

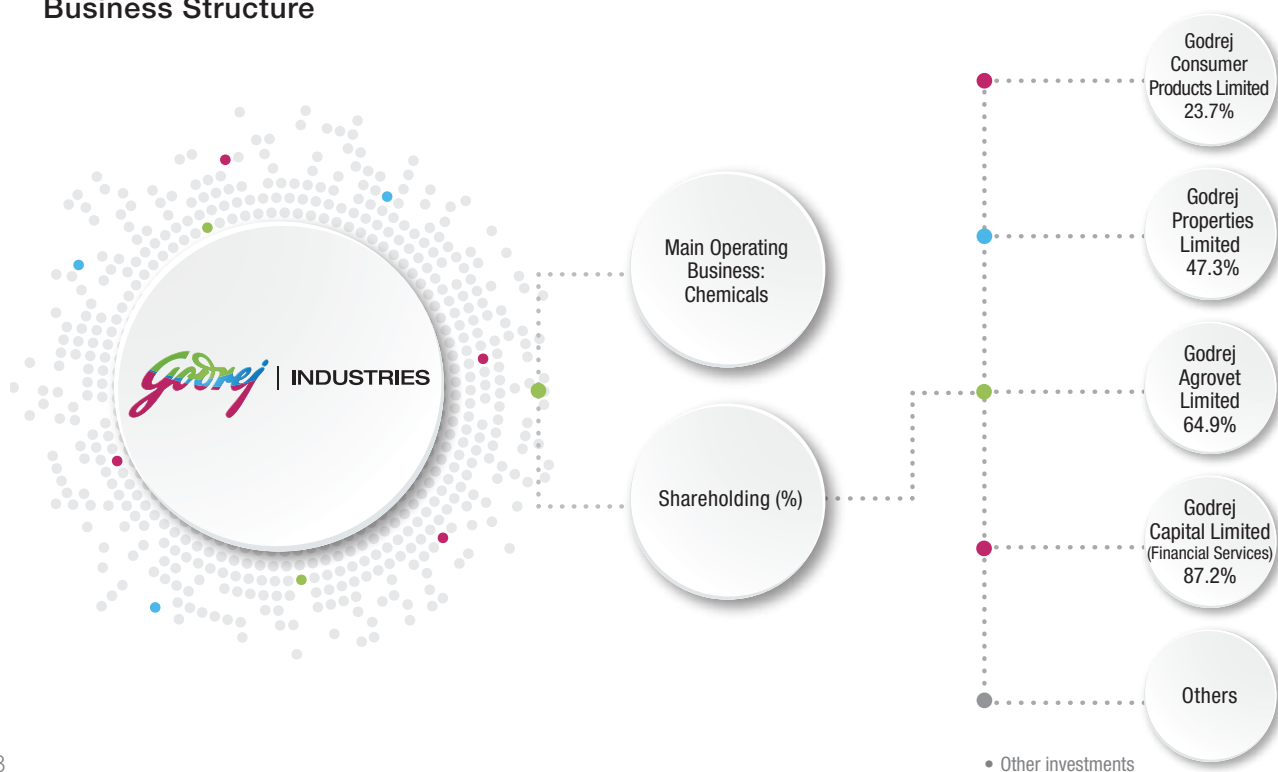
Your Company has privately placed Non-Convertible Debentures of ₹550 Crore (Rupees Five Hundred and Fifty Crore) [by way of 2 Series of ₹250 Crore (Rupees Two Hundred and Fifty Crore) and ₹300 Crore (Rupees Three Hundred Crore)] during the Financial Year 2022-23, which are listed on the Debt Segment of the National Stock Exchange of India Limited. Further, your Company is in compliance with the SEBI Circular having reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

As on March 31, 2023, your Company has outstanding Non-Convertible Debentures aggregating to ₹3,550 Crore (Rupees Three Thousand Five Hundred and Fifty Crore).

## Dividend / Dividend Distribution Policy

Your Company has not declared Dividend for the Financial Year 2022-23. Further, in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Dividend Distribution Policy of the Company is made available on the website of the Company and the same can be accessed on <http://www.godrejindustries.com/listing-compliance.aspx>

## Business Structure



## Industry Structure and Development

The World Economic Outlook (WEO) forecasts global growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly.

India's growth continues to be resilient despite some signs of moderation in growth, says the World Bank in its latest India Development Update.

The World Bank has revised its FY23/24 GDP forecast to 6.3 percent from 6.6 percent (December 2022). Growth is expected to be constrained by slower consumption growth and challenging external conditions. Rising borrowing costs and slower income growth will weigh on private consumption growth, and government consumption is projected to grow at a slower pace due to the withdrawal of pandemic-related fiscal support measures.

Although headline inflation is elevated, it is projected to decline to an average of 5.2 percent in FY23/24, amid easing global commodity prices and some moderation in domestic demand. The Reserve Bank of India's has withdrawn accommodative measures to rein in inflation by hiking the policy interest rate. India's financial sector also remains strong, buoyed by improvements in asset quality and robust private-sector credit growth.

### Real Estate Sector

India's real estate market is expected to exhibit a growth rate (CAGR) of 9.2% during 2023-2028. FY'23-24 will see a strong foundation as there will be more buyers. Multiple rating agencies have calculated that the Indian economy is estimated to grow by 8-9%, which will ultimately drive the growth in the real estate market. Along with important policy initiatives such as "Housing for All" and the Pradhan Mantri Awas Yojana, the government has been developing and constructing infrastructure mega-projects like highways, new airports, metros, etc. These factors will stimulate both the quantitative and qualitative growth of real estate holdings. Intriguingly, real estate in Tier 2 and Tier 3 markets will also grow rapidly, generating substantial returns for investors.

### Agri Sector

The agricultural sector is a central pillar of the Indian economy, employing 60 per cent of the nation's workforce and contributing to about 17 per cent of its GDP. The Indian economy is an agro-economy, which is highly dependent on the cycle of production, distribution and consumption. Since more than half of the population of India indulges in agriculture, the importance of agriculture in the economy is highlighted with two important factors. Firstly, it provides employment opportunities to rural agricultural and non-agricultural labourers. Secondly, it plays a significant role in international trade and import and export activities.

India's foodgrain production is estimated at an all-time high of 323.55 million tonnes in the current crop year ending June'22, driven by the projection of a record output of rice, wheat and pulses. Backed by remunerative prices globally, India's agri export reached all-time high of ₹32 billion in FY22-23, a growth of 11% year-on-year.

In 2023, Monsoon season is expected to be normal with expected rainfall at 96% of Long-period average (LPA). While it is too early to predict evolving El-Nino conditions, any kind of impact is likely to be in the



end-stages of monsoon. Agriculture output is expected to remain robust and with positive government support, the sector is likely to continue on a high growth path.

The redressal measures are also high up on the government agenda. Through the introduction of various welfare schemes the government is indeed continuously engaged in addressing these challenges, and relevant departments are involved in the administration of existing programmes and policies.

### **Chemicals Sector**

Oleo chemicals are used by various sectors like Personal Care and Home Care, Cosmetics, Food & Beverage, Pharmaceutical etc. Increase in demand for green chemicals, high demand from end-use industries, and easy availability of raw materials are the key factors driving the demand for oleochemicals.

Furthermore, environmental regulations are becoming increasingly stringent and non-renewable resources are depleting which allows oleochemicals to replace the currently used petroleum-based products.

Fatty Acids, Fatty Alcohol and Specialty Chemicals used by this segment is growing at a healthy rate. Furthermore, Consumer awareness and use of Hygiene and cleansing products has increased which helps demand of surfactants and specialty Chemicals. Demand for Glycerine looks good.

## **Management Discussion and Analysis Report**

The Management Discussion and Analysis Report on the operations of the Company, as required under the Listing Regulations, 2015 is appended as 'Annexure A' to this Report.

### **Subsidiary and Associate Companies:**

#### **GODREJ AGROVET LIMITED (GAVL)**

Godrej Agrovet Limited (GAVL) delivered a revenue growth of 13% in FY23 primarily driven by market share gains in Animal Feed and robust volume growth in branded products in food businesses i.e. Dairy and Poultry. GAVL's Domestic crop protection business also achieved a healthy growth in some of the key products such as HITWEED (in-house herbicide) and GRACIA (in-licensed insecticide). Creamline Dairy Private Limited (CDPL) achieved a revenue milestone of ₹1,500 Crore while Godrej Tyson Foods Limited crossed ₹1,000 Crore in FY23. However, consolidated profitability was adversely impacted mainly due to a drop in operating margins of Crop Protection, Animal Feed and Dairy businesses.

GAVL's subsidiary, Astec LifeSciences Limited, commissioned a new state-of-the-art Research & Development centre, named "Adi Godrej Centre for Chemical Research and Development" in Maharashtra in April'23. During the year, GAVL also commissioned a new Fish feed manufacturing facility in Uttar Pradesh and commenced construction of Crude palm oil Refinery & Solvent Extraction plant.

#### **ANIMAL FEED BUSINESS**

GAVL's Animal Feed business gained further market share in an otherwise difficult year for the Indian feed industry. Animal Feed business recorded 14% year-on-year revenue growth in Financial Year 2022-23 led primarily by Cattlefeed and Aqua feed categories. Volume growth was ahead of the industry average. Cattlefeed segment continued to reinforce its dominant position in Western region steered by portfolio of new products launched in past couple of years. Aqua feed segment



**Animal Feed**



**Astec LifeSciences**



**Agri Input**

# GODREJ AGROVET



**Dairy Products**



**Oil Palm**



**Godrej Tyson Foods**

also recorded a double-digit growth in volumes in Financial Year 2022-23 led by market share gains in fish feed across key markets.

On profitability front, Financial Year 22-23 was a challenging year for the feed industry, partly owing to few instances of unforeseen Government interventions in both input as well as output prices which resulted in the GAVL's inability to fully pass on higher input costs. GAVL's Aqua feed segment suffered from active price controls by State Government resulting in lack of transmission of input cost inflation. One-off margin contraction in Q1 FY23 owing to Government's knee-jerk reaction of allowing imports of soybean meal loomed large over the entire year as GAVL's animal feed business recorded drop in profitability.

## **CROP PROTECTION BUSINESS**

For GAVL's standalone Crop Protection Business (CPB), FY23 was a relatively mixed year. The segment registered a prompt recovery in topline while also achieving highest ever sales for the business. The sales growth was led by in-house portfolio comprising of HITWEED range of herbicides coupled with in-licensed insecticides, GRACIA, which was launched only in Feb'22. Herbicides portfolio registered record volumes in Financial Year 2022-23 while GRACIA achieved a very important volume milestone in its first year of the launch itself. GAVL also achieved a substantial improvement in the working capital cycle and collections for the Crop protection business driven by concerted efforts in maintaining credit hygiene. However, margin profile was impacted due to lower volumes in the Plant Growth Regulators (PGR) category and pricing pressure.

## **VEGETABLE OIL BUSINESS**

GAVL is the largest oil palm processor in India and works directly with more than 9,000 farmers for the entire lifecycle of the crop. Financial Year 2022-23 was another good year for GAVL's Vegetable Oil Palm business with growth in both topline and profitability despite high base of previous year. GAVL also achieved further improvement in Oil extraction ratio by ~45 bps and a consistent volume growth in Financial Year 2022-23 as compared to the previous year.

Vegetable oil business was also benefitted from the sharp increase in Crude Palm Oil (CPO) and Palm Kernel Oil (PKO) prices to record high levels in Q1 FY23 owing to three-week exports ban by Indonesian Government, a largest producer and exporter of palm oil.

In Financial Year 2022-23, GAVL's Vegetable Oil Palm business became the first in the country to be awarded a verification Certification under the Indian Palm Oil Sustainability (IPOS) Framework. Certification is issued by Control Union, an independent international certification body, in recognition of the sustainable practices adopted by oil palm business.

## **Review of Operations / State of Affairs of the Subsidiaries of GAVL:**

### **ASTEC LIFESCIENCES LIMITED**

GAVL's agrochemical subsidiary, Astec LifeSciences Limited, faced volume headwinds and price corrections in both exports as well as domestic markets. Astec reported decline in revenues and margins in Financial Year 2022-23 as compared to the previous year. Nonetheless, Astec's performance in contract manufacturing (CMO) segment was in line with the expectations with 1.9x growth in revenues as compared to the previous year.

In April'23, Astec inaugurated a new state-of-the-art Research & Development centre, named "Adi Godrej Centre for Chemical Research and Development" in Rabale, Maharashtra. Continued investment in a

future-ready Research & Development facility reflects Astec's commitment to long-term growth and value creation.

GAVL continues to hold 64.8% stake in Astec as on March 31, 2023.

### **CREAMLINE DAIRY PRODUCTS LIMITED**

GAVL's dairy subsidiary, Creamline Dairy Products Limited ("CDPL"), reported 28% year-on-year increase in segment revenues in Financial Year 2022-23 crossing ₹1,500 Crore sales mark for the first time. Outstanding volume performance in Financial Year 2022-23 was led by value-added products (VAP) portfolio which grew by 37% year-on-year supported by 10% growth in liquid milk volumes. Growth in VAP portfolio was ahead of the industry peers in South India and was led by market share gains in some of the key markets, primarily in curd, buttermilk, milk-based flavoured drinks and Ghee. Share of VAP in total sales increased to 32% in Financial Year 2022-23 from 29% in Financial Year 2021-22.

While CDPL fared much better in volume and topline growth as compared to previous year, margin profile was impacted by continued rise in milk procurement costs. Price hikes taken during the year were rendered inadequate by sustained rise in input costs throughout the year. For third consecutive year, the industry continued to suffer from weak flush season on account of untimely & heavy rains in South India coupled with outbreak of Lumpy skin disease in certain parts of the country.

### **GODREJ TYSON FOODS LIMITED**

GAVL subsidiary, Godrej Tyson Foods Limited ("GTFL") achieved a crucial ₹1,000 Crore sales milestone for the first time in Financial Year 2022-23. It was one of the best years in terms of financial and operational performance for GTFL as the business reported a stellar topline growth of 28% for the second consecutive year as a result of robust volume performance in branded categories coupled with recovery in live bird prices. Segment results also recovered sharply and grew by 3.1x year-on-year to close the year at ₹16.1 Crore in Financial Year 2022-23.

Amongst branded categories, Real Good Chicken (RGC) registered a volume growth of more than 50% for the second straight year on the back of QSR and Institutional sales. Profitability of RGC category has also improved substantially and despite volatilities in live bird prices, RGC consistently reported improvement in contribution margin. Yummiez portfolio recorded more than 30% growth in volumes led by new product development initiatives.

### **GODREJ MAXXIMILK PRIVATE LIMITED**

Godrej Maxximilk Private Limited ("GMPL") is engaged in in-vitro production of high-quality cows that aid dairy farmers produce top-quality milk, thereby increasing their yield by a significant proportion. GMPL is a 100% owned subsidiary of GAVL. During the year, GAVL infused additional investment of ₹20 Crore in GMPL for business expansion and day-to-day operations. For the Financial Year 2022-23, GMPL reduced Loss Before Tax to (₹4.70 Crore) from (₹9.77 Crore) in the previous year.

### **Joint Venture of GAVL:**

#### **ACI GODREJ AGROVET PRIVATE LIMITED, BANGLADESH**

Godrej Agrovet's 50:50 joint venture with Advanced Chemical Industries Limited (ACI), Bangladesh, named ACI Godrej Agrovet Private Limited, maintained robust growth momentum by further consolidating its market share in Bangladesh across categories and recording 26% year-on-year growth in topline.

\*Godrej Splendour, Bengaluru



\*Godrej Horizon, MMR



\*Godrej Hill Retreat, Pune



\*Godrej Five Gardens, MMR



\*Godrej Woods, NCR

# GODREJ PROPERTIES

## GODREJ PROPERTIES LIMITED (GPL)

### OVERVIEW OF OPERATIONS

Godrej Properties delivered another record year in FY 2022-23 by achieving the highest sales in its history, surpassing the industry growth. This was driven by continued focus across bringing better products with consumer centric approach, delivering best in class quality consistently and enhancing customer's trust on the brand.

Godrej Properties achieved a sales volume of 15.2 million square feet and booking value of ₹12,232 Crore in FY 2022-23, resulting in a growth of 56% Y-o-Y. This was the highest recorded booking value in the history of the Company. This was evenly distributed across its four key geographies, each delivering more than 2 million sq. ft. sales and sales value of more than ₹2,000 Crore in all its four focus markets.

Godrej Properties launched 24 new projects / phases in FY 2022-23, including Godrej Horizon in Mumbai and Godrej Splendour in Bengaluru, both of which clocked around ₹1,000 Crore within a year of its launch. These remained amongst the most successful residential project launches for Godrej Properties. The new project launches were complemented by ₹6,026 Crore of sustenance sales in FY 2022-23 which, again was the highest ever for the company.

Godrej Properties added eighteen new projects with saleable potential of around 29 million sq. ft. to

its portfolio during the year, 7 in MMR, 5 in NCR, 2 each in Bengaluru and Pune, and 1 each in Nagpur and Chennai.

On the operational front, Godrej Properties successfully delivered ~10.5 million sq.ft across projects. With this, Godrej Properties has now successfully delivered over ~32 million sq. ft. in last five years. The Company's delivery record demonstrates its ability to operate at a large scale and keep pace with accelerating sales. Separately, Godrej Properties focused on exploring advanced construction technologies, improving Net Promoter Score (NPS) and design standardization.

Godrej Properties, among the most respected real estate developers in India, received 90 awards in FY 23. Accolades include Golden Peacock Award for Winner - CSR in Real Estate Category, ICAI International Sustainability Reporting Awards 2021-22 for Gender Equality (Gold Award), KPMG ESG Conclave and Awards 2023 for Winner - Environmental & Social Initiatives (Infrastructure & Real Estate), APEX INDIA FOUNDATION Quality Excellence in the Construction sector (Platinum Award - Vikhroli Region), Indian Institute of Industrial Engineering (Gold Award – Safety).

For the Financial Year under review, on a consolidated basis, Godrej Properties' total income stood at ₹3,039 Crore, EBITDA was ₹994 Crore and net profit after tax and minority interest of ₹571 Crore.

## **PROSPECTS AND OUTLOOK**

Despite the interest rate hikes of ~250 bps in last 12 months, the home buying intent and sales momentum sustained with FY23 being the best-ever year in terms of sales booking for the industry. Hence, acceptance level of high-single digit mortgage rates remains very high. We have seen improvement in the prospects of real estate as volume and pricing is witnessing an uptick across geographies. Home buying is long-term asset where a strong affordability and financial strength (which is still better than pre-Covid levels) shall supersede the natural rate-cycle, especially if demand is driven by self-consumptions.

Consolidation in the residential real estate sector has only accelerated over the last few years amid regulatory changes like demonetisation, RERA apart from NBFC liquidity crisis, leading to an increase in the market share of branded organized players such as Godrej Properties. Given the pace of urbanization, rising per capita disposable incomes, and income distribution shifting from pyramid to diamond shape, Godrej Properties remains optimistic about the long-term prospects in real estate. Consumer sentiments have remained robust, which will result in a multi-year residential real estate upcycle, provided price increase is disciplined. Godrej Properties is poised for a high growth trajectory with a strong brand, pan-India presence, demonstrated track record and robust marketing capabilities.

In post pandemic era, the customer focus on product proposition and quality is strongest ever. Increasingly, there has been disproportionate focus by the large organised developers on better design as per customer preference, best in class experience and superior quality.

While continuing its focus on the four key markets of Mumbai, National Capital Region, Bengaluru and Pune, Godrej Properties is now also looking to enter peripheral markets and tier 2 cities through plotted developments. Godrej Properties shall seek to drive profitability, improve customer experience, and continue to adopt digital technologies. Moreover, operational momentum of Godrej Properties is likely to be sustained by its healthy Balance Sheet and robust project pipeline.

# GODREJ CONSUMER PRODUCTS

## Personal Care



## Home Care



## GODREJ CONSUMER PRODUCTS LIMITED (GCPL)

Godrej Consumer Products is a leading emerging markets company. As part of the 126-year young Godrej Group, the company is fortunate to have a proud legacy built on the strong values of trust, integrity, and respect for others. At the same time, it's growing fast and has exciting, ambitious aspirations.

GCPL ranks among the largest Household Insecticide and Hair Care players in emerging markets. In Household Insecticides, it is the leader in India, the second largest player in Indonesia and is expanding its footprint in Africa. GCPL is the leader in serving the Hair Care needs of women of African descent, the number one player in Hair Colour in India and Sub-Saharan Africa, and among the leading players in Latin America. It ranks number two in Personal Wash and Hygiene in India and is the number one player in Air Fresheners and Wet Tissues in Indonesia.

GCPL is confident that with its clear strategic focus, differentiated product portfolio, superior execution, and an agile and high-performance culture, it will continue to deliver industry-leading results in the future.

## GODREJ CAPITAL LIMITED (GCL)

Godrej Capital Limited (GCL), a subsidiary of your Company, is a Non-Banking Finance Company – Core Investment Company (NBFC-CIC) (exempt from registration). During the year, post requisite approvals, Godrej Housing Finance Limited (GHFL), a Non-Banking Finance Company – Housing Finance Company and Godrej Finance Limited (GFL), a Non-Banking Finance Company became wholly owned subsidiaries of GCL. The consolidated Total Income of GCL for FY 2022-23 is ₹346.91 Crore as compared to ₹54.86 Crore in the previous year.

### Other Subsidiaries

Godrej International Trading & Investments Pte Ltd (GITI) is registered and located in Singapore and trades palm and soya oil as well as by-products.

# GODREJ CAPITAL

## WE OFFER A WIDE RANGE OF OFFERINGS

Dedicated to fostering your  
personal & professional evolution



**Loan Against  
Property**



**Business Loan**



**Plot Loan**



**Home Loan**

Godrej International Limited (GINL) is incorporated in the Isle of Man and is a wholly owned subsidiary of the Company.

FY 2022-23 was rather tame relative to FY 2021-22. Vegetable oil prices started the year on a firm note as a result of the Ukraine war but began to slide from June onwards. High prices had led to demand destruction and better weather also led to better production of oilseeds in most parts of the world. Our companies kept pace with market developments and correctly anticipated the gradual decline in prices in the Second Half of the year. Our Supply Chain strengths continued to give our consuming companies, GCPL and GIL an edge over the competition. Our companies maintained profitability but turnover declined as result of lower unit prices.

### Financial Position

The Net Debt Position at the end of the Financial Year stands at ₹6,009 Crore as compared to ₹5,240 Crore in the previous year. The Net debt equity ratio is 3.50 as compared to 3.53 in the previous year.

Your Company continues to hold the topmost rating of [ICRA] A1+ from ICRA & "CRISIL A1+" from CRISIL for its commercial paper program (₹2,500 Crore) (previous year ₹2,000 Crore). Instruments with these ratings are considered to have very strong degree of safety regarding timely payment of financial obligations. Such securities carry lowest credit risk.

For the Non-Convertible Debentures (NCD) programme of ₹5,000 Crore (previous year ₹3,000 Crore)



CRISIL has assigned “CRISIL AA” and ICRA has assigned “ICRA AA” with stable outlook. This rating is considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

ICRA has also reaffirmed an [ICRA] A1+ / AA(Stable) rating for our short term/Long term banking facilities (₹2,140 Crore), (previous year ₹2,140 Crore).

#### **Report on Performance and Financial Position of Subsidiary Companies:**

Report on Performance and Financial Position of each of the Subsidiaries, Associates, Joint Venture companies in Form AOC-1, forms a part of the Consolidated Financial Statements.

#### **Loans, Guarantees & Investments**

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees or investments by the Company under the aforesaid provisions during the Financial Year 2022-23 have been provided in the Notes to the Standalone Financial Statements.

#### **Related Party Transactions**

In compliance with the Listing Regulations, the Company has a policy on Materiality of Related Party Transactions and dealing with Related Party Transactions (RPT Policy). The RPT Policy can be accessed on the website of the Company, viz. <http://www.godrejindustries.com/listing-compliance.aspx>.

All Related Party Transactions entered into by your Company during the Financial Year 2022-23 were on an arm’s length basis and were in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other related parties which may have a potential conflict with the interest of the Company. Requisite prior approval of the Audit Committee of the Board of Directors was obtained for Related Party Transactions. Therefore, disclosure of Related Party Transactions in Form AOC-2 as per the provisions of Section 134(3)(h) and Section 188 of the Companies Act, 2013 read with the Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. Attention of Members is also drawn to the disclosure of transactions with related parties set out in Note No.41 of Standalone Financial Statements, forming part of the Annual Report. None of the Directors had any pecuniary relationships or transactions vis-à-vis the Company. Further, the Company has not entered into any transactions with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company during the Financial Year 2022-23.

#### **Manufacturing Facilities**

Your Company has manufacturing units at Ambernath, Valia, Wadala and Dombivli.

Both Valia and Ambernath factory are currently certified as per latest ISO standards, i.e., ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OH&S). Valia is also ISO 50001:2018 (EnMS) certified.

Ambernath completed IATF (Automotive certification for tyres industries) and responsible care certification whereas Valia become first chemical manufacturing company in India to receive Platinum rating in Green Co Audit by CII. Both the units are compliant on SMETA 4.0 Pillar and are certified by BVQI. The units are audited on- Labor Standards, Health and Safety, Environment and Business Ethics.

GIL Chemicals received the prestigious Earth Care Award under the category Innovation in GHG emissions by JSW and TOI.

From a sustainability transparency and disclosure standpoint, we were ranked “B” in CDP’s (Climate Disclosure Program) India’s Climate Change and Water Security Disclosure Index 2022 and B in Forest-Palm Oil Disclosure. We also secured the Silver rating on the Eco Vadis Platform for our Valia and Ambernath units.

Our Ambernath Factory is a “Responsible Care” certified factory and Ambernath Factory received the award for ‘Best implementation of Responsible Care - Security Code’ by the Indian Chemical Council (ICC) and our Valia plant has started its journey to implement Responsible Care guiding principle and process codes this year.

Ambernath plant is also certified with ISO 22716:2007 for COSMETIC- GOOD MANUFACTURING PRACTICES (GMP). The site is also certified with FOOD SAFETY SYSTEM CERTIFICATION 22000 for refined glycerine manufacturing.

Valia Factory has also been recognized by Union of Japanese Scientists & Engineers (JUSE) for 5S Workplace Management system.

Also GIL, won Diamond Award at 1<sup>st</sup> HR Conclave held by Quality Circle Forum of India at Surat for New Normal and 5S and Won Platinum Award at 4<sup>th</sup> HR Conclave held by Quality Circle Forum of India at Vadodara for CSR/Community Development Initiatives.

From Valia Factory, our 2 teams participated in ACCQC 2022 and both teams won Gold Award. Also, one team participated in QCFI Vadodara Chapter for their Kaizen of converting wooden pallets into MS pallets from waste MS pipes and won Gold Award.

Godrej Industries Limited received an award on “Outstanding Commitment to COVID controls FY 21 & 22” during GILAC Annual OHS Conference on Thursday, 25<sup>th</sup> August, 2022.

Majority of our C16-C18 alcohol grades are covered under COSMOS certification. The certification helps labelling the product as natural or organic. The majority of the finished products at both locations are Kosher certified, HALAL certified and some are also REACH registered to meet the EU regulation.

In new product domain, the unit has started commercial production for Coco Betaine, & Glyceryl Mono Oleate. Ginophos CD & BioGod are also in pipeline for commercialization.

We have completed gate-to-gate life cycle assessments for the surfactant product Alpha Olefin Sulfonate and Bio surfactants both at Ambernath & Valia.

The Company is one of the leading Indian Entity to be a part of Roundtable on Sustainable Palm Oil (RSPO) and Action of Sustainable Derivatives (ASD). ASD brings together major beauty, home and personal care and other oleochemical companies and is led by BSR & Transitions to enable sustainable production and sourcing of palm oil and palm kernel oil derivatives.

For both the units Valia and Ambernath, we have done third party verification audit of Energy, GHG emissions, water and waste.

We have signed for Science based target initiative (SBTi) and submitted our inventory, targets and road map for validation.

GIL Chemicals certified as a Great Place To Work organization and GIL was recognized as India's Top 50 Best Workplaces in Manufacturing 2023.

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

### **Research and Development (R&D)**

During the year under consideration, R&D has continued its progress & quest for innovations. Many new concept ingredients with applications in Home, Personal care, Oil & Gas industry, Metal Working Fluids were researched and introduced, thus securing newer avenues and customers for existing as well as new product ranges.

R&D continues its efforts in bringing the new technologies and has tied up with some CSIR institutes for technical collaborations, besides the exhaustive inhouse developments. Our emphasis on green and sustainable technologies and product was further strengthened by extensive research in Fermentation technology and Biocatalysis. The fermentation products for Home & Personal care, Agri and animal nutrition, and industrial uses are being extensively sampled. We are giving lot of emphasis on the Biocatalytic processes and trying to see if we could convert some of the existing chemical processes to biocatalysis route. This will be highly sustainable due to low process temperatures, better kinetics and lower impurities. May need optimization in standardizing and enzyme availability for all types could be challenge.

For our Sophorolipid, the Company is trying to develop many applications besides Home and personal care, like Agricultural, Animal nutrition and other industrial, which can help in increasing the volume sale of Sophorolipids.

### **Human Resource Development and Industrial Relations**

During the year under review, industrial relations at all plant locations remained harmonious. We continued to prioritize workers welfare by providing a supportive working environment through various means. Proactively, actions were taken to address various needs of workers through forums like Grievance Handling Mechanism. Long term settlement was signed off between Union and GIL across all our factories. On the Human Resource Development front, efforts made to engage employees and enable them to perform at their best. Employees were provided with innovative platforms to learn and grow, by leveraging both digital and classroom modes. At the same time health and wellbeing was given highest priority. Various sessions and webinars were conducted focusing on mental & physical health. There was special emphasis on strengthening our organizational culture through voice of employees & stakeholders. Leadership connect and communication throughout the year played a significant role in building a high performance culture. Further employees were duly recognized and appreciated in various forums for their contributions to the organization. Our work practices were also recognized by Great Place To Work and we were featured among the Top 50 Best Workplaces in Manufacturing. Thus all round efforts were made to drive employee motivation, experience and performance which in turn translated into excellent business results. The total number of persons GIL employed in your Company as on March 31, 2023 were 1,078.

### **Business Responsibility and Sustainability Report**

The Business Responsibility and Sustainability Report highlighting your Company's sustainability initiatives is appended as 'Annexure B'. This Report describes the initiatives taken by the Company from an environment, social and governance perspective.

## Employee Stock Grant Scheme 2011 (ESGS)

The details of the grants allotted under Godrej Industries Limited - Employee Stock Grant Scheme, 2011 (ESGS 2011), as also the disclosures in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2011, have been uploaded on the website of the Company at [www.godrejindustries.com](http://www.godrejindustries.com).

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the ESGS 2011. The Board of Directors confirm that the ESGS 2011 has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2011 and the resolution passed by the Members. The Board further confirms that there have been no changes in the ESGS 2011 Scheme during the Financial Year 2022-23. The Certificate, obtained from M/s. A.N. Ramani & Co, Practising Company Secretary in this regard, shall be kept open for inspection by the Members during the ensuing 35<sup>th</sup> (Thirty Fifth) Annual General Meeting.

## Fixed Deposits

The details of deposits covered under Chapter V of the Companies Act, 2013, i.e., deposits within the meaning of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year 2022-23 are as follows:

Sr. No.	Particulars	Details (₹ Crore)
(i)	Deposits accepted during the Year	Nil
(ii)	Deposits remained unpaid or unclaimed during the Year: Matured Deposits with the Company	0.03
(iii)	Whether there has been any default in repayment of deposits or payment of interest thereon during the Year and if so, number of such cases and total amount involved: a. At the beginning of the Year: b. Maximum during the Year: c. At the end of the Year:	Nil Nil Nil
(iv)	Details of deposits which are not in compliance with the requirements of Schedule V of the Companies Act	Nil

Your Company is currently not accepting public deposits and has not accepted any deposits from its Directors during the Financial Year 2022-23.

## Directors

### (a) Re-appointment of Chairman & Managing Director

During the year under review, Mr. Nadir Godrej (DIN: 00066195) was re-appointed as the “Managing Director” (designated as the ‘Chairman & Managing Director’) of the Company for a period of 3 (three) years starting from April 1, 2023 upto March 31, 2026.

### (b) Appointment / Re-appointment of Non-Executive Directors

Upon recommendation of the Nomination and Remuneration Committee and the Board of Directors at their Meetings held on May 21, 2021 and as per approval granted by the Shareholders of the Company dated June 29, 2022, Mr. Pirojsha Godrej (DIN: 00432983) was appointed as the “Director (Non-Executive)” of the Company with effect from April 1, 2022, liable to retire by rotation.

Further, the Nomination and Remuneration Committee and the Board of Directors of the Company at their Meetings held on May 19, 2023 have approved below:

1. Re-appointment of Mr. Mathew Eipe (DIN: 00027780) as the Independent Director (Non-Executive Director) of the Company for his second term starting from May 13, 2024 upto June 6, 2027.
2. Re-appointment of Dr. Ganapati Yadav (DIN: 02235661) as the Independent Director (Non-Executive Director) of the Company for his second term starting from May 13, 2024 upto September 13, 2027.

The above re-appointment of Independent Directors is subject to approval of the Shareholders of the Company.

**(c) Directors liable to retire by rotation**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Company's Articles of Association, Mr. Jamshyd Godrej (DIN: 00076250) Director of the Company is liable to retire by rotation at the ensuing 35<sup>th</sup> (Thirty Fifth) AGM, and being eligible, has offered himself for re-appointment.

**(d) Resolutions to be passed at the ensuing AGM**

Appropriate resolutions for re-appointment of Mr. Mathew Eipe (DIN: 00027780) and Dr. Ganapati Yadav (DIN: 02235661) as the Independent Directors of the Company and Mr. Jamshyd Godrej (DIN: 00076250), Director liable to retire by rotation are being moved at the ensuing 35<sup>th</sup> (Thirty Fifth) AGM, which the Board recommends for your approval.

**(e) Composition of Board of Directors**

As on the date of this Board's Report, i.e., as on May 19, 2023 your Company's Board of Directors comprises of the following Directors:

Name of the Director	Director Identification Number (DIN)	Category
Mr. Nadir Godrej	00066195	Chairman & Managing Director
Mr. Jamshyd Godrej	00076250	Non-Executive Non-Independent Director
Mr. Pirojsha Godrej	00432983	Non-Executive Non-Independent Director
Ms. Tanya Dubash	00026028	Executive Director & Chief Brand Officer
Mr. Nitin Nabar	06521655	Executive Director & President (Chemicals)
Mr. Mathew Eipe	00027780	Non-Executive Independent Director
Dr. Ganapati Yadav	02235661	Non-Executive Independent Director
Ms. Monaz Noble	03086192	Non-Executive Independent Director
Ms. Shweta Bhatia	03164394	Non-Executive Independent Director
Mr. Sandeep Murthy	00591165	Non-Executive Independent Director
Mr. Ajaykumar Vaghani	00186764	Non-Executive Independent Director

**(f) Declaration of Independence from Independent Directors**

Your Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of provisions of Section 134(3)(d) of the

Companies Act, 2013, the Board of Directors of your Company have taken note of these declarations of independence received from all the Independent Directors and have undertaken due assessment of the veracity of the same. The Board of Directors is of the opinion that the Independent Directors of your Company possess requisite qualifications, experience, expertise (including proficiency) and they hold the highest standards of integrity that enables them to discharge their duties as the Independent Directors of your Company. Further, in compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs.

#### **(g) Board Meetings**

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance in order to help them plan their schedule. However, in case of special and urgent business needs, approval is taken either by convening Meetings at a shorter notice with consent of the Directors or by passing resolutions through circulation.

4 (Four) Meetings of the Board of Directors were held during the Financial Year 2022-23 (i.e. on May 27, 2022, August 12, 2022, November 14, 2022 and February 13, 2023). The maximum gap between two Board Meetings did not exceed 120 (One Hundred and Twenty) days. The details of Board Meetings and the attendance record of the Directors are provided in the Report on Corporate Governance section of the Annual Report.

All the Board Meetings during the year were conducted through Video Conferencing.

#### **(h) Performance Evaluation of the Board of Directors, its individual members, and its Committees**

In terms with the Policy for Evaluation of the Performance of the Board of Directors of the Company, 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Corporate HR team of Godrej Industries Limited and Associate Companies (GILAC) worked directly with the Chairperson and the Nomination and 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. The survey comprised of below sections and compiled feedback and suggestions on:

- Board Processes (including Board composition, strategic orientation and team dynamics);
- Individual Committees;
- Individual Board Members;
- the Chairman and
- Declaration of independence from Independent Directors

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;
- Chairman's Feedback Report

Further, the performance evaluation criteria for Independent Directors included a check on their fulfilment of the independence criteria and their independence from the management.

The overall Board Feedback Report was facilitated by Mr. Nadir Godrej, Chairman with Independent Directors. Feedback from the Committees and Individual Board Members was shared separately with the Chairman and the Directors. Following the evaluation, a Feedback Reports were compiled.

#### (i) Nomination and Remuneration Policy

The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel, and other employees can be accessed on the Company's website at <http://www.godrejindustries.com/listing-compliance.aspx>. 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 Independent Directors receive commission in accordance with the provisions of the Companies Act, 2013.

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

##### **Board Appointment Policy - Godrej Industries Limited (the "Company")**

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

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

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

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

#### Talent Management and Succession Planning

Our Company has the talent management process in place with an objective of developing a robust talent pipeline for the organisation which includes the senior leadership team.

As part of our Talent Management Process called Total Talent Management, we identify critical positions and assess the succession coverage for them annually. During this process, we also review the supply of talent, identify high potential employees and plan talent actions to meet the organization's talent objectives. We continue to deploy leadership development initiatives to build succession for key roles.

## Total Rewards Philosophy

The policy of your Company on director's appointment and remuneration of the Directors, Key Managerial Personnel and other employees including criteria for determining qualifications, positive attributes, independence of a director, is stated below:

### TOTAL REWARDS PHILOSOPHY GODREJ INDUSTRIES LIMITED (the "Company")

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

#### Highlights

The rewards framework offers flexibility to customise different elements, on the basis of need. It is also integrated with our 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 three factors: position, performance and potential. As a broad principle, for our high performers and potential employees, we strive to deliver total compensation between 66<sup>th</sup> to 75<sup>th</sup> percentile of the market for senior leadership.

#### Total Compensation

The total compensation has three components:

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

#### Long Term Incentives (Employee Stock Grant Scheme)

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

## (j) Familiarisation Programmes

Familiarisation programme for the Independent Directors was conducted during the Financial Year 2022-23. Apart from this, business presentations were made by the Management to the Independent Directors. The details of familiarization programmes pursuant to Regulation 25(7) of the Listing Regulations is uploaded on the Company's website, viz. <http://www.godrejindustries.com/listing-compliance.aspx>.

## Key Managerial Personnel

There have been no changes in the Key Managerial Personnel of the Company during the Financial Year 2022-23.



## Details of Directors / Key Managerial Personnel who were appointed or have resigned during the Financial Year 2022-23

Name of the Director	Date of appointment / resignation / retirement
Mr. Nadir Godrej	Re-appointment as “Managing Director” (designated as ‘Chairman and Managing Director’) with effect from April 1, 2023 to March 31, 2026
Mr. Pirojsha Godrej	Appointed as “Director (Non-Executive)” with effect from April 1, 2022.

### Auditors and Auditors’ Report

#### Statutory Auditors

The tenure of M/s. BSR & Co. LLP as the Statutory Auditors of the Company had come to an end at the conclusion of the 34<sup>th</sup> (Thirty Fourth) Annual General Meeting (AGM) of the Shareholders of the Company held on August 12, 2022. The Audit Committee and the Board of Directors at their Meetings held on May 27, 2022 had approved and recommended appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No: 104607W/W100166) as the Statutory Auditors of the Company to hold office from the conclusion of the 34<sup>th</sup> (Thirty Fourth) AGM, till the conclusion of the 39<sup>th</sup> (Thirty Ninth), at a remuneration as may be decided by the Board of Directors. Their appointment was approved by the Shareholders of the Company at the last 34<sup>th</sup> (Thirty Fourth) AGM held on August 12, 2022.

The Statutory Auditor’s Report on the Financial Statements for the Financial Year ended on March 31, 2023 does not contain any qualification, reservation, adverse remark or disclaimer.

#### Cost Auditors

M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 000010) were appointed by the Board of Directors as the Cost Auditors of the Company for all the applicable products pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year 2022-23. They are required to submit the report within 180 (One Hundred and Eighty) days from the end of the accounting year.

Further, upon recommendation of the Audit Committee, the Board of Directors at their Meetings held on May 19, 2023 have approved re-appointment of M/s. R. Nanabhoy & Co., Cost Accountants, being eligible, as the Cost Auditors of the Company for the Financial Year 2023-24 at a remuneration of ₹4,03,000/- (Rupees Four Lakh Three Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses, subject to ratification of the said remuneration by the Members at the ensuing 35<sup>th</sup> (Thirty Fifth) Annual General Meeting pursuant to Section 148 of the Companies Act, 2013.

The Company has maintained the necessary accounts and records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 pertaining to Cost Audit.

#### Secretarial Auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company’s Board of Directors had appointed M/s. A. N. Ramani & Co., Practicing Company Secretaries (Firm Registration No. P2003MH000900), to conduct Secretarial Audit of the Company for the Financial Year 2022-23.

The Secretarial Audit Report issued by M/s. A. N. Ramani & Co., Secretarial Auditors for the Financial Year ended March 31, 2023 is annexed herewith marked as ‘Annexure C’ to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Secretarial Audit Report of Godrej Capital Limited, being material unlisted subsidiary of your Company is annexed herewith marked as ‘Annexure C1’ to this Report in compliance with provisions of

Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Vigil Mechanism / Whistle Blower Policy**

Your Company is focused to ensure that integrity and ethics continue to be the bedrock of its corporate operations. It is committed to conducting its business in accordance with the highest standards of professionalism and ethical behavior. Your Company has a vigil mechanism named "Whistle Blower Policy" to deal with instance of fraud and mismanagement, if any. This initiative was taken to encourage employees to report irregularities in operations, besides complying with the statutory requirements under Companies Act, 2013. All employees of the Company can avail this mechanism. If the whistle blower is not satisfied with the actions taken, necessary steps to escalate the same can be taken. Through the process, the mechanism considers and extends complete protection to the whistle blower and direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

### **Committees of Board of Directors**

#### **(a) Audit Committee**

Pursuant to the provisions of Section 177(8) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of the Listing Regulations, your Company has constituted an Audit Committee of the Board of Directors.

The composition of the Audit Committee during the Financial Year 2022-23 was as under:

<b>Name of the Member</b>	<b>Designation</b>
Mr. Mathew Eipe	Chairman (Independent Director)
Mr. Nitin Nabar	Member [Executive Director & President (Chemicals)]
Ms. Monaz Noble	Member (Independent Director)
Dr. Ganapati Yadav	Member (Independent Director)
Mr. Sandeep Murthy	Member (Independent Director)

The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the Audit Committee Meetings as invitees. The Company Secretary and Compliance Officer acts as Secretary to the Audit Committee. All observations and recommendations made by the Audit Committee to the Board of Directors, were duly noted and accepted by the Board.

4 (Four) Meetings of the Audit Committee were held during the Financial Year 2022-23 (i.e., May 27, 2022, August 12, 2022, November 14, 2022 and February 13, 2023).

#### **(b) Risk Management Committee**

Pursuant to the provisions of Regulation 21 of Listing Regulations, your Company has constituted a Risk Management Committee of the Board of Directors.

The composition of the Risk Management Committee during the Financial Year 2022-23 was as under:

<b>Name of the Member</b>	<b>Designation</b>
Mr. Nadir Godrej	Chairman (Chairman & Managing Director)
Mr. Nitin Nabar	Member [Executive Director & President (Chemicals)]
Mr. Mathew Eipe	Member (Independent Director)
Dr. Ganapati Yadav	Member (Independent Director)
Mr. Clement Pinto	Member (Chief Financial Officer)

3 (Three) Meetings of the Risk Management Committee were held during the Financial Year 2022-23 (i.e., May 26, 2022, November 14, 2022 and February 13, 2023).

The Risk Management Committee consists of the Managing Director, Whole Time Director, Independent Directors and Chief Financial Officer. The Committee identifies, evaluates business risks and opportunities. This Committee has formulated and implemented a policy on risk management to ensure that the Company's reporting system is reliable and that the Company complies with relevant laws and regulations. The Board of Directors of your Company are of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.

**(c) Corporate Social Responsibility Committee**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee of the Board of Directors.

The composition of the Corporate Social Responsibility Committee during the Financial Year 2022-23 was as under:

<b>Name of the Member</b>	<b>Designation</b>
Mr. Nadir Godrej	Chairman (Chairman & Managing Director)
Ms. Tanya Dubash	Member (Executive Director & Chief Brand Officer)
Mr. Nitin Nabar	Member [Executive Director & President (Chemicals)]
Mr. Mathew Eipe	Member (Independent Director)

1 (One) Meeting of the Corporate Social Responsibility Committee was held during the Financial Year 2022-23 (i.e. on February 13, 2023).

**Areas of CSR Expenditure:**

Your Company is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. Your Company's strategic Corporate Social Responsibility (CSR) Projects, undertaken as part of its overall sustainability framework, actively work towards the Godrej Group's Good & Green goals and have helped the Company carve out a reputation for being one of the most committed and responsible companies in the industry.

The CSR Policy of your Company is available on the website of the Company viz. [www.godrejindustries.com](http://www.godrejindustries.com).

**Amount of CSR Spending and Annual Report on CSR Activities:**

During the Financial Year 2022-23, your Company was not required to spend towards CSR activities in terms of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Annual Report on CSR Activities of your Company for the Financial Year 2022-23, is annexed herewith as "Annexure D".

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

We are committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. We have strengthened our existing Policy on Prevention of Sexual Harassment at the workplace. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by the law and the Group. To deepen their understanding on what constitutes workplace harassment, we have provided an online training module to all employees. We also conducted classroom sessions for all workers across our factories. Our training sessions apprise employees and workers about the legislative updates, details on Internal Complaints Committee and process to address grievances. The Company has formed two separate committees – one for the Head Office, factories in Maharashtra and branches in India and the other for the factory at Valia, Gujarat. Ms. Shefali Kohli is the Presiding Officer for both the Committees. While the Act is applicable only to women employees, our Company policy would be covering all employees and all premises of the Company in India. During the year, the Company

launched an online platform called as “Conduct” to assist employees to raise and track complaints easily. No complaints were received by the committee during the year under review. Since the number of complaints filed during the year was NIL, the Committee prepared a NIL complaints report. This is in compliance with Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **Directors’ Responsibility Statement**

The Board of Directors have laid down Internal Financial Controls within the meaning of the explanation to Section 134(5)(e) (“IFC”) of the Companies Act, 2013. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and will evolve over time as the business, technology and possibly even fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There might therefore be gaps in the IFC as Business evolves. Your Company has a process in place to continuously identify such gaps and implement newer and / or improved controls wherever the effect of such gaps might have a material effect on the Company’s operations.

Pursuant to the provisions contained in sub-sections (3)(c) and (5) of Section 134 of the Companies Act, 2013, the Directors of your Company, based on the representation received from the Operating Management and after due enquiry confirm the following:

- a) In the preparation of the annual accounts for the Financial Year 2022-23, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) The Directors have selected such accounting policies and applied 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 Financial Year (i.e. March 31, 2023) and of the profit and loss of the Company for that period (i.e. the Financial Year 2022-23);
- c) The Directors 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, for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts for the Financial Year ended March 31, 2023 on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- f) The Directors have devised proper systems to ensure compliance of all laws applicable to the Company and such systems are adequate and operating effectively.

### **Corporate Governance**

As required by the existing Regulation 34(3) read with Schedule V of the Listing Regulations, a detailed report on Corporate Governance is included in the Annual Report.

M/s. A. N. Ramani & Co., Practicing Company Secretaries have certified the Company’s compliance of the requirements of Corporate Governance in terms of Regulation 34(3) read with Schedule V of the Listing Regulation and their compliance certificate is annexed to the Report on Corporate Governance.

### **Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo**

The information in respect of matters pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended as ‘Annexure E’ to this Report.

## Annual Return

In compliance with provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return as per Section 92(3) of the Companies Act, 2013 has been hosted on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

## Managerial Remuneration and Remuneration Particulars of Employees

The remuneration paid to Directors and Key Managerial Personnel and the employees of the Company during the Financial Year 2022-23 was in accordance with the Nomination and Remuneration Policy of the Company.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as 'Annexure F' to this Report.

The information required pursuant to Section 197 of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company are available to Shareholders for inspection on request. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, on [investor@godrejinds.com](mailto:investor@godrejinds.com), whereupon a copy would be sent.

## Material changes and commitments since the Financial Year end

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the March 31, 2023 and the date of this Boards' Report (i.e. May 19, 2023).

## Fraud Reporting

There have been no instances of frauds reported by the Auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

## Policies of the Company

Listing Regulations have mandated the formulation of certain policies for all listed companies. As per provisions of Listing Regulations, certain Policies are hosted on the Company's website viz; [www.godrejindustries.com](http://www.godrejindustries.com).

The key policies that have been adopted by the Company pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, the Listing Regulations and other applicable laws are as follows:

Name of the Policy	Brief Particulars of the Policy
Risk Management Policy	The Company has in place, a Risk Management Policy which is framed by the Board of Directors of the Company. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, property, regulatory, reputational, cyber security and other risks and the Company has in place an adequate Risk Management infrastructure capable of addressing these risks.
Corporate Social Responsibility Policy	The Corporate Social Responsibility (CSR) Committee has formulated and recommended to the Board and the Board has approved a Corporate Social Responsibility Policy (CSR Policy), which outlines the Company's strategy to bring about a positive impact on society through various CSR activities and programmes.
Policy for determining Material Subsidiaries	This Policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company in order to comply with the requirements of Regulation 16(1) (c) and Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has the following Material Subsidiaries as on March 31, 2023: 1) Godrej Properties Limited (Listed Subsidiary) 2) Godrej Agrovet Limited (Listed Subsidiary) 3) Godrej Capital Limited (Unlisted Subsidiary)

Name of the Policy	Brief Particulars of the Policy
Nomination and Remuneration Policy	This Policy formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director (Executive / Non-Executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management Employees.
Whistle Blower Policy / Vigil Mechanism	Your Company has a Vigil Mechanism / Whistle Blower Policy which provides adequate safeguards against victimization of persons who use Whistle Blower mechanism and make provision for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.
Anti-Sexual Harassment Policy	Your Company has in place an Anti Sexual Harassment Policy, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.
Policy on Materiality of Related Party Transaction and dealing with Related Party Transaction	This Policy regulates all transactions between the Company and its Related Parties.
Code of Conduct for the Board of Directors and Senior Management Personnel	Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which your Company is strongly committed.
Code of Conduct for Insider Trading	This Policy sets up an appropriate mechanism to curb Insider Trading in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
Policy on Criteria for determining Materiality of Events	This Policy applies to disclosures of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of Regulation 30 of the Listing Regulations.
Policy for Maintenance and Preservation of Documents	The purpose of this Policy is to specify the type of documents and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Listing Regulations. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
Archival Policy	This Policy is framed pursuant to the provisions of the Listing Regulations. As per this Policy, your Company is required to disclose on its website, all such events or information which have been disclosed to the Stock Exchanges where the securities of the Company are listed. Further, such disclosures shall be hosted on the website of the Company for a minimum period of 5 (five) years and thereafter as per Archival Policy of the Company.
Dividend Distribution Policy	This Policy is framed by the Board of Directors in terms of the Listing Regulations. The focus of the Company is to have a Policy on distribution of dividend so that the investor may know as to when and how much dividend they may expect.

#### Disclosures as per the Companies (Accounts) Rules, 2014

Change in nature of business, if any	None
Names of Companies which have become or have ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the Financial Year 2022-23	None
Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals, impacting the going concern status and the Company's operations in future	During the Financial Year 2022-23, there were no significant and material orders passed by the regulators or Courts or Tribunals which could adversely impact the going concern status of the Company and its operations in future.

#### Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS- 1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

#### Transfer to Investor Education and Protection Fund

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, ₹8,21,819/- (Rupees Eight Lakh Twenty One Thousand Eight Hundred Nineteen Only) unpaid / unclaimed dividends and 16,040 (Sixteen Thousand Forty) Equity Shares were transferred during the Financial Year 2022-23 to the Investor Education and Protection Fund (IEPF).

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company. The same can be accessed on [www.godrejindustries.com](http://www.godrejindustries.com). The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 12, 2022 (date of last AGM) on the Company's website which can be accessed on [www.godrejindustries.com](http://www.godrejindustries.com) and of the Ministry of Corporate Affairs website at [www.iepf.gov.in](http://www.iepf.gov.in).

### **Depository System**

Your Company's Equity Shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2023, 99.91% of the Equity Shares of your Company were held in demat form.

You Company has issued Non-Convertible Debentures in demat mode only.

### **Listing**

The Equity Shares of your Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The applicable annual listing fees have been paid to the Stock Exchanges before the due dates. The Equity Shares of your Company were not suspended from trading on BSE and NSE at any point of time during the Financial Year 2022-23.

Your Company's Non-Convertible Debentures are listed on the National Stock Exchange of India Limited (NSE). The applicable annual listing fees have been paid to the Stock Exchange before the due date.

### **Additional Information**

The additional information required to be given under the Companies Act, 2013 and the Rules framed thereunder, has been laid out in the Notes attached to and forming part of the Accounts. The Notes to the Accounts referred to the Auditors' Report are self-explanatory and therefore do not call for any further explanation. The Consolidated Financial Statements of our Company form a part of the Annual Report. Accordingly, this Annual Report of your Company does not contain the Financial Statements of its Subsidiaries. The Audited Annual Accounts and related information of the Company's Subsidiaries will be made available upon request. These documents including the Subsidiary Companies' documents will be available for inspection on the Company's website, viz., [www.godrejindustries.com](http://www.godrejindustries.com).

### **Acknowledgement**

Your Directors thank the Union Government, the Governments of Maharashtra and Gujarat as also all the Government Agencies, Banks, Financial Institutions, Shareholders, Customers, Fixed Deposit Holders, Vendors and other Business Associates, who, through their continued support and co-operation, have helped as partners in your Company's progress. Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the growth of the Company.

**For and on behalf of the Board of Directors  
of Godrej Industries Limited**

**Nadir Godrej  
Chairman & Managing Director  
(DIN: 00066195)**

**Date: May 19, 2023  
Place: Mumbai**

# Annexure A

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The highlights of overall performance are as follows:

Particulars	₹ Crore	
	2022-23	2021-22
Sales	4,487.96	3,339.60
Total Income	4,556.96	3,414.21
Profit / (Loss) Before Taxation	232.57	(44.19)
Profit / (Loss) After Current Taxation	232.57	(44.19)
Profit / (Loss) After Current & Deferred Taxation	232.57	(44.19)
Earnings per Equity Share (₹) - Basic	6.91	(1.31)
Earnings per Equity Share (₹) - Diluted	6.91	(1.31)
<b>Profitability Ratios</b>		
PBDIT/Total Income	17%	12%
PBT/Total Income	5%	-1%
PAT/Total Income	5%	-1%
Return on Capital Employed	8%	4%
Return on Net Worth	15%	-3%
<b>Financial Risk Ratios</b>		
Debt / Equity	3.50	3.53
Debtors Turnover (Number of Days)	10.67	10.28
Inventory Turnover (Number of Days)	5.09	4.50
Current Ratio	0.40	0.53
Interest Coverage	1.69	1.09

#### Reasons for significant change in ratio:

**Interest Coverage Ratio:** Company has borrowed long term fund of ₹550 Crore during the year and ₹1,500 Crore in previous year. The fund is utilized for strategic investment in Subsidiary Companies. Interest expense has increased due to incremental borrowing. The return on investment will accrue in future years by way of Dividend Income and increase in value of Investment. The market value of quoted investment is ₹42,239 Crore as on March 31, 2023.

**Operating Margin:** Operating Margin of Chemicals Division of the Company has improved significantly due to value added products and favorable market conditions.

**Net Profit Margin:** Increased Operating Margin of Chemicals Division due to value added products and favourable market conditions has improved the profitability of the company. Moreover, in previous financial year, Net profit margin had been impacted due to write down on certain property, plant and equipments and higher finance costs due to incremental borrowings. The return on investment will accrue in future years by way of Dividend Income and increase in value of Investment. The market value of quoted investment is ₹42,239 Crore as on March 31, 2023.

**Return on Equity / Networth:** Increased Operating Margin of Chemicals Division due to value added products and favorable market conditions has improved the profitability of the Company.

**Return on capital employed:** Increased Operating Margin of Chemicals Division due to value added products and favorable market conditions has improved the profitability of the Company.



## OUR CHEMICALS HELP MAKE LIFE BEAUTIFUL

OLEOCHEMICALS  
SURFACTANTS  
OLEO DERIVATIVES  
SPECIALTY MOLECULES  
BIO-SURFACTANT

# GODREJ CHEMICALS



### CHEMICALS DIVISION

We are a leading manufacturer of Oleo-Chemicals, Surfactants and Derivatives of Oleo-Chemicals.

The Chemicals Business has state-of-the-art manufacturing facilities at Ambernath (near Mumbai, Maharashtra) and Valia (Near Ankelshwar, Gujarat). Our Ambernath Factory is a "*Responsible Care*" certified factory and our Valia Factory is a "*Greenco Platinum*" certified factory. Our Valia Factory has also been recognized by Union of Japanese Scientists & Engineers (JUSE) for 5S Workplace Management system.

The Chemicals Business, as part of the Godrej Group culture, believes in profitable and sustainable growth. Our Chemicals Business recorded a Total Income of ₹4,173 Crore, a growth of 36% over the previous year and an Operating Profit (PBIT) of ₹706 Crore, a growth of 207% over the previous year. This has been the highest ever operating profit for the business. The Chemicals Business has a good global presence and exports to over 70 countries. In Fiscal Year 2022-23, the Chemicals Business recorded an export sales of ₹1,383 Crore, a growth of 55% over the previous year. The business faced several challenges like Geo-political instability and Currency risk in certain countries. Despite these challenges, the Chemicals Business exports grew at a healthy rate. Exports now account for 33% of our overall sales.

Domestic sales too grew at a healthy rate of 29% over the previous year, recorded a revenue of ₹2,762 Crore. The Chemicals Business caters to several end-user industries including FMCG, Oil & Gas, Chemicals intermediates, Pharmaceuticals, Tyres etc. Our constant focus on Research & Development and developing specialty Chemicals and special applications for various industries has helped our business grow in a very profitable manner and at the same time broadening our Product offering.



FATTY ALCOHOLS  
FATTY ACIDS  
GLYCERINE  
ALPHA OLEFIN  
SULPHONATE (AOS)

SODIUM LAURYL  
SULPHATE (SLS)  
SODIUM LAURYL  
ETHER SULPHATE  
(SLES)

PERSONAL CARE  
& COSMETICS  
FABRIC CARE &  
INDUSTRIAL  
SURFACTANTS  
TEXTILE AXILIARIES

RUBBER & TYRES  
PLASTICS,  
COATINGS & INKS  
LUBRICANTS &  
GREASES

FACTORY:  
VALIA, GUJARAT  
AMBERNATH,  
MAHARASHTRA

The Chemicals Business is one of the largest consumers of domestically procured Rapeseed oil and imported Palm based fatty acids. The Business has a robust procurement and risk mitigation framework to protect itself against market volatility in terms of price and availability.

Let's review product category wise performance:

### Fatty Acids

Fatty Acid portfolio has Palm fatty acid based products and Rapeseed oil based products. Palm fatty acid based products are mainly used in Tyre industry and FMCG sector. Rapeseed oil based products are mainly used as ingredient for specialty chemicals and also in Oil and Gas Industry. The Fatty Acid portfolio accounts for 46% of turnover of the division. Division has improved its presence in Oil and Gas Sector. Operating Margin also improved due to higher sale of value added fatty acids in Domestic and Export market.

### Fatty Alcohol

Fatty Alcohol portfolio has mix of mid chain Alcohol and Long chain alcohol. Fatty alcohol contributes to 33% of the turnover of the division. Increase in Demand coupled with restricted supply from Domestic and international suppliers has helped division achieving higher sales with improved margin.

### Surfactants

Surfactant portfolio has product based on Lauryl Alcohol like Sodium Lauryl Ether Sulphate (SLES), Sodium Lauryl Sulphate (SLS) and Alpha Olefin Sulfonate (AOS). The products are mainly used in Detergents & Cleaners and Personal Care. Surfactants contributes to 15% of the turnover of the division. Demand from industry producing cleansing products continued to remain strong in current fiscal year also. The division enjoys product approval from several multinational companies which helps in participation in Global Sourcing Programme. The portfolio has maintained margin by effective sourcing of raw material.

### Glycerin

Glycerine is used in Pharmaceutical and Personal Care industry. Glycerine accounted for 5% of the turnover of this division. Demand for Glycerine in the country is higher than the domestic manufacturing capacity. The Gap is filled up by import of Refined Glycerine. Current fiscal year witnessed higher import of Refined Glycerine. Also price differential between Crude Glycerine and Refined Glycerine has reduced significantly. This has affected the selling price and margin in the portfolio.

## Derivatives

Division is manufacturing Oleo Chemicals based derivatives. Derivatives business accounted for 8% of the turnover of this division. Concentrated effort on Research and Development, division is introducing products with new applications which helps in increasing sales and margin. Division is also having emphasis on chemicals based on bio fermentation route. Focus on value added chemicals which have steady margins has helped division in de-risking the business.

## Other Initiatives

Your Company continues to focus on use of renewable energy. In FY 2022-23, more than 68% of the energy was consumed through renewable sources. We achieved this through use of biomass briquettes, Solar roof top, wind energy, and other initiatives. We have also installed cogeneration plant which runs on biomass briquette & contributes to further increase in our renewable energy as well as in GHG reduction.

We have committed to EP100 target in which we aim to reduce our specific energy consumption by 50% up to 2030 compared to baseline FY 12. Till FY 22, we have reduced the specific consumption by 17%. We are working relentlessly towards achieving the goal. This is achieved through various energy efficiency initiatives at our plant locations. Adoption of ISO 50001:2015 at Valia site also helped in it.

We also monitor our Greenhouse gas emissions. We have reduced our overall carbon footprint by 66% since 2011. This is achieved through various energy efficiency and renewable energy projects.

We have also been implementing various project for water savings and those projects helped us to reduce our overall specific water consumption by 46% from 2011.

We have been ranked in Top 50 list of Great Place To Work in Manufacturing.

We also received Business World HR Excellence Awards 2022 in category- "Excellence in Compensation & Benefits". We are winner of Bronze Medal in Category "Excellence in Health & Wellness Initiatives" in ECONOMIC TIMES HUMAN CAPITAL AWARDS 2022

We are glad to share that Godrej Industries limited has scored "B" rating in CDP's (Climate Disclosure Program) India's Climate Change 2022, Water Security Disclosure Index "B" and in Forests 2022- Palm Oil "B", which is higher than Asia regional average.

We are focused on building a diverse and inclusive work culture that values diversity of experience, knowledge and ideas, and fosters innovation and collaboration for organizational success. In 2023, we launched a focused program named Pahal-Today for Tomorrow to enhance women representation in our manufacturing roles. We partnered with a DEI consultant firm to assess the readiness of the Ambernath factory with respect to welcoming women on shopfloor roles via focused group discussions with senior leadership, people managers and women employees. A Plant audit was conducted to gauge legal compliance of plant in relation to Factories Act 1948 (and other local laws as applicable to the state of Maharashtra), in terms of women's employment.

Wadala Factory is using 91% renewable energy for steam generation by using vegetable soft pitch as boiler fuel. Factory has zero sewage water discharge by installation of sewage water treatment plant, using excess water for gardening. Factory is using battery operated pallet truck for material movement, stopped using diesel operated forklift for internal material movement and reduced diesel consumption. We are collecting post sale plastic waste packaging material by an NGO for reprocessing and recycling. We collect rain water during monsoon and using as boiler feed.

## Outlook

Geopolitical situation in Russia-Ukraine region, increase in Non-Tariff barriers in international trade will keep Fuel price at high level. To control inflation and depreciation of Rupee against US \$, Reserve Bank of India is likely to keep interest rates at high level. While this may adversely impact the sales performance and margin, we continue to closely monitor the situation and take appropriate action. The division has in-house expert for commodities and also has strong risk management policy which will protect the operating margin. The division will also closely monitor the logistics and supply chain situation and will ensure timely delivery of goods to the customer.

## Finance and Investments

During the year, your Company continued to earn return from its investments in the form of Dividend of ₹118 Crore (previous year ₹96 Crore). Your Company invested ₹19 Crore in Godrej Properties Limited and ₹232 Crore on Godrej Agrovet Limited by purchasing shares from the secondary market.

Your Company is looking at expanding and diversifying its business activities. It believes that there is a strong potential for housing finance and non-banking finance(NBFC) business in our country with a decent return on investments. Looking at the opportunity in the housing finance sector and NBFC business, to nurture the finance business under the umbrella of the your Company being the flagship company of the Group, your Company has further invested ₹685 Crore in Godrej Capital Limited (erstwhile Pyxis Holdings Limited). Godrej Capital Limited being the Holding Company of Godrej Housing Finance Limited & Godrej Finance Limited (erstwhile Ensemble Finance & Holdings Limited) has invested in its both the subsidiaries. Entering the financial services business has diversified the business of the Company and would lead to overall value creation for the stakeholders of the Company in the future.

## Veg Oils

The business clocked a Revenue of ₹155 Crore. Sales is focused in Mumbai, Maharashtra and Goa. Business faced challenges in terms of volatility in oil prices due to socio-economic factors. Our factory is Kosher, Halal and ISO 22000-2018 certified. Production capacity is 100 TPD continuous vegetable oil refinery and produces variety of edible oils, Vanaspati and pharmaceutical grade oils. We produce Vanaspati with Zero Trans Fat & beats FSSAI limit of 2% max. This meets with our commitment to manufacture & supply healthy products of best quality.

## Human Resource Development and Industrial Relations

During the year under review, industrial relations at all plant locations remained harmonious. We continued to prioritize workers welfare by providing a supportive working environment through various means. Proactively, actions were taken to address various needs of workers through forums like Grievance Handling Mechanism. Long term settlement was signed off between Union and GIL Industries across all our factories. On the Human Resource Development front, efforts made to engage employees and enable them to perform at their best. Employees were provided with innovative platforms to learn and grow, by leveraging both digital and classroom modes. At the same time health and wellbeing was given highest priority. Various sessions and webinars conducted focusing on mental & physical health. There was special emphasis on strengthening our organizational culture through voice of employees & stakeholders. Leadership connect and communication throughout the year played a significant role in building a high performance culture. Further employees were duly recognized and appreciated in various forums for their contributions to the organization. Our work practices were also recognized by Great Place To Work and we were featured among the Top 50



**REFINED SUNFLOWER OIL • REFINED GROUNDNUT OIL • FILTERED GROUDNUT OIL • REFINED RICE BRAN OIL  
REFINED PALMOLEIN OIL • REFINED SOYABEAN OIL • KACHI GHANI MUSTARD OIL • VANASPATI • SESAME OIL**

best workplaces in Manufacturing. Thus all round efforts were made to drive employee motivation, experience and performance which in turn translated into excellent business results. The total number of persons employed in your Company as on March 31, 2023 were 1,078.

### Policy to Prevent Sexual Harassment at the Work Place

We are committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. We have strengthened our existing Policy on Prevention of Sexual Harassment at the workplace. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by the law and the Group. To deepen their understanding on what constitutes workplace harassment, we have provided an online training module to all employees. We also conducted classroom sessions for all workers across our factories. Our training sessions apprise employees and workers about the legislative updates, details on Internal Complaints Committee and process to address grievances. The Company has formed two separate committees – one for the Head Office, factories in Maharashtra and branches in India and the other for the factory at Valia, Gujarat. Ms. Shefali Kohli is the Presiding Officer for both the Committees. While the Act is applicable only to women employees, our Company policy would be covering all employees and all premises of the Company in India. During the year, the Company launched an online platform called as “Conduct” to assist employees to raise and track complaints easily. No complaints were received by the committee during the year under review. Since the number of complaints filed during the year was NIL, the Committee prepared a NIL complaints report. This is in compliance with Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **Internal Control Systems and their Adequacy**

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transactions are authorized, recorded and reported correctly. Your Company's Corporate Audit and Assurance Department, issues well documented operating procedures and authorities with adequate built-in controls at the beginning of any activity and revised procedures if there is any major change. The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. Corporate Audit & Assurance Department during the year, facilitated a review of your Company's risk management programme. The risks and mitigation measures were reviewed by your Company's Risk Committee and corrective measures initiated. During the year the Corporate Audit & Assurance Department carried out various reviews and provided assurance on compliances to lay down policies, processes and internal controls.

## **Information Security**

GIL is constantly evolving its Information Security policies and processes to comply with Indian regulations and follow global best practices and standards. GIL has made significant strides in Information Security over the past year. GIL recognizes the importance of Information Security and has undertaken various initiatives to enhance its people processes and technology capabilities. GIL focuses on continuous cybersecurity awareness program for employees and measures overall security behaviour throughout the year. Our Security Incident Response process is improved by integrating all events and incident sources and automating responses. Our multi layered defence in depth security architecture is further strengthened by implementing various technological solutions in the areas of Zero Trust and Cloud Security. As a result, GIL has experienced zero security breaches in the past year and overall process maturity has improved, as per the NIST framework. GIL has also completed stage 1 Audit for ISO 27001 and is in the process of acquiring the certificate by end May 2023.

## **Opportunities and Threats**

Continuation of Russia Ukraine war, high fuel prices, high inflation amongst developed economies which led to high interest rates could impact the global demand, economic environment/economic policies. At the same time, government thrust on make in India, exports and establishing mechanism for Trade in Rupee will give good opportunity for growth.

## **Risks and Concerns**

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

The Commodity based businesses are likely to be affected by vagaries of the weather, demand for edible oil, oilseed production, etc. The business is exposed to commodity price risks relating to raw materials which account for the largest portion of the costs of both the Chemicals and Vegoils businesses.

The Chemicals business growth will also depend on the growth of end user industries like polymer, detergent, cosmetic and personal care. As a significant employer and chemicals producer, to ensure occupational safety, employment standards, production safety, and environmental protection, your Company maintains strict safety, health, environmental protection and quality control programs to monitor and control these operational risks.

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

### **Cautionary Statement**

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



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

*Godrej* Good & Green

  
Ensuring  
Employability

  
Creating a  
Greener India

  
Innovating for  
Good & Green Products



## **BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING**

### **SECTION A: GENERAL DISCLOSURES**

#### **I. Details of the listed entity**

1	Corporate Identity Number (CIN)	L24241MH1988PLC097781
2	Name of the Listed Entity	Godrej Industries Limited
3	Year of incorporation	1988
4	Registered office address	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079.
5	Corporate address	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079.
6	E-mail	<a href="mailto:investor@godrejinds.com">investor@godrejinds.com</a>
7	Telephone	+91 (022)-25188010/20/30
8	Website	<a href="http://www.godrejindustries.com">www.godrejindustries.com</a>
9	Financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	BSE India (formerly Bombay Stock Exchange) National Stock Exchange of India Limited(NSE)
11	Paid-up Capital	₹ 33,66,38,257/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Gayatri Divecha, Head - Good & Green Email: <a href="mailto:gayatri.divecha@godrejinds.com">gayatri.divecha@godrejinds.com</a>
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone basis

#### **II. Products / Services**

##### **14. Details of business activities (accounting for 90% of the turnover):**

Description of Main Activity	Description	% of Turnover of the entity
Fatty Acid	Fractionated fatty acid and stearic acid	46%
Fatty Alcohol	Mid-cut fatty alcohol	26%
Surfactant	AOS, SLS, SLES	15%
Glycerine	Refined Glycerine	5%

##### **15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

Description of Main Activity	NIC Code	% of Turnover of the entity
Fatty Acid	24118	46%
Fatty Alcohol	24118	26%
Surfactant	24243	15%
Glycerine	24118	5%

### III. Operations

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices*	Total
National	4	4	8
International	0	1	1

\*includes Branches

#### 17. Markets served by the Company:

##### a. Number of locations

Location	Number
National (No. of States)	Pan-India
International (No. of countries)	65+

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

About 33% of the turnover is from exports

##### c. A brief on types of customers

Our customers are key stakeholders in our operations. We are in B2B business and our products cater the requirement of home care and personal care, rubber and polymer, pharma and food, oil and gas and other industrial applications. The Company serves its customers both directly as well as through distributors.

### IV. Employees

#### 18. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>					
Permanent (D)	742	611	82%	131	18%
Other than Permanent (E)	144	111	77%	33	23%
<b>Total employees (D + E)</b>	<b>886</b>	<b>722</b>	<b>81%</b>	<b>164</b>	<b>19%</b>
<b>Workers</b>					
Permanent (F)	336	336	100%	0	0%
Other than Permanent (G)	895	892	100%	3	0.34%
<b>Total employees (F + G)</b>	<b>1,231</b>	<b>1,228</b>	<b>100%</b>	<b>3</b>	<b>0.24%</b>

b. Differently abled Employees and workers:

Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>					
Permanent (D)	2	1	50%	1	50%
Other than Permanent (E)	0	0	0%	0	0%
Total differently abled employees (D + E)	2	1	50%	1	50%
<b>DIFFERENTLY ABLED WORKERS</b>					
Permanent (F)	3	3	100%	0	0%
Other than Permanent (G)	0	0	0%	0	0%
Total differently abled workers (F + G)	3	3	100%	0	0%

19. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	3	27.27%
Key Management Personnel	2	1	50%

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

Particulars	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18%	13%	17%	18%	11%	17%	10%	5%	11%
Permanent Workers	14%	0%	10%	17%	0%	17%	24%	0%	23%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures as on March 31, 2023:

Name of the holding/ Subsidiary/associate companies/joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Godrej Consumer Products Limited	Associate	23.74%	No
Godrej Properties Limited	Subsidiary	47.34%	No
Godrej Agrovet Limited	Subsidiary	64.90%	No
Godrej Capital Limited	Subsidiary	87.22%	No

Godrej One Premises Management Private Limited	Subsidiary	14.00%	No
Godrej International Limited	Foreign Subsidiary	100%	No
Godrej International Trading & Investment PTE. LTD	Foreign Subsidiary	100%	No

## VI. CSR Details

### 22. (a) Whether CSR is applicable as per section 135 of Companies Act, 2013

During the Financial Year 2022-23, your Company was not required to spend towards CSR activities in terms of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

(b) Turnover as on March 31, 2023 (in ₹): 4,556.96 Crore (Total Income)

(c) Net worth as on March 31, 2023 (in ₹): 1,638.68 Crore

## VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No), (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	NA	NA	NA	The Company does not have investors other than its shareholders and debenture holders	NA	NA	The Company does not have investors other than its shareholders and debenture holders
Shareholders	Yes, the Company has an email id for reporting any grievance and complaints of investors on <a href="mailto:investor@godrejind.com">investor@godrejind.com</a> , alternatively shareholders can lodge complaints on <a href="https://scores.gov.in/scores/Welcome.html">https://scores.gov.in/scores/Welcome.html</a>	51	51	-	29	29	-
Employees and workers	Yes, <a href="https://godrejindustries.com/public/uploads/policies_and_codes/WhistleBlower-Policy_V5_02042021.pdf">https://godrejindustries.com/public/uploads/policies_and_codes/WhistleBlower-Policy_V5_02042021.pdf</a>	Nil	Nil	-	Nil	Nil	-
Customers		Nil	Nil	-	Nil	Nil	-
Value Chain Partners		Nil	Nil	-	Nil	Nil	-

Other (violation of code of business conduct and ethics)	NA	NA	NA	NA	NA	NA	NA
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#### 24. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Emission	Risk	Rising power demand has resulted in higher dependence on costlier coal imports as supplies from domestic sources are still insufficient to meet increased energy demand.	We are already transitioning to lower emissions technology by reducing our specific energy consumption and increasing our renewable energy sources. Close to 69 % of the energy we use is from renewable sources such as wind, solar and biomass.	Negative
Water & effluents	Risk	We are dependent on surface water for production which is dependent on rain. If we receive less rain in a year, it will impact our production and we have to buy water from other sources.	We are working to reduce our water consumption in the processes and installed water efficient equipment. Both our manufacturing plants are Zero Liquid Discharge compliant. Our strategy is to treat used industrial water on site and reuse it water for process/ utilities.	Negative
Health & safety	Risk and Opportunity	We Aim to achieve and sustain an incident-free organization	We have health and safety policy across GIL and at individual plant level and all the manufacturing sites are ISO 45001:2018 compliant. We have implemented various initiatives to ensure health and safety of employees across our locations both at operational level and managing natural hazards. At plants, we ensured this by creating task forces to monitor and implement health & safety measures going beyond compliance and adopting industry best practices	Positive
Human rights	Opportunity	Our strategic people management framework is designed to create value & execute the business strategy. Built on three pillars of talent, organization & culture, we strive towards creating agile & inclusive workplace by defining & developing new capabilities and accelerating total engagement to build a high performance team	We focus our efforts towards nurturing & sustaining the thriving culture that exists at GIL Chemicals which has helped deliver strong business Performance.  All the policies pertaining to well being of people has been taken care	Positive
Employee well Being & worker Management	Opportunity	We ensure goal setting, performance reviews and reward and recognitions are done in a very structured way to keep our employees engaged	We are regularly reviewing and auditing our people processes and interventions for their efficiency and effectiveness in alignment with the larger objective of business performance.	Positive

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Climate change and Sustainability	Risk	While we have made considerable improvement to our specific energy levels and reduced our emissions, the expectations of upcoming regulations is unknown and if the guidelines require us to have even lower specific energy and emissions contributions, additional investments will be required to comply with the standards.	As part of our 2025 sustainability strategy, we are looking for breakthrough technology invention to help in energy efficiency and carbon capture and we would like to move to lower emissions technology	Negative
Material Sourcing, Procurement Practices and Supply Chain Sustainability	Risk	We have made our sustainable palm oil policy and have taken goal of achieving 100% transparency upto mills and refineries in our palm supply chain. To achieve that we collaborate with our suppliers and have also became a part of Action of sustainable derivative (ASD) ASD is a collaborative initiative which brings together companies in the cosmetics, home and personal care, and oleo chemicals industries to collectively tackle supply chain issues around palm oil and palm kernel oil derivatives. We are also one of the leading Indian Entity who is a part of RSPO.	Better Collaboration with our business partners with the help of sales and marketing and procurement team. Better Collaboration with our business partners with the help of sales and marketing and procurement team.	Positive
Ethics Governance and Accountability	Opportunity	<ul style="list-style-type: none"> <li>- Committed to developing an excellent working culture</li> <li>- Good governance help to attract and retain talent</li> <li>- Improve brand value among stakeholders</li> <li>- Smooth business operations</li> </ul>	<ul style="list-style-type: none"> <li>- Company considers compliance as one of the Key Results Areas and continuous stress is put on monitoring, reporting and corrective / preventive actions</li> <li>- Continuous awareness programs for employees are conducted to sensitize employees</li> <li>- Zero tolerance for statutory non-compliance and ethical standards are demonstrated without any delay to ensure rigor and communication</li> <li>- workshops are organized for employees to ensure linkages to ensure that the values and behaviours are well understood</li> </ul>	<ul style="list-style-type: none"> <li>- these mitigation practices help us with derisking facilities, healthy work environment which brings better productivity</li> <li>- Adherence to regulatory compliance, attract customers and grow business</li> </ul>
Customer Health and safety	Opportunity	GIL's philosophy is Life Essential Crafted with Care. Company is committed to deliver consistently high quality and high performing products and services to its customers. Our products are widely used in personal and home care industry globally, customer health and safety and product quality is paramount to us.	More Greener Product Portfolio in market: We have introduced and commercialized with Bio God	Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs has updated and adopted nine areas of Business Responsibility. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	<a href="https://www.godrejchemicals.com/sustainability/codes-and-policies">https://www.godrejchemicals.com/sustainability/codes-and-policies</a> and <a href="https://godrejindustries.com/investors/listing-compliance">https://godrejindustries.com/investors/listing-compliance</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The policies are based on prescribed principles, conformance to the spirit of international standards like ISO 9000, ISO 14000, ISO 45001, UNGC guidelines and ILO guidance.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Score Zero (No Fatality, Zero Major process safety incident & Dangerous occurrences)								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance of each of the principles is reviewed periodically by various Committees led by the Management and Board of Directors								

## Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

*The Company is committed to integrating environmental, social and governance (ESG) principles into its businesses which is central to improving the quality of life of the communities it serves. It adheres to the principles of product stewardship by enhancing health, safety and environmental impacts of products and services across their lifecycles.*

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Mr. Nadir Godrej, Chairman & Managing Director (DIN:00066195) under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility Policies.

9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, the Chairman and Managing Director and Senior Leadership Team review the Business Responsibility Performance periodically as part of the overall Management Review process.

### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a practice, Business Responsibility policies of the Company are reviewed periodically or on a need to basis by Senior Leadership Team including Managing Director and Executive Directors. During their assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the statutory requirements as applicable.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
The Company conducts periodic review of charters, policies internally by the Senior Management and Board Committees which then drives the policies, projects and performance of the aspects of business responsibility and sustainability.								



12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

All principles are covered by Policies.

- At Godrej Industries Limited, we are building Sustainability in our operations and our product portfolio.
- With the first decade behind us, we are now looking at crafting bigger and bolder sustainability goals that align with our businesses.
- We are continuing on our journey to build a more equitable and greener world.
- Ten years down this road, we’ve come a long way in our sustainability journey in the promise we’ve made.



**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	During the year, the Board of Directors and Key Managerial Personnel of the Company (including its Committees) had invested time on various updates comprising matters relating to an array of issues pertaining to the business, regulations, economy and environmental, social and governance parameters.	100%
Key Managerial Personnel	1		100%
Employees other than BoD and KMPs	120	At GIL, we strongly emphasize on workplace safety. To imbibe safety behaviours in our employees including workers, various safety trainings are conducted throughout the year which includes behavioural based safety trainings, emergency preparedness, fire safety etc. We continue building awareness in our factories through safety drives. Various functional/technical trainings are conducted for factory employees and workers to build their technical competence such as SAP,IMS, QMS, RSPO, IATF, ISO, GMP, Responsible Care, 5S, Plant Operations, HIRA, Environment Management System. We also provide other functional & behavioural trainings based on our Godrej Capability Framework through classroom/virtual trainings and elearning programs. We conduct "Health & Wellness" sessions that include expert talks, counselling, and interactive sessions to educate employees on how to build their physical and mental wellbeing. POSH, Human Rights, Grievance Handling, Cybersecurity Awareness training, Insider Trading/Code of Conduct are such compliance related programs that have been conducted to make our workplace more inclusive. We provide inclusive growth & equitable development of employees through career conversations, 360 developmental feedback, transition diagnostic through MDC (Management Development Center) and LDC processes (Leadership Development Center).	100%
Workers	100	<ul style="list-style-type: none"> <li>• Workplace Safety related trainings conducted for all workers including contractual workforce</li> <li>• Compliance programs include POSH awareness, Grievance Handling etc.</li> <li>• Various functional/technical trainings conducted for factory workers such as IMS, IATF, ISO, GMP, RSPO, 5S, Plant Operations, Environment Management System etc.</li> </ul>	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary and Non-Monetary			
Particulars	Penalty/Fine	Settlement	Compounding Fee
NGRBC principle	Nil	Nil	Nil
Name of regulatory/enforcement agencies/judicial institutions	Nil	Nil	Nil
Amount (INR)	Nil	Nil	Nil
Brief of case	Nil	Nil	Nil
Has an appeal been preferred (Yes/ No)	Nil	Nil	Nil
Imprisonment	Nil	Nil	Nil
Punishment	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has code of conduct which is applicable to all individuals working in the Company. The Company encourages its Business Partners also to follow the code. A Whistleblower policy has also been put in place. The purpose of the Whistleblower Policy is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their supervisors. A Whistleblowing Officer has been designated for the purpose of receiving and recording any complaints under this policy. The Policy can be accessed on <https://www.godrejindustries.com/chemicals/policies-compliance.aspx>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2021-22	FY 2022-23
Board of Directors	Nil	Nil
Key Managerial Personnel	Nil	Nil
Employees other than BoD and KMPs	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2021-22	FY 2022-23	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	No complaints have been received in relation to issues of conflict of interest of the Directors and in relation to issues of conflict of interest of the KMPs both for FY 2021-22 and 2022-23.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	

7. Details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were no complaints / cases of corruption and conflicts of interest registered during the year. In the case of a Director, every Director discloses his/her interest at the beginning of the year. In case there is any change in directorship, the same is informed to the Board. The Board of Directors and senior management are subject to the provisions of the Code of Conduct.

**Leadership Indicators**

1. Awareness programmes conducted for value chain partners on any of the Principles during the Financial Year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Godrej code of Conduct, Sustainable Procurement Policy, ESG Awareness	100 % critical Suppliers

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. The Senior Management also affirms annually that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large. In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested. For identifying and tracking conflict of interests involving the Directors / KMPs of the Company, the Corporate Secretarial team maintains a database of the Directors and the entities in which they are interested. This list is shared with the Finance department which flags off the parties in their system for monitoring and tracking transaction(s) entered by the Company with such parties.

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	5%	18%	Towards Biolab
Capex	10%	27%	Towards Cogeneration Plant and Bio-Fermentor Plant

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

b. If yes, what percentage of inputs were sourced sustainably?

Yes, Supply chain sustainability is a crucial aspect to our business at GIL Chemicals. While we develop responsible and conscious business practises, we encourage our suppliers to conduct their business in a sustainable and ethical manner too. Our supply chain framework helps us extend the outreach of our sustainability agenda, thus maximising impact. We hold our suppliers accountable for maintaining maximum upstream sustainability standards. To ensure collective and holistic sustainable growth across the value chain, we have developed strong relationships with our suppliers to collectively reach our sustainable supply chain goals. 21% of inputs were sourced sustainably during calendar year (i.e. January 2022 till December 2022).

We have developed two important policies to vouch for sustainable procurement - Sustainable Procurement Policy and Sustainable Palm Oil Policy and its Sustainable Palm Oil Action Plan. These policies highlight our expectations on critical sustainability performance parameters such as health and safety, human rights, integrity, and environmental sustainability to name a few. The policies have been created in accordance with international benchmarks and best practices.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

At GIL Chemicals, we have developed a robust waste management framework to meet with the sustainability challenges of the chemical industry. All materials and manufacturing processes are conducted in a conscious manner to yield minimal waste. We follow five R's of waste management - reduce, reuse, recycle, recover and residual management. We go beyond compliance to ensure effective waste management. Our waste management strategy includes collection, segregation, recycling and disposal in a scientific manner. We have an in-house effluent treatment plant (ETP) to treat wastewater generated at our facilities.

We do have the procedures to reclaim the products but we haven't recalled any product at the end of life.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

In the reporting year, we processed 100% of the plastic waste and we put out as per EPR (Extended producer responsibility) compliance.

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC code	24243
Name of the product	Bio Surfactant
Boundary for which the Life Cycle Perspective / Assessment was conducted	Cradle to gate
Whether conducted by independent external agency (Yes/No)	Yes
Results communicated in public domain (Yes/No) If yes, provide the web-link.	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of product	Description of the risk / concern	Action taken
Bio Surfactant	No	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
-	Nil	Nil

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format for current FY and previous FY

FY 2021-22			
Particulars	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Nil	Nil	Nil
E-waste	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil
Other waste	-	-	-
FY 2022-23			
Particulars	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Nil	Nil	Nil
E-waste	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil
Other waste	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	-

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

1. a. Details of measures for the well-being of employees:
- b. Details of measures for the well-being of workers:

% of Employees & Workers (Permanent and Other employees) covered			
	Male	Female	Total
Total (A)	1981	150	2131
Health insurance nos (B)	1145	145	1290
Health insurance % (B/A)	58%	97%	61%
Accident insurance nos (C)	1597	136	1733
Accident insurance % (C/A)	81%	91%	81%
Maternity benefits nos (D)	0	150	150
Maternity benefits % (D/A)	0	100%	7%
Paternity benefits nos (E)	611	0	611
Paternity benefits % (E/A)	31%	0%	29%
Day care facilities nos (F)	0	114	114
Day care facilities % (F/A)	0	76%	5%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

FY 2021-22			
Benefits	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes
Gratuity	100%	100%	Yes
ESI	NA	NA	NA
Others – please specify	-	-	-
FY 2022-23			
Benefits	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes
Gratuity	100%	100%	Yes
ESI	NA	NA	NA
Others – please specify	-	-	-

3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Being a diverse friendly organization, we ensure to make workplace inclusive for all employees. In terms of accessibility, we have ramps, rails, wheel chairs, accessible toilets for differently abled employees. At factories, we intend to evaluate the infrastructure to make them more accessible for differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

GIL is an equal opportunity employer. We provide equal opportunities to all employees and to all eligible applicants for employment in the organization. We respect every individual's human rights and do not discriminate on the basis of race, colour, caste, class, gender, sexual orientation, gender identity, religion, political opinion, nationality, social origin and status, indigenous status, disability, age or any other personal characteristic or status. This is clearly stated in our Human Rights policy - [https://www.godrejite.com/Godrejite/PolicyDocuments/Policies/GILAC%20Code%20of%20Conduct\\_V2.0.pdf](https://www.godrejite.com/Godrejite/PolicyDocuments/Policies/GILAC%20Code%20of%20Conduct_V2.0.pdf)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Particulars	Male	Female	Total
Permanent employees - Return to work rate	100%	100%	100%
Permanent employees - Retention rate	100%	100%	100%
Permanent workers - Return to work rate	NA	NA	NA
Permanent workers - Retention rate	NA	NA	NA



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	Mechanism
Permanent Workers	Yes	<p>a. At factories, we have a grievance redressal system which encourages workers to freely share any concerns they may have in regards to work or workplace and raise any issues/complaints to committee. The issues/concerns are resolved speedily and in a fair manner by the committee.</p> <p>b. We also have different forums like Townhalls, Senior Leadership Connects, CEO Connect, Open House, Employee Suggestion Boxes etc. through which employees may share ideas, suggestions, improvements or concerns with senior management.</p> <p>c. Additionally, we have a dedicated POSH complaint mechanism and whistle blower policy to report issues related to harassment or violation of ethical conduct. We have also brought in online system called 'Conduct' to raise and track status against complaints for employees.</p> <p>d. Besides these, all employees and workers including contractual workforce can freely reach out to Human Resource representative e.g. HR Business Partners, HR Head or even Factory HRs at their respective factories for any concerns they may have in regards to the work, resource/equipment/ infrastructure support etc.</p>
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity, for Permanent Employees & Permanent Workers, for Current FY and Previous FY:

Permanent Employees	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)
FY2021-22			
Male	545	0	0%
Female	112	0	0%
FY2022-23			
Male	611	0	0%
Female	131	0	0%

Permanent Workers	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)
<b>FY2021-22</b>			
Male	370	370	100%
Female	0	0	0%
<b>FY2022-23</b>			
Male	336	336	100%
Female	0	0	0%

**8. Details of training given to employees and workers for Current FY and Previous FY:**

FY 2021-22	Male Employees	Female Employees	Total
Total (A)	673	128	801
Health and safety measures nos (B)	673	128	801
On Health and safety measures % (B/A)	100%	100%	100%
Skill upgradation nos (C)	673	128	801
Skill upgradation % (C/A)	100%	100%	100%
	Male Workers	Female Workers	Total
Total (A)	1162	1	1163
Health and safety measures nos (B)	1162	1	1163
On Health and safety measures % (B/A)	100%	100%	100%
Skill upgradation nos (C)	1162	1	1163
Skill upgradation % (C/A)	100%	100%	100%

FY 2022-23	Male Employees	Female Employees	Total
Total (A)	722	164	886
Health and safety measures nos (B)	722	164	886
On Health and safety measures % (B/A)	100%	100%	100%
Skill upgradation nos (C)	722	164	886
Skill upgradation % (C/A)	100%	100%	100%
	Male Workers	Female Workers	Total
Total (A)	1228	3	1231
Health and safety measures nos (B)	1228	3	1231
On Health and safety measures % (B/A)	100%	100%	100%
Skill upgradation nos (C)	1228	3	1231
Skill upgradation % (C/A)	100%	100%	100%

9. Details of performance and career development reviews of employees and worker for Current FY and Previous FY:

FY 2021-22	Male Employees	Female Employees	Total
Total (A)	545	112	657
Nos (B)	480	65	545
% (B/A)	88%	58%	83%
	Male Workers	Female Workers	Total
Total (A)	370	0	370
Nos (B)	370	0	370
% (B/A)	100.00%	0.00%	100%

FY 2022-23	Male Employees	Female Employees	Total
Total (A)	611	131	742
Nos (B)	611	131	742
% (B/A)	100%	100%	100%
	Male Workers	Female Workers	Total
Total (A)	336	0	336
Nos (B)	336	0	336
% (B/A)	100.00%	0.00%	100%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Being in the Chemicals sector, occupational health and safety is one of the cornerstones to our business philosophy. Our both Valia & Ambernath sites are certified with ISO 45001 (Occupational Health & Safety Management System). All employees of these locations who have access to our operating sites, are also covered under these OHS management systems which is audited periodically.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Our central safety committee and plant level safety committees are responsible for monitoring and managing safety aspects. Safety statistics are recorded and reported on our e-platform. We conduct root cause assessments in case of safety related events to understand the reason behind incidents to eliminate their reoccurrence. For all plant related activities, we have developed a HIRA register to track expected hazards and analysis risks. As per the identified risks, control measures are put in place. We have conducted a detailed safety assessment that showcases that none of our workers have a high incidence of occupational risk or disease. Also, We have conducted HIRA, JSA, Hazop, Work permit systems and QRA.

- c. Whether the entity has processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/No)

Yes Our central safety committee and plant level safety committees are responsible for monitoring and managing safety aspects. Safety statistics are recorded and reported on our e-platform. We conduct root cause assessments in case of safety related events to understand the reason behind incidents to eliminate their reoccurrence. For all plant related activities, we have developed a HIRA register to track expected hazards and analysis risks. As per the identified risks, control measures are put in place. We have conducted a detailed safety assessment that showcases that none of our workers have a high incidence of occupational risk or disease.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format for Current FY and Previous FY:

Safety Incident/Number	Category	Current FY 2022-23	Previous FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	0.65	Nil
Total recordable work-related injuries	Employees	0	Nil
	Workers	1	Nil
No. of fatalities	Employees	0	Nil
	Workers	0	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	Nil
	Workers	1	Nil



12. Describe the measures taken by the entity to ensure a safe and healthy work place.

At manufacturing sites monthly safety performance is reviewed by the top management in the monthly Safety and Conversion meet. External/ Internal Board also reviews the safety performance quarterly and provides their inputs for improvement. The monthly meeting of the Joint safety committee is chaired by Site Head and Safety in-charge. Members are from staff, operator and contractor categories. We regularly provide training to company and contractor employees on topics like behavioural safety, Fire Safety, SCBA, MSDS, EMS-OHandS standards, Responsible Care, etc. To enhance safety awareness among employees and contractors, various emergency drills and training have also been conducted.

Periodic Risk Assessment studies like HAZOP, HAC (Hazard Area Classification), JSA, PSSR, weekly / monthly inspections, AI and HIRA, cross functional safety audit, external safety audit, workplace monitoring study etc.

We have well equipped OHC (Occupational Health Centre) which operates round the clock. All the employees including contract employees undergo periodic medical check-up and health records are maintained well.

13. Number of complaints on the following made by employees and workers for Current FY and Previous FY:

FY 2021-22	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-
Health & Safety	Nil	Nil	-

FY 2022-23	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-
Health & Safety	Nil	Nil	-

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Working Conditions	100 % of employees working at our facility were assessed by different 3rd party audit ISO 45001, Responsible care, SMETA and internal audits
Health & Safety	Internal audits, ISO 45001 and SMETA

15. Details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- a. Safety related incidents are investigated for corrective & preventive action. Based on the findings preventive measures are taken.
- b. Use of activity based/exposure base PPE are used.
- c. Gas detectors are used for early detection of hydrogen & SO2 gas.
- d. Installation of Fall arrester system at different locations of tanker loading unloading areas is in progress.
- e. Critical areas in the plant are monitored by CCTV for identifying deviation and early action.

## Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Yes/No) (B) Workers (Yes/No).

Yes, Insurance coverage is in place for all employees and workers. The Company has policies in place to provide financial assistance to the legal dependents of the employees in case of death while in service.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Suppliers are assessed on ESG parameters and it is ensured that Statutory dues such as PF, gratuity, etc are deducted and paid accordingly.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/workers	No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment
Employees	Nil	-
Workers	Nil	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

There are no policies or transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Working Conditions	100 % of Critical suppliers are audited annually
Health & Safety	100 % of Critical suppliers are audited annually

6. Details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Based on the findings of suppliers' assessment, suppliers are given a tentative time frame to close the findings with root-cause analysis and further correctional and corrective actions. We expect our suppliers to engage and improve their sustainability performance to achieve the larger goal of creating a sustainable value-chain. In case of a severe or major violation of our code of conduct, a follow-up assessment takes place based on or within the mutually agreed target date of completion of identified findings.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

We at Godrej Industries have identified and prioritized our key stakeholders on the basis of their influence on our operations and also our impact on them. We continue our engagement with them through various mechanisms such as, consultations with local communities, supplier/ vendor meets, customer/ employee satisfaction surveys, investor forums, etc. As a responsible business, we work closely with our communities to understand their needs and build synergies. In the past we carried out a detailed community needs assessment of villages around our Valia and Ambarnath manufacturing plants with the help of a third-party agency.

2. List of key stakeholder groups identified for the the entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Board	Shareholders	Employees
Whether identified as Vulnerable & Marginalized Group (Yes/No)	No	No	No
Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Email, Meetings, Personnel Visits, Notice and Agenda of Meetings	Annual General Meeting, shareholder meets, email, Stock Exchange (SE) intimations, annual report, quarterly results, media releases, Company / SE website	Senior leaders' communication / talk/forum, town hall briefing, goal setting and performance appraisal meetings/review, exit interviews, arbitration/ union meetings, wellness initiatives, engagement survey, email, intranet, flat screens, websites, poster campaigns, house magazines, confluence, circulars, quarterly publication, newsletters
Frequency of engagement (Annually/Half yearly/ Quarterly/others)	Ongoing	Ongoing	Ongoing
Purpose and scope of engagement including key topics and concerns raised during such engagement	Role and responsibility of Board of Directors defined under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Therefore, the Board and its Committees meet from time to time to discuss and approve the statutory requirements	Transparency, goodwill, Share price appreciation, dividends, profitability and financial stability, cyber risks, growth prospects	Responsible Care (RC), innovation, operational efficiencies, improvement areas, long-term strategy plans, training and awareness, responsible marketing, brand communication, health, safety and engagement initiatives

Stakeholder Group	Customers	Government and Regulatory bodies	Suppliers & Vendors
Whether identified as Vulnerable & Marginalized Group (Yes/No)	No	No	No
Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	<ul style="list-style-type: none"> <li>• Regular business reviews with key customers</li> <li>• Customer satisfaction surveys and feedback</li> <li>• Customer audits and customer questionnaire responses</li> <li>• Meeting customer requirements and requests for improvement on environmental and social responsibility</li> </ul>	Statutory and Legal compliance filings	<ul style="list-style-type: none"> <li>• Supplier workshops and annual suppliers meet</li> <li>• Suppliers consultation and auditing</li> <li>• Informing suppliers through feedback mechanism</li> <li>• Supplier Sustainability assessment questionnaire</li> </ul>
Frequency of engagement (Annually/Half yearly/Quarterly/others)	Ongoing / Quarterly	Ongoing	Ongoing
Purpose and scope of engagement including key topics and concerns raised during such engagement	<ul style="list-style-type: none"> <li>• Carbon footprint / Carbon disclosure,</li> <li>• Management of Environmentally hazardous substances,</li> <li>• Innovation,</li> <li>• Customer Satisfaction Survey</li> </ul>	Environmental and Social compliance	<ul style="list-style-type: none"> <li>• Environmental initiatives (e.g., reduced packaging and recycling)</li> <li>• Supply chain management</li> <li>• Compliance with laws and regulations</li> <li>• Work environment and hygiene</li> <li>• Machine / equipment safety</li> <li>• Human Rights</li> </ul>

### Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Our stakeholders are at the heart of our process of determining material topics so as to collectively address ESG aspects and develop lasting solutions.

Periodic engagement with stakeholders helps us to effectively channel our strategies to be able to deliver against company wide sustainability goals while following an inclusive, multi-dimensional approach.

We use the stakeholder prioritisation matrix to understand key stakeholders to our business and the type of engagement to be carried out with each of them - consult, collaborate, keep informed & engage. Our regular interactions through various engagement modules aid us in collecting important feedback, thereby enhancing our performance and value addition. While the kind of our engagement methods can differ from an ad-hoc meeting to long term partnership, it is always driven by our core values. Our key stakeholder groups comprise of employees, customers, regulatory bodies, shareholders, team members, suppliers, sustainability experts, media, competitors, academia and the communities around operational sites. We use formal and informal engagement methods to communicate with our stakeholders through various communication platforms. Through this, we map stakeholder feedback and concerns.

Appropriate action plans are also developed to address expectations. These concerns and expectations form a vital input for our materiality assessment and in developing short and long term business goals. The Stakeholder engagement exercise was conducted using the principles and guidelines from the AASES1000 Stakeholder engagement standard which uphold inclusivity, materiality and responsiveness. We abide by the three principles of materiality, completeness and responsiveness to ensure holistic engagement and maximum outreach.



2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. The Company recognizes the vitality of obtaining feedback from Stakeholders. Based on inputs: (i) the policies and procedures adopted by the Company are suitably amended / modified, (ii) critical or priority areas needing special attention are identified and policies are devised suitably.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

We at Godrej Industries Limited, we are in line with our Good & Green initiatives are in line with the company guidelines that focus on key environmental, economic, and social needs of the underprivileged.

### PRINCIPLE 5: Businesses should respect and promote human rights

#### Essential Indicators

1. Employees and Workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format for Current FY and Previous FY:

FY 2021-22	Permanent Employees	Other than permanent employees	Total Employees
Total (A)	667	134	801
No. of employees / workers covered (B)	667	134	801
% (B / A)	100%	100%	100%
FY 2021-22	Permanent Workers	Other than permanent workers	Total Workers
Total (C)	370	793	1163
No. of employees / workers covered (D)	370	793	1163
% (D / C)	100%	100%	100%

FY 2022-23	Permanent Employees	Other than permanent employees	Total Employees
Total (A)	742	144	886
No. of employees / workers covered (B)	742	144	886
% (B / A)	100%	100%	100%
FY 2022-23	Permanent Workers	Other than permanent workers	Total Workers
Total (C)	336	895	1,231



No. of employees / workers covered (D)	336	895	1,231
% (D / C)	100%	100%	100%

2. Details of minimum wages paid to employees and workers, in the following format for Current FY and Previous FY:

FY 2022-23	Permanent Employees		Other than permanent Employees
	Male	Female	Male
Total (A)	611	131	111
Equal to Minimum Wage nos (B)	0	0	0
% (B / A)	0%	0%	0%
More than Minimum Wage nos ( C )	611	131	111
% (C / A)	100%	100%	100%

FY 2021-22	Permanent Employees		Other than permanent Employees
	Male	Female	Male
Total (A)	554	113	119
Equal to Minimum Wage nos (B)	0	0	0
% (B / A)	0%	0%	0%
More than Minimum Wage nos ( C )	554	113	119
% (C / A)	100%	100%	100%

FY 2022-23	Permanent Workers		Other than permanent Workers
	Male	Female	Male
Total (A)	336	0	892
Equal to Minimum Wage nos (B)	0	0	0
% (B / A)	0%	0%	0%
More than Minimum Wage nos ( C )	336	0	892
% (C / A)	100%	0%	100%

FY 2021-22	Permanent Workers		Other than permanent Workers
	Male	Female	Male
Total (A)	370	0	792
Equal to Minimum Wage nos (B)	0	0	0
% (B / A)	0%	0%	0%
More than Minimum Wage nos ( C )	370	0	792
% (C / A)	100%	0%	100%

3. Details of remuneration/salary/wages, in the following format:

Particulars	Male nos	Median remuneration/ salary/ wages of respective category	Female nos	Median remuneration/ salary/ wages of respective category
Board of Directors	2	9,40,43,728	1	8,60,21,103
Key Managerial Personnel	1	5,01,17,803	1	28,62,564
Employees other than BoD and KMPs	723	4,46,156	162	7,99,087
Workers	457	6,70,639	-	-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, we have a central Human resource team who is responsible for addressing human rights impacts or issues caused or contributed to by the business <https://www.godrejindustries.com/chemicals/policies-compliance.aspx>

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

- At factories, we have a grievance redressal system which encourages workers to freely share any concerns they may have in regards to work or workplace and raise any issues/complaints to committee. The issues/concerns are resolved speedily and in a fair manner by the committee.
- We also have different forums like Townhalls, Senior Leadership Connects, CEO Connect, Open House, Employee Suggestion Boxes etc. through which employees may share ideas, suggestions, improvements or concerns with senior management.
- Additionally, we have a dedicated POSH complaint mechanism and whistle blower policy to report issues related to harassment or violation of ethical conduct. We have also brought in online system called 'Conduct' to raise and track status against complaints for employees.
- Besides these, all employees and workers including contractual workforce can freely reach out to Human Resource representative e.g. HR Business Partners, HR Head or even Factory HRs at their respective factories for any concerns they may have in regards to the work, resource/equipment/infrastructure support etc.

6. Number of Complaints on the following made by employees and workers for Current FY and Previous FY:

FY 2021-22	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-
Discrimination at workplace	0	0	-
Child Labour	0	0	-
Forced Labour/Involuntary Labour	0	0	-
Wages	0	0	-
Other human rights related issues	0	0	-

FY 2022-23	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-
Discrimination at workplace	0	0	-
Child Labour	0	0	-
Forced Labour/Involuntary Labour	0	0	-
Wages	0	0	-
Other human rights related issues	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

- a. In line with the Godrej values, GIL Industries is committed towards creating a safe and dignified working environment and culture free from any form of Sexual Harassment, exploitation or intimidation, and has a zero-tolerance policy towards any Sexual Harassment at the Workplace.
- b. We have formed Internal Committee (IC) for each of our work locations - head office, factories, and branches, to conduct an Inquiry into a complaint of Sexual Harassment at the Workplace. We have also brought in online system called 'Conduct' to raise and track status against complaints for employees.
- c. The Company and the IC will take all reasonable measures to ensure that any person who has lodged a complaint under this policy or given evidence or other assistance as part of an Inquiry under this policy, in good faith, is protected and not subjected to any Retaliatory Conduct.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. We ensure that all our business partners are committed to respect human rights and comply with international, state laws and regulations and in line with Godrej's way of working, as reflected in our business contracts and supply chain sustainability audits.

9. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child labour	100%
Forced Labour/Involuntary Labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-



10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

At GIL Chemicals, we conducted an internal audit of Human Right practices for each work location including factories. From the findings of this assessment, we had identified a few areas of Human Rights to strengthen further across our factories and the team is working on this direction.

11. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

We have human rights policy in the public domain which is in line with internationally recognized frameworks such as the International Bill of Human Rights which broadly covers respect for Human Rights in form of diversity, equality of opportunity and fair treatment, human rights in workplace that speaks of no child labour/ forced labours, compliance with industry standards on wages, benefits, safe working environment free from harassment etc., and human rights in the community we operate in through community initiatives and volunteering programs round the year.

In FY 2022-23 we have not made any modification in business processes for our current monitoring, addressing human rights, grievances/complaints.

**Leadership Indicators**

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

We have human rights policy in the public domain which covers – no child labour, no forced labours, no discrimination at the workplace, compensation above legal standards, standard working hours as per stated in laws, no harassment and violence, H&S committees to drive Health & safety excellence, legal compliance wherever we operate. We have standard best practices to monitor and comply with on all these fronts.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The organization upheld the principles of human rights and it is aligned with Human Rights policy. The organization regularly create awareness among its employees on the /human rights policy through various training programs. The Human Rights assessment is conducted on a yearly basis. All critical suppliers and business partners are audited, annually. There is 100% coverage of own operations and critical suppliers.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Sexual harassment	100%
Forced Labour/Involuntary Labour	100%
Discrimination at workplace	100%
Child labour	100%
Wages	100%
Others – please specify	-

5. Details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. - Not Applicable

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

1. Details of total energy consumption (in Giga Joules) and energy intensity, in the following format:

Particulars	FY 2022-23	FY 2021-22
Total electricity consumption (A)	1,50,260	1,97,374
Total fuel consumption (B)	2,07,2031	1,63,9730
Energy consumption through other sources (C) GJ	-	-
Total energy consumption (A+B+C)	2,22,2291	1,83,7104
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00005 GJ/INR	0.00006 GJ/INR
Energy intensity (optional) – the relevant metric may be selected by the entity (GJ/t)	10.1	9.43

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No). If yes, name of the external agency. -Yes, by TUV India Pvt Ltd.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. - Not Applicable

3. Details of total water consumption in the following format:

(in KL)

Particulars	FY 2022-23	FY 2021-22
Water withdrawal by source		
(i) Surface water	7,98,665	7,56,428
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	-	-
Total volume of water withdrawal (i + ii + iii + iv + v)	7,98,665	7,56,428
Total volume of water consumption	7,98,665	7,56,428
Water intensity per rupee of turnover (Water consumed / turnover)	0.00002	0.00002
Water intensity (optional) – the relevant metric may be selected by the entity (KL/MT)	3.59	3.85

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No). If yes, name of the external agency-Yes, by TUV India Pvt Ltd.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its

coverage and implementation.

At GIL Chemicals, we have developed a robust waste management framework to meet with the sustainability challenges of the chemical industry. All materials and manufacturing processes are conducted in a conscious manner to yield minimal waste. We follow five R's of waste management - reduce, reuse, recycle, recover and residual management. We go beyond compliance to ensure effective waste management. Our waste management strategy includes collection, segregation, recycling and disposal in a scientific manner. We have an in-house effluent treatment plant (ETP) to treat wastewater generated at our facilities. Our ETP plant manages effluents generated from our facilities. Our effluent management has helped us reduce our impact on local water resources. Both our manufacturing sites - Valia and Ambernath - are zero liquid discharge facilities (ZLD).

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Particulars	Unit	FY 2022-23	FY 2021-22
NOx	MT/year	17.9	17.1
SOx	MT/year	15.8	22.5
Particulate matter (PM)	MT/year	22.39	24.22
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency-Yes, by TUV India Pvt Limited.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Particulars	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	32,335	38,994
Total Scope 2 emissions	Metric tonnes of CO <sub>2</sub> equivalent	29720	41,831
(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	-	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover	TCO <sub>2</sub> /INR	0.00007	0.00003
Total Scope 1 and Scope 2 emission intensity ( <i>optional</i> ) – the relevant metric may be selected by the entity	tCO <sub>2</sub> eq/ton	0.28	0.4

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.-Yes, by TUV India Pvt Ltd.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide

details.

Our Company continues to focus on use of renewable energy. In FY 2022-23, more than 68% of the energy was consumed through renewable sources. We achieved this through use of biomass briquettes, Solar roof top, wind energy, and other initiatives. We have also commissioned cogeneration plant which runs on biomass briquette & contributes to further increase in our renewable energy as well as in GHG reduction.

We have committed to EP100 target in which we aim to reduce our specific energy consumption by 50% up to 2030 compared to baseline FY 12. For FY 23, we have reduced the specific consumption by 17%. We are working relentlessly towards achieving the goal. This is achieved through various energy efficiency initiatives at our plant locations. Adoption of ISO 50001:2015 at Valia site also helped in it.

We also monitor our Greenhouse gas emissions. We have reduced our overall carbon footprint by 66 % in since 2011. This is achieved through various energy efficiency and renewable energy projects.

We have also been implementing various project for water savings and those projects helped us to reduce our overall specific water consumption by 46% from 2011.

8. Provide details related to waste management by the entity, in the following format:

Particulars	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	104	100
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	13,811	8,707
Other Non-hazardous waste generated (H). Please specify, if any.	518	463
(Break-up by composition i.e. by materials relevant to the sector)	-	-
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>14,433</b>	<b>9,270</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	13,997	6,892
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>13,997</b>	<b>6,892</b>



For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	437	2,378
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	437	2,378

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No). If yes, name of the external agency - Yes, by TUV India Pvt Ltd.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

<p>At GIL Chemicals, we have developed a robust waste management framework to meet with the sustainability challenges of the chemical industry. All materials and manufacturing processes are conducted in a conscious manner to yield minimal waste. We follow five R's of waste management - reduce, reuse, recycle, recover and residual management. We go beyond compliance to ensure effective waste management. Our waste management strategy includes collection, segregation, recycling and disposal in a scientific manner.</p> <p>Policy is available- <a href="https://www.godrejindustries.com/chemicals/policies-compliance.aspx">https://www.godrejindustries.com/chemicals/policies-compliance.aspx</a></p>
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10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Yes/No)	If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	Not Applicable
EIA Notification No.	-
Date	-
Whether conducted by independent external agency (Yes / No)	-
Results communicated in public domain( yes/no)	-
Relevant Web link	-

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Yes/No). If not, provide details of all such non-compliances, in the following format:

Specify the law / regulation / guidelines which was not complied with	We are complying with the applicable environmental law/ regulations/ guidelines in India such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection act.
Provide details of the non-compliance	-
Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	-
Corrective action taken, if any	-

## Leadership Indicators

1. Provide break-up of the total energy consumed (in Giga Joules) from renewable and non-renewable sources, in the following format:

Particulars	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	14,798	15,939
Total fuel consumption (B)	14,99,293	9,74,122
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	15,14,091	9,90,061

Particulars	FY 2022-23	FY 2021-22
From non-renewable sources		
Total electricity consumption (D)	1,35,462	1,81,453
Total fuel consumption (E)	5,72,738	6,65,607
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	7,08,200	8,47,060

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No). If yes, name of the external agency-Yes, by TUV India Pvt Ltd.

2. Provide the following details related to water discharged:

Particulars	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Both our Manufacturing Facilities are Zero Discharge Liquid	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-

- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency - Yes, by TUV India Pvt Ltd.

### 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area-Valia And Ambernath

(ii) Nature of operations-Manufacturing of Oleo Chemicals

(iii) Water withdrawal, consumption and discharge in the following format:

Particulars	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	7,98,665	7,56,428
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	7,98,665	7,56,428
Total volume of water consumption (in kilolitres)	7,98,665	7,56,428
Water intensity per rupee of turnover (Water consumed / turnover)	0.00002	0.00002
Water intensity (optional) – the relevant metric may be selected by the entity (KL/MT)	3.59	3.85

Particulars	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Both our Manufacturing Facilities are Zero Discharge Liquid	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency-Yes, by TUV India Pvt Ltd.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Particulars	Unit	FY 2021-22	FY 2022-23
Total Scope 3 emissions	<i>Metric tonnes of CO2 equivalent</i>	4,26,226	3,72,434
(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)			
Total Scope 3 emissions per rupee of turnover	TCO2 eq/INR	0.000012	0.000010
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity (tco2 eq/ton)	<i>Metric tonnes of CO2 equivalent</i>	1.90	1.92

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency-Yes, by TUV India Pvt Ltd.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. - Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:  
- Not Applicable

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
-	-	-	-

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

We have built a sturdy Business Continuity Plan to further strengthen our business. Our Business Continuity Plan (BCP) consists of annual budgeting, long-term budgeting, a career development plan for employees and succession plan for all the key positions. The assessed operational impacts include those related to life safety, customer service, revenue/ cash flow, public image, regulatory, product development, competitive advantage, financial control/ reporting, liability increase.

The main objective is to ensure business continuity and zero negative impact on society, environment, stakeholders and economic losses. To make this BCP more robust in the company, organization conducts internal risk assessments and trainings for its employees and workers. Major organizational risks are identified, measured, monitored and reviewed by central risk review committee. This risk review committee consists of board of directors.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Environmental Aspects and Impact analysis is conducted and reviewed on an annual basis to identify significant and non-significant environmental aspects. Preventive and additional control measures are taken to mitigate or minimise the identified significant environmental impacts.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100% critical suppliers are assessed for environmental impacts, annually

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

### Essential Indicators

1. a. Number of affiliations with trade and industry chambers / associations.
- b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to:

Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
Indian chemical council	National
CII (Confederation of Indian Industries)	National
Council & CII Western Region	National
IFCCI-Indo French Chamber of Commerce	International

Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
Collaborating for Sustainable Palm Oil	International
Responsible Care	International
FICCI	National
QCFI	National
Federation of Gujarat Industries	National
CHEMEXCIL	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

### Leadership Indicators

1. Details of public policy positions advocated by the entity: Not Applicable

Public policy advocated	-
Method resorted for such advocacy	-
Whether information available in public domain? (Yes/No)	-
Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	-
Web Link, if available	-

### PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

#### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	Not applicable, however Giving back is also a crucial part of our business development strategy. We also have a CSR committee in place to review, monitor and provide strategic inputs on our sustainability efforts. Our CSR interventions include initiatives related to Education, Water, Sanitation and Skill Building Initiatives. At GIL Chemicals, we continue to uphold Godrej Group's Good and Green vision, that aims to create a more inclusive and greener world
SIA Notification No.	
Date of notification	
Whether conducted by independent external agency (Yes / No)	
Results communicated in public domain (Yes / No)	
Relevant Web link	

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Name of Project for which R&R is ongoing	Not Applicable
State	
District	
No. of Project Affected Families (PAFs)	
% of PAFs covered by R&R	
Amounts paid to PAFs in the FY (In INR)	

3. Describe the mechanisms to receive and redress grievances of the community.

The Community grievances, if any can be submitted at the security desk. Any complaint so received is forwarded to Admin department for further action.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	39%	29%
Sourced directly from within the district and neighbouring districts	NA	NA

**Leadership Indicators**

1. Details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. no	State	Aspirational District	Amount spent (In INR)
During the Financial Year 2022-23, your Company was not required to spend towards CSR activities in terms of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.			

3. (a) Details of preferential procurement policy where entity gives any preference to purchase from suppliers comprising marginalized /vulnerable groups? - No

(b) From which marginalized /vulnerable groups do you procure?- No

(c) What percentage of total procurement (by value) does it constitute?- No

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Not Applicable.

Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects: During the Financial Year 2022-23, your Company was not required to spend towards CSR activities in terms of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Not Applicable		

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

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

At Godrej Industries limited, we have a dedicated Quality assurance team which conducts customer satisfaction survey once in every two years to understand levels of customer satisfaction with products and services provided by the Company.

2. Turnover of products and services as a percentage of turnover from all products and service that carry information about:

As a percentage to total turnover	
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following for Current FY and Previous FY:

FY 2021-22	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Not Applicable
Advertising			
Cyber-security			
Delivery of essential services			
Restrictive Trade Practices			
Unfair Trade Practices			
Other			



FY 2022-23	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Not Applicable
Advertising			
Cyber-security			
Delivery of essential services			
Restrictive Trade Practices			
Unfair Trade Practices			
Other			

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	-
Forced recalls	Nil	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.

Yes, we have a GILAC Information Security policy which is applicable to all Godrej companies to incorporate, access and monitor cyber security practices/incidents; conduct cyber security related awareness campaigns across GILAC; Identification and mitigation of Cyber Security vulnerabilities.

6. Details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Nil

**Leadership Indicators**

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

We display product information like product trade name, gross weight, tare weight etc. on regular product labels. Our product labelling carry adequate information about Storage, Handling, transportation and dispatch enabling safe and effective usage of our products.

Along with each product shipment, we provide MSDS (Material Safety data sheet) that includes details of material storage, transportation, and handling. Also, we share information concerning product hazard as per the GHS (Globally Harmonized System of Classification and Labelling of Chemicals).

All our raw materials which are developed to provide the highest efficacy and safety according to decades of accumulated technology and strict internal standards. We have developed method that can verify quality of each raw material. The process for verification is based on chemical properties, Manufacturing processes , MSDS(Material Safety Data sheet) and international guidelines and safety assessment results.

And we have REACH, KOSHER and HALAL certifications for our products as per EU regulations.  
Website link - <https://www.godrejchemicals.com>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We educate consumer through our Safety Data Sheets (SDS), Questionnaires, Product Brochures, Customer Interactions

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

We keep our customers informed about any disruption time to time if any in case of any changes that would impact our customers.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did the entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, we have storage and handling instructions on labels. We display product information like product trade name, gross wt., tare wt. etc. on regular product labels. And our dedicated team conducts customer satisfaction survey once in every two years to understand levels of customer satisfaction with products and services provided by the Company. Technical data sheet and safety data sheet provided for more information as per Globally Harmonized System.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact
- b. Percentage of data breaches involving personally identifiable information of customers

NIL

**Note:**

Each legal entity has separate reporting requirements under applicable laws, i.e. CSR report, BRSR Report, Science based targets etc. and accordingly, every legal entity is required to publish separate reports as applicable.



## Form No. MR – 3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,  
The Members,  
Godrej Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godrej Industries Limited (hereinafter called the 'Company'). 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 Financial Year ended on March 31, 2023 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 the Company for the Financial Year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made 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') wherever applicable:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;\*
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity ) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (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; Not applicable during the year under review;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not applicable during the year under review; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the year under review

\*During the year under review, BSE Limited had carried out inspection of the Structured Digital Database maintained by the Company and the Company has responded to the observations / queries raised by BSE Limited.

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 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 following laws, are specifically applicable to the Company as per the representation given by the Company:

- a. The Food Safety and Standards Act, 2006 & Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
- b. The Boilers Act, 1923 & the Boiler Attendant's Rules, 2011.

**We 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 above 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 exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All the decisions were passed by majority in the meetings of the Board and there were no dissenting views from the Board members.

**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:

1. Issued shares upon exercise of options under Employee Stock Grant Scheme, 2011.
2. Passed special resolution for approval of further investment of upto ₹1,200 Crore (Rupees One Thousand Two Hundred Crore) in Godrej Capital Limited.
3. Passed Special resolution for raising of funds by way of issuance of Unsecured Non-Convertible debentures (NCDs)/Bonds/Other Instruments aggregating to ₹2,000 Crore (Rupees Two Thousand Crore).
4. Passed Special resolution for increase in borrowing powers of the company under Section 180(1)(c) of the Companies Act, 2013.
5. Passed Special Resolution for making an investment of up to ₹5 Crore (Rupees Five Crore Only) in connection with availing exemption of Electricity Duty, Cross Subsidy Charge and Additional Surcharge Works under Group Captive Power Scheme of Gujarat Wind Solar Hybrid Policy, 2018.

**For A. N. Ramani & Co.,  
Company Secretaries  
UNIQUE CODE - P2003MH000900**

**Place: - Thane  
Date: - May 19, 2023**

**Bhavana Shewakramani  
Partner  
FCS - 8636, COP – 9577  
UDIN: F008636E000330716**

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

## **Annexure A**

To,  
The Members,  
Godrej Industries Limited

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

1. Maintenance of Statutory and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of 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. We have conducted our audit on the basis of details / documents provided by company through email and/or other digital mode. We have visited to the client office for certain clarifications.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
6. 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.
7. 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.
8. 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**

**Place: - Thane  
Date: - May 19, 2023**

**Bhavana Shewakramani  
Partner  
FCS - 8636, COP – 9577**

**SECRETARIAL AUDIT REPORT OF GODREJ CAPITAL LIMITED  
(UNLISTED MATERIAL SUBSIDIARY)  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

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

To,  
The Members,  
Godrej Capital Limited  
Godrej One, Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai - 400079

Dear Sirs,

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in Annexure I, for the financial year ended on 31<sup>st</sup> March, 2023, according to the provisions of:
  - (i) The Companies Act, 2013 ("the Act") and the rules made there under to the extent applicable;
  - (ii) The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
  - (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under Overseas Direct Investment and External Commercial Borrowings; (applicable to the extent of Foreign Direct Investment);
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company during the audit period under report viz.:
  - i. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder;

- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - iv. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;
  - v. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - vi. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - ix. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding dealing with client; and
  - x. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
3. We further 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, no other Acts, Laws and Regulations are applicable specifically to the Company.

We have also examined compliance with the applicable clauses of Secretarial Standards – 1 and 2 issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the Financial Year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Non- Executive Directors and Executive Director. There were no changes in the composition of the Board of Directors during the year under review.

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

None of the members have communicated dissenting views, in the matters/agenda proposed from



time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

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.

As regards, events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. we report that during the year under report, the Company;

- i. The following Equity Shares of face value of ₹10/- each, ranking pari passu with the existing Equity Shares of the Company, were issued on a Rights basis at a premium of ₹80486.49 per Equity Share to the existing Shareholders of the Company:

Date of Allotment	No. of Equity Shares	Issue price (including Premium) per Share (in ₹)	Total Consideration (In ₹)
02.06.2022	85,097	80496.49	685,00,09,809.53

- ii. The Shareholders of the Company, at their Annual General Meeting held on 1<sup>st</sup> June 2022 approved the GCL Employee Stock Option Scheme 2022 and grant of Employee Stock Options to the Employees of the Company and employees of the Subsidiary company (ies).
- iii. Pursuant to approval of the Shareholders of the Company at the Extra- Ordinary General Meeting held on 24<sup>th</sup> March 2023, the Board of Directors of the Company, issued and allotted 12,275 Equity Shares of face value of ₹10/- each at a premium of ₹80,835.99/- per share, aggregate value of ₹99,23,84,527.25 /- to Pan Fin Investments LP (PFI) on private placement basis on 30<sup>th</sup> March 2023.

**Date: May 18, 2023**

**Place: Mumbai**

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**NEHA R LAHOTY  
PARTNER**

**M. No. FCS 8568**

**C.P. No. 10286**

**UDIN: F008568E000328723**

**P.R. Certificate No.: 668/2020**

**Note:** This report should be read with our letter which is annexed as Annexure II and forms an integral part of this report.

## **ANNEXURE - I**

### **List of documents verified**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31<sup>st</sup> March 2022.
3. Minutes of the meetings of the Board of Directors and Committees held during the financial year under report along with Attendance Register.
4. Proof of circulation & Delivery of notice for Board meetings and Committee Meetings.
5. Proof of circulation of draft Board and Committee meetings minutes as per Secretarial Standards.
6. Various policies made under the Companies Act, 2013.
7. Copies of Notice, Agenda and Notes to Agenda submitted to all the directors / members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation;
8. Minutes of General Body Meetings held during the financial year under report.
9. Statutory registers applicable to the Company under the Companies Act, 2013.
10. Agenda papers submitted to all the Directors/members for the Board Meetings.
11. Declarations/Disclosures received from the Directors/ Chief Financial Officer of the Company pursuant to the provisions of Section 184(1) and Section 164(2) of the Companies Act, 2013.
12. e-Forms filed by the Company from time to time under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
13. Statement of Related Party Transactions entered into by the Company during the financial year under report;
14. Details of Sitting Fees paid to all Non - Executive Directors for attending the Board Meetings and Committees.

## **ANNEXURE - II**

To,  
The Members,  
Godrej Capital Limited  
Mumbai

Dear Sirs,

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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 RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**Place: - Mumbai  
Date: - May 18, 2023**

**NEHA R LAHOTY  
PARTNER  
M. No. FCS 8568  
C.P. No. 10286  
UDIN: F008568E000328723  
P.R. Certificate No.: 668/2020**

# Annexure D

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR 2022-23

### 1. Brief Outline on CSR Policy of the Company:

Godrej Industries Limited (GIL) is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. Our strategic Corporate Social Responsibility (CSR) initiatives actively work towards the Good & Green Goals and have helped us carve out a reputation for being one of the most socially and environmentally responsible companies in India.

The CSR Policy defines the approach to be adopted to achieve the goals set by the Company and helps identify the areas of intervention in where the company would undertake projects.

### 2. Composition of CSR Committee as on March 31, 2023:

Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
Mr. Nadir Godrej	Chairman & Managing Director and Chairman of the Committee	1	1
Ms. Tanya Dubash	Executive Director and Chief Brand Officer and Member of the Committee		0
Mr. Nitin Nabar	Executive Director and President (Chemicals) and Member of the Committee		1
Mr. Mathew Eipe	Independent Director and Member of the Committee		1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://www.godrejindustries.com/>
4. Details of Impact Assessment of CSR Projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable
5. Details of the amount available for set off in pursuance of Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any: Not Applicable
6. Average Net Profit / (Net Loss) of the Company as per Section 135(5): (₹1,00,35,97,836.50)
7. (a) Two percent of Average Net Profit / (Net Loss) of the Company as per Section 135(5): (₹2,00,71,956.73)

(b) Surplus arising out of the CSR projects or programmes or activities of the Previous Financial Years: Nil

(c) Amount required to be set off for the Financial Year, if any: Nil

(d) Total CSR obligation for the Financial Year (7a+7b-7c): Nil

8. (a) CSR amount spent or unspent for the Financial Year: Not Applicable

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in ₹)	Date of Transfer	Name of the Fund	Amount (in ₹)	Date of Transfer
-	-	-	-	-	-

(b) Details of CSR amount spent against ongoing Projects for the Financial Year: Not Applicable

1	2	3	4		5	6	7	8	9	10	
Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project duration.	Amount allocated for the project (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
			State	District						Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-
Total											

(c) Details of CSR amount spent against other than Ongoing Projects for the Financial Year: Not Applicable

1	2	3	4		5	6	7	
Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the Project (₹ in Lakh)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
			State	District			Name	CSR Registration number
Total								

(d) Amount spent in Administrative Overheads: None

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total Amount spent for the Financial Year (8b + 8c+ 8d + 8e): Not Applicable

**(g) Excess amount for set off, if any:**

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of Average Net profit / (Net Loss) of the Company as per Section 135(5)	(₹2,00,71,956.73)
(ii)	Total Amount Spent for the Financial Year	Nil
(iii)	Excess Amount Spent for the Financial Year [(ii)-(i)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Not Applicable

**9. (a) Details of Unspent CSR amount for the preceding three Financial Years:** Not Applicable as the Company was not required to spend amounts towards CSR activities in the past years as per applicable laws.

**(b) Details of CSR amount spent in the Financial Year for Ongoing Projects of the Preceding Financial Year(s):** Not Applicable

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year:** Not Applicable

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

**11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5):**

Not Applicable since the Company was not required to spend amounts on CSR activities as compared to the actual prescribed CSR expenditure for the year.

For and on behalf of the Board of Directors of  
Godrej Industries Limited

Nadir Godrej  
Chairman & Managing Director  
Chairman- CSR Committee  
DIN: 00066195

Place: Mumbai  
Date: May 19, 2023

# Annexure E

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**Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo for the Financial Year 2022-23**

## **A. Conservation of Energy and Water**

### **I. Steps taken or impact on conservation of energy and water:**

#### **Valia:**

1. Evaporator Condenser in DTA 2 Plant instead of conventional Chiller for Power Saving.
2. Installed VFD in 11RG2 Glycol Chiller Compressor
3. Pump Resizing done in Deodorizer which led to reduction of usage of power from 75KWh to 37KWh
4. Natural gas-based air Heater replaced with steam-based Heater.
5. BB3 Process Modification by Bed ash silo discharge screw removal for power saving.
6. CCP Process Modification by Bed ash silo discharge screw removal for power saving.
7. Heat integration in fractionation plant had resulted in the saving In the natural gas consumption.
8. Installation of the latest high efficient chiller in the sulphonation plant.

#### **Ambernath:**

1. 8 AC Units changed from R32 to R22 and switched to Inverter AC from Conventional one.
2. Flaker Area: In 125 TR Chiller Unit, Gas changed to R134a from R22. Also VFD is attached to optimize power consumption.
3. Modified the steam loop along with the steam drum of FADP05 thermosiphon heater TS-06 from other heaters in FADP. This project lead to saving 60 Kg/hr steam and 3.3 kwh/hr power saving.
4. FADP-6 capacity debottlenecking by adding 6D4 to increase throughput & production from 23 MT/day to 43 MT/day.
5. High Pressure Heat exchanger in FSP which led to Feed rate increased by 33% to 200 MT/Day.
6. Decanter installation in GDP to handle high salt in crude, which led to continuous operation for GDP without washing and increased production.

#### **Wadala:**

1. Using Battery Operated Pallet Truck for material movement instead of diesel operated forklift for internal material movement, which led to reduction of usage Diesel.
2. Started using vegetable soft pitch for steam generation instead of light diesel oil.
3. Zero sewage water discharge by installation of water treatment plant and using recycled water for gardening.
4. Ongoing saving by use of rainwater for steam generation in boiler.

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

Our efforts to increase our renewable energy portfolio include utilization of manufacturing by-products in energy production, use of biomass briquettes instead of Natural gas and solar energy. In 2022-23, close to 68% of energy we consumed has been derived from renewable sources. Use of Solar energy in the form of solar roof top and use of pitch as fuel in place of furnace oil continues.

We also have our windmills in the State of Maharashtra and we are wheeling our wind energy for

our Ambernath plant. We have used 38 lakh units of electricity in FY 2022-23. This is 23% of the plant's electrical consumption.

### **III. Capital Investment on Energy Conservation Equipments:**

Your Company made capital investments amounting to ₹1.21 Crore during the Financial Year 2022-23 on energy conservation equipment's.

## **B. Technology Absorption**

### **I. Efforts made towards Technology absorption / Specific areas in which R&D carried out by the Company:**

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

- Vegetable Oils & Fatty Acids
- Fatty Alcohols
- Surfactants & Biosurfactants
- Other Biotechnology and Biocatalytic processes
- Glycerin & its ester derivatives
- Derivatives of Fatty acids and Fatty alcohols, designed for Personal and Home care industries,
- Derivatives of Fatty acids and Glycerine for animal nutrition, Refining and Lube industry
- Derivatives of Fatty acids, Ethoxylates and phosphate based application in Agricultural and related areas
- Customer centric support for Home, Personal and Oral Care Products, as well as Oilfield and agricultural applications
- Formulations and Performance Evaluation for new products marketed and performance evaluation support for the existing product range.

Veg oils has done lot of in-house experiments and worked on reducing TFA (Trans Fatty Acids) < 5% in Vanaspati as required by FSSAI, and managed to keep it much below 1%. This enabled availability of Healthier Vanaspati for its consumers & remaining ahead of competition.

### **II. Benefits derived like product improvement, cost reduction, product development or import substitution**

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

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

### **III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

The Company has not imported any technology during the last 3 (three) years.



#### IV. Future Plan of Action:

- Enzymatic processes based research for the variety of common and advanced ingredients which we are making. This will be an effort to make ingredients from our portfolio more sustainable
- Fermentation process to be explored for the other products in home and personal care range and cosmeceuticals, animal and aqua feed and agricultural uses.
- Applications and Blends development based on sophorolipids and other common ingredients to get the synergy and greening effect
- Exploring the Castor oil chemistry and derivatives.
- Tailor-made value-added fatty acids & blends for Oil and Gas applications
- Value-added chemicals, derived from Glycerin, Fatty Acids and Fatty Alcohols so as to enter niche markets in the field of Animal feed, Pharmaceuticals, Personal Care, agri products, Petro refining, Metal working Fluids and Lubricants, and other industrial applications.
- Further enhancing our knowledge base of product applications and formulations, through customer engagement and market scouting.
- More and more green ingredients and formulations in the Home, Personal care and Feed applications.

#### V. Expenditure on R&D:

(₹ Crore)

Particulars	2022-23	2021-22
(a) Capital	5.96	1.06
(b) Recurring	6.40	5.52
Total	12.36	6.58
Total R&D expenditure as a percentage of total sales turnover	0.28%	0.20%

#### C. Foreign Exchange Earnings and Outgo:

The Chemicals Division's exports were ₹1,383 Crore in the current year as compared to ₹895 Crore in the previous year. The Company continues to export fatty alcohol, fatty acid and other chemicals to over 64 countries including U.S.A., Japan, South Korea, Mexico, Brazil, China, France, Russian Federation, South Africa, U.A.E., & other countries.

(₹ Crore)

Particulars	2022-23	2021-22
Foreign Exchange used	733.91	760.59
Foreign Exchange earned	1,326.64	824.34

# Annexure F

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

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

### 1. Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the Financial Year 2022-23:

Sr. No.	Name of Director	Ratio
1	Mr. Nadir Godrej, Chairman & Managing Director	121:1
2	Ms. Tanya Dubash, Whole Time Director	106:1
3	Mr. Nitin Nabar, Whole Time Director	129:1

*Note: All the Independent Directors of the Company were paid Commission for the Financial Year 2022-23, in terms of the approval granted by the Shareholders of the Company.*

*Sitting fees have been paid to Non-Executive Directors for attending the Meetings of the Board of Directors and Committees thereof held during Financial Year 2022-23.*

### 2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2022-23:

The percentage increase in the remuneration of Directors and Key Managerial Personnel(s) receiving remuneration during the Financial Year 2022-23 was as stated hereunder:

Name	% change in remuneration in FY 2022-23 Increase / (Decrease)
Mr. Nadir Godrej, Chairman & Managing Director	2.14%
Ms. Tanya Dubash, Whole Time Director	9.59%
Mr. Nitin Nabar, Whole Time Director	17.23%
Mr. Clement Pinto, CFO	27.79%
Ms. Tejal Jariwala, CS	14.62%

### 3. The percentage increase of median remuneration of employees in the Financial Year 2022-23 was 10.8%.

4. The number of permanent employees on the rolls of company as on March 31, 2023 was 1,078.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in salary of Company's employees other than the managerial personnel was 8.6% in the last Financial Year. On the other hand, managerial remuneration increased by 6.5%. The total managerial remuneration comprises of remuneration of the Managing Director and Executive Directors. The remuneration to Managerial personnel is as approved by the Members under the provisions of Companies Act, 2013 and necessary approvals are being obtained, wherever necessary.

6. Remuneration paid to Directors, Key Managerial Personnel and other Employees during the Financial Year 2022-23 was as per the Nomination and Remuneration Policy of the Company.



REPORT ON  
CORPORATE  
**GOVERNANCE**

# Report on Corporate Governance

In accordance with the provisions of Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Directors of Godrej Industries Limited (“the Company”) have pleasure in presenting the Company’s Report on Corporate Governance for the Financial Year 2022-23.

## 1. THE COMPANY’S PHILOSOPHY

The Company is a part of the Godrej Group which has an established reputation of honesty, integrity and sound governance over the years. The Company is, therefore, committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, employees, regulators, customers, suppliers, lenders and other Stakeholders. The Company’s philosophy of corporate governance is to achieve business excellence by enhancing the long-term welfare of all its Stakeholders. The Company believes that corporate governance is about creating organisations that succeed in the marketplace with the right approach and values. This will enhance the value for all its Stakeholders.

## 2. BOARD OF DIRECTORS

### a) Board Structure

The Board of Directors is the apex body constituted by the Shareholders for overseeing the Company’s overall functioning. The Board provides and evaluates the Company’s strategic directions, management policies and their effectiveness, and ensures that Shareholders’ long-term interests are being served.

The Company has an optimal combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board from the management, which is in conformity with the requirement of Section 149(4) of the Companies Act, 2013 (“the Act”) and Regulation 17 of the Listing Regulations. The Board of Directors of the Company comprised of 11 (Eleven) Directors as on March 31, 2023, which includes the Chairman & Managing Director and 2 (Two) Whole-Time Executive Directors. The remaining 8 (Eight) are Non-Executive Directors, of which 6 (Six) were Independent Directors. Since the Chairman of the Company, an Executive Director is a Promoter of the Company, more than half of the Board of Directors is comprised of Independent Directors. Below was the composition of the Board of Directors as on March 31, 2023:

Category	Name of Director	Director Identification Number (DIN)
Chairman and Managing Director:	Mr. Nadir Godrej	00066195
Executive Directors:		
Executive Director and Chief Brand Officer	Ms. Tanya Dubash	00026028
Executive Director and President (Chemicals)	Mr. Nitin Nabar	06521655
Non-Executive Non-Independent Directors:		
	Mr. Jamshyd Godrej	00076250
	Mr. Pirojsha Godrej	00432983
Non-Executive Independent Directors:		
	Mr. Mathew Eipe	00027780
	Dr. Ganapati Yadav	02235661
	Ms. Monaz Noble	03086192
	Ms. Shweta Bhatia	03164394
	Mr. Sandeep Murthy	00591165
	Mr. Ajaykumar Vaghani	00186764

**Note:**

1. Mr. Nadir Godrej has been re-appointed as the Managing Director (designated as “Chairman & Managing Director”) of the Company for a period of 3 (Three) years, with effect from April 1, 2023 up to March 31, 2026.
2. Mr. Pirojsha Godrej was appointed as the ‘Director’ (Non-Executive, Non-Independent) of the Company with effect from April 1, 2022.

None of the Directors of the Company is:

- (a) a Director in more than 10 (Ten) public limited companies - As per Section 165 of the Act;
- (b) an Independent Director in more than 7 (Seven) listed companies OR 3 (Three) listed companies (in case he / she serves as a Whole Time Director in any listed Company - As per Regulation 17A of the Listing Regulations;
- (c) a Member of more than 10 (Ten) Committees and Chairman / Chairperson of more than 5 (Five) Committees across all the Indian public limited companies in which he / she is a Director - As per Regulation 26 of the Listing Regulations.

***Inter se relationship amongst Directors***

As on March 31, 2023, except Ms. Tanya Dubash and Mr. Pirojsha Godrej being siblings, no other Director was related to any other Director on the Board in terms of the definition of “relative” given under the Act.

**b) Board meetings held and Directors’ attendance record**

The Board meets at least once in a quarter to consider among other businesses, quarterly performance of the Company and Financial Results. To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information is made available to the Board. The maximum time gap between any 2 (Two) Meetings of the Board is not more than 120 (One Hundred and Twenty) days. The agenda of the Board is circulated in advance and contains all the relevant information. The Board periodically reviews compliance reports of all laws applicable to the Company. During the Financial Year 2022-23, 4 (Four) Board Meetings were held (i.e., on May 27, 2022, August 12, 2022, November 14, 2022 and February 13, 2023). The Board had accepted all the recommendations of all the Committees of the Board of Directors during the Financial Year 2022-23.

The names and categories of the Directors on the Board, number of Board Meetings held during the Financial Year under review and their attendance at Board Meetings and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee positions held by them in other companies during the Financial Year ended March 31, 2023 are given hereunder:

Names of Director	Category	Board Meetings held/ attended during the year	Attendance at last AGM held on August 12, 2022	Directorships held in other public companies incorporated in India as at the year-end <sup>§</sup>	Number of Chairmanship/ Membership in Board Committees in other public companies as at the year-end <sup>#</sup>	
					Chairmanship	Membership
Mr. Nadir Godrej	Chairman & Managing Director, Promoter	4/4	Yes	7(4)	1	-
Mr. Jamshyd Godrej	Non-Executive, Promoter	4/3	No	4(3)	-	-
Mr. Pirojsha Godrej	Non-Executive	4/4	Yes	6(3)	1	3
Mr. Mathew Eipe	Non-Executive, Independent	4/4	Yes	1(0)	-	-
Dr. Ganapati Yadav	Non-Executive, Independent	4/4	Yes	5(4)	1	3
Ms. Monaz Noble	Non-Executive, Independent	4/4	Yes	1(0)	-	1
Ms. Shweta Bhatia	Non-Executive, Independent	4/4	No	0(0)	-	-
Mr. Sandeep Murthy	Non-Executive, Independent	4/4	Yes	2(0)	-	-
Mr. Ajaykumar Vaghani	Non-Executive, Independent	4/4	Yes	1(0)	-	-
Ms. Tanya Dubash	Executive, Whole-time	4/4	Yes	6(4)	-	1
Mr. Nitin Nabar	Executive, Whole-time	4/4	Yes	0(0)	-	-

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**Notes:**

1. <sup>§</sup>Alternate Directorships and Directorships in Private Companies, Section 8 Companies, Foreign Companies are excluded.
2. Figures in ( ) denote listed companies.
3. <sup>#</sup>Represents Chairmanships / Memberships of Audit Committee and Stakeholders' Relationship Committee of Indian Companies.
4. Mr. Nadir Godrej, Chairman and Managing Director and Mr. Nitin S. Nabar, Executive Director are not Independent Directors of any other listed company and Ms. Tanya Dubash, Executive Director is an Independent Director of 2 (Two) Listed Companies.

c) Details of Directors holding Directorship in other Listed Entities and the category of their Directorship as on March 31, 2023:

Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
Mr. Nadir Godrej	Godrej Consumer Products Limited	Non-Executive, Non-Independent
	Godrej Properties Limited	Non-Executive, Non-Independent
	Godrej Agrovet Limited	Non-Executive, Non-Independent
	Astec LifeSciences Limited	Non-Executive, Non-Independent
Mr. Jamshyd Godrej	Godrej Consumer Products Limited	Non-Executive, Non-Independent
	Godrej Properties Limited	Non-Executive, Non-Independent
	Godrej Agrovet Limited	Non-Executive, Non-Independent
Dr. Ganapati Yadav	Aarti Industries Limited	Non-Executive, Independent
	Meghmani Organics Limited	Non-Executive, Independent
	Bhageria Industries Limited	Non-Executive, Independent
	Clean Science and Technology Limited	Non-Executive, Independent
Ms. Tanya Dubash	Godrej Consumer Products Limited	Non-Executive, Non-Independent
	Godrej Agrovet Limited	Non-Executive, Non-Independent
	Britannia Industries Limited	Non-Executive, Independent
	Escorts Kubota Limited	Non-Executive, Independent
Mr. Pirojsha Godrej	Godrej Consumer Products Limited	Non-Executive, Non-Independent
	Godrej Properties Limited	Executive, Non-Independent
	Godrej Agrovet Limited	Non-Executive, Non-Independent

*Note: Mr. Mathew Eipe, Ms. Shweta Bhatia, Ms. Monaz Noble, Mr. Sandeep Murthy, Mr. Ajaykumar Vaghani and Mr. Nitin Nabar, Directors of the Company were not holding the office of a Director in any other Listed Entity during the Financial Year 2022-23.*

d) Chart / Matrix of Skills / Expertise / Competence of the Board of Directors in context to Company's business and sector:

We recognize the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse points of view. This helps us create an effective and well-rounded Board. The capabilities and experiences sought in the Board of Directors of our Company are outlined as below:

Skills / Expertise / Competence
<b>Strategy &amp; Business</b> – Is or has been the Chief Executive Officer, Chief Operating Officer or held any other leadership position in an organization leading to significant experience in strategy or business management. Brings ability to identify and assess strategic opportunities and threats in the context of the business.
<b>Industry Expertise</b> – Expertise with respect to the sector the organization operates in. Has an understanding of the 'big picture' in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.



<b>Skills / Expertise / Competence</b>
<b>Market Expertise</b> – Expertise with respect to the geography the organization operates in. Understands the macro-economic environment, the nuances of the business, consumers and trade in the geography, and has the knowledge of the regulations & legislations of the market/(s) the business operates in.
<b>Technology &amp; Future Readiness Perspective</b> – Expertise with respect to business specific technologies such as in the field of R&D, Operations etc. Has experience and adds perspective on the future ready skills required by the organization such as Digital, Sustainability etc.
<b>People &amp; Talent Understanding</b> – Experience in human resource management such that they bring in a considered approach to the effective management of people in an organization.
<b>Governance, Finance &amp; Risk</b> – Has an understanding of the law and application of corporate governance principles in a commercial enterprise of similar scale. Capability to provide inputs for strategic financial planning, assess financial statements and oversee budgets for the efficient use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.
<b>Diversity of Perspective</b> – Provides a diversity of views to the board that is valuable to manage our customer, consumer, employee, key stakeholder or shareholders.

**Name of the Director possessing the skills / expertise / competence:**

<b>Director Names / Skills</b>	<b>Strategy &amp; Expertise</b>	<b>Industry Expertise</b>	<b>Market Expertise</b>	<b>Technology Perspective</b>	<b>People &amp; Talent Understanding</b>	<b>Governance, Finance &amp; Risk</b>	<b>Diversity of Perspective</b>
Mr. Nadir Godrej	✓	✓	✓	✓		✓	
Mr. Jamshyd Godrej	✓		✓			✓	✓
Mr. Pirojsha Godrej	✓		✓			✓	✓
Ms. Tanya Dubash	✓		✓			✓	✓
Mr. Nitin Nabar	✓	✓	✓		✓	✓	
Mr. Mathew Epie	✓	✓	✓		✓	✓	
Dr. Ganapati Yadav				✓		✓	✓
Ms. Monaz Noble	✓		✓			✓	✓
Ms. Shweta Bhatia	✓		✓			✓	✓
Mr. Sandeep Murthy	✓		✓			✓	✓
Mr. Ajaykumar Vaghani	✓		✓	✓			✓

**e) Independent Directors**

A separate meeting of Independent Directors was held on February 13, 2023, which was attended by all the Independent Directors of the Company.

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. The Board of Directors of the Company hereby confirms that in their opinion, all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

All Independent Directors of the Company have been appointed as per the provisions of the Act. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

## Familiarisation Programmes for Independent Directors

The Company has conducted the familiarisation program for Independent Directors during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatise them with the processes, businesses and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

### f) Information supplied to the Board

Among others matters, this includes:

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

### 3. COMMITTEES OF THE BOARD

#### (A) AUDIT COMMITTEE

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee of the Board of Directors, as on March 31, 2023, comprised of 5 (Five) Directors. The details of composition of the Audit Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of Directors	Category of Directors	No. of Meetings attended
Mr. Mathew Eipe, Chairman	Non-Executive, Independent	4
Ms. Monaz Noble, Member		4
Dr. Ganapati Yadav, Member		4
Mr. Sandeep Murthy, Member		4
Mr. Nitin Nabar, Member	Executive	4

All the Members of the Audit Committee possess the requisite qualification for being Members of the Audit Committee and also possess sound knowledge of finance, accounting practices and internal controls.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its Meetings. The representatives of the Statutory Auditors and Internal Auditors are invited to attend the Audit Committee Meetings. They have attended all the Meetings during the Financial Year and have shared their observations to the Audit Committee.

Ms. Tejal Jariwala, Company Secretary & Compliance Officer acts as the Secretary for the Audit Committee Meetings.

There were 4 (Four) Audit Committee Meetings held during the Financial Year 2022-23 (i.e. on May 27, 2022, August 12, 2022, November 14, 2022 and February 13, 2023) and the gap between 2 (Two) Meetings did not exceed 120 (One Hundred and Twenty) days. The necessary quorum was present for all the Meetings.

In terms of the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Audit and Auditors) Rules, 2014, the Company has maintained cost records in its books of accounts for the Financial Year 2022-23. The Cost Audit Report issued by the Cost Auditor of the Company is placed for review to the Audit Committee and the same is recommended to the Board of Directors for approval.

The terms of reference of the Audit Committee are as follows:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) To recommend the appointment, remuneration and terms of appointment of Auditors of the Company as may be applicable;

- c) To approve payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- d) To review and monitor the Auditors' independence and performance, and effectiveness of audit process;
- e) To examine / review the financial statement and the Auditors' Report thereon with the Management, before submission to the board of directors for approval, with particular reference to:
  - i. 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;
  - ii. changes, if any, in accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. significant adjustments made in the financial statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to financial statements;
  - vi. disclosure of any related party transactions; and
  - vii. modified opinion(s) in the draft audit report
- f) Reviewing, with the Management, the quarterly financial statements before submission to the Board of Directors for approval;
- g) To grant approval for or any subsequent modification of transactions of the Company with related parties;
- h) To scrutinize inter-corporate loans and investments;
- i) To consider valuation of undertakings or assets of the Company, wherever it is necessary;
- j) To evaluate internal financial controls and risk management systems;
- k) Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors to take up steps in this matter;
- l) Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with Internal Auditors of any significant findings and follow up there on;
- o) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;

- p) 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;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the whistle blower mechanism;
- s) To approve of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- t) To investigate into any above matter or referred to it by the Board of Directors and for this purpose, it to have full access to information contained in the records of the Company and external professional advice, if necessary;
- u) To mandatorily review the following information:
- Management Discussion and Analysis of financial condition and results of operations;
  - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal Audit Reports relating to internal control weaknesses;
  - Review of the appointment, removal and terms of remuneration of the Chief Internal Auditor;
  - Statements of deviations: quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 52 of the Listing Regulations; and
- v) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- w) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- x) To perform such other functions and duties as may be required to be performed by the Audit Committee under the applicable provisions of the Companies Act and/or the Rules made thereunder and/or the Listing Regulations, including any amendment(s) thereto as may be made from time to time.

## (B) NOMINATION AND REMUNERATION COMMITTEE

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, as on March 31, 2023, comprised of 4 (Four) Directors. The details of composition of the Nomination and Remuneration Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of Directors	Category of Directors	No. of Meetings attended
Mr. Mathew Eipe, Chairman	Non-Executive, Independent	2
Ms. Monaz Noble, Member		2
Ms. Shweta Bhatia, Member		2
Mr. Sandeep Murthy, Member		2

This Committee looks at all matters pertaining to the appointment and remuneration of the Managing Director, Executive Directors, Key Managerial Personnel and Senior Management Personnel and administration of the Employee Stock Option Scheme of the Company, i.e. Godrej Industries Limited - Employee Stock Grant Scheme, 2011 (ESGS 2011).

Ms. Tejal Jariwala, Company Secretary & Compliance Officer acts as the Secretary for the Nomination and Remuneration Committee Meetings.

There were 2 (Two) Nomination and Remuneration Committee Meetings held during the Financial Year 2022-23 (i.e. on May 26, 2022 and February 24, 2023). The necessary quorum was present at the Meetings.

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

- a. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates
- b. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
  - c. To identify persons who are qualified to become directors and persons who may be appointed in Senior Management Position including Key Managerial Personnel in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
  - d. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
  - e. To recommend to the Board of Directors, qualifications, appointment, remuneration and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration policy.
  - f. To devise a policy on diversity of Board of Directors.
  - g. To carry out performance evaluation of every Director in accordance with the Nomination and Remuneration policy.
  - h. To consider grant of stock options to eligible Directors, to formulate detailed terms and conditions of Employee Stock Grant Scheme (ESGS) and to administer and exercise superintendence over ESGS.
  - i. 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.
  - j. recommend to the board, all remuneration, in whatever form, payable to senior management.

The Committee is also responsible for recommending to the Board a policy relating to the appointment of the Directors, Key Managerial Personnel, Senior Management and their remuneration. In line with this requirement, the Board has adopted the 'Board Appointment Policy', 'Total Rewards Philosophy of Godrej Industries Limited' and the 'Nomination and

Remuneration Policy'. These Policies outline the appointment criteria and qualifications, the term/tenure of the Directors on the Board of Godrej Industries Limited and the matters related to remuneration of the Directors, KMPs and Senior Management. The Nomination and Remuneration Policy has been put up on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

Commission, in addition to the sitting fees, of an amount of ₹10,00,000/- (Rupees Ten Lakh Only) was paid to each Independent Director of the Company for the Financial Year 2022-23 in terms of the approval granted by the Shareholders of the Company.

#### Details of Sitting Fees and Commission paid to Non-Executive Directors during the Financial Year 2022-23

(Amount in ₹)

Names of Directors	Sitting fees	Commission
Mr. Jamshyd Godrej	3,00,000	Not applicable
Mr. Pirojsha Godrej	4,00,000	Not applicable
Mr. Mathew Eipe	21,00,000	10,00,000
Dr. Ganapati Yadav	14,00,000	10,00,000
Ms. Monaz Noble	10,00,000	10,00,000
Ms. Shweta Bhatia	9,00,000	10,00,000
Mr. Sandeep Murthy	13,00,000	10,00,000
Mr. Ajaykumar Vaghani	4,00,000	10,00,000

#### Remuneration to Executive Directors

The remuneration of the Managing Director and Executive Directors is in consensus with the Company's size, industry practice and overall performance of the Company. The Nomination and Remuneration Committee submits its recommendation to the Board, which after considering the recommendation takes decision on the remuneration payable to the Managing Directors and Executive Directors (which also includes annual increments and performance bonus) in accordance with the provisions of the Companies Act, 2013, subject to approval of the Members, wherever required.

The details of remuneration packages of the Executive Directors is given herein below:

(Amount in ₹)

Names of Directors	Designation	Salary and Allowances	Perquisites	Retirement Benefits	Total
Mr. Nadir Godrej	Chairman & Managing Director	7,14,55,405	38,98,275	36,87,274	7,90,40,954
Ms. Tanya Dubash	Executive Director & Chief Brand Officer	7,80,90,531	53,05,413	26,25,159	8,60,21,103
Mr. Nitin Nabar	Executive Director & President (Chemicals)	10,64,25,325	12,30,985	13,90,192	10,90,46,502

**Notes:**

The service contract of Mr. Nadir Godrej is for a period of 3 (Three) years from April 1, 2023 up to March 31, 2026. The service contract of Ms. Tanya Dubash is for a period of 3 (Three) years beginning from April 1, 2022 up to March 31, 2025. The service contract of Mr. Nitin Nabar is for a period of 2 (Two) years and 1 (One) month beginning from April 1, 2022 up to April 30, 2024. The Agreements may be terminated by either party giving to the other party 3 (Three) months' notice in writing. There is no separate provision for payment of severance fees.

**Directors with materially significant Related Party Transactions, pecuniary or business relationship with the Company**

Except for drawing remuneration by the Managing Director and the Executive Directors and payment of Sitting Fees to Non-Executive Directors & payment of Commission to Independent Directors, none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company. Attention of the Members is drawn to the disclosures of transactions with Related Parties as set out in Note No. 41 to the Standalone Financial Statement forming a part of the Annual Report.

In preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements.

Number of shares and convertible instruments held by Non-Executive Directors as on March 31, 2023 is given below:

<b>Names of Non-Executive Directors</b>	<b>Equity Shares</b>	<b>Convertible Instruments</b>
Mr. Jamshyd Godrej*	3,14,29,854	Nil
Mr. Mathew Eipe	82,434	Nil
Mr. Pirojsha Godrej	7,41,758	Nil
Dr. Ganapati Yadav	0	Nil
Ms. Monaz Noble	0	Nil
Mr. Ajaykumar Vaghani	0	Nil
Ms. Shweta Bhatia	0	Nil
Mr. Sandeep Murthy	0	Nil

\*The shareholding does not include shares held through Trusts.

**Stock Options to Directors**

The Company has not granted any Stock Options to any of its Promoter Directors / Independent Directors during the Financial Year 2022-23.

Mr. Nitin Nabar, Executive Director & President (Chemicals) was allotted 13,972 Equity Shares under Godrej Industries Limited- Employee Stock Grant Scheme, 2011 (ESGS 2011) during the Financial Year 2022-23.



## Performance Evaluation Criteria for Independent Directors

Performance evaluation of Directors is carried out through a structured questionnaire which was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

In particular, an Independent Director shall be a person who shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising his duties;
- iii. exercise his responsibilities in a bona fide manner in the interest of the Company;
- iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making;
- vi. not abuse his position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vii. refrain from any action that would lead to loss of his independence;
- viii. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- ix. assist the Company in implementing the best corporate governance practices.

## (C) STAKEHOLDERS' RELATIONSHIP COMMITTEE

In terms of Regulation 20 of the Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee, as on March 31, 2023, comprised of 5 (Five) Directors. The details of composition of the Stakeholders' Relationship Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of Directors	Category of Directors	No. of Meetings attended
Mr. Nadir Godrej, Member	Executive	3
Ms. Tanya Dubash, Member		2
Mr. Nitin Nabar, Member		3
Mr. Mathew Eipe, Chairman	Non-Executive, Independent	3
Ms. Shweta Bhatia, Member		3

The functioning and the terms of reference of the Committee are as prescribed and in due compliance with Regulation 20 read with Part D of Schedule II to the Listing Regulations and Section 178 of the Act, as applicable, and include reviewing existing investor redressal system, redressing Shareholder complaints like delay in transfer of shares, non-receipt of Annual Report, non-receipt of dividend warrants, complaints from debenture holders etc. and suggesting improvements in investors' relations.

There were 3 (Three) Stakeholders' Relationship Committee Meetings held during the Financial Year 2022-23 (i.e. on May 26, 2022, August 12, 2022 and February 13, 2023). The necessary quorum was present for all the Meetings.

**Name and designation of Compliance Officer:**

Ms. Tejal Jariwala, Company Secretary is the Compliance Officer of the Company.

**Details of Shareholder's complaints received and disposed off during the Financial Year 2022-23:**

Complaints outstanding as on April 1, 2022	Nil
Complaints received during the year ended March 31, 2023	51
Complaints resolved during the year ended March 31, 2023	51
Complaints outstanding as on March 31, 2023	Nil

The terms of reference of the Stakeholders' Relationship Committee are as follows:-

- To specifically look into various aspects of interest of shareholders, debenture holders and other security holders.
- Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review the measures taken for effective exercise of voting rights by shareholders.
- Review the adherence to the service standards adopted by the Company in respect of various services being rendered by its Registrar & Share Transfer Agent.
- Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Consider any other duties or obligations as may be referred to it by the Board of Directors.

**(D) RISK MANAGEMENT COMMITTEE**

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee, as on March 31, 2023, comprised of 5 (Five) Members. The details of composition of the Risk Management Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of Directors	Category of Directors	No. of Meetings attended
Mr. Nadir Godrej, Chairman	Executive Directors	3
Mr. Nitin Nabar, Member		3
Mr. Mathew Eipe, Member	Non Executive, Independent	3
Dr. Ganapati Yadav, Member		3
Mr. Clement Pinto, Member	Chief Financial Officer	3

There were 3 (Three) Risk Management Committee Meetings held during the Financial Year 2022-23 (i.e. on May 26, 2022, November 14, 2022 and February 13, 2023) and the gap between 2 (Two) meetings did not exceed 180 (One Hundred and Eighty) days. The necessary quorum was present for all the Meetings.

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

1. To formulate a detailed Risk Management Policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (Particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.
8. The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
9. This Committee shall be responsible to monitor and review the risk management plan of the Company and the existing Forex Committee and the Business Risk Committee of the Company shall report to this Committee.
10. The Committee shall monitor and review the Risk Management Plan periodically.
11. Ensuring appropriate risk management systems and controls are in place and its evaluation and review including Risk assessment and risk minimisation procedures.

## (E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In terms of Section 135 of the Act, the Corporate Social Responsibility Committee, as on March 31, 2023, comprised of 4 (Four) Directors. The details of composition of the Corporate Social Responsibility Committee and the details of Meetings attended by the Directors during the Financial Year under review was as under:

Names of Directors	Category of Directors	No. of Meetings attended
Mr. Nadir Godrej, Chairman	Executive	1
Ms. Tanya Dubash, Member		NIL
Mr. Nitin Nabar, Member		1
Mr. Mathew Eipe, Member	Non-Executive, Independent	1

The Corporate Social Responsibility Committee met once during the Financial Year 2022-23, on February 13, 2023.

Pursuant to the provisions of Section 135 of the Act, CSR Committee has been constituted by the Board of Directors. The Committee's prime responsibilities are as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII to the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause above;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- To recommend the amount to be spent by the Company towards CSR activities;
- To review the progress made at least once a year;
- To formulate and recommend Annual Action Plan to the Board with shall include:
  - i. the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - ii. the manner of execution of such projects or programs;
  - iii. the modalities of utilization of funds and implementation schedules for the projects or programs;
  - iv. monitoring and reporting mechanism for the projects or programs; and
  - v. details of need and impact assessment, if any, for the projects undertaken by the company

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

#### 4. GENERAL BODY MEETINGS

##### (a) Details of last 3 (Three) Annual General Meetings (AGMs):

The date, time and venue of Annual General Meetings held during the preceding 3 (Three) Financial Years and the Special Resolutions passed thereat were as follows:

Year	Venue	Date	Time	Special Resolutions passed
2019-20	Meeting was conducted through Video Conferencing / Other Audio Visual Means by availing services of Central Depository Services (India) Limited ("CDSL")	August 13, 2020	3:00 P.M. (IST)	None

Year	Venue	Date	Time	Special Resolutions passed
2020-21	Meeting was conducted through Video Conferencing / Other Audio Visual Means by availing services of Central Depository Services (India) Limited ("CDSL")	August 13, 2021	3:30 P.M. (IST)	<ol style="list-style-type: none"> <li>1. Approval for re-appointment of and remuneration payable to Ms. Tanya Dubash as "Whole Time Director" of the Company for a period of 3 (Three) years, w.e.f. April 1, 2022 to March 31, 2025;</li> <li>2. Approval for re-appointment of and remuneration payable to Mr. Nitin Nabar as "Whole Time Director" of the Company for a period of 2 (Two) years and 1 (One) month, w.e.f. April 1, 2022 to April 30, 2024;</li> <li>3. Payment of Commission to Independent Directors of the Company.</li> </ol>
2021-22	Meeting was conducted through Video Conferencing / Other Audio Visual Means by availing services of Central Depository Services (India) Limited ("CDSL")	August 12, 2022	3:00 P.M. (IST)	Approval for re-appointment of and remuneration payable to Mr. Nadir Godrej as "Managing Director" (designated as the 'Chairman and Managing Director') of the Company for a period of 3 (Three) years, w.e.f. April 1, 2023 to March 31, 2026.

**(b) Details of Special Resolutions passed at the Extraordinary General Meetings (EGM) during the Financial Year 2022-23:**

No Extraordinary General Meeting was held during the Financial Year 2022-23.

**(c) Postal Ballot:**

i) During the Financial Year 2022-23, 2 (Two) Postal Ballots were conducted, and the following resolutions were passed by requisite majority.

**Postal Ballot Notice dated May 27, 2022 and the Date of Passing of the Ordinary Resolution was June 29, 2022:**

Resolution	Type of Resolution	Votes in favour of Resolution		Votes against the Resolution	
		No. of votes	% to total votes	No. of votes	% to total votes
Approval for appointment of Mr. Pirojsha Godrej as a "Non-Executive, Non-Independent Director" of the Company	Ordinary	29,87,73,463	99.92	2,49,614	0.08

**Postal Ballot Notice dated November 14, 2022 and the Date of Passing of the Special Resolutions were December 19, 2022:**

Resolutions	Type of Resolution	Votes in favour of Resolution		Votes against the Resolution	
		No. of votes	% to total votes	No. of votes	% to total votes
Approval for further investment of up to ₹1,200 Crore (Rupee One Thousand Two Hundred Crore) in Godrej Capital Limited, Subsidiary Company	Special	30,07,75,258	99.99	5,464	0.01
Approval for increase in borrowing powers of the Company under Section 180(1) (c) of the Companies Act, 2013	Special	29,74,51,983	98.89	33,28,739	1.11
To approve raising of funds by way of issuance of unsecured Non-Convertible Debentures (NCDs)/Bonds/ Other Instruments aggregating to ₹2,000 Crore (Rupees Two Thousand Crore) and to delegate the powers to the management committee in this regard	Special	29,98,50,622	99.69	9,30,100	0.31
To approve investment of up to ₹5 Crore (Rupees Five Crore) in connection with availing exemption of electricity duty, cross subsidy charge and additional surcharge works under group captive power scheme of Gujarat Wind Solar Hybrid Policy, 2018	Special	30,07,76,406	99.99	4,316	0.01

**(ii) Person who conducted the Postal Ballot exercise**

Mr. Kalidas Vanjpe, Practicing Company Secretary conducted the Postal Ballot exercise for the Postal Ballot Notices dated May 27, 2022 and November 14, 2022

**(d) Procedure adopted for Postal Ballot:**

2 (Two) Postal Ballots were conducted during the Financial Year 2022-23 and the following procedure was adopted by the Company for each Postal Ballot:-

- i. The Board of Directors, at its Meeting, approved the items to be passed through Postal Ballot and authorized one of the functional Directors and the Company Secretary to be responsible for the entire process of Postal Ballot.
- ii. A professional such as a Chartered Accountant / Company Secretary, who was not in the employment of the Company, was appointed as the Scrutinizer for the postal ballot process.
- iii. Notice of Postal Ballot was sent to the Shareholders only through email. E-voting facility was also offered to eligible Shareholders to enable them to cast their votes electronically.

- iv. An advertisement was published in a national newspaper and a vernacular newspaper about the dispatch of Postal Ballot Notice along with ballot papers.
- v. The Scrutinizer gave his report to the Chairman / Director of the Company, as may be authorized by the Chairman.
- vi. The Chairman announced the results of the Postal Ballot on receipt of the Scrutinizer's Report.
- vii. The results were intimated to the Stock Exchange(s) and are also hosted on the Company's website, [www.godrejindustries.com](http://www.godrejindustries.com).

**(e) Whether any Special Resolution is proposed to be conducted through Postal Ballot:**

No Special Resolution is proposed to be conducted through Postal Ballot.

## **5. DISCLOSURES**

### **a) Related Party Transactions**

All transactions entered into with Related Parties as defined under the Act and the Listing Regulations during the Financial Year 2022-23 were in the ordinary course of business and on the basis of arm's length price. There were no material significant transactions with Related Parties during the Financial Year 2022-23 which were in conflict with the interest of the Company.

In preparation of the Financial Statements for the Financial Year 2022-23, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements. Attention of the Shareholders is drawn to the disclosure of transactions with Related Parties as set out for the Financial Year 2022-23 in Note No. 41 of the Standalone Financial Statement, forming a part of the Annual Report.

None of the transactions with any of the Related Parties were in conflict with the Company's interest. All Related Party Transactions are on arm's length basis and are intended to further the Company's interests.

Your Company has formulated a Policy on materiality and dealing with Related Party Transactions which specify the manner of dealing with Related Party Transactions. This Policy has been put up on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

### **b) Whistle Blower Policy / Vigil Mechanism**

Your Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal, unethical behaviour and actual or suspected fraud or violations of Company's Code of Conduct. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to the

Whistle Blowing Officer of the Company. No personnel / employee of the Company has been denied access to the Audit Committee of the Company. The confidentiality of the reported violations, if any, is maintained and the employees' reporting violations are not subjected to any discriminatory practice. Vigil Mechanism / Whistle Blower Policy is posted on the website of your Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com).

### **c) Anti Sexual Harassment Policy**

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the Godrej group. Your Company has formed an Internal Complaints Committee pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the said Act") - one for the Head Office, factories in Maharashtra and branches in India and the other for the factory at Valia, Gujarat. Ms. Shefali Kohli is the Presiding Officer for both the Committees. While the Act is applicable only to the women employees, our Company's policy covers all employees. The details of Complaints received during the Financial Year are as under:

- a. number of complaints filed during the financial year - Nil
- b. number of complaints disposed of during the financial year- Nil
- c. number of complaints pending as on end of the financial year- Nil

The Company has not received any complaints during the Financial Year 2022-23.

### **d) Details of Non-compliance on matters related to Capital Markets**

There has neither been any non-compliance by the Company and nor any penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.

### **e) Disclosure of Commodity Price Risk / Foreign Exchange Risk and Hedging Activities**

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

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

In terms of the SEBI Circular dated November 15, 2018, please see below Annexure giving disclosures regarding commodity risks:



## Annexure

### 1. Risk Management Policy of the Company with respect to commodities including through hedging:

The Company has in place Risk Management Policy which takes into consideration total exposure, towards commodities, commodity risks faced by the entity, hedged exposures, etc. the Risk Management Policy of the Company is uploaded on the website of the Company, viz. [www.godrejindustries.com](http://www.godrejindustries.com).

### 2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

A. Total exposure of the listed entity to commodities in INR: ₹ Nil

B. Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity (₹ in Crore)	Exposure in Quantity terms towards the particular commodity (MT)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Derivatives of Palm Oil	-	-	-	-	-	-	-
Rapeseed Oil	-	-	-	-	-	-	-

### C. Commodity risks faced by the listed entity during the year and how they have been managed.

The Company is exposed to commodity risks mainly due to price volatility in Palm oil derivatives and Rapeseed Oil. We enter into fixed price contracts with suppliers and in certain cases, enter into back to back sale contract with customers. We periodically review the open exposure of Raw material regularly. We also hedge the risk on commodities exchange.

In respect of Commodities which are imported at a contracted fixed price, there is a foreign exchange currency risk and the mitigation of the same is managed by the FOREX Committee of the Company. The Committee periodically meets and reviews the overall foreign exchange currency exposure and enters into forward contracts to hedge the currency risk. Details of hedged and unhedged positions for foreign currency exposures are available in the Notes to Financial Statement of the Annual Report.

#### **f) Code of Conduct**

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com). The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended March 31, 2023, is annexed to this Report on Corporate Governance.

#### **g) Disclosures by Management to the Board of Directors**

Your Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2022-23.

#### **h) Public, Rights and Other Issues / Utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations**

There were no Public, Rights and Other Issues during the Financial Year 2022-23 except allotment of 53,944 (Fifty-Three Thousand Nine Hundred and Forty-Four) Equity Shares to the Employees under Godrej Industries Limited- Employee Stock Grant Scheme, 2011 (ESGS 2011).

Further, the Company had raised ₹550,00,00,000 (Rupees Five Hundred and Fifty Crore Only) during the year under review through issuance of Non-Convertible Debentures in terms of the Listing Regulations.

#### **i) CEO and CFO Certification**

Mr. Nadir Godrej, Chairman and Managing Director and Mr. Clement Pinto, Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Annual Financial Statements for the Financial Year ended March 31, 2023.

#### **j) Management Discussion and Analysis Report**

Management Discussion and Analysis Report forms a part of this Annual Report.

#### **k) Disclosure of Accounting Treatment in preparation of Financial Statements**

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India and comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.

### **6. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

As prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the certificate issued by M/s. A. N. Ramani & Co., Practising Company Secretaries regarding compliance of conditions of corporate governance is annexed to this Report on Corporate Governance.

## 7. MEANS OF COMMUNICATION

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

The Company files the quarterly results, Corporate Governance report, Shareholding pattern etc. electronically with BSE Limited and National Stock Exchange of India Limited, through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS), respectively.

## 8. GENERAL SHAREHOLDER INFORMATION

### a) Registered Office:

Godrej Industries Limited  
(CIN: L24241MH1988PLC097781)  
Godrej One, Pirojshanagar,  
Eastern Express Highway, Vikhroli (East),  
Mumbai – 400079, Maharashtra.  
Tel: 022-25188010, Fax:022-25188066

### b) Annual General Meeting to be held via video conferencing:

Date : Friday, August 11, 2023  
Time : 3:00 p.m. (IST)  
Deemed Venue : Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400079, Maharashtra.

### c) Financial Year :

Financial Year : April 1, 2022 to March 31, 2023

For the Financial Year ended March 31, 2023, results were announced on:

- August 12, 2022 : First quarter
- November 14, 2022 : Half year
- February 13, 2023 : Third quarter
- May 19, 2023 : Annual

### d) Book Closure Dates:

The Book Closure dates as fixed by the Board of Directors are from Friday, August 4, 2023 to Friday, August 11, 2023 (both days inclusive).

e) Listing information:

**EQUITY SHARES:**

The Company's Equity Shares are listed on the following Stock Exchanges:

Name of Stock Exchange and address	Stock Code	ISIN
BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	500164	INE233A01035
National Stock Exchange of India Limited (NSE) 'Exchange Plaza', Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.	GODREJIND	

**NON CONVERTIBLE DEBENTURES:**

The Company's privately placed Non-Convertible Debentures of ₹3,550 Crore (in six tranches) as on March 31, 2023, are listed on the Debt Segment of National Stock Exchange of India Limited (NSE) as below:

ISIN	Principal Amount (₹ in Crore)	Yield to Maturity / Coupon Rate (%)	Date of issue	Date of Maturity
INE233A08022	750	6.24%	July 16, 2020	July 14, 2023
INE233A08030	750	6.43%	October 28, 2020	April 26, 2024
INE233A08048	750	6.92%	May 14, 2021	May 14, 2025
INE233A08055	750	7.58%	September 28, 2021	September 28, 2028
INE233A08071	250	8.30%	March 20, 2023	June 12, 2026
INE233A08063	300	8.35%	March 20, 2023	December 12, 2025

**Payment of Depository Fees:**

Annual Custody / Issuer fee for the Financial Year 2023-24 has been paid by the Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**Payment of Listing Fees:**

The Company has paid the requisite Annual Listing Fees to BSE and NSE for Financial Year 2023-24. The securities have not been suspended from trading.

The Company has also paid Annual Listing Fees for Debt Securities to NSE for Financial Year 2023-24.

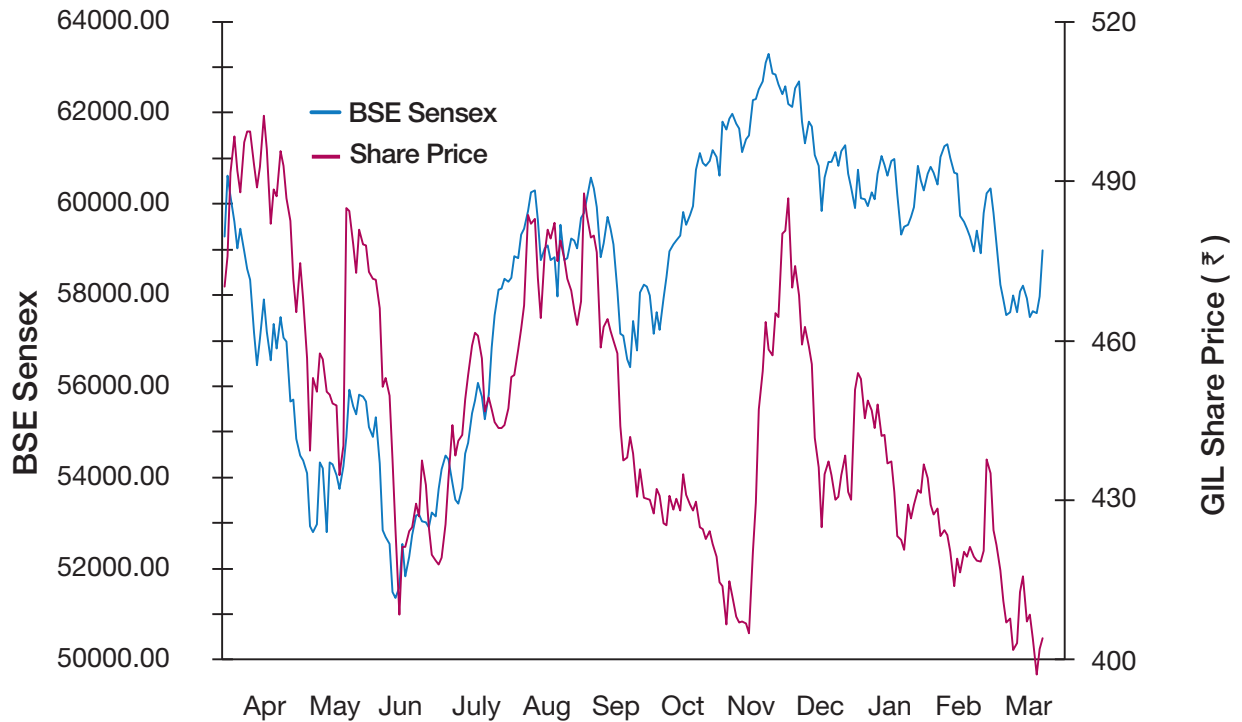
f) Market Information

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

Stock Exchange	BSE			NSE		
	HIGH (₹)	LOW (₹)	VOLUME (No. of shares)	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)
April 2022	513.00	466.70	3,07,782	515.00	460.35	47,29,721
May 2022	494.80	429.20	4,38,036	495.00	426.20	49,84,368
June 2022	499.00	405.00	1,13,192	550.00	405.00	13,90,633
July 2022	470.00	412.90	1,07,569	465.65	412.30	18,14,018
Aug 2022	492.80	436.30	1,78,814	490.30	435.00	30,71,892
Sept 2022	503.95	434.50	5,33,173	504.00	424.00	47,94,314
Oct 2022	439.95	421.00	6,20,326	440.65	421.00	23,28,137
Nov 2022	465.45	402.60	2,92,328	465.40	401.45	63,10,178
Dec 2022	488.65	420.00	2,16,684	489.05	420.70	37,51,409
Jan 2023	460.85	416.65	6,08,101	461.15	416.90	62,20,743
Feb 2023	457.00	411.20	2,23,161	457.05	413.10	33,18,087
Mar 2023	443.10	395.20	1,84,407	443.40	395.00	32,86,612

### The Company's Share Performance compared to the BSE Sensex for FY 2022-23

**Godrej Industries Share Performance compared to the BSE Sensex for F.Y. 2022-23**



g) Distribution of shareholding:

Number of shares	Number of shareholders	Shareholders (%)	Number of shares held	Shareholding (%)
1 – 500	90,055	93.34%	56,17,663	1.67%
501 – 1000	3,441	3.57%	25,54,130	0.76%
1001 – 2000	1,506	1.56%	21,42,085	0.64%
2001 – 3000	482	0.50%	11,75,297	0.35%
3001 – 4000	243	0.25%	8,39,619	0.25%
4001 – 5000	144	0.15%	6,57,708	0.20%
5001 - 10000	274	0.28%	19,18,703	0.57%
10001 & above	333	0.35%	32,17,33,052	95.57%
<b>Total</b>	<b>96,478</b>	<b>100.00%</b>	<b>33,66,38,257</b>	<b>100.00%</b>

Distribution of shareholding by ownership as on March 31, 2023 was as under:

Category (as being reported to Stock Exchange)	No. of Equity Shares	Percentage of shareholding (%)
<b>PROMOTER'S HOLDING</b>		
Promoters		
-Indian Promoters	22,61,26,774	67.17
-Foreign Promoters	13	0.00
Persons acting in Concert	0	0.00
<b>Sub-Total</b>	<b>22,61,26,787</b>	<b>67.17</b>
<b>NON-PROMOTER'S HOLDING</b>		
<b>Institutional Investors</b>		
Mutual Funds & UTI	47,81,706	1.42
Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions /Non-Government Institutions)	23,93,270	0.71
Foreign Portfolio Investors/Foreign Institutional Investors	3,50,54,580	10.41
<b>Sub-Total</b>	<b>4,22,29,556</b>	<b>12.54</b>
<b>Non-Institutional Investors</b>		
Private Corporate Bodies	25,63,651	0.76
Indian Public	1,95,85,465	5.81
NRIs/OCBs	10,05,796	0.30
Trust where any person belonging to 'Promoter and Promoter Group' Category is trustee/beneficiary/author of the Trust	4,50,14,972	13.37
Director or Director's Relative (Excluding Independent Director & their relatives)	19,482	0.01
Key Managerial Personnel	23,706	0.01
Investor Education and Protection Fund	68,842	0.02
<b>Sub-Total</b>	<b>6,82,81,914</b>	<b>20.28</b>
<b>Total</b>	<b>33,66,38,257</b>	<b>100</b>

#### h) Shares held in physical and dematerialised form:

As on March 31, 2023, 99.91% of the Company's Equity Shares were held in dematerialized form and the remaining 0.09 % in physical form. The break-up is listed below:

Mode	No. of Equity Shares	Percentage (%)
Demat Shares with NSDL	32,26,23,560	95.84
Demat Shares with CDSL	1,37,17,008	4.07
Physical Shares	2,97,689	0.09
<b>Total</b>	<b>33,66,38,257</b>	<b>100.00</b>

#### i) Liquidity:

Higher trading activity was witnessed on NSE. Relevant data for the daily turnover on Stock Exchange(s) for the Financial Year 2022-23 is given below:

Particulars	BSE	NSE	Total
Shares (nos.)	38,23,573	4,60,00,112	4,98,23,685
Value (in ₹)	1,71,84,82,108	20,80,64,83,715	22,52,49,65,823

[Source: This information is compiled from the data available from the websites of BSE and NSE]

#### j) Reconciliation of Share Capital Audit Report:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every Quarter and Report thereon is submitted to the Stock Exchange(s) where the Company's shares are listed. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and the total number of shares in physical form.

#### k) Outstanding GDRs/ADRs/Warrants/Convertible instruments, Conversion date and their impact on equity:

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

#### l) Debenture Trustee:

Pursuant to Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the name and contact details of the Debenture Trustee for the privately placed NCDs are given below:

##### **Catalyst Trusteeship Limited**

Windsor, 6<sup>th</sup> Floor, Office No.604, C.S.T. Road, Kalina,Santacruz (East), Mumbai - 400098

Tel.: 022-49220555

E-Mail: [ComplianceCTL-Mumbai@ctltrustee.com](mailto:ComplianceCTL-Mumbai@ctltrustee.com), Website: [www.catalysttrustee.com](http://www.catalysttrustee.com)

**m) Registrar and Share Transfer Agents:**

Investor correspondence should be addressed to:

**For Equity Shares:-**

**Computech Sharecap Limited**

147, Mahatma Gandhi Road, Opp. Jehangir Art Gallery, Fort, Mumbai - 400 001.

Tel: 022-22635000 / 22635001; Fax: 022-22635001

Email: [helpdesk@compu-techsharecap.in](mailto:helpdesk@compu-techsharecap.in). Website: [www.compu-techsharecap.com](http://www.compu-techsharecap.com)

**For Non- Convertible Debentures (NCDs):-**

**Bigshare Services Private Limited**

Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India

Phone: 022-62638200

E-Mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com), Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**n) Share Transfer system/Other investor requests:**

As per Regulation 40 of the Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form, with effect from 1st April 2019. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Company obtains from a Company Secretary in Practice, a Yearly Certificate to the effect that issuance of all certificates have been effected within 30 (Thirty) days of the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

**o) Plant locations:**

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

**p) Address for Correspondence:**

**Mr. Clement Pinto**

**Chief Financial Officer**

Godrej One, Pirojshanagar, Eastern Express Highway,



Vikhroli (East), Mumbai – 400 079, Maharashtra  
Phone: 022 – 2518 8010, Fax: 022 – 2518 8066  
Email id: [cg.pinto@godrejinds.com](mailto:cg.pinto@godrejinds.com), Website: [www.godrejindustries.com](http://www.godrejindustries.com)

**Ms. Tejal Jariwala**

**Company Secretary & Compliance Officer**

Godrej One, Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
Phone: 022 – 2518 8010, Fax: 022 - 2518 8066  
Email id: [tejal.jariwala@godrejinds.com](mailto:tejal.jariwala@godrejinds.com), Website: [www.godrejindustries.com](http://www.godrejindustries.com)

**Investor Correspondence should be addressed to:**

**Computech Sharecap Limited**

147, M.G. Road, Opp. Jehangir Art Gallery, Fort, Mumbai 400 001.  
Tel: 022-22635000 / 22635001; Fax: 022-22635001  
Email: [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)

**Exclusive E-Mail ID for Investors / Shareholders**

Your Company has designated an e-mail id to enable the Shareholders and Investors to correspond with the Company. The e-mail id is [investor@godrejinds.com](mailto:investor@godrejinds.com).

**q) SEBI Complaints Redress System (SCORES):**

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are as stated under:

1. Centralised database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

**r) Material Subsidiary Companies:**

Your Company has 1 (One) Material Unlisted Subsidiary Company, i.e., Godrej Capital Limited, The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Board Meetings. Copies of the Minutes of the Board Meetings of unlisted Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings. Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has been put up on the website of the Company, viz., [www.godrejindustries.com](http://www.godrejindustries.com). Your Company has 2 (Two) Material Listed Subsidiaries as on March 31, 2023, viz. Godrej Properties Limited and Godrej Agrovet Limited.

**s) Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:**

The Company has complied with all the requirements in this regard, to the extent applicable.

**t) Disclosures of compliance with Corporate Governance requirements specified in Regulation 16 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:**

The Board of Directors periodically reviews the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance

with all mandatory requirements of Listing Regulations. The Company has submitted quarterly compliance reports on Corporate Governance with Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

Corporate Governance Report for the whole of Financial Year is given in table below:

#### I. Disclosure on website in terms of Listing Regulations:

Particulars	Compliance status (Yes / No / Not Applicable)
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	Not Applicable
New name and the old name of the listed entity	Not Applicable
Advertisements as per Regulation 47 (1)	Yes
Credit rating or revision in credit rating obtained	Yes
Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	Yes
Whether company has provided information under separate section on its website as per Regulation 46(2)	Yes
Materiality Policy as per Regulation 30	Yes
Dividend Distribution policy as per Regulation 43A (as applicable)	Yes
It is certified that these contents on the website of the listed entity are correct	Yes

#### II. Annual Affirmations:

Particulars	Regulation Number	Compliance status (Yes/ No / Not Applicable)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), 17(1A) & 17(1B)	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board Meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes

<b>Particulars</b>	<b>Regulation Number</b>	<b>Compliance status (Yes / No / Not Applicable)</b>
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination and Remuneration committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2) & (2A)	Yes
Meeting of Stakeholders Relationship Committee	20(3A)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	Yes
Meeting of Risk Management Committee	21(3A)	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(1A), (5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2)& (3)	Yes
Approval for material related party transactions	23(4)	Yes
Disclosure of related party transactions on consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	Not applicable
Maximum Tenure	25 (2)	Yes
Meeting of Independent directors	25(3) & (4)	Yes
Familiarization of Independent directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Policy with respect to Obligations of directors and senior management	26(2) &(5)	Yes

**u) Transfer of Unpaid / Unclaimed amounts of Dividend and Shares to Investor Education and Protection Fund:**

During the year under review, 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, below amount was transferred during the Financial Year 2022-23 to the Investor Education and Protection Fund (IEPF) and 16,040 (Sixteen Thousand Forty) Equity Shares were transferred during the Financial Year 2022-23 to the Investor Education and Protection Fund (IEPF):

Sr. No.	Particulars	Amount in ₹
1	Unpaid / Unclaimed Dividend of FY 2014-15	8,21,819.00
	<b>Total</b>	<b>8,21,819.00</b>

Further, Equity Shares in respect of whom dividend will remain unclaimed progressively for 7 (Seven) consecutive years, will be reviewed for transfer to the IEPF as required by law. The Company will transfer the said Equity Shares, if any, after sending an intimation of such proposed transfer in advance to the concerned Shareholders, as well as, publish a public notice in this regard. Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on August 12, 2022 (date of last Annual General Meeting) on the Company's website, viz., [www.godrejindustries.com](http://www.godrejindustries.com) and on the website of the Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in).

**v) Details of compliance with Non-Mandatory requirements:**

The status of compliance with non-mandatory recommendations of the Listing Regulations:

- (a) **Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the Shareholders.
- (b) **Audit Qualifications:** The Company's financial statements for Financial Year 2022-23 do not contain any audit qualification.
- (c) **Reporting of Internal Auditor:** The Internal Auditors give their quarterly report to the Audit Committee and the same is taken for review at the time of the Meetings of the Audit Committee.

**w) Credit Ratings:**

The details of Credit Ratings held by the Company as on March 31, 2023 are as under:

**Ratings from ICRA:**

Instrument	Amount (₹ in Crore)	ICRA Rating
Long Term Loans	384.60	[ICRA] AA (stable)
Long Term Fund Based Limits	90.00	[ICRA] AA (stable)
Short Term Loans Non Fund Based	126.00	[ICRA] A1+
Long Term / Short Term Unallocated	1,539.40	[ICRA]AA(Stable)/[ICRA]A1+
Commercial Paper Programme	2,500	[ICRA] A1+
Non-Convertible Debenture	5,000 (3,000 + 2,000)	[ICRA] AA (stable)

#### Ratings from CRISIL:

Instrument	Amount in (₹ in Crore)	CRISIL Rating
Commercial Paper Programme	2,500	CRISIL A1+
Non-Convertible Debenture	5,000 (3,000 + 2,000)	CRISIL AA/stable

There have been no revisions / changes in the Credit Ratings held by the Company during the Financial Year 2022-23.

#### x) Certificate regarding no-disqualification of Directors:

A certificate from M/s. A. N. Ramani & Co., Practicing Company Secretaries has been obtained stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed to this Report on Corporate Governance.

#### y) Fees paid to Statutory Auditors:

Total fees of ₹5.38 Crore for the Financial Year 2022-23, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

#### z) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

Neither your Company nor its subsidiaries have given any loans and advances in the nature of loans to firms/companies in which directors are interested.

#### za) Details of Material Subsidiaries:

Name of material subsidiary	Date and place of incorporation	Name of statutory auditor	Date of appointment
Godrej Properties Limited	February 08, 1985, Maharashtra	M/s BSR & Co. LLP	August 2, 2018 (1 <sup>st</sup> Term) August 2, 2022 (2 <sup>nd</sup> Term)
Godrej Agrovet Limited	November 25, 1991, Gujarat	M/s B S R & Co. LLP	August 4, 2017 (1 <sup>st</sup> Term) July 29, 2022 (2 <sup>nd</sup> Term)
Godrej Capital Limited	September 6, 2019, Mumbai	M/s. Kalyaniwalla & Mistry, LLP	September 2, 2020 (1 <sup>st</sup> Term)

#### zb) Disclosures with respect to demat suspense account/ unclaimed suspense account:

Your Company has opened a suspense escrow demat account in compliance with applicable SEBI Circular. However, there are no shares lying unclaimed in the said demat account.

**DECLARATION BY MANAGING DIRECTOR WITH RESPECT TO COMPLIANCE  
WITH CODE OF CONDUCT OF THE COMPANY**

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As provided under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said regulations, this is to confirm that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2023.

**For Godrej Industries Limited**

**Nadir Godrej**  
Chairman and Managing Director

**Date: April 1, 2023**

## **CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON COMPLIANCE WITH CORPORATE GOVERNANCE**

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To,  
The Members,  
**Godrej Industries Limited**

We have examined the compliance of conditions of corporate governance by Godrej Industries Limited (“the Company”) for the Financial Year ended on March 31, 2023, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

### **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 Financial Year ended March 31, 2023.

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 for any other purpose.

**For M/s. A. N. Ramani & Co.,  
Company Secretaries  
UNIQUE CODE - P2003MH000900  
UDIN: F008636E000330694**

**Bhavana Shewakramani  
Partner  
FCS – 8636, COP – 9577**

**Date: 19<sup>th</sup> May, 2023  
Place: Thane**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members of  
**Godrej Industries Limited**  
Godrej One, Pirojshanagar,  
Eastern Express Highway, Vikhroli East,  
Mumbai - 400079

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Godrej Industries Limited having CIN - L24241MH1988PLC097781 and having registered office at Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400079, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Nadir Godrej	00066195	March 7, 1988
2	Mr. Jamshyd Godrej	00076250	March 7, 1988
3	Mr. Pirojsha Godrej	00432983	April 1, 2022
4	Mr. Mathew Eipe	00027780	May 13, 2019
5	Dr. Ganapati Yadav	02235661	May 13, 2019
6	Ms. Monaz Noble	03086192	May 1, 2020
7	Ms. Shweta Bhatia	03164394	October 28, 2020
8	Mr. Sandeep Murthy	00591165	March 1, 2021
9	Mr. Ajaykumar Vaghani	00186764	June 23, 2021
10	Ms. Tanya Dubash	00026028	August 1, 1996
11	Mr. Nitin Nabar	06521655	May 1, 2013

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s. A. N. Ramani & Co.,  
Company Secretaries  
UNIQUE CODE - P2003MH000900  
UDIN: F008636E000330540

Bhavana Shewakramani  
Partner  
FCS - 8636, COP - 9577

Date: 19<sup>th</sup> May, 2023  
Place: Thane





CONSOLIDATED  
**FINANCIAL**  
**STATEMENTS**

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# Independent Auditor's Report

To the Members of Godrej Industries Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Godrej Industries Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at March 31, 2023 and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the branch auditor on financial information of such branch as was audited by the branch auditor and based on the consideration of reports of other auditors on standalone /consolidated financial statements of such subsidiaries, associates and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and its joint ventures as at March 31, 2023, and of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on standalone/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# Independent Auditor's Report

## Description of Key Audit Matters

### Revenue recognition from sale of goods (refer note 2(18) and 29 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>In case of the Holding Company, as per IND AS 115 - 'Revenue from Contracts with Customers' revenue is recognized on transfer of control of goods or services to a customer, which is on dispatch / delivery as per the terms of contracts, at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.</p> <p>Revenue recognition includes determination of pricing, effect of discounts, sales returns and adjustments for freight reimbursements.</p> <p>Due to the significance of the area and the risk of revenue being fraudulently overstated through manipulation on the timing of transfer of control, revenue recognition is considered as a key audit matter.</p>	<p>Our audit procedures to assess revenue recognition from sale of goods included the following:</p> <ul style="list-style-type: none"> <li>Assessing the compliance of the revenue recognition accounting policies by comparing with Ind AS 115 - "Revenue from Contracts with Customers".</li> <li>Understood and evaluated the design implementation and tested the operating effectiveness of key controls relating to revenue recognition.</li> <li>Testing the design, implementation and operating effectiveness of the Company's key General Information Technology (IT) controls and key IT application controls over the Company's systems for revenue recognition, by involving our IT specialists.</li> <li>Tested sales transactions on a sample basis by comparing the underlying sales invoices, sales orders, dispatch and delivery documents to assess whether revenue was recognized appropriately.</li> <li>Tested the timing of recognition of revenue including performing cut-off procedures, to determine whether the same is in line with the terms of contracts.</li> <li>Examining manual journal entries posted to revenue to identify any unusual or irregular items.</li> </ul>

### Revenue recognition from agri-business (refer note 2(18) and 29 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>Certain of the Holding Company's subsidiaries recognises revenue from sale of goods when control of the goods has transferred and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. The subsidiaries have large number of customers and the sales contracts with customers have different terms relating to transfer of control of underlying goods and the right of return.</p> <p>Recognition of revenue from sale of products is identified as a key audit matter because:</p> <p>The subsidiaries and its external stakeholders focus on revenue as a key performance indicator. This could create an incentive for higher revenue to be recognised throughout the period (including period end), i.e. before the control of underlying goods have been transferred to the customer; and</p> <p>Estimation of accrual for sales returns, particularly in the crop protection segment involves significant judgement.</p>	<p>Audit procedures performed by the auditors of the subsidiaries included following:</p> <ul style="list-style-type: none"> <li>Assessing the subsidiaries' accounting policies in respect of revenue recognition by comparing with applicable accounting standards;</li> <li>Evaluating the design, testing the implementation and operating effectiveness of the subsidiaries' internal controls over recognition of revenue;</li> <li>Perform substantive testing and cut-off testing throughout the period (including period end), by selecting samples of revenue transactions recorded during the year and verifying the underlying documents, which included sales invoices, dispatch documents and proof of delivery, depending on the terms of contracts with customer;</li> <li>Examining journal entries (using statistical sampling) posted to revenue to identify unusual or irregular items;</li> <li>Evaluating the design and testing the implementation and operating effectiveness of the internal controls over accrual for sales returns, in crop protection segment;</li> </ul>

# Independent Auditor's Report

## Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>• Checking completeness and accuracy of the data used for accrual of sales returns, in crop protection segment.</li> <li>• Examining historical trend of sales return claims to assess the assumptions and judgements used in accrual of sales returns in crop protection segment. Comparing historically recorded accruals to the actual amount of sales returns;</li> <li>• Evaluating adequacy of disclosures given in the consolidated financial statements.</li> </ul>

### Revenue recognition from sale of residential and commercial units (refer notes 2(19), 29 and 57 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>Certain of the Holding Company's subsidiaries' revenue streams involve sale of residential, commercial units and plots and other lands.</p> <p>Revenue is recognised post transfer of control to customers for the consideration (transaction price) which the subsidiaries expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities post which the contract becomes non-cancellable. The subsidiaries record revenue, over time till the actual possession to the customers, or on actual possession to the customers, as determined by the terms of contract with customers.</p> <p>The risk for revenue being recognised for arrangements that do not meet the definition of a contract or do not exist is considered as a key audit matter.</p> <p><b>Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete.</b></p> <p>Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on the subsidiaries' assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.</p> <p>Considering the significant estimate involved in measurement of revenue and risk of revenue being recognised in an incorrect period, revenue recognition is considered as a key audit matter.</p>	<p>Audit procedures performed by the auditors of the subsidiaries included the following:</p> <ul style="list-style-type: none"> <li>• Obtaining and understanding revenue recognition process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer.</li> <li>• Evaluating the design and implementation and tested operating effectiveness of key internal controls around approvals of contracts, milestone billing, intimation of receipt of occupation certificate, recording of project cost and controls over collection from customers.</li> <li>• Evaluating the accounting policies adopted by the Group for revenue recognition to check those are in line with the applicable accounting standards and their consistent application to the significant sales contracts.</li> <li>• Testing timeliness of revenue recognition by comparing individual sample sales transactions to underlying contracts.</li> <li>• Conducting site visits during the year for selected projects to understand the scope, nature and progress of the projects.</li> <li>• Evaluating revenue overstatement or understatement by assessing Group's key judgments in interpreting contractual terms. Determining the point in time at which the control is transferred by evaluating subsidiaries' in-house legal interpretations of the underlying agreements i.e. when contract becomes non- cancellable.</li> <li>• Requesting confirmations, on a sample basis for trade receivables and advances from customer. In case of non-receipt of confirmations, alternative procedures have been performed by comparing details with contracts, collection details and other underlying project related documentation.</li> </ul>

# Independent Auditor's Report

## Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>• Assessing the costs incurred and accrued to date on the balance sheet by examining underlying invoices and signed agreements on a sample basis. Assessing contract costs to check no costs of revenue nature are incorrectly recorded in the balance sheet.</li> <li>• Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts. Also, checked the related revenue had been recognised in accordance with the subsidiaries' revenue recognition policies.</li> <li>• Comparing the costs to complete workings with the budgeted costs and inquiring for variance.</li> <li>• Sighting Group's internal approvals, on sample basis, for changes in budgeted costs along with the rationale for the changes.</li> <li>• Scrutinising the revenue journal entries raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation.</li> <li>• Considering the adequacy of the disclosures in the consolidated financial statements in respect of the judgments taken in recognising revenue for residential, commercial units and plotted and other lands in accordance with Ind AS 115.</li> </ul>

### Deferred Tax Assets

(refer note 2(26) and 8 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p><b>Recognition and measurement of deferred tax assets</b></p> <p>Certain of the Holding Company's subsidiaries have deferred tax assets in respect of brought forward losses and other temporary differences.</p> <p>The subsidiaries' deferred tax assets in respect of brought forward business losses are based on the projected profitability. This is determined on the basis of approved business plans demonstrating availability of sufficient taxable income to utilise such brought forward business loss.</p> <p>Recognition of deferred tax assets has been identified as a key audit matter because of the related complexity and subjectivity of the assessment process. The assessment process is based on assumptions affected by expected future market or economic conditions.</p>	<p>Audit procedures performed by the auditors of the subsidiaries included the following:</p> <ul style="list-style-type: none"> <li>• Obtaining the approved business plans, projected profitability statements for the existing ongoing projects.</li> <li>• Evaluating the design and testing the operating effectiveness of controls over quarterly assessment of deferred tax balances and underlying data.</li> <li>• Evaluating the projections of future taxable profits. Testing the underlying data and assumptions used in the profitability projections and performing sensitivity analysis. Checking other convincing evidence like definitive agreements for land / development rights and verifying the project plans in respect of new projects and review of contractual agreements with customers and estimates on unsold inventory for existing projects.</li> </ul>

## Independent Auditor's Report

### Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>Assessing the recoverability of deferred tax assets by evaluating profitability, subsidiaries' forecasts and fiscal developments.</li> <li>Focusing on the adequacy of the subsidiaries' disclosures on deferred tax and assumptions used.</li> </ul>

### Investments in joint ventures and an associate and loans to joint ventures (refer note 2(11), 4a and 14 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>Certain of the Holding Company's subsidiaries have investments in joint ventures and an associate which are carried at cost less any diminution in value. The investments are assessed for impairment at each reporting date. The impairment assessment involves the use of estimates and judgements. The identification of impairment event and the determination of an impairment charge also require the application of significant judgement by the subsidiaries. The judgement, in particular, is with respect to the timing, quantity and estimation of projected cash flows of the real estate projects in these underlying entities.</p> <p>In view of the significance of these investments and above, we consider valuation / impairment of investments in joint ventures and an associate to be a key audit matter.</p>	<p>Recoverability of investments in joint ventures and an associate</p> <p>Audit procedures performed by the auditors of the subsidiaries included following:</p> <ul style="list-style-type: none"> <li>Evaluating design and implementation and testing operating effectiveness of controls over the subsidiaries' process of impairment assessment and approval of forecasts.</li> <li>Assessing the valuation methods used, financial position of the joint ventures and an associate to identify excess of their net assets over their carrying amount of investment by the subsidiaries and assessing profit history of those joint ventures and an associate.</li> <li>For the investments where the carrying amount exceeded the net asset value, understanding from the subsidiaries regarding the basis and assumptions used for the projected profitability.</li> <li>Verifying the inputs used in the projected profitability.</li> <li>Testing the assumptions and understanding the forecasted cash flows of joint ventures and an associate based on our knowledge of the subsidiaries and the markets in which they operate.</li> <li>Assessing the comparability of the forecasts with historical information.</li> <li>Analysing the possible indications of impairment and understanding subsidiaries' assessment of those indications.</li> <li>Considering the adequacy of disclosures in respect of the investments in joint ventures and an associate.</li> </ul>

# Independent Auditor's Report

## Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
<p><b>Recoverability of Loans to Joint Ventures</b></p> <p>The Group has extended loans to joint ventures. These are assessed for recoverability at each period end.</p> <p>Due to the nature of the business in the real estate industry, the subsidiaries are exposed to heightened risk in respect of the recoverability of the loans granted to its joint ventures. In addition to nature of business, there is also significant judgment involved as to the recoverability of the working capital and project specific loans. This depends on property developments projects being completed over the time period specified in agreements.</p> <p>We have identified measurement of loans to joint ventures as a key audit matter because recoverability assessment involves Group's significant judgement and estimate.</p>	<p><b>Recoverability of Loans to Joint Ventures</b></p> <ul style="list-style-type: none"> <li>Evaluating the design and implementation and testing operating effectiveness of key internal controls placed around the impairment assessment process of the recoverability of the loans.</li> <li>Assessing the net worth of joint ventures on the basis of latest available financial statements.</li> <li>Assessing the controls for grant of new loans and sighting the Board approvals obtained. Testing of subsidiaries' assessment of the recoverability of the loans, which includes cash flow projections over the duration of the loans. These projections are based on underlying property development appraisals.</li> <li>Tracing loans advanced / repaid during the year to bank statement.</li> <li>Obtaining independent confirmations to assess completeness and existence of loans given to joint ventures as on March 31, 2023.</li> </ul>

### Loss allowance on trade receivables – crop protection segment (refer note 2(11), 5 and 12 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>Certain of the Holding Company's subsidiaries' trade receivables of crop protection segment consist of individual / small customers in different jurisdictions within India.</p> <p>Accordingly, there are significant large number of customers subject to different business risk, climate risk and execution risk. The balance of loss allowance for trade receivables of crop protection segment represents the subsidiaries' best estimate at the balance sheet date of expected credit losses (ECL) under Ind AS 109.</p> <p>The subsidiaries assesses the ECL allowance for these individual / small customers resulting from the possible defaults over the expected life of the receivables. ECL is assessed at each reporting date on collective basis using provision matrix.</p> <p>The measurement of ECL involves significant judgements and assumptions, primarily including:</p> <p>Loss rate in provision matrix depending on days past due;</p> <ul style="list-style-type: none"> <li>credit risk of customers and</li> <li>historical experience adjusted for future economic conditions.</li> </ul>	<p>Audit procedures performed by the auditors of the subsidiaries to assess the ECL on trade receivables of crop protection segment included the following:</p> <ul style="list-style-type: none"> <li>Assessing the subsidiaries' accounting policy for ECL on trade receivables with applicable accounting standards;</li> <li>Testing the design, implementation and operating effectiveness of key controls over measurement of ECL on trade receivables in crop protection segment. Evaluating the processes of credit control and collection of trade receivables;</li> <li>Using IT specialists to assess and obtain comfort over ageing report. Assessing the classification of trade receivables based on such ageing report generated from system;</li> <li>Challenging the ECL estimates by examining the information used to form such estimates;</li> <li>Checking completeness and accuracy of the data used by the subsidiaries for computation of assumptions used for computing ECL on trade receivables. Assessing assumptions such as the basis of segmentation of trade receivables, historical default rate and other related factors;</li> </ul>

## Independent Auditor's Report

### Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> <li>For measuring ECL, the subsidiaries adopted provision matrix and applied significant estimates and judgements. In addition, the exposures of the trade receivables of crop protection segment and the ECL involve significant amounts. In view of this, the assessment of ECL on trade receivables of crop protection segment has been identified as a key audit matter.</li> </ul>	<ul style="list-style-type: none"> <li>Obtaining independent customer confirmations on the outstanding invoices on sample (using statistical sampling) basis. Verifying balances obtained from customer with balance in the books along with applicable reconciling items. Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to closing trade receivable balances, when confirmations are not received;</li> <li>Examining historical trend of bad debts to assess the assumptions and judgements used by the subsidiaries in allowance for doubtful debts.</li> </ul>

### Assessment of impairment of Goodwill and intangible assets (refer note 3c and 43 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>In case of certain of the Holding Company's subsidiaries, the Goodwill and intangible assets with indefinite useful lives is recognised pursuant to business acquisitions.</p> <p>Management performs an annual impairment testing for Goodwill and intangible assets having indefinite useful lives or more frequently, if events or changes in circumstances indicate that they might be impaired.</p> <p>The goodwill and intangible assets are attributable to cash generating units and is tested for impairment using a value in use model. Impairment evaluation of Goodwill and intangible assets having indefinite useful lives by management involves significant estimates and judgement, due to the inherent uncertainty involved in forecasting and discounting future cash flows.</p> <p>Accordingly, this is considered as a key audit matter.</p>	<p>Audit procedures performed by the auditors of the subsidiaries included following:</p> <ul style="list-style-type: none"> <li>Assessing the subsidiaries' accounting policy for impairment of goodwill and intangible assets with indefinite useful lives with applicable accounting standards;</li> <li>Testing the design, implementation and operating effectiveness of key controls placed around the impairment assessment process of goodwill and intangible assets;</li> <li>Assessing the indicators of impairment of goodwill and intangible assets;</li> <li>Obtaining and assessing the valuation working prepared by the management for its impairment assessment;</li> <li>Involving valuation specialists to assist in the evaluation of assumptions such as discount rate, growth rate etc. in estimating projections, cash flows and methodologies used by the subsidiaries;</li> <li>Comparing the current year's performance with the projections used in previous year;</li> <li>Assessing the sensitivity of the outcome of impairment assessment to changes in key assumptions; and</li> <li>Assessing the adequacy of disclosures in respect of such goodwill and intangible assets in accordance with the accounting standards.</li> </ul>



# Independent Auditor's Report

## Key Audit Matters (Continued)

### Assessment of impairment of Goodwill - Investment Company (refer note 43 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>One of the Holding Company's subsidiary has goodwill of ₹ 294.50 crore as at March 31, 2023 which represents goodwill acquired through business combination and allocated to cash generating unit of the Subsidiary.</p> <p>A cash generating unit to which goodwill has been allocated and to which intangible assets belong to is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. Impairment of goodwill is determined by assessing the recoverable amount of each cash generating unit to which these assets relate.</p> <p>Due to the significance of the carrying value of goodwill and judgment involved in performing impairment test, this matter was considered significant to our audit.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process followed by the management to determine the recoverable amounts of cash generating units to which the goodwill and intangible assets pertain to;</li> <li>• We compared the future operating cash flow forecasts with the approved business plan and budgets;</li> <li>• Evaluated the objectivity and independence of the specialists engaged by the Subsidiary and reviewed the valuation reports issued by such specialists;</li> <li>• Evaluated the model used in determining the value in use of the cash generating units;</li> <li>• Tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units;</li> <li>• Compared the transaction price considered for the said subsidiary shares in the transaction undertaken on 30<sup>th</sup> March 2023 vis a vis the fair value that was considered initially at the time of goodwill recognition; and</li> <li>• We also assessed the disclosures provided by the Group in relation to its annual impairment test in note 43 to the financial statements.</li> </ul>

### Impairment of financial assets as at the balance sheet date (Expected Credit Loss) – housing finance business (refer note 2(11), 6, and 14 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>One of the Holding Company's subsidiary has determined that the allowance for Expected Credit Loss (ECL) on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p> <p>Ind AS 109 requires the subsidiary to provide for impairment of its financial assets designated at amortised cost and fair value through other comprehensive income (including loan receivables and investments) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the subsidiary's financial assets. The key areas where they identified greater levels of management judgement and therefore increased levels of audit focus in the subsidiary's estimation of ECLs are:</p>	<p>We have examined the ECL methodology of the subsidiary, which has been reviewed by the Board of Directors, and have confirmed that adjustments to the output of the ECL model is consistent with the documented methodology.</p> <p>Read and assessed the subsidiary's accounting policies for impairment of financial assets and their compliance with Ind AS 109.</p> <p>Our audit procedures relating to the allowance for ECL included the following, among others:</p> <p>Tested the design and operating effectiveness of the internal financial controls relevant to the impairment loss allowance process, as detailed below:</p> <ul style="list-style-type: none"> <li>- completeness and accuracy of the Exposure at Default ("EAD").</li> </ul>

# Independent Auditor's Report

## Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> <li>• In process for or estimation of ECL for the subsidiary, the entire portfolio has been segmented into various homogenous product segments.</li> <li>• The subsidiary's portfolio currently has neither a sufficiently long history nor adequate number of defaults to use own data for estimation of Probability of Default (PD). A Logistic Regression model developed on the lookalike data obtained from Experian for estimating the PD of Applicant for a 24 Month period, has been used for PD estimation.</li> <li>• Bureau data for product segment during the period January 2016 to October 2017 was considered for scorecard development. The lookalike population was arrived at by considering the ticket size, location, age and peer institution. Performance was monitored for the above selected accounts from account open date, giving an outcome period of 24 months for all customers. Appropriate adjustments based on bureau data has been carried out to align the PD models to the required ECL performance period.</li> <li>• The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The Company's Portfolio is at a nascent stage and has till date had no defaults. Given the nature of the business, nascency of business and restricted observation period, a Loss Given Default (LGD) Rate has been considered based on the industry trend.</li> <li>• In case of Exposure at Default (EAD), the principal outstanding for the accounts has been considered as EAD. If required, definition of the above segments can change with business expansion, change in portfolio performance or economic cycle. Each segment is further split into delinquency buckets. For each such bucket, Probability of Default (PD), Loss Given Default (LGD) and EAD are estimated. In addition to the output of the ECL models, macroeconomic overlays and adjustments are recognised by the subsidiary to align historic LGD estimates with the current collection and recovery practices.</li> </ul> <p>The subsidiary has considered a management overlay of ₹ 7.37 crore (Previous year ₹ 4.87 crore) as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors. The management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated.</p> <p>In view of such high degree of Management's judgement involved in estimation of ECL, it is a key audit matter.</p>	<ul style="list-style-type: none"> <li>- appropriateness of information used in the estimation of the Probability of Default ("PD") and Loss given Default ("LGD") for the different loan portfolio.</li> <li>- reconciled the total loans considered for ECL assessment with the books of accounts to ensure the completeness. Performed the following substantive procedures on sample of loan assets:</li> <li>- Tested categorization of loan portfolio into different segments.</li> <li>- Tested the accuracy of information such as ratings and other related information used in estimating the PD.</li> <li>- Reviewed the JSON file obtained from Credit Rating Agency to recompute the score as per the ECL Model provided to us, on sample basis.</li> <li>- Performed inquiries with the subsidiary's Management and its risk management function to assess basis for determining the PD and LGD rates.</li> <li>- Evaluated the methodology used to determine macroeconomic overlays.</li> <li>- Tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets.</li> <li>- Assessed the disclosures included in the financial statements in respect of ECL to confirm compliance with Ind AS provisions.</li> </ul>

# Independent Auditor's Report

## Key Audit Matters (Continued)

### Impairment of financial assets as at the balance sheet date (Expected Credit Loss) - business in respect of loan against property (refer note 2(11), 6 and 14 to the consolidated financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>One of the Holding Company's subsidiary has determined that the allowance for Expected Credit Loss (ECL) on loan and advances assets has a high degree of estimation uncertainty.</p> <p>Since the loans and advances form a major portion of the subsidiary's assets, and due to the significance of the judgments used in classifying loans and advances into various stages as stipulated in Indian Accounting Standard (IND AS) 109 and the management estimation of the related impairment provisions, this is considered to be a key audit matter.</p> <p>The subsidiary's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors.</p> <p>The most significant areas are:</p> <ul style="list-style-type: none"> <li>- Segmentation of loan book</li> <li>- Determination of exposure at default</li> <li>- Loan staging criteria</li> <li>- Calculation of probability of default / Loss given default</li> <li>- Consideration of probability weighted scenarios and forward looking macro-economic factors</li> </ul> <p>The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</p>	<p>Audit procedures performed by the auditor of the subsidiary included following:</p> <ul style="list-style-type: none"> <li>• Evaluated appropriateness of the impairment principles used by management based on the requirements of Ind AS 109, our business understanding.</li> <li>• Assessed the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge.</li> <li>• Evaluated management's controls over collation of relevant information used for determining estimates for management overlays.</li> <li>• Tested review controls over measurement of impairment allowances and disclosures in financial statements.</li> </ul>

### Information Technology ("IT") Systems and Controls – Housing Finance business

Key Audit Matter	How the matter was addressed in our audit
<p>One of the Holding Company's subsidiary has a complex IT architecture to support its day-to-day business operations. Moderate volume of transactions is processed and recorded multiple applications. The reliability and security of IT systems plays a key role in the business operations of the subsidiary. Since transactions are processed on daily basis in multiple applications, IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner.</p> <p>Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p>	<p>Our audit procedures with respect to this matter included the following:</p> <ul style="list-style-type: none"> <li>• Involved IT specialists as part of the audit for the purpose of testing the IT general controls and application controls (automated and semi-automated controls) to determine the accuracy of the information produced by the subsidiary's IT systems.</li> <li>• Obtained an understanding of IT applications landscape implemented by the subsidiary, including an understanding of the process, mapping of applications and understanding financial risks posed by people-process and technology.</li> <li>• Tested operating effectiveness of key controls over user access management, change management program development, computer operations, backup.</li> </ul>

# Independent Auditor's Report

## Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
'IT systems and controls' have been identified as a key audit matter because of the high-level of automation, significant number of systems being used by the management and the complexity of the IT architecture and its impact on the financial reporting system.	<ul style="list-style-type: none"> <li>Also tested Entity Level Controls pertaining to IT Policy and Procedure and Business Continuity Plan assessment.</li> <li>Tested the design and operating effectiveness of certain automated controls within application that were considered as key internal controls over the financial reporting system.</li> </ul>

## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Report on Corporate Governance and shareholders' information, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies/Designated Partners of limited liability partnerships (LLP) included in the Group and its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/LLP 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 Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies/Designated Partners of the LLPs included in the Group and its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and its associates and joint ventures.

# Independent Auditor's Report

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)**

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its associates and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information/statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraphs (a) and (b) of the 'Other Matters' section below in this audit report.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

# Independent Auditor's Report

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

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

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

## Other matters

- a. The consolidated financial statements include the audited financial information of one branch in United Kingdom, whose financial information reflect total assets of ₹ 0.17 crore as at March 31 2023, total revenue of ₹ Nil and total net (loss) after tax of ₹ (1.23) crore for the year ended March 31, 2023, before giving effect to consolidation adjustments as considered in the consolidated financial statements, which has been audited by its branch auditor. The branch auditor's report on financial information of this branch has been furnished to us by the Management.

The branch referred to above is located outside India whose audited financial information have been prepared in accordance with the accounting principles generally accepted in their country and which have been audited by the branch auditor under generally accepted auditing standards applicable in their country. The Holding Company's Management has converted the audited financial information of such branch located outside India from the accounting principles generally accepted in their country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management.

- b. The consolidated financial statements include the audited financial statements of forty subsidiaries, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of ₹ 30,549.69 crore as at March 31, 2023, total revenues (before consolidation adjustments) of ₹ 13,068.78 crore, total net profit after tax (before consolidation adjustments) of ₹ 871.94 crore and net cash inflows (before consolidation adjustments) of ₹ 534.68 crore for the year ended March 31, 2023, respectively, as considered in the consolidated financial statements, which have been audited by their respective independent auditors. The consolidated financial statements also includes the Group's share of total net profit after tax (before consolidation adjustments) of ₹ 402.92 crore for the year ended March 31, 2023, in respect of one associate and thirty seven joint ventures, whose financial statements have been audited by their respective independent auditors. The independent auditors' reports on annual financial statements of these entities have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint ventures, is based solely on the report of such auditors and the procedures performed by us are as stated above.
- c. The consolidated financial statements include the unaudited financial statements of two subsidiaries, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of ₹ 0.24 crore as at March 31, 2023, total revenues (before consolidation adjustments) of ₹ Nil, total net (loss) after tax (before consolidation adjustments) of ₹ (0.03) crore and net cash outflow (before consolidation adjustments) of ₹ (0.02) crore for the year ended March 31, 2023, respectively, as considered in the consolidated financial statements. The consolidated financial statements also includes the Group's share of total net (loss) after tax (before consolidation adjustments) of ₹ (7.45) crore for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of one associate and four joint ventures. These unaudited financial statements / financial information have been furnished to us by the Management and our opinion on

## Independent Auditor's Report

the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures is based solely on such unaudited financial statements /financial information. According to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

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

- d. The consolidated financial statements of the Group, its associates and its joint ventures for the year ended March 31, 2022, have been audited by predecessor firm, who have expressed an unmodified opinion on those consolidated financial statements vide their report dated May 27, 2022, which has been furnished and has been relied upon by us for the purpose of our audit of the consolidated financial statements.

Our opinion on the consolidated financial statements is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143 (3) of the Act, based on our audit and on the consideration of reports of the other auditors on standalone/consolidated financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the "Other Matters" section above, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The report on the accounts of the branch offices of the Holding Company / Associate Company audited under Section 143(8) of the Act by branch auditors have been sent to us / other auditors and have been properly dealt with by us / other auditors in preparing the respective reports.
  - d) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - e) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;
  - f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and its joint venture companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, its associate companies and its joint venture companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

# Independent Auditor's Report

## Report on Other Legal and Regulatory Requirements (Continued)

- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on standalone/consolidated financial statements of the branch, subsidiaries, associates and joint ventures, as noted in the "Other Matters" section above :
- a) The consolidated financial statements disclose the impact of pending litigations as at March 31, 2023 on the consolidated financial position of the Group, its associates and joint ventures - Refer Note 38 to the consolidated financial statements.
  - b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Note 26 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.
  - c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India during the year ended March 31, 2023.
  - d)
    - (i) The Management has represented that, to the best of it's knowledge and belief, as disclosed in note 55 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - (ii) The Management has represented that, to the best of it's knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (d)(i) and (d)(ii) above, contain any material misstatement.
  - e) The dividend paid during the year by two subsidiary companies of the Group is in compliance with Section 123 of the Act.

The Board of Directors of two subsidiary companies have proposed final dividend for the year which is subject to the approval of the members at respective ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

The Holding Company and its other subsidiary companies, associate companies and joint venture companies incorporated in India neither declared nor paid any dividend during the year.



## Independent Auditor's Report

- f) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies, associate companies and joint ventures only with effect from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, is not applicable.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197 (16) of the Act, as amended, in our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint venture companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No. 104607W/W100166

Jamshed K. Udawadia  
**Partner**  
Membership No. 124658  
UDIN: 23124658BGXLLK7691  
Mumbai, May 19, 2023.

# Independent Auditor's Report

## Annexure A to the Independent Auditor's Report

With reference to the Annexure A referred to in Paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's Report of even date to the Members of the Holding Company on the consolidated financial statements for the year ended March 31, 2023, we report that:

(xxi) In our opinion and according to the information and explanations given to us, the following companies incorporated in India and included in the consolidated financial statements, have unfavorable remarks, qualifications, or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ Joint Venture/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Ashank Land & Building Private Limited	U70200MH2018PTC317814	Subsidiary	xvii
2	Citystar InfraProjects Limited	U45400WB2008PLC122810	Subsidiary	xvii
3	Godrej Garden City Properties Private Limited	U74900MH2011PTC213782	Subsidiary	xvii
4	Godrej Hillside Properties Private Limited	U70102MH2015PTC263237	Subsidiary	xvii
5	Godrej Home Developers Private Limited	U70102MH2015PTC263223	Subsidiary	xvii
6	Godrej Highrises Properties Private Limited	U70200MH2015PTC266010	Subsidiary	xvii
7	Godrej Genesis Facilities Management Private Limited	U70100MH2016PTC273316	Subsidiary	xvii
8	Godrej Green Woods Private Limited	U45309MH2020PTC340019	Subsidiary	xvii
9	Godrej Precast Construction Private Limited	U45309MH2020PTC342204	Subsidiary	xvii
10	Godrej Realty Private Limited	U70100MH2005PTC154268	Subsidiary	xvii
11	Yerwada Developers Private Limited	U45403MH2021PTC371791	Joint Venture	xvii
12	Godrej Skyline Developers Private Limited	U45309MH2016PTC287858	Joint Venture	xvii
13	Godrej Green Homes Private Limited	U70200MH2013PTC251378	Joint Venture	xvii
14	Munjali Hospitality Private Limited	U55204PB2007PTC039380	Joint Venture	xvii
15	Madhuvan Enterprises Private Limited	U70109KA2019PTC127534	Joint Venture	xvii
16	Vivrut Developers Private Limited	U70103MH2019PTC332253	Joint Venture	xvii
17	Vagishwari Land Developers Private Limited	U45208TG2015PTC101945	Joint Venture	xvii
18	Creamline Dairy Products Limited	U15201TG1986PLC006912	Subsidiary	xvii
19	Godrej Maxximilk Private Limited	U01119MH2016PTC280677	Subsidiary	xvii

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of respective principal auditor's report:

Name of the entities	CIN	Subsidiary/ Joint Venture/ Associate
Godrej Prakriti Facilities Private Limited	U70102MH2015PTC265345	Subsidiary
Prakritiplaza Facilities Management Private Limited	U70109MH2016PTC284197	Subsidiary
Godrej Living Private Limited	U45201MH2022PTC375864	Subsidiary
Godrej Residency Private Limited	U70109MH2017PTC292515	Subsidiary
Wonder City Buildcon Private Limited	U70100MH2013PLC247696	Subsidiary
Godrej Home Constructions Private Limited	U70102MH2015PLC263486	Subsidiary
Godrej Macbricks Private Limited	U70100MH2017PTC302864	Joint Venture
Godrej Greenview Housing Private Limited	U70102MH2015PTC264491	Joint Venture
Godrej Real View Developers Private Limited	U45309MH2016PTC285438	Joint Venture

For **KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**

Firm Registration No. 104607W/W100166

Jamshed K. Udawadia

**Partner**

Membership No. 124658

UDIN: 23124658BGXLLK7691

Mumbai, May 19, 2023.

# Independent Auditor's Report

## Annexure B to the Independent Auditors' Report

The Annexure referred to in Paragraph 2 (A) (g) under 'Report on Other Legal and Regulatory Requirements' of our Independent Auditor's Report to the members of the Holding Company on the consolidated financial statements for the year ended March 31, 2023:

### **Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Godrej Industries Limited ("the Holding Company") and its subsidiaries, its associates and its joint ventures as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and have consolidated the reporting on internal financial controls with reference to financial statements of its subsidiaries, associates and joint venture companies incorporated in India, which have been furnished to us by the Management for our reporting on consolidated financial statements as of that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls with reference to Consolidated financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of

## Independent Auditors' Report

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

### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

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

### **Opinion**

In our opinion and based on the consideration of the audit reports of the other auditors on internal financial controls with reference to Standalone/Consolidated Financial Statements of its subsidiary companies, its associate companies and its joint venture companies, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and its joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to twenty five subsidiary companies, one associate company and sixteen joint venture companies, which are companies incorporated in India, is based on the corresponding audit reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of above matter.

For **KALYANIWALLA & MISTRY LLP**

**CHARTERED ACCOUNTANTS**

Firm Registration No. 104607W/W100166

Jamshed K. Udawadia

**Partner**

Membership No. 124658

UDIN: 23124658BGXLLK7691

Mumbai, May 19, 2023.

## Consolidated Balance Sheet as at March 31, 2023

Particulars	Note No.	Amount ₹ in Crore	
		As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	3	3,475.24	3,328.34
Capital Work in Progress	3a	925.90	458.54
Rights of use Assets	45	332.00	217.81
Investment Property	3b	319.20	324.98
Goodwill	43	972.82	972.79
Other Intangible Assets	3c	136.29	106.27
Intangible Assets Under Development	3d	15.99	24.53
Biological Assets other than bearer plants	3e	33.17	20.43
Equity accounted investees	4a	5,203.63	4,689.15
<b>Financial Assets</b>			
Investments	4b	706.58	759.00
Trade Receivables	5	160.27	173.22
Loans	6	4,753.46	1,748.92
Other Financial Assets	7	104.83	60.17
Deferred Tax Assets (Net)	8	469.35	425.39
Other tax assets (net)		202.12	158.66
Other Non Current Assets	9	64.31	107.03
<b>Current Assets</b>			
Biological Assets other than bearer plants	3e	97.85	77.91
Inventories	10	13,976.91	7,718.66
<b>Financial Assets</b>			
Investments	11	2,098.75	4,161.07
Trade Receivables	12	1,500.21	1,676.04
Cash and cash equivalents	13a	1,576.96	600.37
Other Bank balances	13b	1,378.03	1,223.57
Loans	14	2,849.51	2,675.06
Other Financial Assets	15	1,407.33	1,303.29
Current Tax Assets (Net)		-	-
Other Current Assets	16	1,214.34	1,030.00
<b>TOTAL ASSETS</b>		<b>43,975.05</b>	<b>34,041.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	17	33.66	33.66
Other Equity	18	7,950.62	7,092.90
Equity attributable to owners of the Company		7,984.28	7,126.56
Non-controlling interest		6,316.56	5,954.47
<b>TOTAL EQUITY</b>		<b>14,300.84</b>	<b>13,081.03</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	19	7,083.92	5,452.95
Lease Liabilities	45	142.72	79.55
Other Financial Liabilities	20	24.01	92.39
Provisions	21	43.01	42.05
Deferred Tax Liabilities (Net)	22	230.91	206.42
Other Non Current Liabilities	23	14.65	16.95
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	24	12,364.63	8,937.14
Lease Liabilities	45	51.16	36.83
Trade Payables	25		
Total outstanding dues of micro enterprises and small enterprises		150.68	133.96
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,718.13	3,595.06
Other Financial Liabilities	26	1,450.28	982.29
Other Current Liabilities	27	3,213.26	1,184.16
Provisions	28	136.61	178.69
Current Tax Liabilities (Net)		50.24	21.73
<b>TOTAL LIABILITIES</b>		<b>29,674.21</b>	<b>20,960.17</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>43,975.05</b>	<b>34,041.20</b>
Significant Accounting Policies	2		

The accompanying notes form an integral part of consolidated financial statements

As per our Report attached

For and on behalf of the Board of Directors of

**Godrej Industries Limited**

CIN No.: L24241MH1988PLC097781

**For Kalyaniwalla & Mistry LLP**

Chartered Accountants

Firm Regn. No. : 104607W/ W100166

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

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

**Jamshed K. Udawadia**

Partner

M.No. : 124658

Mumbai, May 19, 2023

**Clement Pinto**  
Chief Financial Officer  
Mumbai, May 19, 2023

**Tejal Jariwala**  
Company Secretary

# Consolidated Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note No.	Amount ₹ in Crore	
		Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from Operations	29	16,740.25	14,130.15
Other Income	30	1,022.11	934.52
<b>Total Income</b>		<b>17,762.36</b>	<b>15,064.67</b>
<b>Expenses</b>			
Cost of Materials Consumed	31a	10,174.88	8,562.50
Cost of Property Development	31b	6,453.76	2,082.10
Purchases of Stock in Trade		742.86	1,014.81
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	32	(5,257.46)	(1,109.27)
Employee Benefits Expenses	33	943.04	768.79
Finance Costs	34	942.70	623.14
Depreciation and Amortisation Expenses	35a	304.52	273.58
Other Expenses	35b	2,172.95	1,767.76
<b>Total Expenses</b>		<b>16,477.25</b>	<b>13,983.41</b>
Profit Before Exceptional Items, Share of Profit of Equity Accounted Investees and Tax		1,285.11	1,081.26
Exceptional Items	36	-	(83.85)
Profit Before Share of Profit of Equity Accounted Investees and Tax		1,285.11	997.41
Share of Profit (net) of Equity Accounted Investees (net of Income Tax)		395.47	284.95
<b>Profit before Tax</b>		<b>1,680.58</b>	<b>1,282.36</b>
<b>Tax Expense</b>			
Current Tax			
- for the year	44	277.00	335.38
- for Prior Period	44	4.56	(4.88)
Deferred Tax	44	(21.62)	(40.57)
<b>Total Tax Expenses</b>		<b>259.94</b>	<b>289.93</b>
<b>Profit for the Year</b>		<b>1,420.64</b>	<b>992.43</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit / (Loss)</b>			
a) Remeasurements of defined benefit plans		(3.00)	(4.87)
b) Equity accounted investees' share of other comprehensive income		(3.04)	1.42
<b>Income Tax related to Items that will not be reclassified to Profit or Loss</b>		1.08	0.55
<b>Items that will be reclassified to Profit or Loss</b>			
a) Exchange differences on translation of financial statements of foreign operations		17.38	(1.74)
b) Equity accounted investees' share of other comprehensive income /(loss)		130.05	88.06
<b>Income Tax related to Items that will be reclassified to Profit or Loss</b>		(0.02)	-
<b>Total Other Comprehensive Income</b>		<b>142.45</b>	<b>83.42</b>
<b>Total Comprehensive Income for the Year</b>		<b>1,563.09</b>	<b>1,075.85</b>
<b>Net Profit Attributable to :</b>			
a) Owners of the Company		974.78	653.73
b) Non-Controlling Interest		445.86	338.70
<b>Other Comprehensive Income Attributable to :</b>			
a) Owners of the Company		143.60	84.70
b) Non-Controlling Interest		(1.15)	(1.28)
<b>Total Comprehensive Income Attributable to :</b>			
a) Owners of the Company		1,118.38	738.43
b) Non-Controlling Interest		444.71	337.42
Earnings Per Equity share (Face Value of Rs 1 each)	37		
Basic		28.96	19.42
Diluted		28.95	19.42
Significant Accounting Policies	2		

The accompanying notes form an integral part of consolidated financial statements

As per our Report attached

For and on behalf of the Board of Directors of

**Godrej Industries Limited**

CIN No.: L24241MH1988PLC097781

**For Kalyaniwalla & Mistry LLP**

Chartered Accountants

Firm Regn. No. : 104607W/ W100166

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

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

**Jamshed K. Udawadia**

Partner

M.No. : 124658

Mumbai, May 19, 2023

**Clement Pinto**  
Chief Financial Officer  
Mumbai, May 19, 2023

**Tejal Jariwala**  
Company Secretary

# Consolidated Statement of Changes in Equity for the year ended March 31, 2023

## A. Equity Share Capital (refer note 17)

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount ₹ In Crore	No. of Shares	Amount ₹ In Crore
Balance at the beginning of the year	336,584,313	33.66	336,525,098	33.66
Changes in equity share capital during the year*	53,944	0.00	59,215	0.00
Balance at the end of the year	<b>336,638,257</b>	<b>33.66</b>	<b>336,584,313</b>	<b>33.66</b>

\* Amount less than ₹ 0.01 crore.

## B. Other Equity (refer note 18)

Particulars	Other Equity (Restated)										Total				
	Retained Earnings	Non Controlling Interest Reserve	General Reserve	Capital Redemption Reserve	Capital Reserve	Security Premium	Capital Reserve on account of Amalgamation	Special Reserve	Employee Stock Grant Outstanding	Gain on sale of subsidiary without control		Cash flow Hedge Reserve	Items of Other Comprehensive Income	Total Before Non Controlling Interest	Non Controlling Interest
Balance as at April 01, 2021	2,719.54	3,471.90	107.05	31.46	28.81	919.81	17.48	4.03	8.22	180.67	(2.64)	33.31	7,519.64	5,817.11	13,336.75
Profit for the year	653.73	-	-	-	-	-	-	-	-	0.87	-	-	653.73	338.70	992.43
Other Comprehensive Income (net of tax)	(1.54)	-	-	-	-	-	-	-	-	-	-	-	85.57	(1.28)	83.42
Transfer from Employee Stock Option Grant	-	5.90	-	-	-	2.79	-	-	(8.69)	-	-	-	-	-	-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	-	-	-	8.93	-	-	-	-	-	8.93
Adjustment for IND AS Put option Liability	(13.03)	-	-	-	-	-	-	-	-	-	-	-	-	(13.03)	(13.03)
Dividend paid	(57.69)	-	-	-	-	-	-	-	-	-	-	-	-	(57.69)	(57.69)
Additions during the year	(2.75)	809.05	-	-	-	-	-	-	-	-	-	-	806.31	-	806.31
Adjustment arising on acquisition / Deletion and Non Controlling Interest	81.57	(1,970.27)	-	-	(5.56)	(0.52)	-	-	0.06	-	-	(14.96)	(1,909.68)	(200.06)	(2,109.74)
Balance as at March 31, 2022	<b>3,379.83</b>	<b>2,316.59</b>	<b>107.05</b>	<b>31.46</b>	<b>28.81</b>	<b>922.60</b>	<b>11.92</b>	<b>3.51</b>	<b>8.51</b>	<b>180.67</b>	<b>(1.97)</b>	<b>103.92</b>	<b>7,092.90</b>	<b>5,954.47</b>	<b>13,047.37</b>
Profit for the year	974.78	-	-	-	-	-	-	-	-	0.10	-	-	974.78	445.86	1,420.64
Other Comprehensive Income (net of tax)	(3.59)	-	-	-	-	-	-	-	-	-	-	-	143.59	(1.15)	142.45
Advance share of profit relating to NCI	-	-	-	-	-	-	-	-	-	-	-	-	-	(24.44)	(24.44)
Transfer from Employee Stock Option Grant	-	5.92	(2.01)	-	-	2.54	-	-	(6.45)	-	-	-	-	-	-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	-	-	-	9.64	-	-	-	-	-	9.64
Adjustment for IND AS Put option Liability	(4.09)	-	-	-	-	-	-	-	-	-	-	-	(4.09)	-	(4.09)
Dividend paid	(64.73)	-	-	-	-	-	-	-	-	-	-	-	(64.73)	(1.09)	(65.81)
Additions during the year	(7.60)	783.88	-	-	-	-	12.11	7.60	-	-	-	0.23	736.23	-	736.23
Adjustment arising on acquisition / Deletion and Non Controlling Interest	20.73	(1,009.34)	1.05	-	0.00	(6.39)	(1.77)	(1.55)	(1.55)	-	0.00	(0.42)	(997.70)	(57.26)	(1,054.96)
Balance as at March 31, 2023	<b>4,295.33</b>	<b>2,097.05</b>	<b>106.09</b>	<b>31.46</b>	<b>28.81</b>	<b>925.14</b>	<b>17.84</b>	<b>9.34</b>	<b>10.15</b>	<b>180.67</b>	<b>(1.87)</b>	<b>250.81</b>	<b>7,990.62</b>	<b>6,316.56</b>	<b>14,267.18</b>

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

As per our Report attached

**For Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Regn. No. : 104607W/ W100166

**Jamshed K. Udawadia**  
Partner  
M.No. : 124658  
Mumbai, May 19, 2023

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

**Clement Pinto**  
Chief Financial Officer  
Mumbai, May 19, 2023

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

**Tejal Jariwala**  
Company Secretary

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

## Consolidated Cash Flow Statement for the year ended March 31, 2023

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash Flow From Operating Activities:</b>		
<b>Profit Before Tax</b>	<b>1,680.58</b>	<b>1,282.36</b>
<b>Adjustments for:</b>		
Depreciation and Amortisation	304.52	273.58
Unrealised Foreign Exchange revaluation	11.60	3.98
Profit on Sale of Investments (net)	(151.89)	(62.42)
Loss / (Profit) on Sale, Write off and Provision of Property Plant and Equipment (net)	(68.94)	3.17
Grant amortisation	(1.25)	(1.10)
Non - Financial Assets Written off	47.39	27.54
Impairment of Goodwill	-	5.05
Interest Income	(635.58)	(621.94)
Interest & Finance Charges	941.61	622.41
Employee Stock Grant Scheme	9.65	8.97
(Loss) on Investment measured at Fair value through Profit and Loss	(20.96)	(105.50)
Bad Debts written off	34.91	47.65
Write down of inventories	10.31	85.46
Share of profit of Equity accounted investees (net of tax)	(395.47)	(284.95)
Provision for Doubtful Debts and other financial assets (net)	18.37	36.66
Liabilities no longer required written back	(3.50)	(5.42)
Profit on sale of Subsidiary	-	(0.00)
Write down of Property, Plant and Equipment	-	66.57
Change in fair value of Biological Assets	(3.05)	1.18
Dividend Income	(0.18)	(0.16)
Contingent consideration received	-	(42.08)
Gain on Lease modification	(0.07)	(1.76)
Lease rent from investment property	(1.26)	(1.60)
<b>Operating Profit Before Working Capital Changes</b>	<b>1,776.80</b>	<b>1,337.65</b>
<b>Adjustments for :</b>		
Increase in Non-financial Liabilities	1,001.02	78.50
Increase in Financial Liabilities	339.88	156.24
(Increase) in Inventories	(3,836.59)	(954.22)
(Increase) in Biological assets other than bearer plants	(27.77)	(17.95)
(Increase) in Non-financial Assets	(143.35)	(459.25)
(Increase) in Financial Assets	(3,227.11)	(1,526.69)
<b>Cash (used in) Operations</b>	<b>(4,117.12)</b>	<b>(1,385.72)</b>
Direct Taxes Paid (net of refunds)	(292.26)	(370.47)
<b>Net Cash (used in) Operating Activities</b>	<b>(4,409.38)</b>	<b>(1,756.19)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Property, Plant and Equipment	(827.68)	(523.85)
Proceeds from Sale of Property, Plant and Equipment	86.69	23.93
(Investment) in joint ventures and associate (net)	(413.75)	(94.79)
(Purchase)/Proceeds of Investment (net)	2,117.66	1,080.23
Purchase of Investments in subsidiaries (refer note 54)	0.00	(405.90)
Loan refunded by / (given to) by joint ventures, others (net)	536.08	(413.75)
Investment in debentures of joint ventures	(17.16)	(139.29)
Proceeds from redemption of debentures of joint ventures	-	97.50
Contingent consideration received	-	42.08
Interest Received	285.14	344.70
Dividend Received	7.02	30.30
Lease rent from investment property	1.26	1.60
<b>Net Cash generated from Investing Activities</b>	<b>1,775.26</b>	<b>42.76</b>
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from issue of Equity shares	0.00	0.00
Transactions with non-controlling interests	(270.85)	(1,313.47)
Proceeds from Non Current Borrowings	4,067.83	2,529.73
Repayment of Non Current Borrowings	(2,150.20)	(215.53)
Payment of lease liabilities	(47.67)	(41.74)
Proceeds from Current Borrowings (net)	3,149.28	1,761.34
Interest & Finance Charges Paid	(1,147.74)	(741.24)
Dividend Paid	(65.81)	(63.07)
Payment of unclaimed fixed deposits	(0.22)	(0.09)
<b>Net Cash generated from Financing Activities</b>	<b>3,534.62</b>	<b>1,915.93</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>900.50</b>	<b>202.50</b>



# Consolidated Cash Flow Statement for the year ended March 31, 2022

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Cash and Cash Equivalents (Opening Balance)	600.37	394.36
Acquisition of Cash pursuant to acquisition of subsidiaries (refer note 54)	75.86	3.43
Effect of exchange rate fluctuations on cash held	0.23	0.08
Cash and Cash Equivalents (Closing Balance)	1,576.96	600.37

Notes :

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

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
<b>2 Cash and Cash Equivalents</b>		
Balances with Banks		
Current Accounts	505.39	350.78
Deposits having maturity less than 3 months	571.61	212.57
Certificate of Deposits having maturity less than 3 months	469.66	24.96
Cheques, Drafts on Hand	27.09	9.92
Cash on Hand	3.21	2.14
<b>Cash and Cash Equivalents</b>	<b>1,576.96</b>	<b>600.37</b>

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>3 Effect of acquisition of full control in Joint Venture on the financial position of the Group</b>		
Property, plant and equipment	1.65	0.41
Intangible assets	0.02	0.00
Non-current financial assets	9.06	12.36
Deferred tax liabilities (Net)	(0.63)	-
Income tax assets (Net)	6.70	2.37
Inventories	1,234.75	84.67
Current financial assets	172.32	139.57
Cash and cash equivalents	75.86	2.83
Current non-financial assets	48.67	29.37
Provisions	(0.39)	(0.07)
Current financial liabilities	(1,208.61)	(237.09)
Current non-financial liabilities	(254.67)	(34.30)
Current tax liabilities	(0.60)	(0.12)
Assets net of liabilities	84.13	(0.00)
Consideration paid, satisfied in cash	29.04	-
Cash and cash equivalents acquired	75.86	2.83
<b>Net cash (Inflows)</b>	<b>(46.82)</b>	<b>(2.83)</b>

Particulars	Amount ₹ in Crore				
	As at April 01, 2022	Cash Flow	Business combination	Non Cash Changes	As at March 31, 2023
Non Current Borrowings (includes Current maturities of Long term Debt )	5,813.46	1,917.63	-	1,731.02	9,462.11
Current Borrowings	8,576.63	3,149.28	11.65	(1,751.11)	9,986.44
<b>Total Borrowings</b>	<b>14,390.09</b>	<b>5,066.91</b>	<b>11.65</b>	<b>(20.09)</b>	<b>19,448.55</b>

The accompanying notes form an integral part of consolidated financial statements

As per our Report attached

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

**For Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Regn. No. : 104607W/ W100166

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

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

**Jamshed K. Udawadia**  
Partner  
M.No. : 124658  
Mumbai, May 19, 2023

**Clement Pinto**  
Chief Financial Officer  
Mumbai, May 19, 2023

**Tejal Jariwala**  
Company Secretary

# Notes to Consolidated Financial Statements

## Note 1 : General Information

### 1. Group Overview

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

### 2. Basis of preparation

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

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

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

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

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

The consolidated financial statements of the Group for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 19, 2023.

### 3. Functional and presentation currency

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

### 4. Key estimates and assumptions

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

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

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

# Notes to Consolidated Financial Statements

## Note 1 : General Information (Continued)

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

- Determination of the estimated useful lives of property plant and equipments and intangible assets and the assessment as to which components of the cost may be capitalized (Refer note 2.1).
- Impairment of Property, Plant and Equipment, Financial assets (Refer note 2.6) and Other Non-Financial Assets (Refer note 9 and 16)
- Recognition and measurement of defined benefit obligations (Refer note 46)
- Recognition of deferred tax assets (Refer note 2.26, 44 IV)
- Fair valuation of employee share options (Refer note 46)
- Recognition and measurement of other provisions (Refer note 21 and 28)
- Rebate and Sales Incentives (Refer note 2.18)
- Fair value of financial instruments (Refer note 49)
- Provisions and Contingent Liabilities (Refer note 2.17 and 38)
- Evaluation of Control (Refer note 40)
- Leases (Refer note 45)

## 5. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

### Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

### Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

None of the amendments notified by MCA, which are applicable from April 1, 2023, are expected to have any material impact on the financial statements of the Group.

# Notes to Consolidated Financial Statements

## Note 1 : General Information (Continued)

### 6. Measurement of fair values

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

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

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

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

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

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

### 7. Basis of Consolidation

#### (i) Subsidiaries

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

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

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

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

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

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

# Notes to Consolidated Financial Statements

## Note 1 : General Information (Continued)

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

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

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

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

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

Joint arrangements are those arrangements over which the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and joint ventures entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Group does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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

### (iii) Acquisition of non-controlling interests

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

### (iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

## 8. Business Combinations

# Notes to Consolidated Financial Statements

## Note 1 : General Information (Continued)

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

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

Business combinations arising from transfer of interests in entities that are under common control are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values. The identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is transferred to capital reserve, which is shown separately from other capital reserves.

## Note 2 : Significant Accounting Policies

### 1. Property, Plant and Equipment (PPE)

#### (i) Recognition and measurement

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

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

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

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

#### (ii) Subsequent expenditure

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

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

#### (iii) Depreciation

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

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

Category	: Useful life
Plant and Equipments	: 7.5 to 30 years
Vehicles	: 3 to 13 years
Computer Hardware	: Depreciated over the estimated useful life of 4 years
Leasehold improvements	: Lower of the useful life or Lease period

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

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

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

### 2. Investment Property

#### (i) Recognition and measurement

Investment Property comprise of Freehold Land and Building.

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

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

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

#### (ii) Depreciation

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

### 3. Intangible Assets

#### (i) Recognition and measurement

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

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

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

#### (ii) Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method. The useful life of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Indefinite life intangibles are not amortised but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired.

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

Intangible assets are amortised as follows :

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

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

### 4. Research and Development Expenditure

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

### 5. Biological Assets

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

### 6. Impairment of non-financial assets

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

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

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

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

### 7. Inventories

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

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

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



# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

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

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

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

### 8. Cash and Cash equivalents

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

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

### 9. Grants and Subsidies

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

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

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

### 10. Assets held for Sale

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

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

### 11. Financial Assets

#### (i) Initial recognition and measurement

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

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

#### (ii) Classification and subsequent measurement

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

- fair value through other comprehensive income (FVOCI).

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

### (iii) Trade Receivables and Loans:

Trade receivables are initially recognised at transaction price (as defined in Ind AS 115). Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### (iv) Debt Instruments

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

- Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Consolidated Statement of Profit and Loss.
- Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Consolidated Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Consolidated Statement of Profit and Loss.
- Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Consolidated Statement of Profit and Loss.

### (v) Equity Instruments

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

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

### (vi) Derecognition

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

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

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

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Groups trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

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

### **Impairment of financial assets for Property Development business**

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

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

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

### **Measurement of impairment of Financial assets for Financing business**

#### i) 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 and loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include investments in mutual funds, trade and other receivables, loans and advances and cash and bank balances.

#### ii) Subsequent measurement

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

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

Debt instruments at amortised cost

A 'debt instrument' 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 the asset 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 on the principal amount outstanding.

Financial Assets at Amortised Cost

Financial assets at amortised cost include loans receivable, and other financial assets that are held with the objective of collecting contractual cash flows. 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 effective interest rate (EIR). The effective interest rate (EIR) amortisation is included in interest income in the statement of profit and loss.

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of profit and loss and recognised in other gains/(losses) (net). Interest income from these financial assets is included in other income using the effective interest rate (EIR) method.

Fair value through Profit and Loss (FVTPL)

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss ('FVTPL').

iii) Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period in which the group changes its business model for managing financial assets.

iv) Impairment

The provision for credit risks, which is recognized in accordance with the expected credit loss method specified by Ind AS 109 and in accordance with uniform standards applied, encompasses all financial assets measured at amortised cost. The calculation of the provision for credit risks generally takes into account the exposure at default, the probability of default and the loss given default.

Financial assets are subject to credit risks, which are taken into account by recognising the amount of the expected loss; such allowances are recognised for both financial assets with objective evidence of impairment and non-impaired financial assets.

The general approach is used for financial assets measured at amortised cost on initial recognition. Financial assets are broken down into three stages in the general approach.

Stage 1 consists of financial assets that are being recognised for the first time or that have not demonstrated any significant increase in probability of default since initial recognition. In this stage, the model requires the calculation of an expected credit loss for the next twelve months.

Stage 2 consists of financial assets for which there is a significant increase in credit risk. The group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Stage 3 Financial assets demonstrating objective indications of impairment are allocated to stage 3. The Group assumes that the financial asset is credit impaired if it is more than 90 days past due.

In stage 2 and 3, an expected credit loss is calculated for the entire remaining maturity of the asset.

The group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the group in full or in part, without recourse by the group to actions such as realizing security (if any is held): or
- the financial asset is more than 90 days past due.

Both historical information, such as average historical default probabilities for each portfolio, and forward-looking information is used to determine the measurement parameters for calculating the provision for credit risks.

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

Impairment arises in a number of situations, such as delayed payment over a certain period, the initiation of enforcement measures, the threat of insolvency or over indebtedness, application for or the initiation of insolvency proceedings, or the failure of restructuring measures.

Reviews are regularly carried out to ensure that the allowances are appropriate. Uncollectible loans or receivables that are already subject to a workout process and for which all collateral has been recovered and all further options for recovering the loan or receivable have been exhausted are written off directly. Any valuation allowances previously recognised are utilised. Income subsequently collected in connection with loans or receivables already written off is recognised in the statement of profit and loss.

Loans are reported in the balance sheet at the net off Expected Credit Loss (ECL) provision.

### Measurement of ECL

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date of repayments of principal and interest.

The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECL, the group adds a management override to account for stressed scenarios which are then reviewed on a periodic basis. This takes into account the expected inherent risk for different segments in the portfolio and the macro economic environment. The assumptions are periodically validated and modified as appropriate.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

#### v) Write - offs

Financial assets are written off either partially or in their entirety when the group has no reasonable expectations of recovery. This is generally the case when the group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment of financial instruments in the statement of profit and loss. However, financial assets that are written off may be subject to enforcement activities to comply with the group's procedures for recovery of amounts due.

Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for loans and advances in new businesses. In estimating these cash flows, the group makes judgements about the borrower's financial situation compare the borrower's profile with customers having similar profile to estimate probability of default and the net realisable value of collateral, if any. These estimates are based on assumptions about a number of factors including forward looking information, and actual results may differ, resulting in future changes to the impairment allowance.

## 12. Financial Liabilities

### (i) Initial recognition and measurement

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

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### (ii) Classification and subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method or are measured at fair value through profit and loss with changes in fair value being recognised in the Statement of Profit and Loss.

### (iii) Derecognition

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

## 13. Financial guarantee contracts

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

## 14. Offsetting of financial instruments

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

## 15. Derivative financial instruments

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

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

Cash flow hedges that qualify for hedge accounting

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

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

## 16. Share Capital

### (i) Ordinary equity shares

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

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### 17. Provisions and Contingent Liabilities

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

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

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

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

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

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

### 18. Revenue Recognition

#### *Revenue from contracts with customers*

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

As per provision of IND AS 115- 'Revenue from Contracts with Customer- ', revenue is recognised on transfer of control of goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of discounts offered by the Company as part of the contractual obligation. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant uncertainty regarding the amount of consideration that will be derived from the sale of goods. The performance obligation in case of sale of goods is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sales are recognised when goods are supplied and control over the goods sold is transferred to the buyer which is on dispatch / delivery as per the terms of contracts. Sales are net of returns, trade discounts, rebates and sales taxes / Goods and Service Tax (GST).

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

#### *Other Operating revenues*

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

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

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

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

### **Other Income**

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

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

## 19. Revenue Recognition for Property Development

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

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

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

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

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

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

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

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

## 20. Revenue recognition of Housing Finance Business

Interest income is presented in the statement of profit and loss includes interest on financial assets measured at amortised cost calculated on an effective interest basis. Fee income and expense that are integral to the effective interest rate on a financial asset are included in the effective interest rate computation. The amortization of income and expenses for financial assets under EIR approach is done on a systematic basis that exactly discounts estimated future cash flows of the financial assets through the expected life of the assets.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets. (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated applying the EIR to the amortised cost of the credit-impaired financial asset (i.e. the gross carrying amount less the allowances for ECLs).



# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

Commissions earned by the group which are not directly attributable to disbursal of loans are recognised in the statement of profit and loss as and when incurred.

Fee and commission income include fees other than those that are an integral part of EIR. The group recognises the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the group will collect the consideration.

### 21. Employee Benefits

#### (i) Short-Term Employee Benefits

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

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

#### (ii) Post-Employment Benefits

##### (a) Defined Contribution Plans

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

##### (b) Defined Benefit Plans

###### Gratuity Fund

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

###### Provident Fund

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

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 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.

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### Pension

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

#### (iii) Other Long-Term Employee Benefits

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

#### (iv) Termination Benefits

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

## 22. Share-Based Payments

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

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

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

## 23. Leases

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

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

- (i) Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- (ii) If the supplier has a substantive substitution right, then the asset is not identified.
- (iii) Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.
- (iv) Group has the right to direct the use of the asset.
- (v) In cases where the usage of the asset is predetermined the right to direct the use of the asset is determined when the Group has the right to use the asset or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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

### As a Lessee:

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

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### Right-of-use asset (ROU):

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

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

Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to the Group at the end of the lease term or the cost of the right-of-use asset reflects Group will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset.

### Lease liability:

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

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

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

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

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

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

### Lessor:-

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

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

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

# Notes to Consolidated Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### 24. Borrowing Costs

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

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

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

### 25. Foreign Exchange Transactions

- (i) Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').
- (ii) Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Consolidated Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- (iii) Realised gains or losses on cancellation of forward exchange contracts are recognised in the Consolidated Statement of Profit and Loss of the period in which they are cancelled.
- (iv) In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/ (loss) and presented within equity as part of 'Exchange differences on translation of financial statements of foreign operations'(FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the Consolidated Statement of Profit and Loss.

### 26. Taxes on Income

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

#### (i) Current Tax

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

Current Tax assets and Liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (ii) Minimum Alternate Tax (MAT)

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

## Notes to Consolidated Financial Statements

### Note 2 : Significant Accounting Policies (Continued)

#### (iii) Deferred Tax

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

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

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

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

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

Deferred Tax assets and liabilities are offset only if:

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

#### 27. Earnings Per Share

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

#### 28. Segment Reporting

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

#### 29. Exceptional Items

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

#### 30. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

# Notes to Consolidated Financial Statements

## Notes to Consolidated Financial Statements

### Note 3 : Property, Plant and Equipment

Particulars	Amount ₹ in Crore										
	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Computer Hardware	Office Equipments	Leasehold Improvements	Livestock used for R&D	Research Centre	Total
<b>Gross Carrying Amount</b>											
Balance as at April 01, 2021	377.06	1,264.99	1,975.35	86.28	79.15	34.63	101.19	21.59	0.57	1.13	3,941.94
Additions	9.71	72.46	253.77	7.71	14.84	11.60	32.64	0.72	0.08	0.01	403.55
Acquisition through business Combination (refer note 54)	-	-	-	1.09	1.20	2.46	0.39	0.80	-	-	5.95
Disposals / Adjustments	-	190.86	(26.52)	(0.21)	(5.31)	(1.30)	(1.75)	-	(0.16)	-	155.62
Balance as at March 31, 2022	386.77	1,528.30	2,202.60	94.87	89.87	47.40	132.48	23.12	0.50	1.14	4,507.06
Additions	0.10	70.66	211.48	42.81	28.73	17.76	33.86	0.69	0.59	0.62	407.30
Acquisition through business Combination (refer note 54)	-	-	-	0.28	0.01	0.42	0.20	-	-	-	0.91
Disposals / Adjustments	(0.46)	11.64	(24.36)	(0.06)	(11.43)	(3.12)	(0.69)	(1.00)	(0.04)	-	(29.51)
Balance as at March 31, 2023	386.41	1,610.60	2,389.72	137.90	107.18	62.46	165.85	22.81	1.05	1.76	4,885.75
<b>Accumulated Depreciation</b>											
Balance as at April 01, 2021	-	181.84	558.81	28.94	43.22	27.26	51.45	11.95	0.19	0.59	904.23
Additions	-	47.91	201.65	7.26	8.46	5.55	13.13	2.30	0.04	0.15	286.45
Acquisition through business Combination (refer note 54)	-	0.04	-	0.64	0.38	0.72	0.20	0.69	-	-	2.67
Disposals / Adjustments	-	8.16	(16.60)	(0.13)	(3.43)	(1.23)	(1.38)	-	(0.01)	-	(14.64)
Balance as at March 31, 2022	-	237.94	743.87	36.71	48.62	32.30	63.40	14.93	0.22	0.74	1,178.71
Additions (refer note 4 below)	-	47.12	152.28	7.89	10.24	9.28	16.51	2.16	0.05	0.13	245.66
Acquisition through business Combination (refer note 54)	-	-	-	0.01	-	0.03	0.02	-	-	-	0.07
Disposals	-	(0.21)	(4.42)	(0.07)	(4.69)	(2.80)	(0.73)	(0.99)	(0.02)	-	(13.99)
Balance as at March 31, 2023	-	284.85	891.73	44.54	54.17	38.81	79.20	16.10	0.25	0.87	1,410.51
<b>Net Carrying Amount</b>											
Balance as at March 31, 2022	386.77	1,290.36	1,458.73	58.16	41.25	15.10	69.08	8.18	0.28	0.39	3,328.34
Balance as at March 31, 2023	386.41	1,325.76	1,497.98	93.36	53.01	23.64	86.64	6.71	0.80	0.88	3,475.24

Notes :

- Refer Note No 39 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.
- Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited), and Dahej are being complied with. Stamp duty payable thereon is not presently determinable.
- Of the above, a Building with carrying value ₹ 38.87 Crore (Previous Year: ₹ 39.70 Crore) is subject to first charge for secured bank loans (Refer Note 19).
- In the previous financial year 2021-22, the Company reassessed the future economic benefits from certain Plant and Machinery and considering expected usage and market conditions, it recorded an exceptional expense of Rs 66.57 crore to write down the Property Plant & Equipment to estimated recoverable amount. (Refer Note 36)
- Leasehold land of the Company having gross carrying amount of ₹ 23.07 crores as at 1<sup>st</sup> April 2021 has been reclassified to Right of Use Assets to conform with the recognition, presentation and disclosure principles as specified in Ind AS. This reclassification has no impact on the net profit / (loss) before tax for the year ended and total equity as at 31<sup>st</sup> March, 2022. (Refer Note No 45)
- Refer to note 19 and note 24 for information on property, plant and equipment pledged as security by the Group.
- Additions to Property, Plant and Equipment includes ₹ NIL (previous year ₹ 3.75 crore) on account of Capitalisation of borrowing cost on eligible project.
- The Company has reclassified Building aggregating ₹ 155.09 crore (previous year ₹ 160.88 crore) from Investment Property to Property Plant and Equipment.

# Notes to Consolidated Financial Statements

## Note 3a : Capital Work In Progress

Amount ₹ in Crore

Particulars	Property, Plant and Equipment	Investment Property	Total
<b>Balance as at April 01, 2021</b>	<b>430.64</b>	<b>8.20</b>	<b>438.85</b>
Additions during the year	357.08	17.73	374.81
Less : Capitalised during the year	350.46	12.06	362.52
Transferred from Inventories	-	7.41	7.41
<b>Balance as at March 31, 2022</b>	<b>437.26</b>	<b>21.28</b>	<b>458.54</b>
Additions during the year	683.45	49.43	732.88
Add: Acquired through business combinations	2.18	-	2.18
Less: Capitalised during the year	267.70	-	267.70
Transferred from Inventories	-	-	-
<b>Balance as at March 31, 2023</b>	<b>855.19</b>	<b>70.71</b>	<b>925.90</b>

- Additions to Capital Work in Progress includes NIL (previous year ₹2.69 crore) on account of Capitalisation of borrowing cost on eligible project.
- Fair valuation of an investment property under construction which is at initial design concept stage is based on Cost method which is ₹ 70.67 Crore (Previous Year: ₹ 21.25). The fair value measurement is categorised in level 3 fair value hierarchy.
- Capital Work in Progress ageing schedule

Amount ₹ in Crore

Particulars	Property, Plant and Equipment			Investment Property		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
<b>Balance as at March 31, 2022</b>						
Less than 1 year	212.51	-	212.51	18.05	-	18.05
1-2 years	73.70	-	73.70	3.23	-	3.23
2-3 years	53.78	-	53.78	-	-	-
More than 3 years	95.87	1.39	97.27	-	-	-
<b>Total</b>	<b>435.86</b>	<b>1.39*</b>	<b>437.26</b>	<b>21.28</b>	<b>-</b>	<b>21.28</b>
<b>Balance as at March 31, 2023</b>						
Less than 1 year	448.78	-	448.78	49.46	-	49.46
1-2 years	182.32	-	182.32	18.02	-	18.02
2-3 years	73.16	-	73.16	3.23	-	3.23
More than 3 years	149.55	1.38	150.93	-	-	-
<b>Total</b>	<b>853.81</b>	<b>1.38*</b>	<b>855.19</b>	<b>70.71</b>	<b>-</b>	<b>70.71</b>

\* Expected to be put to use by March 31, 2024.

- Projects Overdue as compared to Original timeline

Amount ₹ in Crore

Particulars	Project at Ambarnath Factory	Projects at Valia Factory	Projects at Head Office
To be Completed in			
Less than 1 year	2.04	0.38	<b>0.04</b>
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-

There were no projects which have exceeded their original plan cost as at 31<sup>st</sup> March, 2023.

# Notes to Consolidated Financial Statements

## Note 3b : Investment Property

Particulars	Amount ₹ in Crore		
	Freehold Land	Buildings	Total
<b>Gross Carrying Amount</b>			
<b>Balance as at April 01, 2021</b>	<b>0.38</b>	<b>533.32</b>	<b>533.70</b>
Additions	-	12.31	12.31
Disposals/Other adjustments	-	(202.01)	(202.01)
<b>Balance as at March 31, 2022</b>	<b>0.38</b>	<b>343.62</b>	<b>344.00</b>
Additions	-	0.00	0.00
Disposals/Other adjustments	-	1.09	1.09
<b>Balance as at March 31, 2023</b>	<b>0.38</b>	<b>344.71</b>	<b>345.09</b>
<b>Accumulated Depreciation</b>			
<b>Balance as at April 01, 2021</b>	-	20.89	20.89
Additions	-	7.63	7.63
Disposals/Other Adjustments	-	(9.50)	(9.50)
<b>Balance as at March 31, 2022</b>	-	<b>19.02</b>	<b>19.02</b>
Additions	-	6.86	6.86
Disposals/Other Adjustments	-	0.01	0.01
<b>Balance as at March 31, 2023</b>	-	<b>25.89</b>	<b>25.89</b>
<b>Net Carrying Amount</b>			
Balance as at March 31, 2022	0.38	324.60	324.98
Balance as at March 31, 2023	0.38	318.82	319.20
<b>Fair Value</b>			
As at March 31, 2022	10.88	399.52	410.40
As at March 31, 2023	10.88	431.50	442.38

### 1. Information regarding income and expenditure of Investment Property

Particulars	Amount ₹ in Crore	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Rental income derived from investment properties	29.85	29.42
Direct operating expenses	3.76	7.11
Gain arising from investment properties before depreciation	26.09	22.31
Less - Depreciation	6.87	7.63
Gain arising from investment properties	19.22	14.68

- The management has determined that the investment property consists of two class of assets - Freehold Land and Buildings - based on the nature, characteristics and risks of each property.
- The Company has no restriction on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- The fair valuation is based on current prices in the active market for similar properties. The main input used are quantum, area, location, demand, age of building and trend of fair market rent in the location of the property.
- The Company has reclassified Building aggregating ₹ 155.09 crore (previous year ₹ 160.88 crore) from Investment Property to Property Plant and Equipment.
- The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 3 fair value hierarchy.
- One of the subsidiary has mortgaged to banks for facilities granted to them the property amounting to ₹ 14.00 crore (previous year ₹ 12.92 crore).
- Reconciliation of Fair Value



# Notes to Consolidated Financial Statements

## Note 3b : Investment Property (Continued)

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Opening balance as at April 01, 2021	4.15	548.14	552.29
Fair value changes	6.73	41.08	47.81
Purchases	-	(189.70)	(189.70)
Opening balance as at April 01, 2022	10.88	399.52	410.40
Fair value changes	-	30.89	30.89
Purchases/ transfer to Property Plant and Equipment	-	1.09	1.09
Closing balance as at March 31, 2023	10.88	431.50	442.38

## Note 3c : Other Intangible Assets

Amount ₹ in Crore

Particulars	Trademark	Brand	Product Registration	Computer Software	Non-Compete Rights	Total
<b>Gross Carrying Amount</b>						
<b>Balance as at April 01, 2021</b>	<b>16.52</b>	<b>54.77</b>	<b>2.71</b>	<b>43.97</b>	<b>-</b>	<b>117.97</b>
Additions	-	-	-	12.39	-	12.39
Acquisition through business Combination (refer note 54)	-	-	-	40.85	-	40.85
Disposals	-	-	-	0.01	-	0.01
<b>Balance as at March 31, 2022</b>	<b>16.52</b>	<b>54.77</b>	<b>2.71</b>	<b>97.22</b>	<b>-</b>	<b>171.22</b>
Additions	-	-	-	33.58	13.00	46.58
Acquisition through business Combination (refer note 54)	-	-	-	0.01	-	0.01
Disposals	-	-	-	(3.34)	-	(3.34)
<b>Balance as at March 31, 2023</b>	<b>16.52</b>	<b>54.77</b>	<b>2.71</b>	<b>127.47</b>	<b>13.00</b>	<b>214.47</b>
<b>Accumulated Depreciation</b>						
Balance as at April 01, 2021	16.52	1.66	2.71	28.34	-	49.24
Additions	-	0.83	-	9.28	-	10.12
Acquisition through business Combination	-	-	-	5.59	-	5.59
Disposals	-	-	-	0.01	-	0.01
<b>Balance as at March 31, 2022</b>	<b>16.52</b>	<b>2.49</b>	<b>2.71</b>	<b>43.22</b>	<b>-</b>	<b>64.95</b>
Additions	-	0.83	-	14.91	1.30	17.04
Acquisition through business Combination (refer note 54)	-	-	-	-	-	-
Disposals	-	-	-	(3.81)	-	(3.81)
<b>Balance as at March 31, 2023</b>	<b>16.52</b>	<b>3.32</b>	<b>2.71</b>	<b>54.32</b>	<b>1.30</b>	<b>78.18</b>
<b>Net Carrying Amount</b>						
Balance as at March 31, 2022	-	52.28	-	54.00	-	106.27
Balance as at March 31, 2023	-	51.45	-	73.14	11.70	136.29

# Notes to Consolidated Financial Statements

## Note 3d : Intangible Assets Under Development

Particulars	Amount ₹ in Crore
As at March 31, 2022	24.53
As at March 31, 2023	15.99

Intangible assets under development Ageing Amount ₹ in Crore

Particulars	Ageing schedule as at March 31, 2023		Ageing schedule as at March 31, 2022	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
	Amount in Intangible assets under development for a period of			
Less than 1 Year	6.25	-	21.59	-
1-2 years	6.66	-	1.69	-
2-3 years	1.37	-	1.25	-
More than 3 years	1.70	-	-	-
<b>Total</b>	<b>15.99</b>	<b>-</b>	<b>24.53</b>	<b>-</b>

## Note 3e: Biological Assets other than bearer plants

### A. Reconciliation of carrying amount

Amount ₹ in Crore

Particulars	Oil palm saplings		Cattle		PS Birds / Hatching eggs / Broilers	Total
	Qty.	Amount	Qty.	Amount	Amount	
<b>Balance as April 1, 2021</b>	<b>807,167</b>	<b>5.69</b>	<b>965.00</b>	<b>6.46</b>	<b>67.07</b>	<b>79.21</b>
Add:						
Purchases	856,000	4.78	187.00	1.59	87.04	93.41
Production/ Cost of Development		3.63	441.00	3.07	334.63	341.33
Less:						
Sales / Disposals	(751,224)	(6.92)	(486)	(2.31)	(405.61)	(414.84)
Change in fair value less cost to sell:		(0.73)	-	(0.45)	0.41	(0.77)
Realised	-	(0.30)	-	(0.45)	(19.92)	(20.67)
Unrealised	-	(0.43)	-	(0.00)	20.33	19.90
<b>Balance as at March 31, 2022</b>	<b>911,943</b>	<b>6.45</b>	<b>1,107.00</b>	<b>8.36</b>	<b>83.54</b>	<b>98.33</b>
Add:						
Purchases	1,720,356	12.35	132	0.46	108.27	121.08
Production/ Cost of Development		6.83	442	3.66	386.32	396.81
Less:						
Sales / Disposals	(870,758)	(9.22)	(478)	(2.85)	(477.18)	(489.25)
Change in fair value less cost to sell:		3.91	-	(0.23)	0.36	4.04
Realised (Mortality/sale)		(0.19)	-	0.63	-	0.63
Unrealised		4.10	-	(0.42)	(20.33)	(20.96)
<b>Balance as at March 31, 2023</b>	<b>1,761,541</b>	<b>20.32</b>	<b>1,203</b>	<b>9.40</b>	<b>101.30</b>	<b>131.02</b>
<b>As at March 31, 2022</b>						
Non Current		6.45		8.36	5.62	20.43
Current		-		-	77.91	77.91
<b>As at March 31, 2023</b>						
Non Current		20.32		9.40	3.45	<b>33.17</b>
Current		-		-	97.85	<b>97.85</b>

The Group has operations in oil palm business whereby the group purchases the saplings and sells the saplings once it has achieved the desired growth. During the year ended March 31, 2023, the group purchased 17,20,356 (Previous year: 8,56,000) number of saplings, out of which 17,20,356 (Previous year: 8,56,000) were still under cultivation.

# Notes to Consolidated Financial Statements

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

### B. Measurement of Fair value

#### i. Fair Value hierarchy

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

#### ii. Level 3 Fair values

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

Amount ₹ in Crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Oil palm saplings/Cattles	Oil palm saplings/Cattles	PS Birds / Hatching eggs / Broilers	PS Birds / Hatching eggs / Broilers
<b>Gain/(loss) included in 'other operating revenue'</b>	3.05	(1.18)	0.36	0.41
Change in fair value (realised)	(0.63)	(0.75)	(20.33)	(19.92)
Change in fair value (unrealised)	3.68	(0.43)	20.69	20.33

#### iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹ 95.06 to 128.59 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)
Biological assets - it comprises of: PS Bird; Hatching eggs; and Contract farm- Broilers	As per relevant market price prevailing at the year end	Estimated price of each component - PS birds - ₹ 33.87 (31 March 2022: ₹ 25.90) per Hatching eggs, - Hatching eggs - ₹ 39.87 (31 March 2022: ₹ 30.57) per Day Old Chicks, - Contract farms- Broilers (average rate) - ₹ 74.00 (31 March 2022: ₹ 118.50) per kg for live bird	The estimated fair valuation would increase/(decrease) if - Estimated price of each component of poultry stock was higher/(lower)
Cattles	Market approach with the help of Valuation certificate	Estimated price impact on age, breed and yield of the Cattle	The estimated fair valuation would increase/(decrease) if - Estimated yield of the cattle is increased or decreased

### C. Risk Management strategies related to agricultural activities

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

#### i. Regulatory and environmental risks

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

## Notes to Consolidated Financial Statements

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

#### ii. Supply and demand risks

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

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

#### iii. Climate and other risks

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

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

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

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

	Profit or (loss) for the year ended March 31,2023		Profit or (loss) for the year ended March 31,2022	
	10% increase	10% decrease	10% increase	10% decrease
	Variable cost (Oil palm saplings)	(0.48)	0.51	(0.18)
Estimated change in valuation- Cattle	0.94	(0.94)	0.84	(0.84)
Estimated change in valuation- Poultry (PS Birds /Hatching eggs / Broilers)	10.63	(10.63)	9.37	(9.37)
<b>Cash flow sensitivity (net)</b>	<b>11.09</b>	<b>(11.06)</b>	<b>10.03</b>	<b>(10.02)</b>

### Note 4a : Equity accounted investees

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

Particulars	Note	Face Value (₹ unless stated otherwise)	Amount ₹ in Crore			
			As at March 31, 2023		As at March 31, 2022	
			Number	Value	Number	Value
<b>(I) Investment in Equity Instruments (Fully Paid up unless stated otherwise)</b>						
<b>(a) Quoted Investment</b>						
<b>(i) Associates</b>						
Godrej Consumer Products Ltd.		1	242,812,860	4,275.94	242,812,860	3,744.50
<b>(b) Unquoted Investment</b>						
<b>(i) Associates</b>						
Personalitree Academy Ltd.	1	10	389,269	1.10	389,269	1.10
Share Application Money **				0.03		0.03
Less: Provision for Diminution in value of Investments				(1.13)		(1.13)

# Notes to Consolidated Financial Statements

## Note 4a : Equity accounted investees (Continued)

Amount ₹ in Crore

Particulars	Note	Face Value (₹ unless stated otherwise)	As at March 31, 2023		As at March 31, 2022	
			Number	Value	Number	Value
			<b>(ii) Joint Ventures</b>			
ACI Godrej Agrovet Private Limited		100	1,850,000	106.62	1,850,000	95.02
Omnivore India Capital Trust		100,000	2,444.37	34.81	2,444.37	45.42
Joint Ventures and Associates of Property Business						
Wonder City Buildcon Private Limited		10	-	-	810,420	-
Godrej Home Constructions Private Limited		10	-	-	1,071,770	-
Godrej Real View Developers Private Limited		10	26,954,000	7.22	2,140,000	-
Wonder Projects Development Private Limited		10	21,401,200	3.92	1,070,060	-
Pearlite Real Properties Private Limited		10	3,871,000	25.66	3,871,000	15.82
Godrej Greenview Housing Private Limited		10	19,915,200	9.95	1,264,560	-
Godrej Green Homes Private Limited		10	360,813	31.72	360,813	100.01
Godrej Skyline Developers Private Limited		10	581,429	-	581,429	-
Godrej Redevelopers (Mumbai) Private Limited		10	28,567	41.21	28,567	36.78
Godrej Mackbricks Private Limited (formerly known as Ashank Macbricks Private Limited)		10	21,625,000	9.62	1,675,000	-
Munjal Hospitality Private Limited		13.41	60,961,200	82.40	60,961,200	83.11
Yujya Developers Private Limited (Merged with Madhuvan Enterprise Private Limited w.e.f. March 27, 2023)		10	-	-	8,653,476	0.81
Madhuvan Enterprises Private Limited		10	85,240,683	-	-	-
Vivrut Developers Private Limited		10	19,737,459	15.24	19,737,459	16.75
Vagishwari Land Developers Private Limited (w.e.f June 10, 2021)		10	234	34.66	200	29.46
Yerwada Developers Private Limited (w.e.f January 31, 2022)		10	12,863,813	14.87	11,000,000	10.90
<b>(II) Investment In Limited Liability Partnerships</b>						
Mosaic Landmarks LLP				0.11		0.11
Oxford Realty LLP				12.28		-
Dream World Landmarks LLP				-		2.02
M S Ramaiah Ventures LLP				-		0.23
Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)				3.51		-
Godrej Housing Projects LLP				18.16		15.41
Godrej Projects North Star LLP				38.56		-
Godrej Projects North LLP (Classified as Subsidiary upto December 02, 2021)				52.41		49.72
Mahalunge Township Developers LLP				220.83		154.22
Manjari Housing Projects LLP				163.93		161.18
Maan-Hinge Township Developers LLP (Classified as Subsidiary from March 28 <sup>th</sup> , 2023)				-		97.78
Godrej Vestamark LLP				-		29.91
				<b>5,203.63</b>		<b>4,689.15</b>
Aggregate Amount of Quoted Investments				4,275.94		3,744.50
Aggregate Amount of Unquoted Investments				928.82		945.78
Aggregate Provision for Diminution in the Value of Investments				(1.13)		(1.13)
Market Value of Quoted Investments				23,507.93		18,145.41

### Note

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

# Notes to Consolidated Financial Statements

## Note 4b : Non Current Financial Assets- Investments

Amount ₹ in Crore

Name	Note	Face Value	As at		As at	
			March 31, 2023		March 31, 2022 (Restated)	
			Number	Amount	Number	Amount
<b>(l) Investment in Equity Instruments (Fully Paid up unless stated otherwise)</b>						
At Fair Value Through Profit and Loss						
(a) Quoted Investment						
Zicom Electronics Security System Ltd.		10	173,918	-	173,918	-
Ruchi Soya Industries Ltd.*		2	35	0.00	35	0.00
Agro Tech Foods Ltd.*		10	1	0.00	1	0.00
Colgate Palmolive India Ltd.*		1	2	0.00	2	0.00
Dabur India Ltd.*		1	6	0.00	6	0.00
Gillette India Ltd.*		10	1	0.00	1	0.00
Hindustan Unilever Ltd.		1	751	0.19	751	0.15
Marico Ltd.*		1	80	0.00	80	0.00
Bajaj Finance Ltd.		2	450	0.25	450	0.33
Procter & Gamble Hygiene & Health Care Ltd.*		10	1	0.00	1	0.00
Cera Sanitaryware Ltd.		5	1,189	0.76	1,189	0.59
HDFC Bank Ltd.		2	444	0.07	444	0.06
Infosys Ltd.		5	610	0.09	610	0.12
Venkys India Ltd.*		10	1	0.00	1	0.00
Just Dial Ltd		10	82	0.00	82	0.01
Advanced Enzyme Technologies Ltd.		2	3,000	0.07	3,000	0.08
Vadilal Industries Ltd.		10	2,000	0.44	2,000	0.28
DCM Ltd.		10	5,000	0.04	5,000	0.04
Maruti Suzuki India Ltd.		5	50	0.04	50	0.04
KSE Limited		10	65,467	10.66	65,467	13.88
Ujjivan Financial Services Ltd.		10	12,204	0.31	12,204	0.12
Bharat Petroleum Corporation Limited		10	2,000	0.07	2,000	0.07
Wockhardt Ltd.		5	1,000	0.02	1,000	0.03
Whirpool of India Ltd.		10	500	0.07	500	0.08
Ansal Buildwell Limited*		10	100	0.00	100	0.00
Ansal Housing Limited*		10	300	0.00	300	0.00
Ansal Properties and Infrastructure Limited*		5	600	0.00	600	0.00
Unitech Limited*		2	13,000	0.00	13,000	0.00
The Great Eastern Shipping Company Limited*		10	72	0.00	72	0.00
Radhe Developers (India) Limited*		10	100	0.00	100	0.00
DCM NOUVELLE LIMITED		10	5,000	0.07	5,000	0.12
United Textiles Limited*		10	23,700	0.00	23,700	0.00
(b) Unquoted Investment						
Bharuch Eco-Aqua Infrastructure Ltd.		10	440,000	0.44	440,000	0.44
Less : Provision for Diminution in the Value of Investment				(0.44)		(0.44)
				-		-
Avesthagen Ltd.		7	469,399	12.43	469,399	12.43
Less : Provision for Diminution in the Value of Investment				(12.43)		(12.43)
				-		-
CBay Infotech Ventures Pvt. Ltd.		10	112,579	2.33	112,579	2.33
Less : Provision for Diminution in the Value of Investment				(2.33)		(2.33)
				-		-
Gharda Chemicals Ltd.	1	100	114	0.12	114	0.12
Less : Provision for Diminution in the Value of Investment				(0.12)		(0.12)

# Notes to Consolidated Financial Statements

## Note 4b : Non Current Financial Assets- Investments (Continued)

Amount ₹ in Crore

Name	Note	Face Value	As at		As at	
			March 31, 2023		March 31, 2022 (Restated)	
			Number	Amount	Number	Amount
			-	-	-	-
HyCa Technologies Pvt. Ltd.		10	12,436	1.24	12,436	1.24
Less : Provision for Diminution in the Value of Investment				(1.24)		(1.24)
			-	-	-	-
Tahir Properties Ltd (Partly paid) *	2	100	25	0.00	25	0.00
Boston Analytics Inc.		\$1	1,354,129	6.91	1,354,129	6.91
Less : Provision for Diminution in the Value of Investment				(6.91)		(6.91)
			-	-	-	-
The Saraswat Co-op Bank Ltd. *		10	4,500	0.03	4,500	0.02
Sachin Industrial Co-operative Society Ltd. *				0.00		0.00
Isprava Vesta Pvt. Ltd. (previously known as Isprava Technologies Ltd.)		10	195,831	0.04	195,831	0.04
Isprava Hospitality Pvt. Ltd.		10	35,434	0.04	35,434	0.03
Clean Max Enviro Energy Solution Pvt Ltd .		10	3,133	1.01	3,133	1.01
Clean Max Kaze Private Limited		10	24,418	4.29	-	-
AB Corp Limited*		10	25,000	0.00	25,000	0.00
Lok Housing and Construction Limited*		10	100	0.00	100	0.00
Global Infrastructure & Technologies Limited*		10	100	0.00	100	0.00
Premier Energy and Infrastructure Limited*		10	100	0.00	100	0.00
D.S. Kulkarni Developers Limited*		10	100	0.00	100	0.00
GOL Offshore Limited *		10	18	0.00	18	0.00
Modella Textiles Private Limited		100	2	0.00	2	0.00
Lotus Green Construction Private Limited*		100	1	0.00	1	0.00
Alacrity Housing Limited*		10	100	0.00	100	0.00
Brookings Institution India Centre*		100	125	0.00	125	0.00
Shamrao Vithal Co-operative Bank Ltd				0.01		0.01
<b>(II) Investment in Debentures or Bonds</b>						
At Fair Value Through Profit and Loss						
(a) Unquoted Investment						
(i) Joint Ventures						
Godrej Green Homes Limited		1000	3,318,000	331.80	3,318,000	331.80
Godrej Skyline Developers Private Limited		100	5,304,000	48.67	5,304,000	51.32
Yujya Developers Private Limited (merged with Madhuvan Enterprises Private Limited order dated March 16, 2023 effective from April 01, 2021)		1000	-	-	2,650,473	26.47
Madhuvan Enterprises Private Limited		1000	2,665,473	26.38	-	-
Vivrut Developers Private Limited		1000	664,500	66.45	619,500	61.95
Munjhal Hospitality Private Limited		100	2,010,000	20.09	2,010,000	20.09
Vagishwari Land Developers Private Limited (w.e.f June 10, 2022)		1000	805,224	80.52	805,224	80.52
Yerwada Developers Private Limited (w.e.f January 31, 2022)		1000	475,500	45.75	330,000	33.00
At Amortised cost						
(a) Unquoted Investment						
(i) Joint Ventures						
Wonder City Buildcon Private Limited (Converted to subsidiary w.e.f March 29, 2023)		1000	-	-	307,833	-
Godrej Home Constructions Private Limited (Converted to subsidiary w.e.f March 29, 2023)		1000	-	-	413,949	22.15
Wonder Projects Development Private Limited		1000	-	-	275,500	21.13

# Notes to Consolidated Financial Statements

## Note 4b : Non Current Financial Assets- Investments (Continued)

Name	Note	Face Value	Amount ₹ in Crore			
			As at		As at	
			March 31, 2023		March 31, 2022 (Restated)	
			Number	Amount	Number	Amount
Godrej Real View Developers Private Limited		1000	213,560	24.02	461,700	29.53
Godrej Greenview Housing Private Limited		1000		-	260,946	5.57
Godrej Mackbricks Private Limited (formerly known as Ashank Macbricks Private Limited)		1000	237,500	24.06	437,000	36.13
<b>(III) Investment in Preference Shares (Fully Paid up unless stated otherwise)</b>						
At Fair Value Through Profit and Loss						
(a) Unquoted Investment						
Tahir Properties Ltd (Class - A) (partly paid) *		100	25	0.00	25	0.00
Less: Forfeited*				0.00		0.00
				0.00		0.00
At Fair Value Through Other Comprehensive Income						
(a) Quoted Investment						
KSE Limited		10	103,750	16.97	90,551	19.20
<b>(IV) Investment in Partnership Firms</b>						
View Group LP *	3			0.00		0.00
Less : Provision for Diminution in the Value of Investment				(0.00)		(0.00)
				-		-
<b>(V) Other Investment</b>						
Investment in Units of Venture Capital Fund						
Indian Fund for Sustainable Energy (Infuse Capital)		100	162,684	3.32	204,024	3.04
				<b>706.58</b>		<b>759.00</b>
Aggregate Amount of Quoted Investments				30.12		35.20
Aggregate Amount of Unquoted Investments				699.94		747.27
Aggregate Provision for Diminution in the Value of Investments				(23.47)		(23.47)
Market Value of Quoted Investments				30.12		35.20

\* Amount less than ₹ 0.01 crore.

### Notes

- The said shares have been refused for registration by the investee company.
- Uncalled Liability on partly paid shares
  - Tahir Properties Ltd. - Equity - ₹ 80 per share (Previous year 2021 - ₹ 80 per share).
- View Group LP has been dissolved on December 14, 2012, however, the Company has still not received an approval from RBI for writing-off the investment.

## Note 5 : Non Current Financial Assets - Trade Receivables

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Unsecured and Considered Good	160.27	173.22
	<b>160.27</b>	<b>173.22</b>



# Notes to Consolidated Financial Statements

## Note 5 : Non Current Financial Assets - Trade Receivables (Continued)

### Trade Receivables ageing schedule

Amount ₹ in Crore

March 31, 2023	Undisputed Trade receivables			Disputed Trade receivables			Total
	(i) Considered good	(ii) Which have significant increase in credit risk	(iii) Credit impaired	(i) Considered good	(ii) Which have significant increase in credit risk	(iii) Credit impaired	
Not due	96.44	-	-	-	-	-	96.44
Less than 6 months	-	-	-	-	-	-	-
6 months -1 year	2.30	-	-	-	-	-	2.30
1-2 Years	61.53	-	-	-	-	-	61.53
2-3 years	-	-	-	-	-	-	-
More than 3 years	-	-	-	-	-	-	-
<b>Total</b>	<b>160.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160.27</b>

March 31, 2022	Undisputed Trade receivables			Disputed Trade receivables			Total
	(i) Considered good	(ii) Which have significant increase in credit risk	(iii) Credit impaired	(i) Considered good	(ii) Which have significant increase in credit risk	(iii) Credit impaired	
Not due <sup>^</sup>	85.58	-	-	8.38	-	-	93.96
Less than 6 months	60.12	-	-	-	-	-	60.12
6 months -1 year	5.18	-	-	4.19	-	-	9.37
1-2 Years	2.34	-	-	4.19	-	-	6.54
2-3 years	3.23	-	-	-	-	-	3.23
More than 3 years	-	-	-	-	-	-	-
<b>Total</b>	<b>156.45</b>	<b>-</b>	<b>-</b>	<b>16.76</b>	<b>-</b>	<b>-</b>	<b>173.22</b>

Trade Receivables having legal cases / arbitration have been considered as disputed

<sup>^</sup> Undisputed Trade Receivables – considered good includes unbilled revenue of INR 3.19 crore (Previous year Nil)

## Note 6 : Non Current Financial Assets- Loans

Amount ₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>(I) Loans from financing activity</b>		
<b>Secured and Considered Good</b>		
Housing loan	2,737.73	1,201.35
Non-housing loan	1,887.03	478.88
<b>Unsecured and Considered Good</b>		
Non-housing loan	60.26	23.50
<b>Unsecured and Considered Doubtful</b>		
Non-housing loan	21.25	7.20
Less : Allowance for Bad and Doubtful Loans	(21.25)	(7.20)

# Notes to Consolidated Financial Statements

## Note 6 : Non Current Financial Assets- Loans (Continued)

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
<b>(II) Other Loans</b>		
(a) Secured and Considered Doubtful (credit impaired) (refer note 1 and 2 below)	10.33	10.33
Less : Allowance for Bad and Doubtful Loans	(10.33)	(10.33)
	-	-
(b) Unsecured and Considered Good		
Loans to Others	67.07	43.82
Loans to employees	1.37	1.37
	<b>4,753.46</b>	<b>1,748.92</b>
There are no loans which have significant increase in credit risk.		

### Notes

- 1 The Company had advanced an amount of ₹ 10.33 crores under diverse loan-cum-pledge agreements to certain individuals who had pledged certain equity shares as security. The Company enforced its security and lodged the shares for transfer in its name. The said transfer application of the Company was rejected, and the Company had preferred an application to the Company Law Board (CLB) against rejection of the said transfer application. The CLB rejected the application of the Company and advised the parties to approach the High Court. The Company filed an appeal before the Hon'ble Bombay High Court against the order of the Company Law Board under section 10F of the Companies Act, which was disposed with the direction that the transfer of shares be kept in abeyance till the pendency of the arbitration proceedings between the parties. The Hon'ble Bombay High Court had by its order dated September 18, 2012, restrained the Company from *inter alia*, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company filed a Special Leave Petition (SLP) before the Supreme Court against this interim order of the Hon'ble Bombay High Court which was dismissed by the Hon'ble Supreme Court. The Ld. Sole Arbitrator, Justice (Retired ), A.P. Shah on June 29, 2019 passed an Award ruling that the Company shall return all the pledged shares along with the original loan-cum-pledge agreements and the power of attorneys executed by the said individuals in favour of the Company to the said individuals upon the said individuals repaying an amount of ₹ 10.33 crores to the Company.

The Company has challenged this Award before the Hon'ble High Court of Bombay by way of Section 34 petition under the Arbitration & Conciliation Act 1996. The Hon'ble Bombay High Court by its Order dated September 13, 2019 has stayed the operation and execution of the said Award dated June 29, 2019 till the final disposal of the said Section 34 Petition. The matter is pending for final hearing before the Hon'ble Bombay High Court.

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

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

Amount ₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
Loans where there is no repayment schedule				
(i) Federal & Rashmikant	5.83	5.83	5.83	5.83
(ii) M/s Dhruv & Co. (Regd.)	4.18	4.18	4.18	4.18
(iii) D. R. Kavasmaneck & Dr. P. R. Kavasmaneck	0.32	0.32	0.32	0.32

# Notes to Consolidated Financial Statements

## Note 7 : Non Current Financial Assets- Others

Amount ₹ in Crore

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Bank Deposits with more than 12 months maturity (Refer Note 1 below)	39.94	10.41
(II) Security Deposit		
(a) Unsecured and Considered Good	48.94	42.76
(b) Unsecured and Considered Doubtful (credit impaired)	1.20	1.19
Less : Allowance for Bad and Doubtful Deposit	(1.20)	(1.19)
	-	-
(III) Secured		
(a) Interest Accrued on Loans (Refer Note 2 below)	3.15	3.15
Less : Allowance for Doubtful Loans	(3.15)	(3.15)
	-	-
(IV) Unsecured		
(a) Interest Accrued on Loans	1.03	1.03
Less : Allowance for Doubtful Loans	(1.03)	(1.03)
	-	-
(V) Others		
(a) Other Receivables (includes interest receivable on loan)	3.39	-
(b) Claim Receivable	1.46	1.86
(c) Excessive Interest Spread (EIS) Receivable	6.27	-
(d) Deposits	4.83	5.14
	<b>104.83</b>	<b>60.17</b>

## Notes

Bank Deposit with more than 12 months maturity includes.

- Fixed Deposits of ₹ 0.33 crore (Previous year ₹0.21 crore ) are pledged with government authorities.
  - Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to ₹ 34.42 crore (Previous Year: ₹ 2.65 crore).
- Interest on loan referred to in sub note (2) under Note 6 - Non Current Loans, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.

## Note 8 : Deferred Tax Assets (Net of Liabilities)

Amount ₹ in Crore

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Deferred tax liabilities arising on account of:		
(a) Property, plant and equipment & Intangible assets	205.32	174.15
(b) Investments	6.05	27.45
(c) Biological Assets	7.16	7.04
	<b>218.53</b>	<b>208.64</b>
(II) Deferred tax assets arising on account of:		
(a) Provision for Retirement Benefits	45.61	52.50
(b) Indexation benefit on land and shares	1.06	1.06
(c) Inventories	13.07	16.63

# Notes to Consolidated Financial Statements

## Note 8 : Deferred Tax Assets (Net of Liabilities) (Continued)

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(d) Equity-settled share-based payments	1.84	1.19
(e) MAT Credit Entitlement	9.26	7.02
(f) Provision for Doubtful Debts / Advances	46.90	30.83
(g) Brought forward Losses	112.11	128.81
(h) Unabsorbed Depreciation	185.24	154.68
(i) Other Provisions	272.35	241.20
(j) Leases	0.44	0.11
	<b>687.88</b>	<b>634.03</b>
Deferred Tax Assets (Net of Liabilities) (Refer note 44)	<b>469.35</b>	<b>425.39</b>

## Note 9 : Other Non Current Assets

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Capital Advances		
Considered Good	34.09	77.46
(II) Other Advances		
(a) Balance with Government Authorities	16.41	17.13
(b) Prepaid Expense	0.71	0.50
(c) Others Considered Good	13.10	11.94
Others Considered Doubtful	1.22	1.23
Allowance for Doubtful Advance	(1.22)	(1.23)
	<b>64.31</b>	<b>107.03</b>

## Note 10 : Inventories

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Raw Materials	1,123.44	1,293.67
Raw Materials (relating to Property development)	28.93	5.45
(II) Packing Material	4.50	4.65
(III) Work in Progress	257.59	222.55
(IV) Construction Work in Progress (Refer note 2 below)	11,653.72	5,282.51
(V) Project in Progress	0.03	0.03
(VI) Finished Goods	402.60	384.99
(VII) Finished Goods - Property Development (Refer note 2 below)	387.47	375.29
(VIII) Transferable Development Rights	-	0.25
(IX) Stock in Trade	49.39	89.63
(X) Stores and Spares	69.24	59.64
	<b>13,976.91</b>	<b>7,718.66</b>

### Notes

- Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of GST Input Tax Credit.
- The write-down of inventories to net realisable value during the year amounted to ₹ 25.57 Crore (Previous Year: ₹ 89.85 Crore).
- Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks. Monthly statements of stock and book debts are filed with the bank which are in agreement with the books of accounts.

# Notes to Consolidated Financial Statements

## Note 11 : Current Financial Assets- Investments

Name	Note	Face Value	Amount ₹ in Crore	
			As at March 31, 2023	As at March 31, 2022
(I) (a) Quoted investment in Mutual Funds (At Fair Value Through Profit and Loss)			1,018.28	801.99
(b) Unquoted investment in Mutual Funds (At Fair Value Through Profit and Loss)			1,080.47	3,359.08
(II) Other Investment				
At Fair Value Through Profit and Loss				
(a) Unquoted Investment				
Optionally Convertible Loan Notes/Promissory Notes				
Boston Analytics Inc. (15%)	1	\$ 750,000	3.00	3.00
Less : Provision for Diminution in the Value of Investment			(3.00)	(3.00)
			-	-
Boston Analytics Inc. (20%)	1	\$ 15,50,000	6.73	6.73
Less : Provision for Diminution in the Value of Investment			(6.73)	(6.73)
			-	-
Boston Analytics Inc. (12%)	2	\$ 950,000	4.69	4.69
Less : Provision for Diminution in the Value of Investment			(4.69)	(4.69)
			-	-
(III) Investment in equity of associates				
(a) Unquoted				
Al Rahaba International Trading Limited Liability Company		AED 1500	-	-
			<b>2,098.75</b>	<b>4,161.07</b>
Aggregate Amount of Quoted Investments			1,018.28	801.99
Aggregate Amount of Unquoted Investments			1,094.89	3,373.50
Aggregate Provision for Diminution in the Value of Investments			(14.42)	(14.42)
Market Value of Quoted Investments			1,018.28	801.99

### Note

- The Optionally Convertible Promissory Notes (15%) of Boston Analytics Inc. in respect of which the Company did not exercise the conversion option and Boston Analytics Inc. promissory notes (20%) where there was a partial conversion option which the Company did not exercise, were due for redemption on June 30, 2009 and August 21, 2009, respectively. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
- 12% promissory notes were repayable on or before December 31, 2011, along with interest on maturity. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.

## Note 12 : Current Financial Assets- Trade Receivables

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Secured and Considered Good (Refer Note 1 below)	96.47	129.65
(II) Unsecured and Considered Good	1,403.74	1,546.39
(III) Unsecured and Considered Doubtful (significant increase in credit risk/credit impaired)	113.59	103.61
Less : Allowance for Bad and Doubtful Debt	(113.59)	(103.61)
Net Unsecured and Considered Doubtful	-	-
	<b>1,500.21</b>	<b>1,676.04</b>

### Notes

- Secured by Security Deposits collected from Customers, Letter of Credit or Bank Guarantees held against them.
- Refer note 24 for information on trade receivables pledged as security by the Group.
- Refer note 50 for information on Credit Risk.

# Notes to Consolidated Financial Statements

## Note 12 : Current Financial Assets- Trade Receivables (Continued)

### Trade Receivables ageing based on due date

Amount ₹ in Crore

	Undisputed Trade receivables			Disputed Trade receivables			Considered good Total	Considered Doubtful (credit impaired) Total	Total
	(i) Considered good	(ii) Which have significant increase in credit risk	(iii) Credit impaired	(i) Considered good	(ii) Which have significant increase in credit risk	(iii) Credit impaired			
<b>As at March 31,2023</b>									
Not due	25.31	-	-	-	-	-	25.31	-	25.31
Less than 6 months	1,185.65	-	0.98	0.14	-	-	1,185.79	0.98	1,186.77
6 months -1 year	202.93	-	1.82	1.56	-	0.32	204.49	2.14	206.63
1-2 Years	41.97	8.53	28.33	10.72	-	4.23	52.69	41.08	93.78
2-3 years	9.88	9.87	1.35	8.87	-	0.89	18.75	12.11	30.86
More than 3 years	11.54	20.89	3.99	1.64	10.60	21.80	13.18	57.27	70.46
<b>Total</b>	<b>1,477.28</b>	<b>39.28</b>	<b>36.47</b>	<b>22.93</b>	<b>10.60</b>	<b>27.24</b>	<b>1,500.21</b>	<b>113.59</b>	<b>1,613.80</b>

	Undisputed Trade receivables			Disputed Trade receivables			Considered good Total	Considered Doubtful (credit impaired) Total	Total
	(i) Considered good	(ii) Which have significant increase in credit risk	(iii) Credit impaired	(i) Considered good	(ii) Which have significant increase in credit risk	(iii) Credit impaired			
<b>As at March 31,2022</b>									
Not due	14.34	9.05	(0.32 )	-	-	-	14.34	8.73	23.06
Less than 6 months	1,337.42	0.20	3.01	0.52	-	-	1,337.94	3.22	1,341.16
6 months -1 year	233.08	-	1.18	0.34	-	0.26	233.42	1.44	234.86
1-2 Years	61.95	5.22	31.34	0.97	-	4.25	62.92	40.80	103.72
2-3 years	7.91	7.06	2.68	-	-	0.45	7.91	10.20	18.11
More than 3 years	6.23	14.67	2.21	13.27	2.09	20.27	19.51	39.22	58.74
<b>Total</b>	<b>1,660.93</b>	<b>36.19</b>	<b>40.10</b>	<b>15.11</b>	<b>2.09</b>	<b>25.22</b>	<b>1,676.04</b>	<b>103.61</b>	<b>1,779.66</b>

## Note 13a :Cash and Cash Equivalents

Amount ₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(I) Balances with Banks		
(a) Current Accounts	505.39	350.78
(b) Deposits having maturity less than 3 months	571.61	212.57
(II) Cheques, Drafts on Hand	27.09	9.92
(III) Certificate of Deposits having maturity less than 3 months	469.66	24.96
(IV) Cash on Hand	3.21	2.14
	<b>1,576.96</b>	<b>600.37</b>

# Notes to Consolidated Financial Statements

## Note 13b : Current Financial Assets - Other Bank Balances

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Deposits with more than 3 months but less than 12 months maturity (Refer Note 1 below)	1,376.98	1,221.96
(II) Other Bank Balances (Refer Note 2 to 3 below)	1.05	1.61
	<b>1,378.03</b>	<b>1,223.57</b>

### Notes

- Deposits with more than 3 months but less than 12 months maturity includes
  - ₹ 77.66 Crore (March 31 2022: ₹ 46.14 Crore) received from flat buyers and held in trust on their behalf in a corpus fund and towards maintenance charges.
  - Deposits held as Deposit Repayment Reserve amounting to ₹ 0.06 Crore (March 31 2022: ₹ 0.06 Crore).
  - Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to ₹ 26.56 Crore (March 31 2022: ₹ 1.14 Crore)
  - Fixed deposits with scheduled banks of ₹ 0.71 Crore (previous year ₹ 0.66 Crore) held as margin money towards bank guarantees/ sales tax registration/ overdraft limit.
  - Fixed deposit held in Escrow account amounting to ₹ 370.50 Crore (Previous Year ₹ -Nil)
- Balances with Banks in current accounts ₹ 0.55 Crore (March 31 2022: ₹ 0.62 Crore) is on account of earmarked balance for unclaimed dividend.
- Balances with Banks in current accounts ₹ 3.69 Crore (March 31, 2022: ₹ 0.88 Crore) is amount received from buyers towards maintenance charges.

## Note 14 : Current Financial Assets- Loans

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Loans to Related Parties		
(a) Unsecured and Considered Good	2,237.39	2,276.07
(II) Loans from financing activity		
Secured and Considered Good		
Housing loan	69.56	52.52
Non-housing loan	374.67	28.31
	444.23	80.83
Unsecured and Considered Good		
Non-housing loan	-	-
Unsecured and Considered Doubtful		
Non-housing loan	6.31	1.69
Less : Allowance for Bad and Doubtful Loans	(1.56)	(0.35)
	4.75	1.34
(III) Other Loans		
(a) Unsecured and Considered Good		
Loans to employees	0.68	1.96
Other Loans & Advances	162.46	314.86
(b) Unsecured and Considered Doubtful		
Inter Corporate Deposit	-	5.77
Less : Allowance for Bad and Doubtful Deposit	-	(5.77)
	-	-
Doubtful Loan	0.13	0.13
Less : Allowance for Bad and Doubtful Deposit	(0.13)	(0.13)
	-	-
	<b>2,849.51</b>	<b>2,675.06</b>

# Notes to Consolidated Financial Statements

## Note 15 : Current Financial Assets- Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
I Other Receivables (refer note 1 below)	411.61	295.12
II Deposits -Projects (refer note 2 below)	171.48	187.49
III Deposits - Others	98.81	80.27
IV Interest Accrued on Loans and Deposits	725.18	740.41
V Derivative financial Instrument	0.25	-
	<b>1,407.33</b>	<b>1,303.29</b>

1. Other Receivables includes expenses recoverable.
2. Deposits - Projects are secured due to specific rights available with the Group through the respective Development Agreements.

## Note 16 : Other Current Assets

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Advances other than Capital Advance		
Secured		
Advance to Suppliers - Considered Good (refer note 1 below)	4.75	-
Unsecured		
(a) Security Deposit		
Statutory Deposits	-	15.45
Other Deposits	3.56	2.84
	3.56	18.29
(b) Other Advances		
Advance to Suppliers - Considered Good	241.42	184.29
Advance to Suppliers - Considered Doubtful	0.58	0.96
Provision for Doubtful Advance	(0.58)	(0.96)
	241.42	184.29
Other Receivables - Considered Good (inventory receivable on returns, deferred brokerage)	267.89	296.73
Other Receivables - Considered Doubtful	0.16	0.23
Provision for Doubtful Other Receivable	(0.16)	(0.23)
Advance for Land, Development Rights and Flats	230.48	202.34
Export Benefits Receivables	0.97	2.05
Unbilled Revenue (refer note 2 below)	186.82	191.31
Employee Advance	0.06	0.27
Balances with Government Authorities	260.45	116.30
Prepaid Expenses	17.94	18.42
	<b>1,214.34</b>	<b>1,030.00</b>

### Note

1. Advance to Suppliers and Contractors are secured against bank guarantees.
2. Net of provision of ₹ 6.01 crore (Previous Year : ₹ 6.01 Crore).



# Notes to Consolidated Financial Statements

## Note 17 : Equity

Particulars	Amount ₹ in Crore			
	As at March 31, 2023		As at March 31, 2022	
	Nos.	Amount ₹ in Crore	Nos.	Amount ₹ in Crore
1 <u>Authorised Share Capital</u>				
(a) Equity shares of Re. 1 each	800,000,000	80.00	800,000,000	80.00
(b) Unclassified Shares of ₹ 10 each	100,000,000	100.00	100,000,000	100.00
		180.00		180.00
2 <u>Issued, Subscribed and Paid up Share Capital</u>				
Equity Shares of Re. 1 each fully paid up	336,638,257	33.66	336,584,313	33.66
Par Value of Equity Share is ₹ 1 each				
Par Value of Unclassified Share is ₹ 10 each				
3 <u>Reconciliation of number of Shares</u>				
Equity Shares				
Number of Shares outstanding at the beginning of the year	336,584,313	33.66	336,525,098	33.66
Issued during the year	53,944	0.00	59,215	0.00
Number of Shares outstanding at the end of the year	<b>336,638,257</b>	<b>33.66</b>	<b>336,584,313</b>	<b>33.66</b>
4 <u>Rights, Preferences And Restrictions attached to Shares</u>				
Equity Shares : The Company has one class of equity shares. Each equity share entitles the holder to one vote. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.				
5 <u>Share Holding Information</u>				
a) <u>Shareholders holding more than 5% of Equity Shares in the Company:</u>				
Rishad Kaikhushru Naoroji and others (Partners of RKN Enterprises)- 12.65% (previous year 12.65%)	42,583,272	4.26	42,583,272	4.26
Godrej Foundation - 13.37% (previous year 13.37%)	45,014,972	4.50	45,014,972	4.50
Jamshyd Naoroji Godrej 9.34% (previous year 9.34%)	31,429,854	3.14	31,429,854	3.14
Nyrika Holkar 8.01% (previous year 6.73%)	22,636,500	2.26	22,636,500	2.26
6 <u>Equity Shares Reserved for Issue Under Employee Stock Grant (Re. 1 each)</u>				
Employee Stock Grant for which vesting date shall be such date as may be decided by the Compensation Committee (*)				
(a) Employee Stock Grant vesting on 13/05/22	-	-	17,153	0.00
(b) Employee Stock Grant vesting on 30/06/22	-	-	19,454	0.00
(c) Employee Stock Grant vesting on 31/05/23	17,589	0.00	19,454	0.00
(d) Employee Stock Grant vesting on 21/05/22	-	-	16,318	0.00
(e) Employee Stock Grant vesting on 21/05/23	12,335	0.00	16,318	0.00
(f) Employee Stock Grant vesting on 21/05/24	12,335	0.00	16,318	0.00
(g) Employee Stock Grant vesting on 01/06/22	-	-	1,018	0.00
(h) Employee Stock Grant vesting on 01/06/23	509	0.00	1,018	0.00
(i) Employee Stock Grant vesting on 01/06/24	509	0.00	1,018	0.00
(j) Employee Stock Grant vesting on 27/05/23	17,179	0.00	-	-
(k) Employee Stock Grant vesting on 30/05/23	2,707	0.00	-	-
(l) Employee Stock Grant vesting on 05/09/23	1,452	0.00	-	-
(m) Employee Stock Grant vesting on 06/12/23	713	0.00	-	-
(n) Employee Stock Grant vesting on 27/05/24	22,051	0.00	-	-
(o) Employee Stock Grant vesting on 27/05/25	22,051	0.00	-	-

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

7 During the period of five years immediately preceding the date as at which the Balance Sheet is prepared : Pursuant to the Scheme of Amalgamation of Vora Soaps Limited (VSL) with the Company 19,39,04,681 equity shares allotted as fully paid up to the Equity and Preference Shareholders of VSL.

8 There are no calls unpaid.

9 There are no forfeited shares.

(\*) Amount less than ₹ 0.01 crore.

# Notes to Consolidated Financial Statements

## Note 17 : Equity (Continued)

Details of shares held by promoters

Sr. No.	Entity Type	Promoter Name	As at March 31, 2023			As at March 31, 2022		
			No. of Shares	% of Total Shares	% change	No. of Shares	% of Total Shares	% change
1	Promoter	Adi Barjorji Godrej	607,692	0.18	0.00	607,692	0.18	0.00
2	Promoter	Nadir Barjorji Godrej	599,008	0.18	0.00	599,008	0.18	0.00
3	Promoter	Jamshyd Naoroji Godrej	31,429,854	9.34	0.00	31,429,854	9.34	9.28
4	Promoter	Smita Godrej Crishna	607,634	0.18	0.00	607,634	0.18	0.00
5	Promoter	Rishad Kaikhushru Naoroji	50	0.00	0.00	50	0.00	0.00
6	Promoter Group	Tanya Arvind Dubash	741,755	0.22	0.00	741,755	0.22	0.00
7	Promoter Group	Nisaba Godrej	741,753	0.22	0.00	741,753	0.22	0.00
8	Promoter Group	Pirojsha Adi Godrej	741,758	0.22	0.00	741,758	0.22	0.00
9	Promoter Group	Karla Bookman	237,000	0.07	0.00	237,000	0.07	0.00
10	Promoter Group	Sasha Godrej	241,200	0.07	0.00	241,200	0.07	0.00
11	Promoter Group	Lana Godrej	265,000	0.08	0.00	265,000	0.08	0.00
12	Promoter Group	Burjis Nadir Godrej	5,694,975	1.69	0.00	5,694,975	1.69	(0.00)
13	Promoter Group	Sohrab Nadir Godrej	5,282,647	1.57	0.00	5,282,647	1.57	(0.00)
14	Promoter Group	Hormazd Nadir Godrej	1,731,000	0.51	0.00	1,731,000	0.51	0.00
15	Promoter Group	Pheroza Jamshyd Godrej	33	0.00	0.00	33	0.00	0.00
16	Promoter Group	Navroze Jamshyd Godrej	10,157,316	3.02	0.00	10,157,316	3.02	2.72
17	Promoter Group	Raika Jamshyd Godrej	997,089	0.30	0.00	997,089	0.30	0.30
18	Promoter Group	Vijay Mohan Crishna	-	0.00	0.00	-	0.00	0.00
19	Promoter Group	Nyrika Holkar	26,962,038	8.01	1.28	22,636,500	6.73	6.73
20	Promoter Group	Freyan Crishna Bieri	13	0.00	0.00	13	0.00	0.00
21	Promoter Group	Adi Godrej, Tanya Dubash, Nisaba Godrej and Pirojsha Godrej (Trustees of ABG Family Trust)	11,507,016	3.42	0.00	11,507,016	3.42	0.00
22	Promoter Group	Tanya Dubash and Pirojsha Godrej (Trustees of TAD Family Trust)	11,934,517	3.55	0.00	11,934,517	3.55	0.75
23	Promoter Group	Tanya Dubash and Pirojsha Godrej (Trustees of TAD Children Trust)	1	0.00	0.00	1	0.00	0.00
24	Promoter Group	Nisaba Godrej and Pirojsha Godrej (Trustees of NG Family Trust)	11,934,518	3.55	0.00	11,934,518	3.55	0.75
25	Promoter Group	Nisaba Godrej and Pirojsha Godrej (Trustees of NG Children Trust)	1	0.00	0.00	1	0.00	0.00
26	Promoter Group	Pirojsha Godrej and Nisaba Godrej (Trustees of PG Family Trust)	11,191,318	3.32	0.00	11,191,318	3.32	0.75
27	Promoter Group	Pirojsha Godrej and Nisaba Godrej (Trustees of PG Children Trust)	1	0.00	0.00	1	0.00	0.00
28	Promoter Group	Pirojsha Godrej and Nisaba Godrej (Trustees of PG Lineage Trust)	1	0.00	0.00	1	0.00	0.00
29	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of NBG Family Trust)	11,507,016	3.42	0.00	11,507,016	3.42	0.00
30	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of BNG Family Trust)	7,999,103	2.38	0.00	7,999,103	2.38	0.75
31	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of SNG Family Trust)	8,394,193	2.49	0.00	8,394,193	2.49	0.75
32	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of HNG Family Trust)	8,935,621	2.65	0.00	8,935,621	2.65	0.75

# Notes to Consolidated Financial Statements

## Note 17 : Equity (Continued)

Sr. No.	Entity Type	Promoter Name	As at March 31, 2023			As at March 31, 2022		
			No. of Shares	% of Total Shares	% change	No. of Shares	% of Total Shares	% change
33	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of RNG Family Trust)	1	0.00	0.00	1	0.00	0.00
34	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of BNG Successor Trust)	1	0.00	0.00	1	0.00	0.00
35	Promoter Group	Nadir Godrej, Hormazd Godrej and Burjis Godrej (Trustees of BNG Lineage Trust)	1	0.00	0.00	1	0.00	0.00
36	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of SNG Successor Trust)	1	0.00	0.00	1	0.00	0.00
37	Promoter Group	Nadir Godrej, Hormazd Godrej and Sohrab Godrej (Trustees of SNG Lineage Trust)	1	0.00	0.00	1	0.00	0.00
38	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of JNG Family Trust)	-	0.00	-	-	0.00	(2.72)
39	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of PJG Family Trust)	1	0.00	0.00	1	0.00	0.00
40	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of NJG Family Trust)	1	0.00	0.00	1	0.00	0.00
41	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of RJG Family Trust)	1	0.00	0.00	1	0.00	0.00
42	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of The Raika Godrej Family Trust)	-	0.00	-	-	0.00	(0.30)
43	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of Navroze Lineage Trust)	-	0.00	-	-	0.00	(4.64)
44	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of Raika Lineage Trust)	-	0.00	-	-	0.00	(4.64)
45	Promoter Group	Smita Godrej Crishna, Vijay Mohan Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of SGC Family Trust)	-	0.00	-	-	0.00	(2.94)
46	Promoter Group	Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of FVC Family Trust)	8,414,608	2.50	(1.29)	12,740,146	3.79	0.00
47	Promoter Group	Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of NVC Family Trust)	-	0.00	-	-	0.00	(3.79)
48	Promoter Group	Smita Godrej Crishna, Vijay Mohan Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of VMC Family Trust)	1	0.00	0.00	1	0.00	0.00
49	Promoter Group	Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of NVC Children Trust)	1	0.00	0.00	1	0.00	0.00
50	Promoter Group	Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of FVC Children Trust)	1	0.00	0.00	1	0.00	0.00
51	Promoter Group	Rishad Kaikhushru Naoroji & Others (Partners of RKN Enterprises)	42,583,272	12.65	0.00	42,583,272	12.65	0.00
52	Promoter Group	Anamudi Real Estates LLP	1,916,792	0.57	(0.00)	1,916,792	0.57	(1.97)
53	Promoter Group	Godrej Seeds & Genetics Limited	-	0.00	-	-	0.00	(2.52)
54	Promoter Group	AREL Enterprise LLP	2,770,983	0.82	0.00	2,770,983	0.82	0.00
		<b>Total Promoter Holding</b>	<b>226,126,787</b>	<b>67.17</b>		<b>226,126,787</b>	<b>67.18</b>	

# Notes to Consolidated Financial Statements

## Note 18 : Other Equity

Refer Statement of Changes in Equity for detailed movement in Equity balance

### I Summary of Other Equity Balance

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
I Capital Reserve on Account of Amalgamation	17.64	11.92
II Capital Redemption Reserve	31.46	31.46
III Securities Premium	925.14	922.60
IV Capital Reserve	28.81	28.81
V Special Reserve	9.34	3.51
VI Items of Other Comprehensive Income	248.93	101.95
VII Employee Stock Grants Outstanding	10.15	8.51
VIII General Reserve	106.09	107.05
IX Gain on sale of subsidiary without losing control	180.67	180.67
X Non Controlling Interest Reserve	2,097.05	2,316.59
XI Retained Earnings	4,295.33	3,379.83
	<b>7,950.62</b>	<b>7,092.90</b>

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

### II Nature and purpose of reserve

- a Capital Reserve on Account of Amalgamation : During amalgamation, the excess of net assets taken over the cost of consideration paid is treated as Capital Reserve on account of Amalgamation.
- b Capital Redemption Reserve : The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings.
- c Securities Premium : The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.
- d Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve and also created on Sale of treasury Shares, also profit on sale of treasury shares held by the ESOP Trust is recognised in Capital Reserve. The utilisation will be as per the requirements of the Companies Act, 2013.
- e Special Reserve : Reserve created under section 45IC of RBI Act, 1934.
- f Foreign Currency Translation Reserve : The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.
- g Employee Stock Grants Outstanding : The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Grants Outstanding Account.
- h 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.
- i Gain on sale of subsidiary without losing control : The Company participated in the IPO of Godrej Agrovet Limited (GAVL) as a promoter shareholder and sold part of its stake and realised a gain in the Standalone financial statements. Since the Company continues to hold controlling stake in GAVL, the resultant gain is not considered as a part of Consolidated net profits, but is included in Reserves as per the accounting treatment prescribed under IND AS 110 (Consolidated Financial Statements).
- j Non- controlling Interest Reserve : It represents the difference between the consideration paid and the carrying value of non-controlling interest acquired in subsidiaries.
- k The Group uses hedging instruments as part of its management of foreign currency risk associated with foreign currency borrowings. For hedging foreign currency risk, the Group used foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to statement of profit & loss when the hedged item affects the profit & loss.
- l Retained Earnings : Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

# Notes to Consolidated Financial Statements

## Note 18 : Other Equity (Continued)

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

Particulars	Amount ₹ in Crore	
	As at	As at
	March 31, 2023	March 31, 2022
Opening Balance	101.95	30.67
Exchange Difference in translating financial statements of foreign operations	146.89	70.61
Cash flow hedges	0.10	0.67
	<b>248.94</b>	<b>101.95</b>

## Note 19 : Non Current Financial Liabilities - Borrowings

Particulars	Amount ₹ in Crore	
	As at	As at
	March 31, 2023	March 31, 2022
<b>(I) Secured Borrowings</b>		
(a) Term Loans		
(i) Non-convertible debentures (Refer Note 1a below)	399.19	-
(ii) From Banks (Refer Note 1b below)	3,704.57	1,103.91
<b>(II) Unsecured Borrowings</b>		
(a) Bonds and Debentures (Refer Note 2 and 3 below)	2,792.75	3,994.09
(b) Term Loans		
(i) From Banks (Refer Note 4 below)	187.41	354.95
	<b>7,083.92</b>	<b>5,452.95</b>

Notes:

1a Secured Non convertible debentures has interest ranging from 7.75% to 8.17% repayable by April 2026

Particulars	Amount ₹ in Crore	
	As at	As at
	March 31, 2023	March 31, 2022
i) Term loans are borrowed at floating rate of interest ranging from 5.60 % p.a. to 9.32 % p.a. (previous year 5.60 % p.a. to 7.35 % p.a). Term loan taken from a bank is secured by first ranking pari passu charge with a minimum asset cover on standard receivables of the borrower, both present and future, however standard receivable excludes receivables which are / or will be exclusively charged to National Housing Bank (NHB). There is also first ranking pari passu charge on cash and cash equivalents of the borrower, both present and future, to the extent required to make up any shortfall in the stipulated security cover over the standard receivables.	3,683.43	1,097.95
ii) Term loans from bank is repayable in quarterly instalments commencing from 29 <sup>th</sup> June 2023. Current interest rate of the loan is 7.95% (previous year Nil).	21.14	-
iii) Loans at the interest rate of 1.1% to 1.6% p.a. for previous year The interest bearing loan in denominated in Singapore dollar. The bank borrowing is secured by legal mortgage of the investment property.	-	5.96

Particulars	Amount ₹ in Crore	
	As at	As at
	March 31, 2023	March 31, 2022
i) 7.50% 10,000 redeemable non-convertible debentures ("NCD") of face Value ₹ 1,000,000 each (Single Repayment at the end of the Term on July 31, 2023)	-	1,000.00

# Notes to Consolidated Financial Statements

## Note 19 : Non Current Financial Liabilities - Borrowings (Continued)

3 During the year, the Company has issued 55,000 Unsecured Redeemable Non Convertible Debentures (NCD) of face value ₹ 1 lac each. The total value of NCD is ₹ 550 crore. The NCD is listed on National Stock Exchange. The Company will utilise the proceeds to meet its business purposes, investments in body corporate(s), repayment / prepayment of certain loans and for general corporate purposes.

During the previous year, the Company has issued 30,000 Unsecured Redeemable Non Convertible Debentures (NCD) of face value ₹ 10 lac each. The total value of NCD is ₹ 3000 crore. The NCD is listed on National Stock Exchange. The Company will utilise the proceeds to meet its business purposes, investments in body corporate(s), repayment / prepayment of certain loans and for general corporate purposes.

The NCD proceeds have been utilised as under:

Particulars	Amount ₹ In Crore		
	NCD 6.24%	NCD 6.43%	NCD 6.92%
Amount received from NCD (7500 NCDs of Face value of ₹ 10,00,000 each)	750.00	750.00	750.00
Repayment Terms	7500, Debentures of Face Value of ₹ 10,00,000 each interest rate fixed for the tenor and single principal to be repaid at the end of the term, July 14 <sup>th</sup> , 2023	7500, Debentures of Face Value of ₹ 10,00,000 each interest rate fixed for the tenor and single principal to be repaid at the end of the term, April 26 <sup>th</sup> , 2024	7500, Debentures of Face value of Rs 10,00,000 each for the tenor and single principal to be repaid at the end of the term, May 14 <sup>th</sup> , 2025
Utilisation of Funds till March 31, 2021 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes	480.00	43.45	-
Utilisation of Funds till March 31, 2022 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes	270.00	706.55	750.00
Balance unutilised amount temporarily invested in Mutual Fund and Bank Fixed Deposit	-	-	-

Particulars	Amount ₹ In Crore		
	NCD 8.35%	NCD 8.30%	NCD 7.58%
Amount received from NCD (7500 NCDs of Face value of ₹ 10,00,000 each)			750.00
Amount received from NCD (30,000 NCDs of Face value of ₹ 1,00,000 each)	300.00	-	
Amount received from NCD (25,000 NCDs of Face value of ₹ 1,00,000 each)	-	250.00	
Repayment Terms	30,000, Debentures of Face value of Rs 1,00,000 each for the tenor and single principal to be repaid at the end of the term, Dec 12 <sup>th</sup> , 2025	25,000, Debentures of Face value of Rs 1,00,000 each for the tenor and single principal to be repaid at the end of the term, June 12 <sup>th</sup> , 2026	7500, Debentures of Face value of Rs 10,00,000 each for the tenor and single principal to be repaid at the end of the term, September 28 <sup>th</sup> , 2028
Utilisation of Funds till March 31, 2022 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes			147.16
Utilisation of Funds till 31 <sup>st</sup> March 2023 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes			602.84
Balance unutilised amount temporarily invested in Mutual Fund and Bank Fixed Deposit	300.00	250.00	-

# Notes to Consolidated Financial Statements

## Note 19 : Non Current Financial Liabilities - Borrowings (Continued)

### 4 Unsecured Loans from Banks

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
Loan carries interest at 1 year MCLR for an original term upto 72 months and repayable starting March 2022 to March 2025	153.85	307.69
Loan carries interest rate of 6.95% (Previous year 4.75%) repayable in 28 equal quarterly instalments commencing from February 15, 2019.	2.00	7.00
Loan carries Interest Rates of 3 months T Bill + 175 bps. The loan is repayable in 19 instalments commencing from November 2020.	4.40	8.00
Loan carries interest rate of 4.75% to 7.60 %p.a. (previous year 4.75% p.a.) These loans are repayable at various dates in equal quarterly installment.	13.21	9.79
Loan carries interest rates of Repo rate + 2.30% repayable in instalments on different dates upto 40 months from the date of the Financial Statements	3.09	5.15
Loan carries interest rate of 7.39 % to 7.83% and is repayable in installments on different dates till FY 2024-25.	10.86	-
Loan carries interest at Treasury bill rate + 100bps repayable in 16 structured quarterly instalments commencing from 31 December, 2019. Current interest rate of the loan is 5.24% per annum.	-	2.11
Loan is repayable in quarterly instalments commencing from 30 <sup>th</sup> September 2020 and current interest rate of the loan is 6.15% per annum	-	1.07
Loan is repayable in quarterly instalments commencing from June 30, 2022 and current interest rate of the loan is 4.90% per annum	-	12.27
Loan is repayable in single instalment in September 2023 and current interest rate of the loan is 4.90% per annum	-	1.87

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

6 Amount of ₹ 0.45 crores included in Non Current Borrowings of previous financial year ended March 31, 2022 has been reclassified to Interest accrued but not due (note 26).

7. Refer note 50 (iii) for information on Liquidity Risk.

## Note 20 : Non Current Financial Liabilities - Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Employee Benefits Payable (Refer Note 33)	22.67	91.44
(II) Non Trade Payable	-	0.32
(III) Security Deposits	1.34	0.63
	<b>24.01</b>	<b>92.39</b>

## Note 21 : Non Current Provisions

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
I Defined Benefit Obligation (Refer Note 46)	35.69	33.22
II Other Long Term Benefit	7.32	8.83
	<b>43.01</b>	<b>42.05</b>

# Notes to Consolidated Financial Statements

## Note 22 : Deferred Tax Liabilities (Net of Assets)

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
<b>(I) Deferred tax liabilities arising on account of:</b>		
(a) Property, plant and equipment	211.54	184.80
(b) Investments	-	-
(c) Leases	-	0.32
(d) Biological Assets	1.12	-
(e) Other provisions	38.62	33.11
	<b>251.28</b>	<b>218.23</b>
<b>(II) Deferred tax assets arising on account of:</b>		
(a) Provision for Retirement Benefits	0.71	2.01
(b) Provision for Doubtful Debts / Advances	8.27	9.61
(c) Investments	0.99	0.19
(d) Biological Assets	-	0.01
(e) Brought Forward Losses	0.80	-
(f) Leases	9.60	-
	<b>20.37</b>	<b>11.81</b>
Deferred Tax Liabilities (Net Of Assets) (refer note 44)	<b>230.91</b>	<b>206.42</b>

## Note 23 : Other Non Current Liabilities

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
<b>(I) Others</b>		
Deferred Grant	14.65	15.93
Others	-	1.02
	<b>14.65</b>	<b>16.95</b>

## Note 24 : Current Financial Liabilities Borrowings

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
<b>(I) Secured Borrowings</b>		
(a) Term Loan from Bank (Refer Note 1 below)	92.79	170.00
(b) Loans Repayable on Demand		
(i) From Banks (Refer Note 2 below)	32.95	50.57
(c) Other Loans		
(i) Cash Credit (Refer Note 3 below)	12.05	40.79
(ii) Working Capital Loan (Refer Note 4 below)	1,175.46	1,107.59
<b>(II) Unsecured Borrowings</b>		
(a) Term Loans		
(i) From Banks (Refer Note 5 below)	1,045.00	1,250.00
(ii) From Other Parties (Refer Note 6 below)	-	75.00
(b) Loans Repayable on Demand		
(i) From Banks (Refer Note 7 below)	3,107.66	2,047.26
(c) Other Loans		
(i) Commercial Papers (Refer Note 8 below)	4,234.86	3,640.90
(ii) Working Capital Loan (Refer Note 9 below)	237.09	185.13
(iii) Cash Credit (Refer note 3 (ii) below)	26.61	9.39
(iv) Buyer's Credit (Refer Note 3 (iii) below)	21.96	-
<b>(III) Current Maturities of Long term Debt</b>	<b>2,378.19</b>	<b>360.51</b>
	<b>12,364.63</b>	<b>8,937.14</b>



# Notes to Consolidated Financial Statements

## Note 24 : Current Financial Liabilities Borrowings (Continued)

Notes

1

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
Loan carries interest rate of 6.8%p.a. repayable by May 22 (refer note (ai) below)	-	15.00
Loan borrowed at floating rate of interest ranging from 5.60% p.a. to 9.32% (previous year 5.60% p.a. to 6.15%) repayable by March 24 (previous year March 23) (refer note (a)ii) below)	92.79	155.00

## a Security

- i) Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of inventories and receivables.
  - ii) Term loan taken from a bank is secured by first ranking pari passu charge with a minimum asset cover on standard receivables of the borrower, both present and future, however standard receivable excludes receivables which are / or will be exclusively charged to National Housing Bank (NHB). There is also first ranking pari passu charge on cash and cash equivalents of the borrower, both present and future, to the extent required to make up any shortfall in the stipulated security cover over the standard receivables.
- 2 Loan repayable on demand includes Short Term loans borrowed at floating rate of interest ranging from 5.60% p.a. to 9.32% (previous year 5.60% p.a. to 6.15%).
- 3 (i) The Cash Credit (CC) of ₹ 12.05 Crore (Previous Year : ₹ 29.81 Crore) from SBI is secured by a primary charge of hypothecation of Current Assets of the Company and work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5<sup>th</sup> Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary).
- The Cash Credit (CC) of ₹ 0.00 Crore (Previous Year: ₹ 0.01 Crore) from SBI is secured by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5<sup>th</sup> Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary).
- (ii) Cash credit from banks are repayable on demand and carries interest rate ranging from 4.75% to 8.95% (Previous year: 4.50% to 7.20%).
  - (iii) Buyers Credit from banks are repayable in next 3 months and carries interest rates between 7.46% to 8.05% (Previous Year : Nil).
- 4 (i) The Working Capital Loan (WCL) of ₹ 750.00 Crore (Previous Year : ₹ 690.00 Crore) from SBI is secured by a primary charge of hypothecation of Current Assets of the Company and work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary of Godrej Properties Limited) and by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the holding Company at Unit No 5C, on the 5<sup>th</sup> Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary of Godrej Properties Limited).
- The Working Capital Loan (WCL) of ₹ 375.00 Crore (Previous Year: ₹ 385.00 Crore) from SBI is secured by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the holding Company at Unit No 5C, on the 5<sup>th</sup> Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary of Godrej Properties Limited).
- (ii) Working capital Demand loan from banks carries interest rate of 7.45% (Previous Year 4.70% to 7.10%) and repayable within next 2 months and is secured against inventories and receivables.

# Notes to Consolidated Financial Statements

## Note 24 : Current Financial Liabilities Borrowings (Continued)

### 5 Unsecured Loans from Bank

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
Loan carries interest rate from 7.60%p.a.to 8.15% repayable by Aug'23	100.00	-
Loan carries interest rate of 8.0% repayable by May'23	50.00	-
Loan carries interest rate of 8.25% repayable by Apr'23	35.00	-
Loan carries interest rate from 8.05%p.a.to 8.45% repayable by June'23	330.00	-
Loan carries interest rate from 8.42%p.a.to 8.63% repayable by Apr'23	120.00	-
Loan carries interest rate from 7.89%p.a.to 7.97% repayable by May'23	200.00	-
Loan carries interest rate from 7.55%p.a.to 7.65% repayable by Apr'23	100.00	-
Loan carries interest rate from 8.45%p.a.to 8.63% repayable by May'23	110.00	-
Loan carries interest rate of 6.9%p.a. repayable by July 22	-	275.00
Loan carries interest rate from 6.1%p.a.to 6.35% repayable by July 22	-	450.00
Loan carries interest rate from 7.1%p.a.to 7.15% repayable by Aug 22	-	100.00
Loan carries interest rate of 6.9% repayable by Jun 22	-	100.00
Loan carries interest rate of 6.6% repayable by Apr 22	-	50.00
Loan carries interest rate from 5.45%p.a.to 5.55% repayable by Jun 22	-	200.00
Loans carries interest Rate of 4.75%.Term loan 1 are repayable in 28 equal quarterly installment of ₹ 1.00 crores each from 15 February 2019 and Term Loan II repayable in 18 equal quarterly installment of ₹ 0.65 crores	-	75.00

### Note 6 Unsecured Loans from Others

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
Loan carries interest rate of 6.65%p.a. repayable by June 22	-	75.00

### Note 7

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
Loan carries interest at 4.13%-7.90% are repayable within one year	3,073.91	-
Loan carries interest at 6.30% repayable by April 23	22.10	-
Loan carries interest at 4.17% to 7.65% are repayable within one year	-	1,997.82
Loan carries interest at 6.20% repayable within 6 months	-	4.44
Loan carries interest at 5.05% repayable within 6 months	-	45.00

Overdraft facilities ₹ NIL Crore (Previous Year NIL) is an unsecured facility and is repayable on demand

# Notes to Consolidated Financial Statements

## Note 24 : Current Financial Liabilities Borrowings (Continued)

8 Commercial Papers

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
Commercial Papers carries interest at 7.15% p.a. to 7.80% p.a. repayable during the period April to June 2023.	1,959.14	-
Commercial Papers carries interest at 7.37% to 8.30% p.a. repayable during the period April to June 2023	844.07	-
Commercial Papers carries interest at 5.40%-7.95% p.a. repayable within 28 days to 166 days	1,133.54	-
Commercial Papers carries interest at 4.0% p.a. to 8.15% p.a. repayable within 1 year	298.11	-
Commercial Papers carries interest at 3.87% p.a. to 4.23% p.a. repayable during the period April to June 2022	-	1,384.02
Commercial Papers carries interest at 4.26%-4.75% p.a. repayable within 28 days to 166 days	-	1,012.45
Commercial Papers carries interest at 3.25% to 4.78% p.a. repayable during the period April to June 2022	-	1,145.22
Commercial Papers carries interest at 4.2% to 4.3% p.a. repayable within 1 year	-	99.21

9 Working capital Demand loan from banks carries interest rate of 4.10% to 8.25% and T Bill rate and Repo Rate + 1.50% (Previous year 4.00% to 7.40% & T Bill +0.20% to T Bill +1.70%). These loans are repayable on different dates.

10 Refer note 50 (III) for information on Liquidity Risk.

11 Amount of ₹ 52.13 crores included in Current Borrowings of previous financial year ended March 31, 2022 has been reclassified to Interest accrued but not due.

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

## Note 25 : Current Financial Liabilities - Trade Payables

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Trade Payables		
(a) Outstanding dues of Micro and Small Enterprises (Refer Note 1 below)	150.68	133.96
(b) Outstanding dues of creditors other than Micro and Small Enterprises	4,129.83	3,044.18
(II) Acceptances	588.30	550.88
	<b>4,868.81</b>	<b>3,729.02</b>

Refer note 50 (III) for information on Liquidity Risk.

Particulars	Amount ₹ in Crore				
	Not Due and Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding for following periods from due date of payment					
<b>As at March 31, 2023</b>					
(i) MSME	141.45	5.49	0.34	0.57	147.85
(ii) Others	4,638.20	43.14	13.40	14.65	4,709.40
(iii) Disputed dues – MSME	0.15	0.02	0.03	2.63	2.83
(iv) Disputed dues – Others	-	-	0.26	8.48	8.73
	<b>4,779.80</b>	<b>48.65</b>	<b>14.03</b>	<b>26.33</b>	<b>4,868.81</b>
<b>As at March 31, 2022</b>					
(i) MSME	128.95	0.56	0.29	1.32	131.12
(ii) Others	3,527.83	36.12	10.11	12.01	3,586.07
(iii) Disputed dues – MSME	0.15	0.05	0.01	2.63	2.84
(iv) Disputed dues – Others	-	0.34	0.15	8.50	8.99
	<b>3,656.93</b>	<b>37.07</b>	<b>10.56</b>	<b>24.46</b>	<b>3,729.02</b>

# Notes to Consolidated Financial Statements

## Note 26 : Current Financial Liabilities- Others

Amount ₹ in Crore

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Interest Accrued but not due (refer note 1 below)	205.13	182.04
(II) Unpaid Dividends	0.55	0.62
(III) Unpaid Matured Deposits		
(a) Principal Amount	0.06	0.38
(b) Interest accrued	-	-
	0.06	0.38
(IV) Others		
(a) Non Trade Payable	141.60	89.11
(b) Advance Share of Profit from Joint Ventures	2.94	2.94
(c) Deposits	142.46	115.68
(d) Derivative Liability	0.89	0.88
(e) Others (includes payable for development rights, accrual for expenses etc.)	956.65	590.64
	1,244.54	799.25
	<b>1,450.28</b>	<b>982.29</b>

### Notes

- 1 Interest accrued but not due for previous financial year ended March 31, 2022 includes ₹ 52.58 crores reclassified from non current borrowings (note 19) and current borrowings (note 24).

## Note 27 : Other Current Liabilities

Amount ₹ in Crore

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Other Advances		
(a) Amount received against Sale of Flats / Units	2,261.87	846.46
(b) Advances from Customers	79.65	66.74
(II) Others		
(a) Other Liabilities (includes advance from customer for maintenance, etc.)	739.70	187.13
(b) Statutory Liabilities	131.10	82.56
(c) Deferred Grant	0.94	1.27
	<b>3,213.26</b>	<b>1,184.16</b>

## Note 28 : Current Provisions

Amount ₹ in Crore

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
(I) Provision for Employee Benefits		
a) Defined Benefit Obligation (Refer Note 46)	16.57	12.71
b) Other Long Term Benefit	4.42	12.63
(II) Others		
a) Provision for Sales Return (Refer note 1 below)	75.72	120.67
b) Provision for tax dues (refer note 2 below)	36.87	29.69
c) Others (refer note 3 below)	3.03	2.99
	<b>136.61</b>	<b>178.69</b>

# Notes to Consolidated Financial Statements

## Note 28 : Current Provisions (Continued)

Note:

1	Movement of provision for sales return	Amount ₹ in Crore	
		As at March 31, 2023	As at March 31, 2022
	Opening Provision	120.67	57.09
	Add : Provision made for the year	179.68	347.32
	Less: Utilised during the year	224.63	283.74
	Less:- Reversed during the year	-	-
	Closing Provision	<b>75.72</b>	<b>120.67</b>

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

2 Provision for tax dues : Utilised: ₹ Nil (Previous Year: ₹ Nil) and Accrued - 7.20 Crores (Previous Year: ₹ 4.67 Crore).

3 Others include provision made for civil / other cases (Utilised: ₹ Nil (Previous Year: ₹ Nil), Accrued: ₹ Nil (Previous Year: ₹ Nil)).

## Note 29 : Revenue From Operations

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
I Sale of Products	15,995.69	13,694.73
II Sale of Services	269.36	209.84
III Interest income on loans from financing activity	279.28	38.94
IV Other Operating Revenue		
(a) Export Incentives	15.91	10.98
(b) Rental Income	46.99	44.48
(c) Processing Charges	6.97	5.06
(d) Sale of Scrap	5.14	4.31
(e) Dividend Income	0.33	0.74
(f) Other Income from Customers of Property Business	82.86	80.84
(g) Settlement proceeds	-	17.84
(h) Net gain on de-recognition of financial assets at amortized cost (in relation to financing activity)	7.17	-
(i) Others	27.50	23.57
	16,737.20	14,131.33
Fair value of Biological Assets	3.05	(1.18)
	<b>16,740.25</b>	<b>14,130.15</b>

1 Dividend Income has been disclosed under Revenue from Operations since Finance and Investments is an Operating Business Segment for the Group.

2 Disaggregation of revenue from contracts with customers

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

Sale of Products	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Chemicals	4,137.12	3,029.33
Animal Feeds	4,950.62	4,345.80
Veg Oils	1,901.50	2,120.79
Estate and Property Development	2,166.42	1,724.60
Dairy	1,500.23	1,174.37
Crop Protection	1,188.51	1,197.03
Finance and Investments	279.28	38.94
Others	420.65	312.65
	<b>16,544.33</b>	<b>13,943.52</b>

# Notes to Consolidated Financial Statements

## Note 29 : Revenue From Operations (Continued)

### 3 Reconciliation of revenue from contracts with customers

Amount ₹ in Crore

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers as per the contract price	16,826.47	13,936.39
Adjustments made to contract price on account of :-		
a) Less: Discounts / Rebates / Incentives	(318.06)	(267.28)
b) Less: Sales Returns /Credits / Reversals	-	(0.01)
c) Add: Significant financing component	35.60	41.33
d) Add: Revenue recognised on entitlement of Transferable Development Rights	0.33	232.87
e) Any other adjustments	(0.01)	0.21
Revenue from contracts with customers as per the statement of Profit and Loss	<b>16,544.33</b>	<b>13,943.51</b>

### 4 Geographical disaggregation

Amount ₹ in Crore

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sales in India	14,452.42	11,937.29
Sales outside India	2,091.91	2,006.23

5 Refer note 57 (b) for significant changes in contract assets and contract liabilities balances and 57 (c) for note on performance obligation.

## Note 30 : Other Income

Amount ₹ in Crore

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
I Interest Income	635.48	622.02
II Gain on Foreign Exchange Translation	4.80	7.25
III Profit on sale of Property, Plant and Equipment	70.11	1.47
IV Profit on Sale of Current Investments	151.89	62.42
V Changes in fair value of financial assets of FVTPL	27.54	105.51
VI Claims Received	1.75	5.81
VII Liabilities no longer required written back	3.46	5.42
VIII Recovery of Bad Debts written off	-	0.77
IX Royalty & Technical Knowhow	5.92	6.66
X Grant amortization	1.25	1.10
XI Write back of Provision for Doubtful Debt	-	1.15
XII Contingent consideration received	-	42.08
XIII Miscellaneous Income	119.91	72.87
	<b>1,022.11</b>	<b>934.52</b>

# Notes to Consolidated Financial Statements

## Note 31a : Cost of Material Consumed

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>I Raw Material Consumed</b>		
Inventory at the Commencement of the year	1,293.67	840.16
Add : Purchases (Net)	9,934.93	8,953.94
	11,228.60	9,794.11
Less : Inventory at the Close of the year	(1,123.44)	(1,293.67)
Total Raw Material Consumed	10,105.16	8,500.44
<b>II Packing Material Consumed</b>		
Inventory at the Commencement of the year	4.65	4.24
Add : Purchases (Net)	69.57	62.47
	74.22	66.71
Less : Inventory at the Close of the year	(4.50)	(4.65)
Total Packing Material Consumed	69.72	62.06
Total Material Consumed (I+II)	<b>10,174.88</b>	<b>8,562.50</b>

## Note 31b : Cost of Sale - Property Development

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Land/Development Rights	4,686.99	1,057.54
Construction, Material & Labour	936.45	412.29
Architect Fees	26.84	11.43
Other Cost	436.51	322.51
Finance Cost	366.97	278.33
<b>Total Cost of Sale - Property Development</b>	<b>6,453.76</b>	<b>2,082.10</b>

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

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>I Inventory at the Commencement of the year</b>		
Finished Goods	760.28	649.62
Stock in Trade	89.63	85.82
Work in Progress	5,505.06	4,357.88
Stock under cultivation	6.45	5.69
Transferrable Development Rights	0.25	195.20
Biological Assets	83.54	67.07
Total Inventory at the Commencement of the year	<b>6,445.21</b>	<b>5,361.28</b>
<b>II Add:</b>		
Acquired through business combination and asset acquisition	1,169.71	84.67
Less :		
Transferred to Other Current Financial Assets (Refer note (a) below)	-	(102.61)
Transferred to Investment Property	-	(7.41)

# Notes to Consolidated Financial Statements

## Note 32 : Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress (Continued)

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>III Inventory at the End of the year</b>		
Finished Goods	(790.07)	(760.28)
Stock in Trade	(49.39)	(89.63)
Work in Progress	(11,911.31)	(5,505.06)
Stock under cultivation	(20.32)	(6.45)
Transferrable Development Rights	-	(0.25)
Biological Assets	(101.30)	(83.54)
Total Inventory at the End of the year	(12,872.39)	(6,445.21)
Changes in Inventories (I+II-III)	<b>(5,257.46)</b>	<b>(1,109.27)</b>

(a) Includes cost incurred by the Group considered as recoverable on account of exit by the Group from the Project based on arbitration order.

## Note 33 : Employee Benefit Expense

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
I Salaries and Wages	837.87	679.59
II Contribution to Provident and Other Funds	44.62	41.59
III Expenses on Employee Stock Option Scheme	9.65	8.97
IV Staff Welfare Expense	50.90	38.64
	<b>943.04</b>	<b>768.79</b>

## Note 34 : Finance Costs

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
I Interest	1,221.10	826.11
Less : Transferred to Construction work-in-progress and Capital work-in-progress	(408.18)	(303.20)
Net Interest	812.92	522.91
II Other Borrowing Costs	129.78	100.23
	<b>942.70</b>	<b>623.14</b>

## Note 35 a : Depreciation and Amortisation Expenses

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
I Depreciation on Property, Plant and Equipment	245.73	286.72
II Depreciation on Investment Property	6.86	7.63
III Amortisation on Intangible Assets	17.04	10.11
IV Depreciation on Rights of Use Assets	44.13	38.77
Less : Classified as exceptional item (refer note 36 (1))	-	(66.57)
Less : Transferred to Construction work-in-progress	(9.24)	(3.07)
	<b>304.52</b>	<b>273.58</b>



# Notes to Consolidated Financial Statements

## Note 35 b : Other Expenses

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
I Consumption of Stores and Spares	78.57	60.38
II Power and Fuel	321.92	262.96
III Processing Charges	278.70	226.43
IV Loan Sourcing Cost	9.98	-
V Rent	25.11	13.95
VI Rates & Taxes	23.50	29.70
VII Repairs and Maintenance		
(a) Machinery	132.67	44.37
(b) Buildings	26.18	26.58
(c) Other Assets	9.30	81.97
VIII Insurance	21.22	16.89
IX Freight	205.08	205.24
X Commission	11.94	7.25
XI Advertisement and Publicity	360.16	202.67
XII Selling and Distribution Expenses	18.16	16.67
XIII Bad Debts Written Off	34.91	47.65
XIV Provision / (Write back) for Doubtful Debts and Advances	25.93	35.81
XV Loss on Foreign Exchange Translation	4.45	11.30
XVI Loss on Sale of Property, Plant and Equipment	-	3.64
XVII Research Expense	10.01	6.29
XVIII Legal and Professional fees	74.42	67.49
XIX Miscellaneous Expenses	500.74	400.52
	<b>2,172.95</b>	<b>1,767.76</b>

## Note 36 : Exceptional Items

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
I Write Down of Property Plant & Equipment (refer note 1 below)	-	(66.57)
II GST liability arising out of classification issue of flavoured milk (refer note 2 below)	-	(17.28)
	-	<b>(83.85)</b>

### Notes :

- During the year ended March 31, 2022, the Company reassessed the future economic benefits from certain plant and machinery and considering expected usage and market conditions it recorded an exceptional expense of Rs 66.57 Cr to write down the Property, Plant and Equipment to estimated recoverable amount.
- During the year ended March 31, 2022, Exceptional item represents an amount of ₹ 17.28 crore towards differential GST liability arising out of classification issue of flavoured milk, being faced by the Dairy sector. The payment of GST liability has been made for all the states in which Creamline Dairy Products Limited (subsidiary of Godrej Agrovet Limited) is in operations.

# Notes to Consolidated Financial Statements

## Note 37 : Earnings Per Share

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

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

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Calculation of weighted average number of equity shares - Basic		
(i) Number of equity shares at the beginning of the year (in units)	336,584,313	336,525,098
(ii) Number of equity shares issued during the year (in units)	53,944	59,215
(iii) Number of equity shares outstanding at the end of the year (in units)	336,638,257	336,584,313
(iv) Weighted average number of equity shares outstanding during the year (in units)	336,624,771	336,567,373
(b) Calculation of weighted average number of equity shares - Diluted		
(i) Number of potential equity shares at the beginning of the year (in units)	336,692,382	336,645,487
(ii) Effect of Dilution/ Share based payments	55,305	46,895
(iii) Number of potential equity shares at the end of the year (in units)	336,747,687	336,692,382
(iv) Weighted average number of potential equity shares outstanding during the year (in units)	336,740,889	336,690,820
(c) Net Profit Attributable to Owners of the Company	974.78	653.73
Earnings per share attributable to owners of the company		
(i) Basic Earnings Per Share of Re 1 each	28.96	19.42
(ii) Diluted Earnings Per Share of Re 1 each	28.95	19.42

## Note 38 : Contingent Liabilities

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount ₹ in Crore		
<b>I Claims against the Group not acknowledged as debts</b>		
(a) Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Group has contested and is in appeal at various levels.	294.35	300.06
(b) Customs Duty demands relating to lower charge, differential duty, classification, etc.	13.03	1.69
(c) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	84.30	81.04
(d) GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	11.98	6.16
(e) Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	0.29	0.29
(f) Stamp duties claimed on certain properties which are under appeal by the Group.	1.82	1.82
(g) Income tax demands relating to disallowance against sec. 14A in respect of exempt income, Depreciation on Land/ rights in Land of Godrej One etc. against which the Group has preferred appeals.	169.02	163.81
(h) Industrial relations matters under appeal.	0.43	0.35
(i) Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Group as advised by our advocates. In the opinion of the management the claims are not sustainable.	515.07	450.01
(j) Demand of Arrears of Rent / Compensation by Mumbai Port Trust Authority (refer note 5 below)	159.58	-
(k) Others	4.12	4.00

# Notes to Consolidated Financial Statements

## Note 38 : Contingent Liabilities (Continued)

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>II Surety Bonds</b>		
(a) Surety Bonds given by the Holding Company in respect of refund received from excise authority for exempted units of associate company (Refer Note 1 below)	31.65	32.56
(b) Bonds issued by Group on behalf of related party	1.21	1.21
<b>III Contingent liabilities relating to interest in Associates</b>	418.05	378.66

### Notes

- The Corporate surety bond of ₹ 31.65 crore ( previous year ₹ 32.56 crore) is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.
- The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

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

- The Hon'ble Supreme Court of India ("SC") by its judgement dated February 28, 2019, in the case of RPF, West Bengal v/s Vivekananda Vidyamandir and others, clarified the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision was filed and the SC reiterated its decision given in the above referred judgment.

In view of the management, the liability pertaining to Godrej Properties Limited and its subsidiaries for the period from date of the SC judgement to 31 March 2019 is not significant and has been provided in the consolidated financial statements. Further, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

- The National Green Tribunal, Principal Bench, New Delhi ("the NGT") has on July 30, 2021 pronounced an order ("Order") against, *inter alia*, Godrej Properties Limited (a subsidiary Company) and its joint venture company viz Wonder Projects Development Private Limited ("WPDPL") in respect of matter challenging the environmental clearance granted in relation to project being developed by WPDPL in Bengaluru. WPDPL has challenged the said order before the Hon'ble Supreme Court. The Supreme Court has on August 26, 2021 directed the parties to maintain status quo. The subsidiary company is confident of the merits and compliances in the said case.
- The Company received a notice from a Lessor demanding differential rent amounting to ₹ 159.58 crores upto March 31, 2023, for certain plots of land situated at Wadala. The Company has filed a writ petition with the Honourable High Court of Mumbai, challenging the demand and denying any liability to pay such differential lease rentals. Management has obtained legal advice, basis which, the Company believes that it has a very strong case and accordingly, no provision for the same has been made in these financial results but has been considered as a contingent liability.

## Note 39 : Commitments

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
I Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	467.51	415.19
II Outstanding Export Obligation under EPCG Scheme	0.49	2.70
III Uncalled liability on partly paid shares / debentures (*)	0.00	0.00
IV Undisbursed commitments in respect of the loan agreements in relation to Financing business	2,589.07	1,400.19
V Commitments relating to interest in Associates	17.48	9.87

\* Amount less than ₹ 0.01 crore

### Notes

- One of the Subsidiary Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.
- One of the Subsidiary Company entered into development agreements with owners of land for development of projects. Under the agreements the Group is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

# Notes to Consolidated Financial Statements

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

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

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2023	As at March 31, 2022
<b>Subsidiaries of Godrej Industries Limited</b>				
1	Godrej Agrovet Limited	India	64.90%	62.47%
2	Godrej Properties Limited (refer note 1 below)	India	47.34%	47.29%
3	Godrej Capital Limited	India	87.23%	87.11%
4	Godrej International Limited	Isle of Man	100%	100%
5	Godrej International Trading & Investments Pte. Ltd.	Singapore	100%	100%
6	Godrej One Premises Management Private Limited	India	58%	58%
7	Godrej Industries Limited Employee Stock Option Trust	India	100%	100%
<b>Subsidiaries of Godrej Agrovet Limited</b>				
8	Godvet Agrochem Limited	India	100%	100%
9	Astec Lifesciences Limited	India	64.77%	63.29%
10	Behram Chemicals Private Limited	India	65.63%	65.63%
11	Comercializadora Agricola Agroastrachem Cia Ltda	Columbia	100%	100.00%
12	Creamline Dairy Products Limited	India	51.91%	51.91%
13	Godrej Maxximilk Private Limited	India	100%	100.00%
14	Godrej Tyson Foods Limited	India	51.00%	51.00%
<b>Subsidiaries of Godrej Capital Limited.</b>				
15	Godrej Housing Finance Limited	India	100%	95%
16	Godrej Finance Limited	India	100%	95%
17	Godrej Capital Employee Stock Option Trust	India	100%	100%
<b>Subsidiaries of Godrej Properties Limited.</b>				
18	Godrej Projects Development Limited	India	100%	100%
19	Godrej Garden City Properties Private Limited	India	100%	100%
20	Godrej Hillside Properties Private Limited	India	100%	100%
21	Godrej Home Developers Private Limited	India	100%	100%
22	Godrej Prakriti Facilities Private Limited	India	100%	100%
23	Prakritiplaza Facilities Management Private Limited	India	100%	100%
24	Godrej Highrises Properties Private Limited	India	100%	100%
25	Godrej Genesis Facilities Management Private Limited	India	100%	100%
26	Citystar InfraProjects Limited	India	100%	100%
27	Godrej Residency Private Limited	India	50%	100%
28	Godrej Properties Worldwide Inc., USA	USA	100%	100%
29	Godrej Precast Construction Private Limited	India	100%	100%
30	Godrej Green Woods Private Limited	India	100%	100%
31	Godrej Realty Private Limited	India	100%	100%
32	Yerwada Developers Private Limited (w.e.f. December 09, 2021 till January 30, 2022)	India	N.A.	N.A.
33	Godrej Living Private Limited (w.e.f. February 1, 2022)	India	100%	100%
34	Ashank Land & Building Private Limited (w.e.f. May 19, 2022)	India	100%	N.A.
35	Godrej Home Constructions Limited (Classified as Joint Venture up to Mar 28, 2023) (Formerly known as Godrej Home Constructions Private Limited)	India	74%	N.A.

# Notes to Consolidated Financial Statements

## Note 40 : Information on Subsidiaries, Joint Ventures and Associates (Continued)

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2023	As at March 31, 2022
36	Wonder City Buildcon Limited (Classified as Joint Venture up to Mar 28, 2023) (Formerly known as Wonder City Buildcon Private Limited)	India	74%	N.A.
<b>Limited Liability Partnership (LLP) (held through Godrej Properties Limited)</b>				
1	Godrej Highrises Realty LLP	India	100%	100%
2	Godrej Project Developers & Properties LLP	India	100%	100%
3	Godrej Skyview LLP	India	100%	100%
4	Godrej Green Properties LLP	India	100%	100%
5	Godrej Projects (Soma) LLP	India	100%	100%
6	Godrej Projects North LLP (Classified as Joint Venture w.e.f. December 03, 2021)	India	N.A.	N.A.
7	Godrej Athenmark LLP	India	100%	100%
8	Godrej City Facilities Management LLP	India	100%	100%
9	Godrej Florentine LLP	India	100%	100%
10	Godrej Olympia LLP	India	100%	100%
11	Godrej Construction Projects LLP	India	100%	100%
12	Oasis Landmarks LLP (Classified as Joint Venture upto February 28, 2022)	India	51%	51%
13	Ashank Facility Management LLP	India	100%	100%
14	Maan-Hinje Township Developers LLP (Classified as Joint Venture up to March 28, 2023)	India	99%	N.A.
15	Godrej Reserve LLP (Classified as Joint Venture up to September 30, 2022)	India	99.80%	N.A.
16	Ashank Realty Management LLP	India	100%	100%

### Note

- 1 The equity holding of the Company in Godrej Properties Limited is 47.34%. The Company (GIL) has power and de facto control over Godrej Properties Limited (GPL) (even without overall majority of shareholding and voting power). Accordingly, GIL continues to consolidate GPL as a subsidiary.

### (b) Interests in Joint Ventures :

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2023	As at March 31, 2022
<b>Companies</b>				
<b>Joint Venture partner of Godrej Agrovet Limited</b>				
1	ACI Godrej Agrovet Private Limited	Bangladesh	50%	50%
<b>Joint Venture partner of Godrej Properties Limited</b>				
1	Godrej Redevelopers (Mumbai) Private Limited	India	51%	51%
2	Wonder City Buildcon Limited (Classified as Subsidiary w.e.f. March 29, 2023) (Formerly known as Wonder City Buildcon Private Limited)	India	NA	25.10%
3	Godrej Home Constructions Limited (Classified as Subsidiary w.e.f. March 29, 2023) (Formerly known as Godrej Home Constructions Private Limited)	India	NA	25.10%
4	Godrej Greenview Housing Private Limited	India	20.00%	20.00%
5	Wonder Projects Development Private Limited	India	20.00%	20.00%
6	Godrej Real View Developers Private Limited	India	20.00%	20.00%
7	Pearlite Real Properties Private Limited	India	49.00%	49.00%

# Notes to Consolidated Financial Statements

## Note 40 : Information on Subsidiaries, Joint Ventures and Associates (Continued)

Sr. No.	Name of the Company	Place of business / Country of incorporation	Percentage of Holding	
			As at March 31, 2023	As at March 31, 2022
8	Godrej Skyline Developers Private Limited	India	44%	44%
9	Godrej Green Homes Private Limited	India	50%	50%
10	Madhuvan Enterprises Private Limited	India	20%	20%
11	Godrej Mackbricks Private Limited (formerly known as Ashank Macbricks Private Limited)	India	20%	20%
12	Munjal Hospitality Private Limited*	India	12%	12%
13	Yujya Developers Private Limited (merged with Madhuvan Enterprises Private Limited order dated March 16, 2023 effective from April 01, 2021)	India	NA	20%
14	Vivrut Developers Private Limited	India	20%	20%
15	Yerwada Developers Private Limited (w.e.f. January 31, 2022)	India	20%	20%
16	Vagishwari Land Developers Private Limited	India	20%	20%
<b>Limited Liability Partnership (LLP)</b>				
1	Godrej Property Developers LLP	India	32%	32%
2	Mosiac Landmarks LLP	India	1%	1%
3	Dream World Landmarks LLP	India	40%	40%
4	Oxford Realty LLP	India	35%	35%
5	Godrej SSPDL Green Acres LLP	India	37%	37%
6	M S Ramaiah Ventures LLP	India	49.50%	49.50%
7	Caroa Properties LLP	India	35%	35%
8	Godrej Housing Projects LLP	India	50%	50%
9	Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)	India	46%	46%
10	A R Landcraft LLP	India	40%	40%
11	Prakhhyat Dwellings LLP	India	50%	50%
12	Godrej Highview LLP	India	40%	40%
13	Godrej Irismark LLP	India	50%	50%
14	Godrej Projects North Star LLP	India	55%	55%
15	Godrej Developers & Properties LLP	India	37.50%	37.50%
16	Roseberry Estate LLP	India	49%	49%
17	Suncity Infrastructures (Mumbai) LLP	India	60%	60%
18	Godrej Reserve LLP (Clasissified as Subsidiary w.e.f October 1, 2022)	India	NA	21.70%
19	Maan-Hinje Township Developers LLP (Clasissified as Subsidiary w.e.f March 29, 2023)	India	NA	40%
20	Mahalunge Township Developers LLP	India	40%	40%
21	Godrej Vestamark LLP	India	58.28%	50%
22	Manyata Industrial Parks LLP	India	1%	1%
23	Godrej Odyssey LLP	India	55%	55%
24	Universal Metro Properties LLP	India	49%	49%
25	Embellish Houses LLP	India	50%	50%
26	Manjari Housing Projects LLP	India	40%	40%
27	Godrej Projects North LLP (Classified as Subsidiary upto December 02, 2021)	India	50.10%	50.10%

\* Shares allotment pending as on 31<sup>st</sup> March 2023.

# Notes to Consolidated Financial Statements

## Note 40 : Information on Subsidiaries, Joint Ventures and Associates (Continued)

### (c) Investment in Associates :

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			As at March 31, 2023	As at March 31, 2022
1	Godrej Consumer Products Limited	India	23.74%	23.75%
2	Personalitree Academy Limited	India	25.49%	25.49%
3	Al Rahaba International Trading LLC (Associate of Godrej Agrovet Limited)	U.A.E	24%	24%

## Note 41 : Disclosures of Joint Ventures and Associates

### 1 Equity accounted investees

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

Name of the entity	Place of business / Country of incorporation	% of ownership interest	Relationship	Accounting method	Amount ₹ in Crore	
					Carrying Amounts	
					March 31, 2023	March 31, 2022
Godrej Consumer Products Limited	India	23.74%	Associate	Equity method	4,275.94	3,744.50
ACI Godrej Agrovet Private Limited	Bangladesh	50%	Joint Venture	Equity method	106.62	95.02
Al Rahaba International Trading Limited Liability Company	U.A.E	24%	Associate	Equity method	-	-
Personalitree Academy Ltd.	India	25.49%	Associate	Equity method	-	-
Godrej Greenview Housing Private Limited	India	20%	Joint Venture	Equity method	-	-
Oxford Realty LLP	India	35%	Joint Venture	Equity method	12.28	-
Mahalunge Township Developers LLP	India	40%	Joint Venture	Equity method	220.83	154.22
Manjari Housing Projects LLP	India	40%	Joint Venture	Equity method	163.93	161.18
Pearlite Real Properties Private Limited	India	49%	Joint Venture	Equity method	25.66	15.82
Godrej Irismark LLP	India	50%	Joint Venture	Equity method	-	-
Godrej Project North Star LLP	India	55%	Joint Venture	Equity method	38.56	-
Godrej Green Homes Private Ltd.	India	50%	Joint Venture	Equity method	31.72	100.01
Godrej Home Constructions Private Limited	India	25.10%	Joint Venture	Equity method	-	-
Caroa Properties LLP	India	35%	Joint Venture	Equity method	-	-
<b>Total equity accounted investments</b>					<b>4,875.54</b>	<b>4,270.76</b>
Omnivore India Capital Trust	India		Investment entity	Equity method	34.81	45.42

# Notes to Consolidated Financial Statements

## Note 41 : Disclosures of Joint Ventures and Associates (Continued)

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

Particulars	Amount ₹ in Crore												
	Godrej Consumer Products Limited		ACI Godrej Agrovet Limited		Godrej Greenview Housing Private Limited		Manjari Housing Projects LLP		Oxford Realty LLP		Godrej Irismark LLP		Godrej Project North Star LLP
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023
Ownership	23.74%	23.75%	50%	50%	50%	50%	20%	40%	35%	50%	50%	55%	55%
Cash and cash equivalent	357.62	750.92	16.47	20.38	135.24	32.88	20.89	63.69	110.52				
Other current assets	5,448.35	4,936.35	374.14	309.69	315.16	790.12	185.59	69.85	103.99				
Total current assets	5,805.97	5,687.27	390.61	330.07	450.40	823.00	206.48	133.54	214.51				
Total non-current assets	11,692.80	10,446.79	220.67	211.86	7.97	36.42	5.22	1.81	22.13				
<b>Total assets</b>	<b>17,498.77</b>	<b>16,134.06</b>	<b>611.28</b>	<b>541.93</b>	<b>458.36</b>	<b>859.42</b>	<b>211.70</b>	<b>135.35</b>	<b>236.64</b>				
Current liabilities													
Financial liabilities (excluding trade payables and provisions)	1,149.24	1,486.28	80.12	126.18	91.69	74.40	116.89	96.61	0.59				
Other liabilities	2,142.07	2,485.33	274.22	181.51	308.03	519.61	70.95	69.71	165.45				
Total current liabilities	3,291.31	3,971.61	354.34	307.69	399.72	594.01	187.84	166.32	166.04				
Non Current liabilities													
Financial liabilities (excluding trade payables and provisions)	246.73	445.29	45.79	44.84	-	-	-	-	-				
Other liabilities	166.50	161.23	-	-	-	-	-	-	-				
Total non current liabilities	413.23	606.52	45.79	44.84	-	-	-	-	-				
<b>Total liabilities</b>	<b>3,704.54</b>	<b>4,578.13</b>	<b>400.13</b>	<b>352.53</b>	<b>399.72</b>	<b>594.01</b>	<b>187.84</b>	<b>166.32</b>	<b>166.04</b>				
<b>Net assets</b>	<b>13,794.23</b>	<b>11,555.93</b>	<b>211.15</b>	<b>189.40</b>	<b>58.65</b>	<b>265.41</b>	<b>23.86</b>	<b>(30.97)</b>	<b>70.60</b>				
<b>Groups' share of net assets</b>	<b>3,275.09</b>	<b>2,744.22</b>	<b>105.58</b>	<b>94.70</b>	<b>11.73</b>	<b>218.51</b>	<b>8.35</b>	<b>(15.49)</b>	<b>38.83</b>				
<b>Adjustment on Consolidation</b>	<b>-</b>	<b>-</b>	<b>1.04</b>	<b>0.32</b>	<b>(11.73)</b>	<b>(54.58)</b>	<b>3.93</b>	<b>15.49</b>	<b>(0.27)</b>				
<b>Carrying amount of interest in Associate / Joint Venture</b>	<b>4275.95*</b>	<b>3744.50*</b>	<b>106.62</b>	<b>95.02</b>	<b>-</b>	<b>163.93</b>	<b>12.28</b>	<b>-</b>	<b>38.56</b>				

\*Carrying amount of interest in Associate includes certain investment purchased from open markets, accordingly the same is higher than the Groups' share of net assets.



## Notes to Consolidated Financial Statements

## Note 41 : Disclosures of Joint Ventures and Associates (Continued)

Particulars	Amount ₹ in Crore									
	Mahalunge Township Developers LLP		Godrej Green Homes Pvt Ltd		Pearlite Real Properties Private Limited		Godrej Home Constructions Private Limited		Caroo Properties LLP	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022	
Ownership	40%	40%	50%	50%	49%	25%	35.00%			
Cash and cash equivalent	199.70	81.53	6.47	5.86	14.08	3.85	105.76			
Other current assets	1,075.76	1,010.83	73.13	45.51	112.78	223.89	703.98			
Total current assets	1,275.46	1,092.36	79.60	51.37	126.86	227.74	809.75			
Total non-current assets	100.72	78.45	1,268.10	1,389.45	7.92	2.65	22.91			
<b>Total assets</b>	<b>1,376.19</b>	<b>1,170.82</b>	<b>1,347.70</b>	<b>1,440.83</b>	<b>134.78</b>	<b>230.39</b>	<b>832.66</b>			
Current liabilities										
Financial liabilities (excluding trade payables and provisions)	6.10	98.86	59.26	46.83	0.29	201.27	265.00			
Other liabilities	1,046.15	756.79	29.43	12.80	99.45	107.11	603.26			
Total current liabilities	1,052.26	855.65	88.69	59.63	99.74	308.39	868.26			
Non Current liabilities										
Financial liabilities (excluding trade payables and provisions)	-	-	-	-	-	-	-			
Other liabilities	0.64	0.64	1,297.31	1,117.65	0.16	0.08	-			
Total non current liabilities	0.64	0.64	1,297.31	1,117.65	0.16	0.08	-			
<b>Total liabilities</b>	<b>1,052.90</b>	<b>856.29</b>	<b>1,386.00</b>	<b>1,177.28</b>	<b>99.90</b>	<b>308.47</b>	<b>868.26</b>			
<b>Net assets</b>	<b>323.29</b>	<b>314.53</b>	<b>(38.30)</b>	<b>263.55</b>	<b>34.88</b>	<b>(78.08)</b>	<b>(35.60)</b>			
<b>Groups' share of net assets</b>	<b>290.35</b>	<b>185.06</b>	<b>(19.15)</b>	<b>68.18</b>	<b>17.09</b>	<b>(19.60)</b>	<b>(12.46)</b>			
<b>Adjustment on Consolidation</b>	<b>(69.52)</b>	<b>(30.84)</b>	<b>50.87</b>	<b>115.97</b>	<b>(1.28)</b>	<b>19.60</b>	<b>12.46</b>			
<b>Carrying amount of interest in Associate / Joint Venture</b>	<b>220.83</b>	<b>154.22</b>	<b>31.72</b>	<b>184.15</b>	<b>15.82</b>	<b>-</b>	<b>-</b>			

## Notes to Consolidated Financial Statements

## Note 41 : Disclosures of Joint Ventures and Associates (Continued)

Amount ₹ in Crore

Particulars	Godrej Consumer Products Limited		Acl Godrej Agrowet Private Limited		Godrej Greenview Housing Private Limited		Manjari Housing Projects LLP		Oxford Realty LLP		Godrej Irismark LLP		Godrej Project North Star LLP		Mahalunge Township Developers LLP		Godrej Green Homes Pvt Ltd		Pearlite Real Properties Private Limited		Godrej Home Constructions Private Limited		Caroo Properties LLP	
	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023
Revenues	13,315.97	12,276.50	1,946.70	1,557.87	487.34	356.89	421.32	432.91	583.33	609.43	296.14	82.95	61.91	314.54	285.34	351.31	-	-	-	-	-	-	-	-
Interest income	96.04	60.56	-	1.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation	236.29	209.93	26.93	28.16	0.01	1.04	0.10	0.15	0.30	2.44	2.15	63.75	70.59	0.13	0.05	0.03	-	-	-	-	-	-	-	-
Interest expense	175.74	110.16	(16.08)	(10.61)	19.66	10.79	1.82	10.18	0.32	18.41	10.38	124.58	128.39	0.13	13.33	5.39	-	-	-	-	-	-	-	-
Expenses other than above	10,885.51	9,881.39	-	-	459.85	335.23	367.97	410.39	443.40	593.00	322.14	30.74	28.66	307.42	255.11	335.03	-	-	-	-	-	-	-	-
Income tax expense	430.27	371.87	(12.52)	(15.84)	0.08	(9.65)	21.66	5.62	47.52	(1.61)	(10.47)	-	-	1.94	0.33	3.62	-	-	-	-	-	-	-	-
<b>Profit/(Loss) for the year</b>	<b>1,702.46</b>	<b>1,783.39</b>	<b>65.77</b>	<b>79.90</b>	<b>7.74</b>	<b>19.48</b>	<b>29.76</b>	<b>6.57</b>	<b>91.80</b>	<b>(2.80)</b>	<b>(28.06)</b>	<b>(186.12)</b>	<b>(165.73)</b>	<b>4.92</b>	<b>16.52</b>	<b>7.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income	553.05	376.56	0.02	0.98	-	-	-	-	-	-	(0.03)	-	-	-	0.00	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>2,255.51</b>	<b>2,159.95</b>	<b>65.79</b>	<b>80.88</b>	<b>7.74</b>	<b>19.48</b>	<b>29.76</b>	<b>6.57</b>	<b>91.80</b>	<b>(2.80)</b>	<b>(28.09)</b>	<b>(186.12)</b>	<b>(165.73)</b>	<b>4.92</b>	<b>16.52</b>	<b>7.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Group's share of profit as per JV / Associate Books	404.21	423.51	32.89	39.95	1.55	7.79	10.42	3.29	50.49	(1.12)	(11.23)	(68.06)	(82.87)	2.41	4.15	2.54	-	-	-	-	-	-	-	-
Add: Adjustments on Consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group's share of profit	404.21	423.51	32.89	39.95	1.55	7.79	10.42	3.29	50.49	(1.12)	(11.23)	(68.06)	(82.87)	2.41	4.15	2.54	-	-	-	-	-	-	-	-
Group's share of Other comprehensive income	131.31	89.42	0.01	0.49	-	-	-	-	-	-	(0.01)	-	-	-	-	-	-	-	-	-	-	-	-	-
Group's share of Total comprehensive income	535.51	512.93	32.90	40.44	1.55	7.79	10.42	3.29	50.49	(1.12)	(11.24)	(68.06)	(82.87)	2.41	4.15	2.54	-	-	-	-	-	-	-	-

# Notes to Consolidated Financial Statements

## Note 41 : Disclosures of Joint Ventures and Associates (Continued)

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

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
(i) Investment In Joint Ventures		
Carrying amount of Investment in Joint Ventures	389.21	534.17
Profit For the Year	(196.86)	(238.78)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income	(196.86)	(238.78)
Group's share of total comprehensive income	(45.08)	(83.39)

(ii) Net Asset of Omnivore India Capital Trust and group's share

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Net Assets	361.63	468.70
Groups' share of net assets (in %)	9.62%	9.69%
Groups' share of net assets (Amount)	34.81	45.42

₹ 0.00 represents amount less than ₹ 0.01 crore

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

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

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest		Principal activities
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	
Godrej Agrovet Limited	India	64.90%	62.47%	35.10%	37.53%	Animal Feeds, Agri Inputs, Vegetable Oil, Dairy, Integrated Poultry business, Cultivation of Seeds
Godrej Properties Limited	India	47.34%	47.29%	52.66%	52.71%	Estate and Property Development
Godrej Capital Limited	India	87.23%	87.11%	12.77%	12.89%	Housing Finance

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

(i) Summarised Statement of Profit and Loss

Particulars	Amount ₹ in Crore					
	Godrej Agrovet Limited		Godrej Properties Limited		Godrej Capital Limited	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Total Income	9,481.18	8,385.74	3,039.00	2,585.69	346.91	54.86
Profit for the year	295.36	419.16	620.60	350.55	(31.12)	(63.03)
Other Comprehensive Income	(4.69)	(1.79)	1.13	(1.09)	(0.04)	0.05
Profit allocated to non-controlling interests	112.82	167.64	350.13	183.92	(3.99)	(12.86)
OCI allocated to non-controlling interests	1.74	(0.71)	0.59	(0.57)	(0.01)	(0.00)
Dividends paid to non-controlling interests	65.81	63.06	-	-	-	-

# Notes to Consolidated Financial Statements

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

### (ii) Summarised Balance Sheet

Amount ₹ in Crore

Particulars	Godrej Agrovet Limited		Godrej Properties Limited		Godrej Capital Limited	
	As at	As at	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Non-current liabilities	364.37	259.56	31.99	1,114.13	4,112.26	1,111.24
Current liabilities	2,377.98	2,635.75	13,786.16	8,015.87	962.69	558.56
	<b>2,742.35</b>	<b>2,895.31</b>	<b>13,818.15</b>	<b>9,130.00</b>	<b>5,074.95</b>	<b>1,669.80</b>
Non-current assets	3,180.46	2,787.52	2,932.79	2,708.03	5,092.35	2,076.67
Current assets	2,305.49	2,796.47	20,172.51	15,095.54	1,437.64	357.77
	<b>5,485.96</b>	<b>5,583.99</b>	<b>23,105.29</b>	<b>17,803.57</b>	<b>6,529.99</b>	<b>2,434.44</b>
Net assets	2,743.60	2,688.68	9,287.14	8,673.57	1,455.04	764.64
Net assets attributable to non-controlling interest	1,226.80	1,264.68	4,901.41	4,571.64	187.03	118.15

### (iii) Summarised Cash Flow

Amount ₹ in Crore

Particulars	Godrej Agrovet Limited		Godrej Properties Limited		Godrej Capital Limited	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Cash flows from(used in) operating activities	874.02	(120.05)	(2,860.64)	(451.68)	(3,169.40)	(1,292.31)
Cash flows from(used in) investing activities	(284.25)	(208.05)	2,488.06	123.84	(214.53)	(405.77)
Cash flows from(used in) financing activities	(594.41)	310.83	832.22	235.30	3,891.46	1,926.35
Net increase/(decrease) in cash and cash equivalents	(4.64)	(17.27)	459.64	(92.54)	507.53	228.28

## Note 43 : Goodwill

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

Amount ₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
CGUs of Godrej Agrovet Limited	480.61	480.61
CGUs of Godrej Properties Limited	193.70	193.67
CGUs of Godrej Capital Limited	298.51	298.51
	<b>972.82</b>	<b>972.79</b>

### 1 Godrej Agrovet Limited

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

### 2 Godrej Properties Limited

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

### 3 Godrej Capital Limited

During the previous year Godrej Capital Limited (subsidiary of the Company) has recognised goodwill of ₹ 294.50 crore for the cash generating unit (CGU) of housing financial services. The recoverable amount of the CGU of housing financial services is determined on the basis of its value-in-use calculations. The management has used five year period for calculating value in use.

# Notes to Consolidated Financial Statements

## Note 44 : Income Tax Expense

I Tax Expense relating to continuing operations recognised in the Consolidated Statement of Profit and Loss

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Current Income Tax	277.00	335.38
Adjustments in respect of earlier years	0.92	(4.88)
Deferred Income Tax Liability / (Asset), net		
Origination and reversal of temporary differences	(9.65)	(43.58)
Adjustments in respect of earlier years	3.63	-
Mat Credit (Utilisation)/Entitlement	-	-
Recognition of previously unrecognised tax losses	(11.96)	3.01
Deferred Tax Expense	(17.98)	(40.57)
<b>Tax Expense For the Year</b>	<b>259.94</b>	<b>289.93</b>

II Amounts recognised in other comprehensive income

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Items that will not be reclassified to profit or loss		
Tax on remeasurements of defined benefit liability (asset)	1.08	0.55
Tax on effective portion of gains and loss on hedging instruments in a cash flow hedge	(0.02)	-
	<b>1.06</b>	<b>0.55</b>

III Reconciliation of effective tax rate

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Profit Before Tax	1,680.58	1,282.36
Tax using the Company's domestic tax rate	421.41	315.26
Tax effect of		
Tax impact of income not subject to tax	(16.75)	(12.40)
Tax effects of amounts which are not deductible for taxable income	8.03	22.63
Previously unrecognised tax losses and unabsorbed depreciation now recouped to reduce deferred tax expense	(40.42)	5.60
Deferred tax assets not recognized because realization is not probable	(2.02)	8.38
Change in recognised deductible temporary differences	0.25	3.62
Adjustment for current tax of prior years	4.56	(4.88)
Tax on share of loss/(profit) of equity accounted investees	(71.34)	(43.57)
MAT credit of previous year reversed in current year	-	-
Effect of different tax rate	(4.63)	3.23
Effect of change in tax rate	(23.89)	3.14
Others	(15.28)	(11.08)
	<b>259.94</b>	<b>289.93</b>

# Notes to Consolidated Financial Statements

## Note 44 : Income Tax Expense (Continued)

### IV Movement in deferred tax balances

Amount ₹ in Crore

Particulars	Deferred tax asset March 31, 2022	Deferred tax liability March 31, 2022	Net balance March 31, 2022	Recognised in profit or loss	Tax for earlier years	Recognised in OCI	Acquired through business combination	Net balance March 31, 2023	Deferred tax asset March 31, 2023	Deferred tax liability March 31, 2023
<b>Property, plant and equipment</b>	(174.15)	(184.80)	(358.95)	(53.70)	(4.21)	-	-	(416.86)	(205.32)	(211.54)
Indexation benefit on land and shares	1.06	-	1.06	-	-	-	-	1.06	1.06	-
Investments	(27.45)	0.19	(27.26)	21.02	-	1.19	-	(5.05)	(6.05)	0.99
Inventories	16.63	-	16.63	(3.19)	-	-	(0.38)	13.07	13.07	-
Employee benefits	52.50	2.01	54.51	(7.88)	-	(0.31)	-	46.32	45.61	0.71
Equity-settled share-based payments	1.19	-	1.19	0.65	-	-	-	1.84	1.84	-
MAT Credit Entitlement	7.02	-	7.02	2.24	-	-	-	9.26	9.26	-
Biological Assets	(7.04)	0.01	(7.03)	(1.25)	-	-	-	(8.28)	(7.16)	(1.12)
Leases	0.11	(0.32)	(0.21)	9.69	0.57	-	-	10.05	0.44	9.60
Provision for Doubtful Debts / Advances	30.83	9.61	40.44	14.73	-	-	-	55.18	46.90	8.27
Brought forward Losses	128.81	-	128.82	(15.92)	-	-	-	112.91	112.11	0.80
Unabsorbed Depreciation	154.68	-	154.68	30.56	-	-	-	185.24	185.24	-
Other provisions	241.19	(33.11)	208.09	24.67	-	1.00	-	233.75	272.33	(38.60)
Tax assets (Liabilities)	425.39	(206.42)	218.97	21.62	(3.64)	1.88	(0.38)	238.45	469.35	(230.91)
<b>Net tax assets</b>	<b>425.39</b>	<b>(206.42)</b>	<b>218.97</b>	<b>21.62</b>	<b>(3.64)</b>	<b>1.88</b>	<b>(0.38)</b>	<b>238.45</b>	<b>469.35</b>	<b>(230.91)</b>

Amount ₹ in Crore

Particulars	Deferred tax asset March 31, 2021	Deferred tax liability March 31, 2021	Net balance March 31, 2021	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2022	Deferred tax asset March 31, 2022	Deferred tax liability March 31, 2022
<b>Property, plant and equipment</b>	(176.23)	(186.92)	(363.15)	4.20	-	(358.95)	(174.15)	(184.80)
Indexation benefit on land and shares	1.06	-	1.06	-	-	1.06	1.06	-
Investments	(6.84)	(0.47)	(7.29)	(20.59)	0.62	(27.26)	(27.45)	0.19
Inventories	14.95	-	14.95	1.69	-	16.63	16.63	-
Employee benefits	50.34	2.49	52.83	1.21	0.47	54.51	52.50	2.01
Equity-settled share-based payments	1.28	-	1.28	(0.09)	-	1.19	1.19	-
MAT Credit Entitlement	6.26	-	6.26	0.76	-	7.02	7.02	-
Biological Assets	(6.90)	(0.21)	(7.10)	0.07	-	(7.03)	(7.04)	0.01
Leases	0.02	0.80	0.82	(1.01)	-	(0.21)	0.11	(0.32)
Provision for Doubtful Debts / Advances	32.89	8.31	41.21	(0.76)	-	40.44	30.83	9.61
Brought forward Losses	111.37	-	111.37	17.46	-	128.82	128.81	-
Unabsorbed Depreciation	158.91	-	158.91	(4.23)	-	154.68	154.68	-
Other provisions	211.59	(45.33)	166.26	41.87	(0.04)	208.09	241.19	(33.11)
Tax assets (Liabilities)	398.69	(221.33)	177.37	40.57	1.05	218.97	425.39	(206.42)
<b>Net tax assets</b>	<b>398.69</b>	<b>(221.33)</b>	<b>177.37</b>	<b>40.57</b>	<b>1.05</b>	<b>218.97</b>	<b>425.39</b>	<b>(206.42)</b>

# Notes to Consolidated Financial Statements

## Note 44 : Income Tax Expense (Continued)

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

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

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Details of unused tax losses and unused tax credit is given in note V below.

As the Group does not have any intention to dispose off investments in unlisted subsidiaries and associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

### V Tax losses carried forward

Particulars	Amount ₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
Expiry date		
31 <sup>st</sup> March, 2023	91.54	153.69
31 <sup>st</sup> March, 2024	110.09	110.09
31 <sup>st</sup> March, 2025	133.22	133.22
31 <sup>st</sup> March, 2026	119.43	119.43
31 <sup>st</sup> March, 2027	100.02	100.02
31 <sup>st</sup> March, 2028	103.87	103.87
31 <sup>st</sup> March, 2029	69.07	69.07
	727.23	789.39
Unabsorbed Depreciation never expires	815.09	930.72

## Note 45 : Leases

### 1. Cost, Accumulated Depreciation and Carrying Amount

Particulars	Amount ₹ in Crore			
	Leasehold Buildings	Leasehold Land	Other equipments	Total
<b>Cost</b>				
<b>As at 1 April 2021</b>	<b>189.26</b>	<b>123.67</b>	<b>11.66</b>	<b>324.59</b>
Additions	29.61	1.84	-	31.45
Acquisition through Business Combinations	18.62	-	-	18.62
Disposals/Other adjustments	(50.67)	-	-	(50.67)
<b>Balance at 31<sup>st</sup> March 2022</b>	<b>186.82</b>	<b>125.51</b>	<b>11.66</b>	<b>323.99</b>
Additions	95.07	53.44	9.71	158.22
Acquisition through Business Combinations	0.75	-	-	0.75
Disposals/Other adjustments	(1.99)	(7.99)	-	(9.98)
<b>Balance at 31 March 2023</b>	<b>280.65</b>	<b>170.96</b>	<b>21.37</b>	<b>472.98</b>
<b>Accumulated depreciation and impairment</b>				
<b>As at 1 April 2021</b>	<b>91.14</b>	<b>9.86</b>	<b>5.24</b>	<b>106.24</b>
Depreciation	33.90	3.89	2.86	40.65
Acquisition through Business Combinations	3.70	-	-	3.70
Disposals/Other adjustments	(44.41)	-	-	(44.41)
<b>Balance at 31 March 2022</b>	<b>84.33</b>	<b>13.75</b>	<b>8.10</b>	<b>106.18</b>
Depreciation	35.50	4.87	3.75	44.13
Acquisition through Business Combinations	-	-	-	-
Disposals/Other adjustments	(1.33)	(8.00)	-	(9.33)
<b>Balance at 31 March 2023</b>	<b>118.50</b>	<b>10.63</b>	<b>11.85</b>	<b>140.98</b>
<b>Carrying amounts</b>				
Balance at 31 March 2022	102.49	111.75	3.57	217.81
<b>Balance at 31 March 2023</b>	<b>162.15</b>	<b>160.34</b>	<b>9.52</b>	<b>332.00</b>

# Notes to Consolidated Financial Statements

## Note 45 : Leases (Continued)

### 2. Breakdown of lease expenses

Amount ₹ in Crore

Particulars	Year ended March 31,2023	Year ended March 31,2022
Short-term lease expense	29.34	19.28
Low value lease expense	0.13	0.18
<b>Total lease expense</b>	<b>29.47</b>	<b>19.46</b>

\* Amount less than 0.01 crore

### 3. Cash outflow on leases

Amount ₹ in Crore

Particulars	Year ended March 31,2023	Year ended March 31,2022
Repayment of lease liabilities	47.67	41.74
Interest on lease liabilities	10.79	9.43
Short-term lease expense	29.34	10.52
Low value lease expense	0.13	0.18
Variable lease expenses (other than short term)	-	1.88
<b>Total cash outflow on leases</b>	<b>87.93</b>	<b>63.75</b>

### 4. Maturity analysis (undiscounted amounts)

Amount ₹ in Crore

	As at March 31, 2023	As at March 31, 2022
Less than one year	62.47	40.86
One to five years	134.53	76.67
More than five years	37.24	13.63
<b>Total undiscounted lease liabilities</b>	<b>234.24</b>	<b>131.16</b>
<b>Lease liabilities included in the Balance Sheet</b>	<b>193.88</b>	<b>116.38</b>
Current	51.16	36.83
Non-Current	142.72	79.55
Weighted average effective interest rate %	6.5% - 9%	6.7%-9%

The above amounts include principal and interest

#### As a Lessor

### 5. Undiscounted lease payments to be received for operating leases

Amount ₹ in Crore

	Year ended March 31,2023	Year ended March 31,2022
Year 1	34.43	35.08
More than 1 year and less than 5 years	54.27	56.43
Later than 5 years	-	-
<b>Total</b>	<b>88.70</b>	<b>91.51</b>



# Notes to Consolidated Financial Statements

## Note 46 : Employee Benefits

### I DEFINED CONTRIBUTION PLAN

#### Provident Fund :

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

### II DEFINED BENEFIT PLAN

#### Gratuity :

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

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

#### Provident Fund :

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

The Group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Group has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2023.

Particulars	Amount ₹ in Crore	
	March 31, 2023	March 31, 2022
Plan assets at period end, at fair value	309.10	281.61
Provident Fund Corpus	302.47	272.53
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	5.00%-8.42%	8.01%-8.48%
Weighted Average YTM	7.46%-8.83%	8.00%-8.83%
Guaranteed Rate of Interest	8.15%	8.1%-8.5%

#### Pension :

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

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

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

Particulars	Amount ₹ in Crore			
	Gratuity		Pension	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>a) Change in Present Value of Obligation</b>				
Present value of the obligation at the beginning of the year	103.40	94.86	0.07	0.91
Current Service Cost	8.76	8.44	-	-
Past Service Cost	-	0.06	-	-
Interest Cost	6.61	6.34	-	-
Contribution by Plan Participants	-	-	-	-
Actuarial (Gain) / Loss on Obligation due to demographic assumptions	(3.12)	0.87	-	-
Actuarial (Gain) / Loss on Obligation due to experience adjustments	5.67	1.74	-	-
Actuarial (Gain) / Loss on Obligation due to financial assumptions	(1.19)	1.49	0.03	(0.18)
Effect of Liability Transfer in / out	1.22	(0.09)	-	-
Benefits Paid	(13.07)	(10.90)	(0.06)	(0.66)
Acquisitions	0.45	0.58	-	-
Present value of the obligation at the end of the year	<b>108.73</b>	<b>103.40</b>	<b>0.04</b>	<b>0.07</b>
<b>b) Change in Plan Assets</b>				
Fair value of Plan Assets at the beginning of the year	57.47	60.00	-	-
Return on Plan Assets	(0.16)	1.30	-	-
Actuarial (Gain) / Loss on Plan Assets	0.46	0.56	-	-
Contributions by the Employer	5.66	3.32	-	-
Interest Income	2.66	2.56	-	-
Effect of Liability Transfer in / out	0.78	-	-	-
Benefits Paid	(9.49)	(9.15)	-	-
Fair value of Plan Assets at the end of the year	56.46	57.47	-	-
<b>c) Amounts Recognised in the Balance Sheet :</b>				
Present value of Obligation at the end of the year	108.73	103.40	-	-
Fair value of Plan Assets at the end of the year	56.46	57.47	-	-
Net Obligation at the end of the year	52.27	45.93	-	-
<b>d) Amounts Recognised in the statement of Profit and Loss :</b>				
Current Service Cost	8.76	8.44	-	-
Interest cost on Obligation	6.61	6.34	-	-
Return on Plan Assets	0.16	(1.30)	-	-
Net Cost Included in Personnel Expenses	15.53	13.49	-	-
<b>e) Amounts Recognised in Other Comprehensive Income (OCI):</b>				
Actuarial (Gain) / Loss on Obligation For the Period	1.35	4.09	-	-
Return on Plan Assets, Excluding Interest Income	0.46	0.56	-	-
Net (Income) / Expense For the Period Recognised in OCI	1.81	4.65	-	-
The cumulative amount of actuarial (gains) / losses on obligations recognised in other comprehensive income as at March 31, 2023 is (3.00) crore (Previous Year: ₹ (4.87) crore).				
<b>f) Actual Return on Plan Assets</b>	(0.62)	0.74	-	-

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

Amount ₹ in Crore

Particulars	Gratuity		Pension	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>g) Actuarial Assumptions</b>				
i) Discount Rate	7.20%-7.43% P.A.	6.09%-6.78% P.A.	7.35% P.A.	6.08% P.A.
ii) Expected Rate of Return on Plan Assets	7.35% P.A.	6.09% P.A.		-
iii) Salary Escalation Rate	5.00%-14.00% P.A.	6.00%-12.00% P.A.		-
iv) Mortality	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

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.

### IV Sensitivity analysis

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

Amount ₹ in Crore

	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
	Discount rate (1% movement)	(4.12)	4.56	(4.42)
Future salary growth (1% movement)	4.56	(4.19)	4.87	(4.47)
Rate of employee turnover (1% movement)	0.36	(0.50)	2.05	(2.40)

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

### V. Plan assets comprise the following

Amount ₹ in Crore

	March 31, 2023	March 31, 2022
Insurer managed fund (100%)	56.46	57.47

### VI. Expected future benefit payments of Gratuity

	Amount ₹ in Crore
1 <sup>st</sup> following year	25.46
2 <sup>nd</sup> following year	15.89
3 <sup>rd</sup> following year	14.01
4 <sup>th</sup> following year	13.24
5 <sup>th</sup> following year	11.32
Sum of Years 6 to 10	18.63
Thereafter	52.93

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

### 1 Employee Stock Grant Scheme of Godrej Industries Limited

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

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2023:

Particulars	Year ended	Year ended	Description of the Inputs used
	March 31, 2023	March 31, 2022	
Dividend yield %	0.00%	0.00%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	10%-13%	12%-14%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	5.9% to 6.8%	4.4% to 5.3%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	433.65	560.70	

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

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

Particulars	Numbers			
	Year ended March 31, 2023	Year ended March 31, 2022	Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
Options Outstanding at the Beginning of the Year	108,069	120,389		
Options Granted	70,305	56,466		
Options Vested	53,944	59,215		
Options Exercised	53,944	59,215	1.00	459.10
Options Lapsed / Forfeited	15,000	9,571		
<b>Total Options Outstanding at the end of the year</b>	<b>109,430</b>	<b>108,069</b>		

(i) The weighted average exercise price of the options outstanding as on March 31, 2023 is Re. 1 (previous year Re. 1 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2023 is 0.88 years (previous year 0.84 years)

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

### (i) Employee Stock Grant Scheme

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

Particulars	No. of Options		Weighted Average Exercise Price	Weighted average Share Price (₹)
	As at March 31, 2023	As at March 31, 2022		
Options Outstanding at the beginning of the year	63,338	89,986		
Options granted	34,934	30,640		
Options exercised	33,377	45,016	5.00	1,380.80
Less : Option lapsed	15,410	12,272		
Options Outstanding at the year end	49,485	63,338		

b) The weighted average exercise price of the options outstanding as at March 31, 2023 is ₹ 5 per share (Previous Year: ₹ 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2022 is 0.72 years (Previous Year: 0.92 years)

c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is ₹ 1333.47 (Previous Year: ₹ 1,189.95)

The following table lists the average inputs to the model used for the plan for the year ended March 31, 2023:

Particulars	For the year	For the year	Description of the Inputs used
	March 31, 2023	March 31, 2022	
Dividend yield %	-	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	39%-71%	37%-71%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.62%-7.07%	3.62%-7.07%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	₹ 1,338.21	₹ 1,194.71	

d) The expense arising from ESGS scheme during the year is ₹ 4.15 Crore (Previous Year: ₹ 3.47 Crore).

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

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

#### (i) Employee Stock Option Plans of Godrej Agrovet Limited

##### Employee Stock Option - Equity Settled

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

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

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

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

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

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

The Exercise Price of the shares has been fixed at ₹ 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

The Company has provided ₹ 2.71 crore (Previous Year ₹ 2.72 crore) for all the eligible employees for current year.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2023:

Particulars	As at	As at	Description of the Inputs used
	March 31, 2023	March 31, 2022	
Dividend yield %	1.79%	1.56%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	37% - 42%	32% - 42%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	5.47% to 6.783%	3.848% to 4.73%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	532.19	512.27	

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

The Status of the above plan is as under:

Particulars	Numbers			
	As at March 31, 2023	As at March 31, 2022	Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
Options Outstanding at the Beginning of the Year	104,632	89,301		
Options Granted	63,933	56,391		
Options Vested	47,930	41,060		
Options Exercised	47,930	41,060	10.00	532.19
Options Lapsed / Forfeited	15,131	-		
Options Lapsed / Forfeited to be re-granted	-	-		
<b>Total Options Outstanding at the end of the year</b>	<b>105,504</b>	<b>104,632</b>		

The weighted average exercise price of the options outstanding as on March 31, 2023 is ₹ 10/- (previous year ₹ 10/- per share)

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

#### (i) Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

The Company had set up the Employees Stock Option Plan 2012 which was amended by the Shareholders by way of a Special Resolution obtained by way of Postal Ballot, whose results have been declared on September 27, 2021.

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

The total number of Stock Option to be awarded under the ESOP Scheme are restricted to 1% of the issued equity share capital at the time of awarding the Stock Option, can be awarded to any one employee in any one year.

The Stock Options shall vest in the Eligible Employees pursuant to the ESOP Scheme in the proportion of 1/3<sup>rd</sup> at the end of each year from the date on which the Stock Options are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

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

#### (ii) Employee stock option scheme (ESOS,2015)

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

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

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

#### (iii) Employee stock option plan (ESOP,2012)

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

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

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

## Notes to Consolidated Financial Statements

### Note 46 : Employee Stock Benefit Plans (Continued)

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

Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	10.00	3,316	-	-
Granted during the year	10.00	1,322	10.00	3,316
Exercised during the year	10.00	1,105	-	-
Lapsed during the year	-	-	-	-
Forefeited during the year	-	-	-	-
<b>Closing balance</b>	-	<b>3,533</b>	-	<b>3,316</b>
<b>Vested and exercisable</b>		<b>1,546</b>		<b>3,316</b>

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

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	34.00	4,300	34.00	6,800
Granted during the period	-	-	-	-
Exercised during the period	34.00	4,000	34.00	2,500
Lapsed during the period	-	-	-	-
Closing balance		300		4,300
<b>Vested and exercisable</b>		<b>300</b>		<b>4,300</b>

#### Employee stock option scheme (ESOS,2015)

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	387.35	5,000	387.35	12,500
Granted during the period	-	-	-	-
Exercised during the period	387.35	3,000	387.35	7,500
Lapsed during the period	-	-	-	-
<b>Closing balance</b>		<b>2,000</b>		<b>5,000</b>
<b>Vested and exercisable</b>		<b>2,000</b>		<b>5,000</b>

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



# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

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

Grant date	Expiry date	Exercise price	March 31, 2023	March 31, 2022
			Share options	Share options
January 31, 2015	January 30, 2023	34.00	-	-
January 31, 2015	January 30, 2024	34.00	-	-
January 31, 2015	January 30, 2025	34.00	-	-
January 31, 2015	January 30, 2026	34.00	300	1,300
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	-	-
May 16, 2015	May 15, 2025	34.00	-	2,000
May 16, 2015	May 15, 2026	34.00	-	1,000
July 26, 2016	July 25, 2020	387.35	-	-
July 26, 2016	July 25, 2021	387.35	-	-
July 26, 2016	July 25, 2022	387.35	-	1,000
July 26, 2016	July 25, 2023	387.35	2,000	4,000
October 30,2021	November 30, 2022	10.00	-	1,105
October 30,2021	August 31, 2023	10.00	1,105	1,105
October 30,2021	August 31, 2024	10.00	1,105	1,106
May 6, 2022	June 9, 2023	10.00	441	-
May 6, 2022	June 9, 2024	10.00	441	-
May 6, 2022	June 9, 2025	10.00	440	-
<b>Total</b>			<b>5,832</b>	<b>12,616</b>
<b>Weighted average remaining contractual life of options outstanding at end of period</b>			<b>0.78</b>	<b>2.30</b>

### (i) Fair value of options granted

The fair value of grant date of options granted during the year ended March 31, 2023 is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2023	March 31, 2022
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	-
January 31, 2015	January 30, 2025	109.91	-	-
January 31, 2015	January 30, 2026	110.49	300	1,300
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	-
May 16, 2015	May 15, 2025	119.30	-	2,000
May 16, 2015	May 15, 2026	119.67	-	1,000
July 26, 2016	July 25, 2020	100.00	-	-
July 26, 2016	July 25, 2021	159.00	-	-
July 26, 2016	July 25, 2022	278.00	-	1,000
July 26, 2016	July 25, 2023	297.00	2,000	4,000
October 30,2021	November 30, 2022	1,241.00	-	1,105
October 30,2021	August 31, 2023	1,239.65	1,105	1,105
October 30,2021	August 31, 2024	1,238.16	1,105	1,106
May 6, 2022	June 9, 2023	1,932.04	441	-
May 6, 2022	June 9, 2024	1,930.58	441	-
May 6, 2022	June 9, 2025	1,929.08	440	-
<b>Total</b>			<b>5,832</b>	<b>12,616</b>

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

The model inputs for options granted during the period ended March 31, 2023 included:

<b>ESOP, 2012 as amended, granted on May 6, 2022</b>	<b>May 6, 2022</b>
Exercise Price	₹ 10
Grant Date	May 6, 2022
Expected life of share options	1 to 3 years
Share price at grant date	1933.64
Expected price volatility of the Company's shares	46% to 55%
Expected dividend yield	0.08%
Risk free interest rate	5.487% to 6.932%
<b>ESOP, 2012 as amended, granted on October 30, 2021</b>	<b>October 30, 2021</b>
Exercise Price	₹ 10
Grant Date	October 30, 2021
Expected life of share options	1 to 3 years
Share price at grant date	1242.71
Expected price volatility of the company's shares	44% to 58%
Expected dividend yield	0.12%
Risk free interest rate	4.107% to 5.124%

### ESOS, 2015 granted on July 26, 2016

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

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

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

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

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

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

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

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

### ESOP, 2012- Option A granted on 31 January 2015

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

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

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

### Expense arising from share based payment transactions

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

Amount ₹ in crore

	March 31, 2023	March 31, 2022
Employee stock option plan	0.01	0.01
<b>TOTAL</b>	<b>0.01</b>	<b>0.01</b>

## 5 Godrej Capital Employee Stock Option Scheme 2021 ("ESOP Scheme 2021")

The Godrej Capital Employee Stock Option Scheme 2021 ("ESOP Scheme 2021") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on January 5, 2021. The Scheme is administered by Company's Board of Directors. The Scheme applies to all the Eligible Employees, who are the permanent employees of the Company or any Subsidiary of the Company, on the date of Grant of Options. The Compensation Committee of the Company would decide the entitlement of each employee based on his/her performance, level, grade, seniority and such other parameters as may be decided by the Compensation Committee. The Exercise Price for each Option will be the face value of the Equity Share of the Company. The Options granted would vest after twenty one months but not later than fifty seven months from the date of Grant of Options. Exercise period is 7 (seven) years from the date of Vesting of Options or such other period as may be decided by the Compensation Committee, within which the Employee should exercise his right to apply for transfer of Equity Shares of the Company to him pursuant to the Option Vested in him in accordance with the ESOP Scheme 2021.

### Description of the share based payment plans:

The expense recognised for employee services received during the year / period is shown in the following table:

Amount ₹ in crore

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Expenses arising from equity-settled share-based payment transactions	24.04	0.04
Total	24.04	0.04

## Notes to Consolidated Financial Statements

### Note 46 : Employee Stock Benefit Plans (Continued)

#### Movements during the year/period:

The following table illustrates the number and weighted average exercise price (WAEP) of, and movement in, share options during the year/period:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Number	WAEP (₹)	Number	WAEP (₹)
Outstanding at the beginning of the Year	2,759	10	2,378	10
Granted during the Year	-	-	416	10
<b>Lapsed during the year</b>	<b>122</b>	<b>10</b>	<b>35</b>	<b>10</b>
<b>Outstanding at the end of the Year / Period</b>	<b>2,637</b>	<b>10</b>	<b>2,759</b>	<b>10</b>

The weighted average fair values of the options granted during the year was ₹ 4.29 (Previous Period: ₹ 4.29). The weighted average stock price of the options granted during the year ended March 31, 2023 is ₹ 10/- (Previous Period: ₹ 10).

The fair value of each option is estimated on the date of grant using the Black-Scholes model with the following assumptions:

Particulars	For the year March 31, 2023	For the year March 31, 2022
Share price	₹ 10	₹ 10
Risk free interest rate	7%	7%
Volatility	42.70%	42.70%
Time to Maturity	5 years	6 years
Exercise price	₹ 10	₹ 10

Expected Volatility was determined by calculating the historical volatility of the comparable Company's share price over the effects of non-transferability, exercise restrictions and behavioural considerations.

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

Grant Date	Expiry date	Exercise price	March 31, 2023 Share Options	March 31, 2022 Share Options
January 29, 2021	October 28, 2029	10	319.00	329.00
February 3, 2021	November 2, 2029	10	229.00	248.00
February 11, 2021	November 10, 2029	10	9.00	9.00
May 10, 2021	February 5, 2030	10	61.00	61.00
June 22, 2021	March 20, 2030	10	43.00	43.00
January 29, 2021	October 28, 2030	10	331.00	329.00
February 3, 2021	November 2, 2030	10	232.00	248.00
February 11, 2021	November 10, 2030	10	9.00	9.00
May 10, 2021	February 5, 2031	10	63.00	61.00
June 22, 2021	March 20, 2031	10	45.00	44.00
January 29, 2021	October 28, 2031	10	312.00	329.00
February 3, 2021	November 2, 2031	10	215.00	248.00
February 11, 2021	November 10, 2031	10	8.00	8.00
May 10, 2021	February 5, 2032	10	58.00	60.00
June 22, 2021	March 20, 2032	10	42.00	43.00
January 29, 2021	October 28, 2032	10	319.00	329.00
February 3, 2021	November 2, 2032	10	229.00	248.00
February 11, 2021	November 10, 2032	10	9.00	9.00
May 10, 2021	February 5, 2033	10	61.00	61.00
June 22, 2021	March 20, 2033	10	43.00	43.00
<b>Total</b>			<b>2,637.00</b>	<b>2,759.00</b>

# Notes to Consolidated Financial Statements

## Note 46 : Employee Stock Benefit Plans (Continued)

### ESOP Scheme 2022

The Godrej Capital Employee Stock Option Scheme 2022 ("ESOP Scheme 2022") of the Company was approved and adopted by its members at an Annual General Meeting held on June 1, 2022. The Scheme is administered by Company's Board of Directors. The Scheme applies to all the Eligible Employees, who are the permanent employees of the Company or any Subsidiary of the Company, on the date of Grant of Options. The Compensation Committee of the Company would decide the entitlement of each employee based on his/her performance, level, grade, seniority and such other parameters as may be decided by the Compensation Committee. The Exercise Price for each Option will be determined by the Board. The Options granted would vest after a minimum period of twenty four months which may be extended to thirty six months but not later than seventy two months from the date of Grant of Options or as may be decided by Compensation committee. Exercise period is 7 (seven) years from the date of Vesting of Options or such other period as may be decided by the Board, within which the Employee should exercise his right to apply for transfer of Equity Shares of the Company to him pursuant to the Option Vested in him in accordance with the ESOP Scheme 2022.

### Movements during the year/period:

The following table illustrates the number and weighted average exercise price (WAEP) of, and movement in, share options during the year:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Number	WAEP	Number	WAEP
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	934	10	-	-
Lapsed during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>934</b>	<b>10</b>	<b>-</b>	<b>-</b>

The weighted average fair values of the options granted during the year was ₹ 80,496.49. The weighted average stock price of the options granted during the year ended March 31, 2023 is ₹10.

The fair value of each option is estimated on the date of grant using the Black-Scholes model with the following assumptions:

Particulars	For the year March 31, 2023
Share price	₹ 80,496.49
Fair Value of Option	₹ 22,346.12 to ₹ 33,172.25
Risk free interest rate	6.69% to 7.34%
Volatility	20.02% to 29.33%
Time to Maturity	7 years
Exercise price	₹ 80,496.49

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

Grant Date	Expiry date	Exercise price	March 31, 2023 Share Options
November 9, 2022	June 30,2031	80,496.49	28
November 9, 2022	June 30,2032	80,496.49	28
November 9, 2022	June 30,2033	80,496.49	27
November 9, 2022	June 30,2034	80,496.49	28
November 9, 2022	April 30,2032	80,496.49	146
November 9, 2022	April 30,2033	80,496.49	146
November 9, 2022	April 30,2034	80,496.49	145
November 9, 2022	April 30,2035	80,496.49	146
November 9, 2022	November 30,2032	80,496.49	28
November 9, 2022	November 30,2033	80,496.49	28
November 9, 2022	November 30,2034	80,496.49	28
November 9, 2022	November 30,2035	80,496.49	28
March 10, 2023	February 28,2033	80,496.49	32
March 10, 2023	February 28,2034	80,496.49	32
March 10, 2023	February 28,2035	80,496.49	32
March 10, 2023	February 29,2036	80,496.49	32
<b>Total</b>			<b>934</b>

# Notes to Consolidated Financial Statements

## Notes to Consolidated Financial Statements

### Note 47 : Segment Information

#### a) Segment information for continuing operations

Amount ₹ in crore

Information about operating segments	Chemicals		Animal Feed		Veg Oils		Estate & Property Development		Finance & Investments		Dairy		Crop Protection		Others		Total		
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	
<b>(I) Revenue</b>																			
External Sales	4,164.30	3,050.44	4,956.69	4,350.23	1,927.91	2,139.55	3,097.35	2,638.43	391.02	116.75	1,501.13	1,175.00	1,196.25	1,197.37	527.71	396.89	17,762.36	15,064.67	
Intersegment Sales	8.67	6.54	-	-	2.74	-	21.90	18.26	134.42	105.11	-	-	-	-	636.57	506.42	804.30	636.33	
Total Sales	4,172.97	3,056.98	4,956.69	4,350.23	1,930.65	2,139.55	3,119.25	2,656.69	525.44	221.86	1,501.13	1,175.00	1,196.25	1,197.37	1,164.28	903.32	18,566.66	15,701.00	
Less: Intersegment Sales	(8.67)	(6.54)	-	-	(2.74)	-	(21.90)	(18.26)	(134.42)	(105.11)	-	-	-	-	(636.57)	(506.42)	(804.30)	(636.33)	
<b>Total Revenue</b>	<b>4,164.30</b>	<b>3,050.44</b>	<b>4,956.69</b>	<b>4,350.23</b>	<b>1,927.91</b>	<b>2,139.55</b>	<b>3,097.35</b>	<b>2,638.43</b>	<b>391.02</b>	<b>116.75</b>	<b>1,501.13</b>	<b>1,175.00</b>	<b>1,196.25</b>	<b>1,197.37</b>	<b>527.71</b>	<b>396.90</b>	<b>17,762.36</b>	<b>15,064.67</b>	
<b>(II) Results</b>																			
Segment result before interest and tax	697.02	334.39	184.76	239.70	261.27	251.15	1,003.06	884.01	9.35	(2.13)	(43.85)	(24.57)	125.50	233.89	19.22	(0.36)	2,256.33	1,916.08	
Unallocated expenses																		(219.98)	(240.23)
Finance Costs (excluding interest cost of Financing business)																		(751.24)	(594.59)
Exceptional Items	-	(66.57)									-	(17.28)						-	(83.85)
Profit / (Loss) Before Share of Profit of Equity Accounted Investees and Tax from continuing operations																		1,285.11	997.41
Taxes																		(259.94)	(289.93)
Share of Profit of Equity Accounted Investees (net of Income Tax)																		395.47	284.95
<b>Profit after tax from Continuing Operations</b>																		1,420.64	992.43
Segment Assets	2,102.62	1,952.81	1,804.93	1,778.35	685.07	584.87	23,815.29	18,543.58	12,092.47	7,527.85	808.71	818.61	1,549.19	1,775.64	655.58	584.35	43,513.86	33,566.06	
Unallocated Assets																		461.19	475.14
Total Assets																		43,975.05	34,041.20
Segment Liabilities	864.88	815.40	481.23	412.34	677.6	78.16	13,842.16	9,175.34	5,074.03	1,616.06	428.52	397.04	817.57	750.86	297.49	243.61	21,873.64	13,488.81	
Unallocated Liabilities																		7,800.57	7,471.36
Total Liabilities																		29,674.21	20,960.17
Cost incurred during the year to acquire segment assets	80.02	177.42	86.38	85.80	58.62	17.33	85.70	132.74	40.01	-	33.66	24.18	144.16	110.68	32.97	25.28	561.52	573.43	
Cost incurred on unallocated assets																		1.76	18.43
<b>Total Cost incurred during the year to acquire segment assets</b>																		<b>563.28</b>	<b>591.86</b>
Segment Depreciation	41.35	38.58	51.46	48.25	31.37	29.72	48.12	44.97	18.97	-	31.96	29.64	44.45	40.57	23.00	28.92	290.68	260.65	
Unallocated Depreciation																		13.84	12.93
<b>Total Depreciation</b>																		<b>304.52</b>	<b>273.58</b>

# Notes to Consolidated Financial Statements

## Note 47 : Segment Information (Continued)

Information about Secondary Business Segments		Amount ₹ in Crore	
Revenue by Geographical markets	Current Year	Previous Year	
India	15,650.48	13,440.68	
Outside India	2,111.88	1,623.99	
<b>Total</b>	<b>17,762.36</b>	<b>15,064.67</b>	

Carrying Amount of Segment assets		Amount ₹ in Crore	
	Current Year	Previous Year	
India	43,564.76	33,688.88	
Outside India	410.29	352.32	
<b>Total</b>	<b>43,975.05</b>	<b>34,041.20</b>	

### Notes :

- The Group has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the different risks and returns, the organisational structure and the internal reporting system.
- Chemicals segment includes the business of production and sale of Oleochemicals and Surfactants such as Fatty Acids, Fatty Alcohols, Esters and Waxes, refined glycerine, Alpha Olefin Sulphonates, Sodium Lauryl Sulphate and Sodium Lauryl Ether Sulphate.
- Animal Feed segment includes the business of production and sale of compound feeds for cattle, poultry, shrimp and fish.
- Veg Oils segment includes the business of processing and bulk trading of refined vegetable oils & vanaspati, international vegetable oil trading and Oil Palm Plantation.
- Estate & property development segment includes the business of development and sale of real estate and leasing and leave and licensing of properties.
- Finance & Investments includes financial services (including housing finance) and investments in associates companies and other investments.
- Dairy Business includes milk and milk products.
- Crop protection business includes agri inputs.
- Others includes seeds business, poultry, cattle breeding and energy generation through windmills.
- Unallocable expenditure includes general and administrative expenses and other expenses incurred on common services at the corporate level and relate to the Group as a whole.
- The geographical segments consists of Sales in India which represent sales to customers located in India and Sales outside India represent sales to customers located outside India.
- Segment Revenue Reconciliation in terms of the measure reported to the Chief Operating Decision Maker:

		Amount ₹ in Crore	
Particulars	Current Year	Previous Year	
Revenue from Operations	16,740.25	14,130.15	
Other Income	1,022.11	934.52	
<b>Total Segment Revenue</b>	<b>17,762.36</b>	<b>15,064.67</b>	

# Notes to Consolidated Financial Statements

## Note 48 : Related Party Information

### a) Names of related parties and description of relationship

#### 1 Companies under common ownership

1.1 Godrej & Boyce Manufacturing Company Limited

#### 2 Associates / Joint Ventures

2.1 Godrej Consumer Products Limited

2.2 PT Godrej Consumer Products Indonesia (Earlier known as PT Megasari Makmur)

2.3 Strength of Nature, LLC

2.4 Subinite Pty Ltd

2.5 Laboratoria Cuenca S.A.

2.6 Godrej Consumer Products International

2.7 Godrej Nigeria Limited

2.8 Canon Chemicals Limited

2.9 Godrej Household Products Lanka (Private) Limited

2.10 Cosmetica Nacional S.A.

2.11 Lorna Nigeria Limited

2.12 Godrej Global Middle East Fze

Associates/ Joint Ventures of Godrej Agrovvet Limited

2.13 ACI Godrej Agrovvet Private Limited, Bangladesh

2.14 Omnivore India Capital Trust

2.15 Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)

Associates/ Joint Ventures of Godrej Properties Limited

2.16 Godrej Redevelopers (Mumbai) Private Limited

2.17 Godrej Greenview Housing Private Limited

2.18 Wonder City Buildcon Private Limited (Joint venture upto March 28, 2023)

2.19 Godrej Home Constructions Private Limited (Joint venture upto March 28, 2023)

2.20 Wonder Projects Development Private Limited

2.21 Godrej Real View Developers Private Limited

2.22 Pearlite Real Properties Private Limited

2.23 Godrej Skyline Developers Private Limited

2.24 Godrej Green Homes Private Limited (Formerly Known as Godrej Green Homes Limited)

2.25 Yujya Developers Private Limited (Merged with Madhuvan Enterprises Private Limited) w.e.f. 27<sup>th</sup> March, 2023

2.26 Vivrut Developers Private Limited

2.27 Madhuvan Enterprises Private Limited

2.28 Mosiac Landmarks LLP

2.29 Dream World Landmarks LLP

2.30 Oxford Realty LLP

2.31 Godrej SSPDL Green Acres LLP

2.32 Caroa Properties LLP

2.33 M S Ramaiah Ventures LLP

2.34 Oasis Landmarks LLP ( upto 28 February 2022)

2.35 Godrej Amitis Developers LLP ( formerly known as Amitis Developers LLP)

2.36 Godrej Property Developers LLP

2.37 A R Landcraft LLP

2.38 Prakhhyat Dwellings LLP

2.39 Godrej Highview LLP



## Notes to Consolidated Financial Statements

### Note 48 : Related Party Information (Continued)

- 2.40 Godrej Projects North Star LLP
- 2.41 Godrej Developers & Properties LLP
- 2.42 Godrej Reserve LLP (Joint venture upto September 30, 2022)
- 2.43 Godrej Irismark LLP
- 2.44 Roseberry Estate LLP
- 2.45 Suncity Infrastructures (Mumbai) LLP
- 2.46 Maan-Hinje Township Developers LLP (Joint venture upto March 29, 2023)
- 2.47 Godrej Vestamark LLP
- 2.48 Manyata Industrial Parks LLP
- 2.49 Godrej Odyssey LLP
- 2.50 Universal Metro Properties LLP.
- 2.51 Embellish Houses LLP
- 2.52 Manjari Housing Projects LLP (Formerly Known as Godrej Avamark LLP)
- 2.53 Mahalunge Township Developers LLP (Formerly Known as Godrej Land Developers LLP)
- 2.54 Yerwada Developers Private Limited ( w. e. f. 31 January 2022)
- 2.55 Godrej Projects North LLP ( w. e. f. 3 December 2021)
- 2.56 Godrej Housing Projects LLP
- 2.57 Vagishwari Land Developers Private Limited
- 2.58 Godrej Macbricks Private Limited (Formerly known as Ashank Macbricks Private Limited)
- 2.59 Munjal Hospitality Private Limited
- 2.60 Bavdhan Realty @ Pune 21 LLP ( upto November 24, 2021)

### 3 Key Management Personnel

- 3.1 Mr. A. B. Godrej - Chairman Emeritus (retired w.e.f. September 30, 2021)
- 3.2 Mr. N. B. Godrej - Chairman & Managing Director (effective October 1, 2021)
- 3.3 Ms. T. A. Dubash - Executive Director & Chief Brand Officer
- 3.4 Mr. N. S. Nabar - Executive Director & President (Chemicals)
- 3.5 Mr. C. G. Pinto - Chief Financial Officer
- 3.6 Ms. Tejal Jariwala - Company Secretary

### 4 Non-Executive Directors

- 4.1 Mr. J.N. Godrej
- 4.2 Mr. V.M. Crishna (upto November 8, 2021)
- 4.3 Mr. P. A. Godrej
- 4.4 Mr. K.N. Petigara (upto April 1, 2021)
- 4.5 Mr. Mathew Eipe
- 4.6 Dr. Ganapati D. Yadav
- 4.7 Ms. Monaz Noble
- 4.8 Ms. Shweta Bhatia
- 4.9 Mr. Sandeep Murthy
- 4.10 Mr. Ajay Kumar Vaghani (effective June 23, 2021)

### 5 Relatives of Key Management Personnel

- 5.1 Ms. N. A. Godrej - Sister of Ms. Tanya Dubash
- 5.2 Ms. R. N. Godrej - Wife of Mr. N. B. Godrej
- 5.3 Mr. B. N. Godrej - Son of Mr. N. B. Godrej
- 5.4 Mr. S. N. Godrej - Son of Mr. N. B. Godrej
- 5.5 Mr. H. N. Godrej - Son of Mr. N. B. Godrej

# Notes to Consolidated Financial Statements

## Note 48 : Related Party Information (Continued)

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

## 6 Enterprises over which key management personnel exercise significant influence

- 6.1 Anamudi Real Estates LLP
- 6.2 Innovia Multiventures Private Limited
- 6.3 Godrej Seeds & Genetics Limited
- 6.4 ABG Family Trust
- 6.5 NBG Family Trust
- 6.6 TAD Family Trust
- 6.7 TAD Children Trust
- 6.8 AREL Enterprise LLP ( w.e.f February 04, 2021)
- 6.9 TNP Enterprise LLP (w.e.f. March 02, 2021)
- 6.10 ANBG Enterprise LLP (w.e.f. March 08, 2021)
- 6.11 Godrej Capital Limited (became subsidiary w.e.f. March 25, 2021)
- 6.12 Meghmani Organics Limited

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

- 7.1 Shata Trading & Finance Private Limited
- 7.2 Shilawati Trading & Finance Private Limited
- 7.3 NG Family Trust
- 7.4 NG Children Trust
- 7.5 PG Lineage Trust
- 7.6 PG Children Trust
- 7.7 PG Family Trust
- 7.8 BNG Family Trust
- 7.9 BNG Successor Trust
- 7.10 BNG Lineage Trust
- 7.11 SNG Successor Trust
- 7.12 SNG Lineage Trust
- 7.13 RNG Family Trust
- 7.14 SNG Family Trust
- 7.15 HNG Family Trust
- 7.16 Godrej Fund Management and Investment Advisers Private Limited (w.e.f. April 8, 2022)
- 7.17 Karukachal Developers Private Limited
- 7.18 Eranthus Developers Private Limited
- 7.19 Praviz Developers Private Limited
- 7.20 Godrej Holdings Private Limited
- 7.21 Ceres Developers Private Limited
- 7.22 Transpolar Logistics (India) Private Limited
- 7.23 Mindcrescent Wellness Ventures Private Limited

## 8 Post Employment Benefit Trust where reporting entity exercises significant influence

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

# Notes to Consolidated Financial Statements

## Note 48 : Related Party Information (Continued)

### b) Transactions with Related Parties

Nature of Transaction	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Enterprises over which Relative of Key Mangement Personnel exercise significant influence	Amount ₹ in Crore
							Total
Sale of Goods	126.87	1.31	-	-	96.75	-	224.93
<i>Previous Year</i>	<i>100.40</i>	<i>0.98</i>	-	-	<i>75.09</i>	-	<i>176.47</i>
Purchase of goods	27.08	0.15	-	-	253.71	-	280.94
<i>Previous Year</i>	<i>28.14</i>	<i>0.49</i>	-	-	<i>148.59</i>	-	<i>177.22</i>
Licence fees / Service charges / Storage Income	15.49	-	-	-	-	0.32	15.81
<i>Previous Year</i>	<i>18.58</i>	-	-	-	<i>0.02</i>	<i>0.04</i>	<i>18.64</i>
Other Income *	6.93	0.00	-	-	0.00	0.02	6.95
<i>Previous Year</i>	<i>6.86</i>	-	-	-	-	<i>0.01</i>	<i>6.87</i>
Loans & Advances given	1,378.52	8.04	-	-	-	-	1,386.56
<i>Previous Year</i>	<i>1,138.06</i>	<i>0.51</i>	-	-	-	-	<i>1,138.57</i>
Conversion of Debentures to Equity	167.97	-	-	-	-	-	167.97
<i>Previous Year</i>	-	-	-	-	-	-	-
Investment in Equity/preference shares	11.65	-	-	-	-	-	11.65
<i>Previous Year</i>	<i>44.42</i>	-	-	-	-	-	<i>44.42</i>
Purchase of Property, Plants & Equipments & Purchase of Investment Property	15.91	9.96	-	-	-	-	25.87
<i>Previous Year</i>	<i>0.00</i>	<i>0.39</i>	-	-	-	-	<i>0.39</i>
Royalty & Technical fees paid	-	-	-	-	-	-	-
<i>Previous Year</i>	<i>0.55</i>	-	-	-	-	-	<i>0.55</i>
Commission / Royalty received	0.24	-	-	-	-	-	0.24
<i>Previous Year</i>	<i>0.27</i>	-	-	-	-	-	<i>0.27</i>
Recovery of establishment & Other Expenses	183.82	2.34	-	-	6.23	1.71	194.10
<i>Previous Year</i>	<i>154.05</i>	<i>2.47</i>	-	-	<i>7.70</i>	<i>1.21</i>	<i>165.43</i>
Rent, Establishment & other exps paid	15.19	5.99	-	-	6.98	21.48	49.64
<i>Previous Year</i>	<i>16.13</i>	<i>9.45</i>	-	<i>0.91</i>	<i>0.03</i>	<i>8.36</i>	<i>34.88</i>
Interest received	498.32	-	-	-	-	-	498.32
<i>Previous Year</i>	<i>484.66</i>	-	-	-	-	-	<i>484.66</i>
Dividend income	22.08	-	-	-	-	-	22.08
<i>Previous Year</i>	<i>30.14</i>	-	-	-	-	-	<i>30.14</i>
Dividend paid	-	-	0.02	0.40	0.73	3.27	4.42
<i>Previous Year</i>	-	-	0.02	0.33	0.67	2.76	3.78
Remuneration to Key Management Personnel							
Short term employee benefit	-	-	31.04	-	-	-	31.04
Post employment benefit	-	-	0.87	-	-	-	0.87
Share based payment	-	-	0.80	-	-	-	0.80
<i>Previous Year</i>							
<i>Short term employee benefit</i>	-	-	<i>27.76</i>	-	-	-	<i>27.76</i>
<i>Post employment benefit</i>	-	-	<i>0.80</i>	-	-	-	<i>0.80</i>
<i>Share based payment</i>	-	-	<i>0.85</i>	-	-	-	<i>0.85</i>

# Notes to Consolidated Financial Statements

## Note 48 : Related Party Information (Continued)

Nature of Transaction	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Enterprises over which Relative of Key Mangement Personnel exercise significant influence	Amount ₹ in Crore
							Total
Sale of Investments	-	-	-	-	-	-	-
<i>Previous Year</i>	41.04	-	-	-	-	-	41.04
Sale of Units	9.71	-	-	-	-	-	9.71
<i>Previous Year</i>	3.97	-	-	-	-	-	3.97
Other Deposits accepted	-	-	-	-	-	-	0.93
<i>Previous Year</i>	0.22	0.15	-	-	-	-	0.37
Commission paid to Director	-	-	1.18	0.67	-	-	1.85
<i>Previous Year</i>	-	-	1.34	-	-	-	1.34
Redemption / Sale of Debenture	-	-	-	-	-	-	-
<i>Previous Year</i>	97.50	-	-	-	-	-	97.50
Investment in Debenture	17.40	-	-	-	-	-	17.40
<i>Previous Year</i>	122.80	-	-	-	-	-	122.80
Loan repaid	1,282.20	-	-	-	1.80	-	1,284.00
<i>Previous Year</i>	736.82	-	-	-	-	-	736.82
Sale of Services	156.09	1.28	-	-	7.37	-	164.74
<i>Previous Year</i>	128.31	17.32	-	-	-	10.00	155.63
Sitting Fees	-	-	0.88	0.07	-	-	164.74
<i>Previous Year</i>	-	-	0.85	-	-	-	155.63
Income Received from Other Companies	0.85	-	-	-	-	-	0.85
<i>Previous Year</i>	3.29	-	-	-	-	-	3.29
Commitment / Bank Guarantee / Letter of Credit issued / Corporate/ Performance Guarantee	1.59	0.24	-	-	-	-	1.83
<i>Previous Year</i>	-	-	-	-	-	-	-
Sale of fixed assets	-	11.83	-	-	-	-	11.83
<i>Previous Year</i>	-	-	-	-	-	-	-
<b>Balance Outstanding</b>							
Receivables	2,761.34	0.64	-	-	0.10	2.76	2,764.84
<i>Previous Year</i>	3,337.84	5.50	-	-	7.97	-	3,351.31
Payables	3.28	1.25	-	-	0.68	0.02	5.23
<i>Previous Year</i>	2.43	1.96	0.01	-	-	0.96	5.36
Guarantees outstanding	33.45	-	-	-	-	-	33.45
<i>Previous Year</i>	35.95	-	-	-	-	-	35.95
Debentures Outstanding	667.98	-	-	-	-	-	667.98
<i>Previous Year</i>	719.65	-	-	-	-	-	719.65
Deposits Receivable	-	-	-	-	-	-	-
<i>Previous Year</i>	-	-	-	-	1.80	-	1.80
Advance received against Share of Profit	2.94	-	-	-	-	-	2.94
<i>Previous Year</i>	2.94	-	-	-	-	-	719.65
Investment in capital account of LLP	325.20	-	-	-	-	-	325.20
<i>Previous Year</i>	25.00	-	-	-	-	-	25.00
Investment in Equity/preference shares	276.46	-	-	-	-	-	276.46

# Notes to Consolidated Financial Statements

## Note 48 : Related Party Information (Continued)

Amount ₹ in Crore

Nature of Transaction	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Enterprises over which Relative of Key Mangement Personnel exercise significant influence	Total
<i>Previous Year</i>	293.64	-	-	-	-	-	293.64
Investment in Capital Account	509.08	-	-	-	-	-	509.08
<i>Previous Year</i>	510.58	-	-	-	-	-	510.58
Debenture Interest Outstanding	211.88	-	-	-	-	-	211.88
<i>Previous Year</i>	170.04	-	-	-	-	-	170.04
Unbilled Revenue	-	-	-	-	-	-	-
<i>Previous Year</i>	6.81	-	-	-	-	-	6.81
Deposits Payable	1.79	0.28	-	-	0.51	0.31	2.89
<i>Previous Year</i>	-	-	-	-	-	-	-
Advance Given	-	-	-	-	22.97	-	22.97
<i>Previous Year</i>	-	-	-	-	-	-	-

\*Amount less than ₹ 0.01 crore

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

### c) Significant Related Party Disclosure

Amount ₹ Crore

Nature of Transaction	March 31, 2023	March 31, 2022
<b>Sale of Goods</b>		
Godrej Consumer Products Limited	85.33	69.25
Godrej Seeds & Genetics Limited	96.68	74.83
<b>Purchase of Goods</b>		
Godrej Consumer Products Limited	25.15	27.33
Godrej Seeds & Genetics Limited	253.71	148.59
<b>Commission / Royalty received</b>		
Godrej Consumer Products Limited	0.24	0.27
<b>Licence fees / Service charges / Storage Income</b>		
Godrej Consumer Products Limited	15.49	18.58
<b>Recovery of establishment &amp; other Expenses</b>		
Godrej Consumer Products Limited	28.11	27.43
<b>Rent, Establishment &amp; other expenses paid</b>		
Godrej Consumer Products Limited	13.49	13.31
Godrej & Boyce Manufacturing Company Limited	5.17	5.46

# Notes to Consolidated Financial Statements

## Note 49 : Fair Value Measurement

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

### I Accounting classification and fair values

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

Amount ₹ in Crore

March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current</b>								
Investments								
Debenture	619.66	-	48.08	667.74	-	619.66	-	619.66
Quoted Equity Shares	21.88	16.96	-	38.84	30.12	0.01	8.71	38.84
Trade receivables	-	-	160.27	160.27	-	-	-	-
Loans								
Loans of Financing business	-	-	4,685.02	4,685.02	-	-	-	-
Loans to Others	-	-	77.46	77.46	-	-	-	-
Loans to Employees	-	-	0.90	0.90	-	-	-	-
Other financial assets	-	-	94.91	94.91	-	-	-	-
<b>Current</b>								
Current investments	2,098.75	-	-	2,098.75	2,098.75	-	-	2,098.75
Trade receivables	-	-	1,500.21	1,500.21	-	-	-	-
Cash and cash equivalents	-	-	1,576.96	1,576.96	-	-	-	-
Other bank balances	-	-	1,378.03	1,378.03	-	-	-	-
Loans								
Loans of Financing business	-	-	448.97	448.97	-	-	-	-
Others	-	-	2,466.46	2,466.46	-	-	-	-
Other Current Financial Assets	0.25	-	1,340.92	1,341.17	-	0.25	-	0.25
	<b>2,740.54</b>	<b>16.96</b>	<b>13,778.19</b>	<b>16,535.69</b>	<b>2,128.87</b>	<b>619.92</b>	<b>8.71</b>	<b>2,757.50</b>
<b>Financial liabilities</b>								
Non Current borrowings - Non Convertible Debentures (NCD)	-	-	2,792.75	2,792.75	-	2,746.78	-	2,746.78
Non Current borrowings - Other than NCD	-	-	4,291.17	4,291.17	-	-	-	-
Lease Liabilities	-	-	193.88	193.88	-	-	-	-
Other Non current financial liabilities	-	-	24.01	24.01	-	-	-	-
Current borrowings	-	-	12,364.63	12,364.63	-	748.25	-	748.25
Trade payables	-	-	4,868.81	4,868.81	-	-	-	-
Derivative liability	0.89	-	-	0.89	-	0.89	-	0.89
Other Current financial liabilities	-	-	1,449.39	1,449.39	-	-	-	-
	<b>0.89</b>	<b>-</b>	<b>25,984.64</b>	<b>25,985.53</b>	<b>-</b>	<b>3,495.92</b>	<b>-</b>	<b>3,495.92</b>

# Notes to Consolidated Financial Statements

## Note 49 : Fair Value Measurement (Continued)

Amount ₹ in Crore

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current</b>								
Investments								
Debenture	605.15	-	114.51	719.66	-	605.15	-	605.15
Quoted Equity Shares	16.00	19.20	-	35.20	35.20	-	-	35.20
Unquoted Equity Shares	4.15	-	-	4.15	-	0.01	4.14	4.15
Trade receivables	-	-	173.22	173.22	-	-	-	-
Loans								
Loans of Financing business	-	-	1,703.73	1,703.73	-	-	-	-
Loans to Others	-	-	43.81	43.81	-	-	-	-
Loans to Employees	-	-	1.37	1.37	-	-	-	-
Other financial assets	-	-	60.17	60.17	-	-	-	-
<b>Current</b>								
Current investments	4,161.07	-	-	4,161.07	4,161.07	-	-	4,161.07
Trade receivables	-	-	1,676.04	1,676.04	-	-	-	-
Cash and cash equivalents	-	-	600.37	600.37	-	-	-	-
Other bank balances	-	-	1,223.57	1,223.57	-	-	-	-
Loans								
Loans of Financing business	-	-	82.18	82.18	-	-	-	-
Others	-	-	2,592.90	2,592.90	-	-	-	-
Other Current Financial Assets	2.79	-	1,301.06	1,303.85	-	2.79	-	2.79
	<b>4,789.16</b>	<b>19.20</b>	<b>9,572.93</b>	<b>14,381.29</b>	<b>4,196.27</b>	<b>607.95</b>	<b>4.14</b>	<b>4,808.36</b>
<b>Financial liabilities</b>								
Non Current borrowings - Non Convertible Debentures (NCD)	-	-	3,994.09	3,994.09	-	4,056.93	-	4,056.93
Non Current borrowings - Other than NCD	-	-	1,458.86	1,458.86	-	-	-	-
Lease Liabilities	-	-	116.38	116.38	-	-	-	-
Other Non current financial liabilities	-	-	92.39	92.39	-	-	-	-
Current borrowings	-	-	8,937.14	8,937.14	-	-	-	-
Trade payables	-	-	3,729.02	3,729.02	-	-	-	-
Derivative liability	0.88	-	-	0.88	-	0.88	-	0.88
Other Current financial liabilities	-	-	981.41	981.41	-	-	-	-
	<b>0.88</b>	<b>-</b>	<b>19,309.29</b>	<b>19,310.17</b>	<b>-</b>	<b>4,057.81</b>	<b>-</b>	<b>4,057.81</b>

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

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

# Notes to Consolidated Financial Statements

## Note 49 : Fair Value Measurement (Continued)

### II Measurement of fair values

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

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

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

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

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

Type	Valuation technique
Fixed rates long term borrowings	The valuation model considers present value of expected payments discounted using an appropriate discounting rate. The fair value of non-convertible debentures is valued using FIMMDA guidelines.
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Lease Liability	Lease liabilities are valued using Level 3 techniques. A change in one or more of the inputs to reasonably possible alternative assumptions would not change the value significantly.
Investments in Mutual Fund	The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
Unquoted shares	The Group uses the Discounted Cash Flow valuation technique (in relation to financial assets measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined for financial asset measured at fair value through profit and loss.

## Note 50 : Financial Risk Management

### I Financial Risk Management objectives and policies

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

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

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

### II a Credit risk

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

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

#### Trade receivables and loans and advances.

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



# Notes to Consolidated Financial Statements

## Note 50 : Financial Risk Management (Continued)

The Group has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Group's export sales are backed by letters of credit and insured through Export Credit Guarantee Corporation and accordingly no provision has been made on the same. The Group bifurcates the Domestic Customers into Large Corporates, Distributors and others for Credit monitoring.

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

Customer credit risk of Property development business is managed by requiring customers to pay advances through progress billings before transfer of ownership and also establishes specific payment period for its customers, therefore substantially eliminating the Group's credit risk in this respect.

The Group's credit risk of Property Development business with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

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

### Credit Risk of Financing Business

The credit risk is governed by defined credit policies and Board approved DOA which undergo periodic review. The credit policies outline the type of products that can be offered, customer categories, targeted customer profile, credit approval process, DOA and limits etc. Each business unit is required to implement Group's credit policies and procedures and maintain the quality of its credit portfolio.

#### Credit Risk assessment methodology

The Group has a structured credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The credit appraisal process involves critical assessment of quantitative and qualitative parameters subject to review and approval as per defined DOA. The credit assessment involves detailed analysis of industry, business, management, financials, end use etc. An internal rating is also assigned to the borrower based on defined parameters. For retail customers, the credit assessment is based on a parameterised approach. Credit risk monitoring and portfolio review. The group measures, monitors and manages credit risk at an individual borrower level. The credit risk for retail borrowers is being managed at portfolio level.

The credit assessment is carried out based on an internal risk assessment framework which rates the customers accordingly to various parameters. Data analytics is extensively used for effective risk monitoring.

Credit risk for loan & advances of Financing business is managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Further, a major portion of exposure is secured by way of property and fixed deposits. Group also maintains an allowance for impairment that represent its estimate of expected losses in respect of loans & advances.

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

The ageing analysis of trade receivables is disclosed in Note 5 and 12.

The movement in Provision for Loss Allowance is as follows:

Particulars	Amount ₹ in Crore	
	March 31, 2023	March 31, 2022
Opening Provision for Loss Allowance	111.97	120.48
Impairment Provision on the Acquisition	-	1.88
Impairment loss recognised	60.72	70.91
Amounts written off	(35.46)	(81.30)
<b>Closing Provision for Loss Allowance</b>	<b>137.23</b>	<b>111.97</b>

# Notes to Consolidated Financial Statements

## Note 50 : Financial Risk Management (Continued)

### Bank Balances and derivative transactions

Bank Accounts are maintained / carried out with Banks having high credit ratings

### Investment in Securities, Loans to Related Parties, Project Deposits and Other Financial Assets by Godrej Properties Limited

The Group has investments in equity instruments, compulsorily convertible debentures / optionally convertible debentures, preference shares, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. The movement in the provision for expected credit loss due to lifetime expected credit loss during the year are as follows:

The Group has recorded provision / expected credit loss on other current financial assets of ₹ NIL (Previous Year : ₹ 3.19 Crore).

As at March 31, 2023, the Group had secured project deposits of ₹ 6.11 Crore (Previous Year: ₹ 5.48 Crore) and unsecured loans given to related parties of ₹ 10.00 Crore (Previous Year: ₹ 10.00 Crore), which have been considered as doubtful by the Group. The Group has fully provided such doubtful project deposits and unsecured loans as at March 31, 2022. The Group has provided such doubtful project deposits and unsecured loans in the previous year. The Group does not have any Loans for which credit risk has increased significantly in the current and previous year.

Particulars	March 31, 2023	March 31, 2022
Opening balance	41.82	41.26
Add: Impairment loss recognised	5.63	3.19
Less: Impairment loss reversed	5.00	(2.63)
Closing balance	<b>52.45</b>	<b>41.82</b>

## II b Commodity Price risk

The Group is exposed to commodity risks mainly due to price volatility in agricultural commodities due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living and global production of similar and competitive crops. We enter into fixed price contracts with suppliers and in certain cases, enter into back to back sale contract with customers. We periodically review the open exposure of Raw material regularly. We also hedge the risk on commodities exchange.

## III Liquidity risk

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

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

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

### Liquidity Risk in relation to Financing Business

A risk that the Group will encounter difficulty in meeting its day to day financial obligations is known as liquidity risk. Management of liquidity risk is done as follows:

- (i) ALCO sets the strategy for managing liquidity risk commensurate with the business objectives.
- (ii) ALCO has delegated the responsibility of managing overall liquidity risk and interest rate risk to Treasury. ALCO has set various gap limits for tracking liquidity risk. The CFO and head of treasury monitor the gap limits with actuals and present the same to the MD & CEO.
- (iii) Treasury department manages the liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of the Group. Treasury team ensures the regulatory compliance to the liquidity risk related limits approved in the ALM policy by ALCO.
- (iv) The Group's approach to managing liquidity is to ensure sufficient liquidity to meet its liabilities when they are due without incurring unacceptable losses or risking damage to the group's reputation.

# Notes to Consolidated Financial Statements

## Note 50 : Financial Risk Management (Continued)

The key elements of the Group's liquidity risk management strategy are as follows:

- (i) Maintaining a diversified funding through market and bank borrowings resources such as debentures, commercial papers, subordinated debt, perpetual debt, Inter-corporate deposits (ICD's), overdraft and bank term loans. Unused bank lines constitute the main liquidity back up to meet the contingency funding plan. Additionally, based on Market scenario, the group also maintains a portfolio of highly liquid mutual fund units.
- (ii) Under the ALM guidelines, the dynamic liquidity statement and structural liquidity statement are being prepared periodically to monitor the maturity gaps in the Assets and Liabilities cash flows.
- (iii) The Group carries out stress testing of cash flows on periodic basis and shares the results with ALCO to gauge the adequacy of liquidity.

### Maturity profile of financial liabilities

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

Amount ₹ in Crore

March 31, 2023	Contractual cash flows					
	Carrying amount	Total	within 12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings	19,448.55	20,262.38	12,651.76	1,940.78	3,975.62	1,694.23
Lease Liability	193.88	67.36	25.62	24.09	17.65	-
Trade Payables	4,868.81	4,867.25	3,944.79	156.10	766.36	-
Other financial liabilities	1,473.40	1,456.37	1,456.26	-	-	0.11
<b>Derivative financial liabilities</b>						
Forward exchange contracts used for hedging	0.89	0.89	0.89	-	-	-

Amount ₹ in Crore

March 31, 2022	Contractual cash flows					
	Carrying amount	Total	within 12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings	14,390.09	17,798.20	11,549.38	2,504.61	2,677.30	1,066.91
Lease Liability	116.38	131.16	40.86	29.20	47.47	13.63
Trade Payables	3,729.02	3,730.91	2,675.81	151.28	632.02	271.80
Other financial liabilities	1,073.80	1,073.80	1,073.80	-	-	-
<b>Derivative financial liabilities</b>						
Forward exchange contracts used for hedging	0.88	0.88	0.88	-	-	-

## IV Market risk

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

### IV a Currency risk

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

# Notes to Consolidated Financial Statements

## Note 50 : Financial Risk Management (Continued)

### 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, 2023 and March 31, 2022 are as below:

March 31, 2023	USD	EURO	CHF
<b>Financial assets</b>			
Trade and other receivables	271.68	4.98	
Less: Forward Contracts	(10.27)		
	<b>261.41</b>	<b>4.98</b>	<b>-</b>
<b>Financial liabilities</b>			
Trade and other payables	537.48	0.52	0.02
Less: Forward Contracts	(246.89)		
	<b>290.59</b>	<b>0.52</b>	<b>0.02</b>
<b>March 31, 2022</b>	<b>USD</b>	<b>EURO</b>	<b>CHF</b>
<b>Financial assets</b>			
Trade and other receivables	349.48	10.00	
Less: Forward Contracts	(64.62)		
	<b>284.86</b>	<b>10.00</b>	<b>-</b>
<b>Financial liabilities</b>			
Trade and other payables	554.45	0.97	-
Less: Forward Contracts	(202.52)		
	<b>351.93</b>	<b>0.97</b>	<b>-</b>

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

₹	Year-end spot rate	
	March 31, 2023	March 31, 2022
USD 1	82.18	75.79
EUR 1	89.37	84.17
CHF 1	89.82	82.05

### Sensitivity analysis

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

Amount ₹ in Crore

March 31, 2023	Profit or loss and Equity	
	Strengthening	Weakening
USD - 3% Movement	1.42	(1.42)
EUR - 4% Movement	(0.20)	0.20
CHF - 4% movement	0.00	(0.00)
	<b>1.22</b>	<b>(1.22)</b>

# Notes to Consolidated Financial Statements

## Note 50 : Financial Risk Management (Continued)

Amount ₹ in Crore

March 31, 2022	Profit or loss and Equity	
	Strengthening	Weakening
USD - 1% Movement	0.07	(0.07)
EUR - 3% Movement	(0.30)	0.30
	<b>(0.23)</b>	<b>0.23</b>

\*Amounts less than 0.01 crore

### IV b Interest rate risk

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

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

#### Exposure to interest rate risk

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

Amount ₹ in Crore

Particulars	March 31, 2023	March 31, 2022
<b>Financial liabilities</b>		
Fixed rate borrowings	10,215.91	10,765.22
Variable rate borrowings	9,232.64	3,624.87
	<b>19,448.55</b>	<b>14,390.09</b>
<b>Financial assets</b>		
Fixed rate instruments	5,077.09	4,810.75
Variable rate instruments	-	-
	<b>5,077.09</b>	<b>4,810.75</b>

#### Fair value sensitivity analysis for fixed-rate instruments

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

#### Cash flow sensitivity analysis for variable-rate instruments

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

# Notes to Consolidated Financial Statements

## Note 50 : Financial Risk Management (Continued)

Amount ₹ in Crore

Particulars	Profit or (loss)	
	100 bp increase	100 bp decrease
<b>March 31, 2023</b>		
Variable-rate instruments	(92.33)	92.33
Interest rate swaps	-	-
<b>Cash flow sensitivity (net)</b>	<b>(92.33)</b>	<b>92.33</b>
<b>March 31, 2022</b>		
Variable-rate instruments	(36.83)	36.83
Interest rate swaps	-	-
<b>Cash flow sensitivity (net)</b>	<b>(36.83)</b>	<b>36.83</b>

### Forward Contracts

The Group uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitment in accordance with its forex policy as determined by its Forex Committee. The Group does not use foreign exchange forward contracts for trading or speculation purposes. Forward Contracts outstanding as at March 31, 2023:

### Forward Contracts outstanding

USD in Crore

	March 31, 2023	March 31, 2022
Forward Contract to Purchase (USD)	0.89	2.29
[17 contracts (previous year 50 contracts)]		
Forward Contract to Sell (USD)	0.13	0.05
[5 contracts (previous year 2 contracts)]		

## Note 51 : Capital Management

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

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

Amount ₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Non-Current Borrowings	7,083.92	5,452.95
Current Borrowings	12,364.63	8,937.14
<b>Gross Debt</b>	<b>19,448.55</b>	<b>14,390.09</b>
Less - Cash and Cash Equivalents	(1,576.96)	(600.37)
Less - Other Bank Deposits	(1,378.03)	(1,223.57)
Less - Current Investments	(2,098.75)	(4,161.07)
<b>Adjusted Net debt</b>	<b>14,394.81</b>	<b>8,405.08</b>
Total equity	14,302.71	13,082.99
Adjusted Net debt to equity ratio	1.01	0.64

## Notes to Consolidated Financial Statements

### Note 52 : Master netting or similar agreements

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2023 and March 31, 2022.

Amount ₹ in Crore

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>As at March 31, 2023</b>						
<b>Financial liabilities</b>						-
Derivative instruments	0.18	-	0.18	-	-	0.18

Amount ₹ in Crore

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>As at March 31, 2022</b>						
<b>Financial liabilities</b>						-
Derivative instruments	0.89	0.01	0.88	-	-	0.88

#### Offsetting arrangements

##### Derivatives

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

# Notes to Consolidated Financial Statements

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

Name of the entity	Amount ₹ in Crore							
	Net Assets - total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
1	2	3	4	5	6	7	8	9
<b>Parent</b>								
<b>Godrej Industries Limited</b>	21.50%	1,716.39	23.86%	232.57	(1%)	(1.62)	20.65%	230.95
<b>Subsidiaries</b>								
<b>Indian</b>								
Godrej Agrovet Limited	16.59%	1,324.88	28.25%	275.35	(3.59%)	(5.16)	24.16%	270.19
Godvet Agrochem Limited	0.22%	17.74	0.09%	0.92	0.00%	-	0.08%	0.92
Astec Lifesciences Limited	4.94%	394.75	1.62%	15.75	(0.10%)	(0.14)	1.40%	15.61
Creamline Dairy Products Limited	3.06%	244.43	(2.21%)	(21.51)	0.02%	0.03	(1.92%)	(21.48)
Godrej Tyson Foods Limited	2.12%	168.90	0.42%	4.10	(0.07%)	(0.09)	0.36%	4.01
Godrej Maxximilk Private Limited	0.57%	45.40	(0.48%)	(4.69)	0.00%	-	(0.42%)	(4.69)
Godrej Properties Limited	124.56%	9,945.11	67.26%	655.68	0.65%	0.93	58.71%	656.61
Godrej Projects Development Limited	1.49%	118.60	12.87%	125.46	(0.02%)	(0.03)	11.22%	125.43
Godrej Garden City Properties Private Limited	0.09%	7.14	(0.02%)	(0.24)	0.00%	-	(0.02%)	(0.24)
Godrej Hillside Properties Private Limited	(0.01%)	(0.79)	(0.01%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Godrej Home Developers Private Limited	0.00%	0.07	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Living Private Limited	(0.06%)	(5.04)	(0.52%)	(5.02)	0.00%	-	(0.45%)	(5.02)
Godrej Prakriti Facilities Private Limited	0.01%	1.09	0.01%	0.09	0.00%	-	0.01%	0.09
Prakritiplaza Facilities Management Private Limited	0.00%	0.05	0.00%	0.01	0.00%	-	0.00%	0.01
Godrej Highrises Properties Private Limited	(0.03%)	(2.72)	(0.15%)	(1.42)	0.00%	-	(0.13%)	(1.42)
Godrej Genesis Facilities Management Private Limited	0.01%	0.53	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Citystar InfraProjects Limited	0.00%	(0.20)	(0.01%)	(0.05)	0.00%	-	0.00%	(0.05)
Godrej Residency Private Limited	(0.01%)	(0.58)	(0.05%)	(0.51)	0.00%	-	(0.05%)	(0.51)
Godrej Home Constructions Limited (Classified as Joint Venture up to Mar 28, 2023) (Formerly known as Godrej Home Constructions Private Limited)	1.08%	86.26	0.00%	-	0.00%	-	0.00%	0.00
Wonder City Buildcon Limited (Classified as Joint Venture up to Mar 28, 2023) (Formerly known as Wonder City Buildcon Private Limited)	0.06%	4.41	0.00%	-	0.00%	-	0.00%	0.00
Godrej Reserve LLP (Classified as Joint Venture up to September 30, 2022)	0.05%	4.08	0.29%	2.80	0.00%	-	0.25%	2.80
Maan-Hinje Township Developers LLP (Classified as Joint Venture up to March 28, 2023)	5.26%	419.60	2.81%	27.35	0.00%	-	2.45%	27.35
Godrej Highrises Realty LLP	(0.05%)	(4.19)	(0.04%)	(0.35)	0.00%	-	(0.03%)	(0.35)
Godrej Project Developers & Properties LLP	(0.01%)	(0.70)	(0.02%)	(0.23)	0.00%	-	(0.02%)	(0.23)
Godrej Skyview LLP	0.00%	(0.05)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Green Properties LLP	0.00%	(0.05)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Projects (Soma) LLP	0.00%	(0.05)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Projects North LLP (Classified as Joint Venture w.e.f. December 03, 2021)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej Athenmark LLP	0.00%	(0.16)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Godrej City Facilities Management LLP	0.00%	(0.04)	0.00%	(0.01)	0.00%	-	0.00%	(0.02)
Godrej Olympia LLP	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Florentine LLP	0.00%	0.01	0.00%	(0.01)	0.00%	-	0.00%	(0.01)



# Notes to Consolidated Financial Statements

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

Name of the entity	Amount ₹ in Crore							
	Net Assets - total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
1	2	3	4	5	6	7	8	9
Ashank Facility Management LLP	0.00%	0.14	0.00%	0.04	0.00%	-	0.00%	0.04
Ashank Realty Management LLP	0.00%	0.29	(0.01%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Godrej Precast Construction Private Limited	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Godrej Green woods Private Limited (w.e.f. May 26, 2020)	0.62%	49.87	(0.58%)	(5.61)	0.00%	-	(0.50%)	(5.61)
Oasis Landmarks LLP (Classified as Joint Venture upto February 28, 2022)	0.16%	12.44	10.35%	100.88	0.00%	-	9.02%	100.88
Godrej Realty Private Limited (Classified as Joint Venture upto March 30, 2021)	(0.09%)	(7.31)	(0.07%)	(0.71)	0.00%	-	(0.06%)	(0.71)
Godrej Construction Projects LLP (Classified as Joint Venture upto March 30, 2021)	0.14%	10.86	0.74%	7.21	0.00%	-	0.64%	7.21
Ashank Land & Building Private Limited (w.e.f. May 19, 2022)	(0.02%)	(1.69)	(0.17%)	(1.69)	0.00%	-	(0.15%)	(1.69)
Godrej Capital Limited	19.85%	1,584.76	(0.02%)	(0.16)	0.00%	-	(0.01%)	(0.16)
Godrej Housing Finance Limited	8.46%	675.67	3.90%	38.02	0.15%	0.21	3.42%	38.23
Godrej Finance Limited	6.04%	482.64	(7.08%)	(68.98)	(0.17%)	(0.25)	(6.19%)	(69.23)
Godrej One Premises Management Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	0.00
<b>Foreign</b>								
Godrej International Ltd.	1.96%	156.76	0.22%	2.18	8.40%	12.06	1.27%	14.24
Godrej Properties Worldwide Inc., USA	0.04%	3.19	0.03%	0.32	0.16%	0.23	0.05%	0.55
Godrej International Trading & Investment Pte. Ltd.	0.79%	62.82	1.05%	10.26	2.99%	4.29	1.30%	14.55
<b>Associates (Investment as per equity method)</b>								
<b>Indian</b>								
Godrej Consumer Products Limited	36.44%	2,909.75	41.47%	404.22	91.45%	131.32	47.89%	535.54
<b>Foreign</b>								
Al Rahaba International Trading Limited Liability Company	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Joint Ventures (as per proportionate consolidation / Investment as per equity method)</b>								
<b>Indian</b>								
Omnivore India Capital Trust	0.44%	34.81	(0.09%)	(0.91)	0.00%	-	(0.08%)	(0.91)
Godrej Redevelopers (Mumbai) Private Limited	0.00%	-	0.43%	4.17	0.00%	-	0.37%	4.17
Wonder City Buildcon Limited (Classified as Subsidiary w.e.f. March 29, 2023) (Formerly known as Wonder City Buildcon Private Limited)	0.00%	-	0.81%	7.87	0.00%	-	0.70%	7.87
Godrej Home Constructions Limited (Classified as Subsidiary w.e.f. March 29, 2023) (Formerly known as Godrej Home Constructions Private Limited)	0.00%	-	0.00%	0.05	0.00%	-	0.00%	0.05
Godrej Greenview Housing Private Limited	0.00%	-	0.16%	1.55	0.00%	-	0.14%	1.55
Wonder Projects Development Private Limited	0.00%	-	(0.58%)	(5.69)	0.00%	-	(0.51%)	(5.69)
Godrej Real View Developers Private Limited	0.00%	-	0.12%	1.19	0.00%	-	0.11%	1.19
Pearlite Real Properties Private Limited	0.00%	-	1.01%	9.82	0.00%	-	0.88%	9.82
Godrej Skyline Developers Private Limited	0.00%	-	(1.00%)	(9.78)	0.00%	-	(0.87%)	(9.78)
Godrej Green Homes Private Limited	0.00%	-	(6.98%)	(68.06)	0.00%	-	(6.09%)	(68.06)
Munjal Hospitality Private Limited	0.00%	-	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Yujya Developers Private Limited (merged with Madhuvan Enterprises Private Limited order dated March 16, 2023 effective from April 01, 2021)	0.00%	-	0.00%	(0.03)	0.00%	-	0.00%	(0.03)

# Notes to Consolidated Financial Statements

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

Amount ₹ in Crore

Name of the entity	Net Assets - total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
	1	2	3	4	5	6	7	8
Vivrut Developers Private Limited	0.00%	-	0.00%	0.01	0.00%	-	0.00%	0.01
Madhuvan Enterprises Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej Mackbricks Private Limited (formerly known as Ashank Macbricks Private Limited)	0.00%	-	(0.19%)	(1.89)	0.00%	-	(0.17%)	(1.89)
Yerwada Developers Private Limited (w.e.f. January 31, 2022)	0.00%	-	0.00%	0.05	0.00%	-	0.00%	0.05
Vagishwari Land Developers Private Limited	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Universal Metro Properties LLP	0.00%	-	(0.31%)	(3.05)	0.00%	-	(0.27%)	(3.05)
Godrej Property Developers LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Mosiac Landmarks LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Dream World Landmarks LLP	0.00%	-	(0.07%)	(0.65)	0.00%	-	(0.06%)	(0.65)
Oxford Realty LLP	0.00%	-	1.07%	10.42	0.00%	-	0.93%	10.42
Godrej SSPDL Green Acres LLP	0.00%	-	(0.14%)	(1.34)	0.00%	-	(0.12%)	(1.34)
Oasis Landmarks LLP (Classified as Subsidiary w.e.f. March 01, 2022)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
M S Ramaiah Ventures LLP	0.00%	-	(0.03%)	(0.31)	0.00%	-	(0.03%)	(0.31)
Caroa Properties LLP	0.00%	-	0.02%	0.15	0.00%	-	0.01%	0.15
Godrej Housing Projects LLP	0.00%	-	0.97%	9.46	0.00%	-	0.85%	9.46
Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)	0.00%	-	1.62%	15.77	0.00%	-	1.41%	15.77
A R Landcraft LLP	0.00%	-	(0.69%)	(6.76)	0.00%	-	(0.60%)	(6.76)
Prakhhyat Dwellings LLP	0.00%	-	(0.99%)	(9.70)	0.00%	-	(0.87%)	(9.70)
Bavdhan Realty @ Pune 21 LLP (upto November 24, 2021)	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00
Godrej Highview LLP	0.00%	-	(0.64%)	(6.28)	0.00%	-	(0.56%)	(6.28)
Godrej Irismark LLP	0.00%	-	0.34%	3.29	0.00%	-	0.29%	3.29
Godrej Projects North Star LLP	0.00%	-	5.18%	50.49	0.00%	-	4.51%	50.49
Godrej Developers & Properties LLP	0.00%	-	(0.36%)	(3.54)	0.00%	-	(0.32%)	(3.54)
Godrej Reserve LLP (Classified as Subsidiary w.e.f. October 1, 2022)	0.00%	-	(0.05%)	(0.53)	0.00%	-	(0.05%)	(0.53)
Roseberry Estate LLP	0.00%	-	(1.01%)	(9.86)	0.00%	-	(0.88%)	(9.86)
Maan-Hinje Township Developers LLP (Classified as Subsidiary w.e.f. March 29, 2023)	0.00%	-	(0.90%)	(8.77)	0.00%	-	(0.78%)	(8.77)
Godrej Projects North LLP (Classified as Subsidiary upto December 02, 2021)	0.00%	-	(0.45%)	(4.37)	0.00%	-	(0.39%)	(4.37)
Suncity Infrastructures (Mumbai) LLP	0.00%	-	(0.36%)	(3.50)	0.00%	-	(0.31%)	(3.50)
Mahalunge Township Developers LLP	0.00%	-	(0.12%)	(1.12)	0.00%	-	(0.10%)	(1.12)
Manjari Housing Projects LLP	0.00%	-	0.80%	7.79	0.00%	-	0.70%	7.79
Godrej Vestamark LLP	0.00%	-	(1.56%)	(15.20)	0.00%	-	(1.36%)	(15.20)
Manyata Industrial Parks LLP	0.00%	-	0.01%	0.15	0.00%	-	0.01%	0.15
Godrej Odyssey LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Embellish Houses LLP	0.00%	-	(0.25%)	(2.47)	0.00%	-	(0.22%)	(2.47)
<b>Foreign</b>								
ACI Godrej Agrovet Private Limited	1.34%	106.62	3.37%	32.89	0.56%	0.80	3.01%	33.68
<b>Non controlling Interest , Inter-company Elimination &amp; Consolidation Adjustments</b>	(157.59%)	(12,582.15)	(82.91%)	(808.21)	0.70%	1.01	(72.18%)	(807.20)
<b>TOTAL</b>	<b>100.00%</b>	<b>7,984.28</b>	<b>100%</b>	<b>974.78</b>	<b>100%</b>	<b>143.60</b>	<b>100%</b>	<b>1118.37</b>

# Notes to Consolidated Financial Statements

## Note 54 : Business Combinations

### I Acquisition of Maan Hinje Township Developers LLP (MHTD LLP)

On March 29, 2023, Godrej Properties Limited GPL (subsidiary company of Godrej Industries Limited ) has acquired additional 49 percent share in capital and profit & loss share of MHTD LLP, a limited liability firm engaged primarily in the business of real estate construction, development and other related activities. As a result, GPL's profit and Loss share in MHTD LLP increased from 50 percent to 99 percent, alongwith acquisition of control from Joint control.

#### (a) Consideration transferred

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

Particulars	Amount (₹ crores)
Consideration paid in cash	0.00
<b>Total consideration</b>	<b>0.00</b>

#### (b) Identifiable assets acquired and liabilities assumed

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

Description	Amount
Property, plant and equipment	1.04
Intangible assets	0.01
Capital Work-in-Progress	2.18
Deferred Tax Assets (Net)	-
Income tax assets (Net)	1.68
Inventories	1,044.28
Current financial assets	45.25
Other Current Non Financial Assets	23.12
Deferred tax liabilities	(0.73)
Current financial liabilities	(1,008.24)
Other Current Non Financial Liabilities	(106.28)
Provisions	(0.13)
Net Assets	2.17
<b>Net Assets acquired</b>	<b>1.06</b>

#### (c) Capital Reserve

Capital Reserve arising from the acquisition has been determined as follows:

Description	Amount
Consideration transferred (refer note (a) above)	-
Fair value of net identifiable assets (refer note (b) above)	1.06
<b>Capital reserve</b>	<b>1.06</b>

(d) From the date of acquisition, Maan Hinje LLP contributed ₹ 74.40 crore revenue from operations and ₹ 27.35 crore profit to the Group during the year ended March 31, 2023.

₹ 0.00 represents amount less than ₹ 50,000

# Notes to Consolidated Financial Statements

## Note 54 : Business Combinations (Continued)

### II Acquisition of Wonder City Buildcon Private Limited (WCBPL)

On March 29, 2023, Godrej Properties Limited GPL (subsidiary company of Godrej Industries Limited ) has acquired additional 48.90 percent equity interest of WCBPL, a company engaged primarily in the business of real estate construction, development and other related activities. As a result, GPL's equity interest in WCBPL increased from 25.10 percent to 74 percent, alongwith acquisition of control from Joint control.

#### (a) Consideration transferred

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

Particulars	Amount (₹ crores)
Consideration paid in cash	0.85
<b>Total consideration</b>	<b>0.85</b>

#### (b) Identifiable assets acquired and liabilities assumed

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

Description	Amount
Property, plant and equipment	0.32
Intangible assets	-
Non-Current Financial Assets	9.06
Income tax assets (Net)	0.77
Inventories	49.28
Current financial assets	56.55
Other Current Non Financial Assets	13.46
Non-Current liabilities	(0.10)
Current tax liabilities	(0.27)
Current financial liabilities	(109.57)
Deferred tax liabilities	0.32
Other Current Non Financial Liabilities	(17.61)
Provisions	(0.05)
Net Assets	2.15
<b>Net Assets acquired</b>	<b>1.05</b>

#### (c) Capital Reserve

Capital Reserve arising from the acquisition has been determined as follows:

Description	Amounts
Consideration transferred (refer note (a) above)	0.85
Fair value of net identifiable assets (refer note (b) above)	1.05
<b>Capital reserve</b>	<b>0.20</b>

#### (d) From the date of acquisition, WCBPL contributed Nil revenue from operations and Nil profit to the Group during the year ended March 31, 2023.

₹ 0.00 represents amount less than ₹ 50,000

# Notes to Consolidated Financial Statements

## Note 54 : Business Combinations (Continued)

### III Acquisition of Godrej Home Constructions Private Limited

On March 29, 2023, Godrej Properties Limited GPL (subsidiary company of Godrej Industries Limited) acquired additional 48.90 percent equity interest of Godrej Home Constructions Private Limited, a company incorporated under the provision of the Companies Act 1956, engaged primarily in the business of real estate construction, development and other related activities. As a result, GPL's equity interest in Godrej Home Constructions Private Limited increased from 25.10 percent to 74 percent, alongwith acquisition of control from Joint control.

#### (a) Consideration transferred

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

Particulars	Amount (₹ crores)
Consideration paid in cash	28.19
<b>Total consideration</b>	<b>28.19</b>

#### (b) Identifiable assets acquired and liabilities assumed

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

Description	Amount
Property, plant and equipment	0.08
Income tax assets (Net)	2.07
Inventories	117.74
Current financial assets	110.09
Other Current Non Financial Assets	10.44
Current financial liabilities	(52.78)
Other Current Non Financial Liabilities	(107.30)
Provisions	(0.15)
Current tax liabilities	(0.33)
Net Assets	79.85
<b>Net Assets acquired</b>	<b>39.04</b>

#### (c) Capital Reserve

Capital Reserve arising from the acquisition has been determined as follows:

Description	Amounts
Consideration transferred (refer note (a) above)	28.19
Fair value of net identifiable assets (refer note (b) above)	39.04
<b>Capital reserve</b>	<b>10.85</b>

#### (d) From the date of acquisition, GHCPL contributed Nil revenue from operations and Nil profit to the Group during the year ended March 31, 2023.

₹ 0.00 represents amount less than ₹ 50,000

# Notes to Consolidated Financial Statements

## Note 54 : Business Combinations (Continued)

### IV Acquisition of Godrej Reserve LLP

On October 1, 2022, Godrej Properties Limited GPL (subsidiary company of Godrej Industries Limited) has acquired additional 78.10 percent share in capital and profit & loss share of Godrej Reserve LLP, a limited liability firm engaged primarily in the business of real estate construction, development and other related activities. As a result, GPL's equity interest in Godrej Reserve LLP increased from 21.70 percent to 99.80 percent, alongwith acquisition of control from Joint control.

#### (a) Consideration transferred

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

Particulars	Amount (₹ crores)
Consideration paid in cash	0.01
<b>Total consideration</b>	<b>0.01</b>

#### (b) Identifiable assets acquired and liabilities assumed

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

Description	Amount
Property, plant and equipment	0.22
Intangibles	0.00
Income tax assests (net)	2.17
Inventories	21.28
Current financial assets	36.30
Other Current Non Financial Assets	1.65
Deferred tax liabilities	(0.23)
Current financial liabilities	(38.01)
Other Current Non Financial Liabilities	(23.38)
Provisions	(0.06)
Net Assets	(0.04)
<b>Net Assets acquired</b>	<b>(0.03)</b>

#### (c) Capital Reserve

Capital Reserve arising from the acquisition has been determined as follows:

Description	Amounts
Consideration transferred (refer note (a) above)	0.01
Fair value of net identifiable assets (refer note (b) above)	(0.03)
<b>Capital reserve /(Goodwill)</b>	<b>(0.04)</b>

#### (d) From the date of acquisition, Godrej Reserve LLP contributed ₹ 4.22 crore of revenue from operations and ₹ 2.80 crore of profit to the Group during the year ended March 31, 2023.

₹ 0.00 represents amount less than ₹ 50,000

### V Acquisition of Godrej Housing Finance Limited

On August 23, 2021, Godrej Capital Limited acquired 95% shareholding in Godrej Housing Finance Limited ("GHFL") on 23<sup>rd</sup> August 2021 for consideration in cash aggregating to ₹ 405.9 crores. GHFL operates as a financial institution and offers home loans, and plot loans for longer tenures. The fair value of assets and liabilities acquired have been determined based on an independent valuation report and goodwill of ₹ 294.50 crores has been recognised, being excess of consideration transferred over the fair value of net assets acquired, in accordance with IND AS 103 'Business Combinations'.

On March 31, 2023, Godrej Capital Limited GCL further acquired the balance 5% of voting interests in its following subsidiaries Godrej Housing Finance Limited GHFL & Godrej Finance Limited GFL from the non-controlling interest.

# Notes to Consolidated Financial Statements

## Note : 55 Utilisation of Borrowed Fund and Share Premium

- a) To the best of our knowledge and belief the Company and its Subsidiaries, Joint Ventures, Associates incorporated in India have not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its Subsidiaries, Joint Ventures, Associates incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The transaction between Company and its subsidiary and one of the subsidiary of the Company with its step down subsidiary has been eliminated in the Consolidated financial statements.
- b) To the best of our knowledge and belief, no funds have been received by the Company and its Subsidiaries, Joint Ventures, Associates incorporated in India from any person(s) or entity(ies), including foreign entities "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company and its Subsidiaries, Joint Ventures, Associates incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Note 56 : Struck off Companies

Transactions with Struck off Companies

Amount ₹ in Crore

Sr. No	Name of struck off company	Nature of transactions	Transactions during the year March 31, 2023	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
1	Nedumkandam Agro Trading Company	Receivables	0.02	0.00	Non-Related Party
2	Tyagi Agriscience Pvt Ltd	Receivables	0.00	-	Non-Related Party
3	Utkarsh Agro Industries Pvt Ltd	Payables	-	(0.00)	Non-Related Party
4	Dudha Dairy & Services Limited	Payables	0.00	(0.00)	Non-Related Party
5	GSLD Egg and Agro Pvt Ltd	Payables	-	(0.00)	Non-Related Party
6	Acknotech Software Solutions Private Limited	Payables	0.00	(0.00)	Non-Related Party
7	Dikshita Hatcheries and Farms Pvt Ltd	Payables	0.00	(0.00)	Non-Related Party
8	Agrisy Layer Farm Private Limited	Payables	-	(0.00)	Non-Related Party
9	Maestro Energy Pvt Ltd	Payables	-	(0.01)	Non-Related Party
10	Krushnaraj Agro Jaggery Powder Pvt Ltd	Payables	0.00	-	Non-Related Party
11	Yeerla Retail Private Limited	Payables	-	(0.00)	Non-Related Party
12	Kannauj Chemicals & Seeds Pvt Ltd	Payables	0.00	(0.00)	Non-Related Party
13	Biobe Living Technologies Private Limited	Project Related expenses	-	0.00	Non-Related Party
14	Brand Managers Media Private Limited	Advertising and Marketing Expenses	-	0.00	Non-Related Party
15	Classic Integrated Solutions Private Limited	Project Related expenses	-	0.00	Non-Related Party
16	My Sunny Balcony Private Limited	Consultancy Charges	-	0.00	Non-Related Party
17	Reliance Communications Infrastructure Limited	Broadband charges	-	-	Non-Related Party
18	SC Power Solutions Private Limited	Project Related expenses	-	0.00	Non-Related Party
19	Ginza Hotels Private Limited	Other Expenses	-	0.00	Non-Related Party
20	Swarnasathi Advisory Services Pvt. Ltd	Customer Dues	-	0.00	Non-Related Party
21	Amitash Gas Engineers Pvt. Ltd	Project Related expenses	-	0.01	Non-Related Party
22	TGS Vertical Transportation Private Limited	Project Related expenses	-	0.01	Non-Related Party
23	Atelier Realtech Private Limited	Advertising and Marketing Expenses	-	0.00	Non-Related Party
24	AIMS Education Private Limited	Customer Dues	0.00	0.00	Non-Related Party
25	Kevin Construction Private Limited	Other Expenses	0.01	0.00	Non-Related Party
26	Feligrat Global Solutions Private Limited	Other Expenses	0.01	0.00	Non-Related Party
27	3H Health And Hygiene Pvt. Ltd	Payables	0.02	-	Non-Related Party

The amount reflected as "0.00" are values with less than ₹ 0.01 crore.

# Notes to Consolidated Financial Statements

## Note 57: IND AS 115 - Revenue from Contracts with Customers for Property Development

- (a) The amount of ₹ 547.60 Crore (Previous Year: ₹ 399.85 Crore) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2023.
- (b) Significant changes in contract asset and contract liabilities balances are as follows:

Particulars	Amount ₹ in Crore	
	March 31, 2023	March 31, 2022
<b>Contract asset (refer note 16)</b>		
At the beginning of the reporting period	191.31	31.22
Change due to revenue recorded based on measure of progress during the year	(4.49)	160.09
Significant change due to business combination	-	-
At the end of the reporting period	186.82	191.31
<b>Contract liability (refer note 27)</b>		
At the beginning of the reporting period	846.46	745.13
Change due to collection and revenue recorded based on measure of progress during the year	1,358.20	73.47
Significant financing component (Net of transfer to Statement of Profit and Loss)	57.21	27.86
At the end of the reporting period	2,261.87	846.46

### (c) Performance obligation for Property Development

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

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

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

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

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

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

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2023 is ₹ 7647.89 Crore (Previous Year : ₹ 2,391.72 Crore) out of which 3332.55 Crore (Previous Year: ₹ 1,674.17 Crore), which will be recognised as revenue over a period of 1-2 years and ₹ 4408.64 Crore (Previous Year: ₹ 717.55 Crore) which will be recognised over a period of 2-4 years.

### Note : 58

As per the approvals secured by the subsidiary Company of Godrej Properties Limited under relevant provisions of DCR Regulations, 1991 / DCPR 2034, Godrej Properties Limited (GPL) (subsidiary Company of Godrej Industries Limited) had obligation to handover 35,618.85 sqmt of land to The Municipal Corporation of Greater Mumbai (MCGM). GPL is entitled to receive the Transferable Development Rights (TDR) of 71,237.70 sqm, in lieu of land earmarked and handover to MCGM.

The handover of the physical possession of the earmarked land has been completed during the month of February 2021. Based upon receipt of Possession Receipts of Land handed over obtained from MCGM, GPL has recognised the entitlement of TDR as revenue and reflected under Revenue from operations in March 31,2021 based upon valuation report obtained from registered valuer at ₹ 195.20 Crore. During the previous year, GPL has sold majority of TDR and accordingly recognised revenue for the same."



## Notes to Consolidated Financial Statements

### Note : 59

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

### Note : 60

Previous year figures have been regrouped/ reclassified where ever necessary, to conform to current period's classification in order to comply with the requirements of the Schedule III of the Companies Act, 2013.

As per our Report attached

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

**For Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Regn. No. : 104607W/ W100166

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

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

**Jamshed K. Udawadia**  
Partner  
M.No. : 124658  
Mumbai, May 19, 2023

**Clement Pinto**  
Chief Financial Officer  
Mumbai, May 19, 2023

**Tejal Jariwala**  
Company Secretary



**STANDALONE  
FINANCIAL  
STATEMENTS**

# Independent Auditor's Report

To the Members of  
Godrej Industries Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of Godrej Industries Limited (the "Company"), which comprise the balance sheet as at March 31, 2023 and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information, in which is included Returns audited by the branch auditor of the Company's branch incorporated in United Kingdom (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit report of the branch auditor on the financial information of a branch as was audited by the branch auditor, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditors' Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Description of Key Audit Matter

##### Revenue recognition

(Refer note 2.14 and note 27 to the standalone financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>As per IND AS 115 - 'Revenue from Contracts with Customers' revenue is recognized on transfer of control of goods or services to a customer, which is on dispatch / delivery as per the terms of contracts, at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.</p> <p>Revenue recognition includes determination of pricing, effect of discounts, sales returns and adjustments for freight reimbursements.</p> <p>Due to the significance of the area and the risk of revenue being fraudulently overstated through manipulation on the timing of transfer of control, revenue recognition is considered as a key audit matter.</p>	<p>Our audit procedures to assess revenue recognition from sale of goods included the following:</p> <ul style="list-style-type: none"> <li>Assessing the compliance of the revenue recognition accounting policies by comparing with Ind AS 115 - "Revenue from Contracts with Customers".</li> <li>Understood and evaluated the design and implementation and tested the operating effectiveness of key controls relating to revenue recognition.</li> <li>Testing the design, implementation and operating effectiveness of the Company's key general Information Technology (IT) controls and key IT application controls over the Company's systems for revenue recognition, by involving our IT specialists.</li> </ul>

## Independent Auditor's Report

Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>• Tested sales transactions on a sample basis by comparing the underlying sales invoices, sales orders, dispatch and delivery documents to assess whether revenue was recognized appropriately.</li> <li>• Tested the timing of recognition of revenue including performing cut-off procedures, to determine whether the same is in line with the terms of contracts.</li> <li>• Examining manual journal entries posted to revenue to identify any unusual or irregular items.</li> </ul>

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Report on Corporate Governance and shareholders' information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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) specified under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

## Independent Auditor's Report

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matters

1. The standalone financial statements include the audited financial information of one branch in United Kingdom, whose financial information reflect total assets of ₹ 0.17 crore as at March 31, 2023, total revenue of ₹ Nil and total net (loss) after tax ₹ (1.23) crore for the year ended March 31, 2023, before giving effect to consolidation adjustments as considered in the standalone financial statements, which has been audited by its branch auditor. The branch auditor's report on the financial statements of this branch has been furnished to us by the Management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such auditor and the procedures performed by us are as stated below.

## Independent Auditor's Report

The branch referred to above is located outside India whose audited financial information has been prepared in accordance with the accounting principles generally accepted in their country and which has been audited by the branch auditor under generally accepted auditing standards applicable in their country. The Company's Management has converted the audited financial information of such branch located outside India from the accounting principles generally accepted in their country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management.

2. The standalone financial statements of the Company for the year ended March 31, 2022, have been audited by predecessor firm, who have expressed an unmodified opinion on those standalone financial statements vide their report dated May 27, 2022, which has been furnished and has been relied upon by us for the purpose of our audit of the standalone financial statements.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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 report on the accounts of the branch office of the Company audited under Section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report.
  - d. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - e. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - f. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its standalone financial statements - Refer Note 25 to the standalone financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023.
  - c. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - d. (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in note 47 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding,

## Independent Auditor's Report

whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (ii) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
  - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (d)(i) and (d)(ii) above, contain any material misstatement.
  - e. The Company has neither declared nor paid any dividend during the year.
  - f. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- (C) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For KALYANIWALLA & MISTRY LLP**  
CHARTERED ACCOUNTANTS  
Firm Registration No. 104607W/W100166

**Jamshed K. Udvardia**  
Partner  
Membership No. 124658  
UDIN: 23124658BGXLLJ2328  
Mumbai, May 19, 2023

# Independent Auditor's Report

## Annexure 'A' to the Independent Auditor's Report

Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2023:

### Statement on Matters Specified in paragraphs 3 and 4 of the Companies (Auditors Report) Order, 2020 :

- i)
  - (a)
    - (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment (including Right of Use Assets and Investment Properties).
    - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment (including Right of Use Assets and Investment Properties) by which all Property, Plant and Equipment (including Right of Use Assets and Investment Properties) are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, and based on the audit procedures performed by us, the title deeds of immovable properties including Investment Properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
  - (d) According to the information and explanations given to us, and based on the audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or intangible assets or both during the year.
  - (e) Based on the information and explanations provided to us and our verification of the books and records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii)
  - (a) The inventories, except for goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate of each class of inventory.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from a bank on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such a bank are in agreement with the books of account of the Company.
- iii)
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies during the year, but has not made any investments in firms and limited liability partnership during the year.
  - (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made during the year are prima facie, not prejudicial to the interest of the Company.



## Independent Auditor's Report

- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans and advances in the nature of loans to any party during the year. Accordingly, reporting under provisions of paragraph 3(iii) (c) to (f) of the Order is not applicable to the Company.
- iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or security as specified under sections 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made and guarantee provided by the Company, in our opinion the provisions of section 186 of the Act have been complied with. The Company has not provided any security to the parties covered under Section 186 of the Act.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under provisions of paragraph 3(v) of the Order is not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for maintenance of cost records under Section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii) (a) According to the information and explanations given to us, and based on the audit procedures performed by us, in our opinion, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Profession Tax, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities wherever applicable, and there are no such outstanding dues as at March 31, 2023, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Sales tax, Octroi, Stamp duty, Excise duty, Custom duty and IncomeTax which have not been deposited on account of any dispute are as follow:

Name of Statute	Nature of Dues	Amount not deposited on account of demand (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	0.25	2012-2013	CESTAT
Central Excise Act, 1944	Excise duty	0.47	2009-2013	CESTAT
Central Excise Act, 1944	Excise duty	0.20	2013-2015	Commissioner (Appeals)
Central Excise Act, 1944	Excise duty	0.16	2011-2012, 2014-15	Assistant Commissioner
Central Excise Act, 1944	Excise duty	0.14	2011-2012	CESTAT
Central Sales Tax Act 1956 and Local Sales Tax	Sales tax	11.12	2002-03, 2003-04	Supreme Court
Custom Duty Act	Custom duty	0.51	2004-2005	Commissioner (Appeals)
Custom Duty Act	Custom duty	10.69	2019-2020	CESTAT
Octroi	Octroi	0.24	1997-2003	Tribunal
Octroi	Octroi	0.03	1997-1998	Deputy Commissioner
Octroi	Octroi	0.02	1998-99, 2000-01	Supreme Court
Maharashtra Stamp Act	Stamp duty	1.82	2000-2001	Controlling Revenue Authority

## Independent Auditor's Report

Name of Statute	Nature of Dues	Amount not deposited on account of demand (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	42.86	AY 2006-2007 AY 2007-2008 AY 2008 -2009 AY 2015-2016 AY 2016-2017 AY 2018-2019	Assessing Officer
Income-tax Act, 1961	Income tax	5.86	AY 2009-2010 AY 2013-2014 AY 2014-2015	CIT
Income-tax Act, 1961	Income tax	28.65	AY 2009-2010 AY 2013-2014 AY 2014-2015	High Court
Income-tax Act, 1961	Income tax	14.77	AY 2011-2012 AY 2012-2013	ITAT
Income-tax Act, 1961	Income tax	5.19	AY 2010-2011	Supreme Court

- viii) According to the information and explanations given to us, and based on the audit procedures performed by us, we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and based on the audit procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us, and based on the audit procedures performed by us, the Company has not raised any loans during the year by way of pledge of securities held in its subsidiaries, associates or joint ventures.

## Independent Auditor's Report

- x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of paragraph 3 (x) (a) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year. Accordingly, reporting under provisions of paragraph 3 (x) (b) of the Order is not applicable to the Company.
- xi) (a) Based upon the audit procedures performed by us for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the Management, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) In view of what is reported above in clause xi(a), the reporting under clause xi(b) of the Order is not applicable.
- (c) According to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under provisions of paragraphs 3(xii) (a) to (c) of the Order is not applicable to the Company.
- xiii) According to the information and explanations and records made available to us by the Company and audit procedures performed by us, all transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- xiv) (a) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued during the financial year for the period under audit.
- xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under provisions of paragraph 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, reporting under provisions of paragraph 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under provisions of paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Group does not have more than one Core Investment Company (CIC), therefore reporting under provisions of paragraph 3 (xvi) (d) of the Order is not applicable to the Company.
- xvii) The Company has not incurred any cash losses in the current financial year covered by our audit and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under provisions of paragraph 3 (xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of

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## Independent Auditor's Report

the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, reporting under provisions of paragraph 3(xx)(a) and 3(xx)(b) of the Order is not applicable.
- xxi) The reporting under paragraph 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of paragraph 3 (xxi) of the Order has been included in this report.

**For KALYANIWALLA & MISTRY LLP**  
CHARTERED ACCOUNTANTS  
Firm Registration No. 104607W/W100166

**Jamshed K. Udwadia**  
Partner  
Membership No. 124658  
UDIN: 23124658BGXLLJ2328  
Mumbai, May 19, 2023

# Independent Auditor's Report

## Annexure B to the Independent Auditor's report

The Annexure referred to in Paragraph 2 (A) (g) under 'Report on Other Legal and Regulatory Requirements' of our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2023:

### **Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Godrej Industries Limited ("the Company") as at March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, 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 with reference to financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

#### **Meaning of Internal Financial controls with Reference to Standalone Financial Statements**

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone 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 standalone financial statements.

# Independent Auditor's Report

## **Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For KALYANIWALLA & MISTRY LLP**  
CHARTERED ACCOUNTANTS  
Firm Registration No. 104607W/W100166

**Jamshed K. Udvardia**  
Partner  
Membership No. 124658  
UDIN: 23124658BGXLLJ2328  
Mumbai, May 19, 2023

# Balance Sheet as at March 31, 2023

Amount ₹ in Crore

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	3	1,274.36	1,239.04
Capital Work in Progress	3a	83.55	38.13
Right-of-use Assets	38	93.85	58.25
Investment Property	3b	438.36	446.45
Other Intangible Assets	3c	4.05	2.57
Financial Assets			
Investments in Subsidiaries and Associates	4	5,702.84	4,765.97
Other Investments	4a	21.86	20.14
Loans	5	0.90	0.87
Other Financial Assets	6	5.93	6.40
Deferred Tax Assets (Net)	7	0.50	0.50
Other Tax Assets (Net)		92.67	68.20
Other Non Current Assets	8	1.68	6.22
<b>Current Assets</b>			
Inventories	9	566.03	632.05
Financial Assets			
Investments	10	823.04	760.69
Trade Receivables	11	440.98	400.28
Cash and cash equivalents	12a	44.15	93.05
Bank balances other than Cash and Cash equivalents	12b	0.78	60.85
Loans	13	0.28	0.22
Other Financial Assets	14	18.58	22.28
Other Current Assets	15	97.30	61.15
<b>TOTAL ASSETS</b>		<b>9,711.69</b>	<b>8,683.31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	33.66	33.66
Other Equity	17	1,682.73	1,449.56
<b>Total Equity</b>		<b>1,716.39</b>	<b>1,483.22</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Financial Liabilities			
Borrowings	18	2,946.60	3,301.78
Lease Liabilities	38	23.59	28.74
Provisions	19	19.48	16.41
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	20	3,930.38	2,852.34
Lease Liabilities	38	16.08	11.73
Trade Payables	21		
Outstanding dues of Micro and Small Enterprises		61.56	62.98
Outstanding dues of Creditors other than Micro and Small Enterprises		714.15	682.25
Other Financial Liabilities	22	248.44	202.72
Other Current Liabilities	23	22.81	27.56
Provisions	24	5.09	6.45
Current Tax Liabilities (Net)		7.12	7.13
<b>Total Liabilities</b>		<b>7,995.30</b>	<b>7,200.09</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>9,711.69</b>	<b>8,683.31</b>
Significant Accounting Policies	2		

The accompanying notes form an integral part of the Standalone financial statements  
As per our Report attached

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

**For Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Regn. No. : 104607W/ W100166

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

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

**Jamshed K. Udawadia**  
Partner  
M.No. : 124658  
Mumbai, May 19, 2023

**Clement Pinto**  
Chief Financial Officer  
Mumbai, May 19, 2023

**Tejal Jariwala**  
Company Secretary

# Statement of Profit and Loss for the year ended March 31, 2023

Amount ₹ in Crore

Particulars	Note No.	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from Operations	27	4,487.96	3,339.60
Other Income	28	69.00	74.61
<b>Total Income</b>		<b>4,556.96</b>	<b>3,414.21</b>
<b>Expenses</b>			
Cost of Materials Consumed	29	2,943.47	2,357.76
Purchases of Stock in Trade		107.53	63.87
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	30	(3.99)	(74.27)
Employee Benefits Expenses	31	181.06	168.64
Finance Costs	32	477.63	363.90
Depreciation and Amortisation Expense	33	78.96	74.80
Other Expenses	34	539.73	439.69
<b>Total Expenses</b>		<b>4,324.39</b>	<b>3,394.39</b>
Profit Before Exceptional Items and Tax		232.57	19.82
Exceptional Items (net)	35	-	(64.01)
<b>Profit / (Loss) Before Tax</b>		<b>232.57</b>	<b>(44.19)</b>
<b>Tax Expense</b>			
Current Tax	37	-	-
Deferred Tax		-	-
<b>Total Tax Expenses</b>		<b>-</b>	<b>-</b>
<b>Profit / (Loss) After Tax for the Year</b>		<b>232.57</b>	<b>(44.19)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit plans		(1.62)	(1.63)
Income Tax on Items that will not be reclassified to Profit or Loss		-	-
		<b>(1.62)</b>	<b>(1.63)</b>
<b>Total Comprehensive Income for the Year</b>		<b>230.95</b>	<b>(45.82)</b>
Earnings Per Equity Share (Face Value ₹ 1 each)	36		
Basic		6.91	(1.31)
Diluted		6.91	(1.31)
Significant Accounting Policies	2		

The accompanying notes form an integral part of the Standalone financial statements

As per our Report attached

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

**For Kalyaniwalla & Mistry LLP**  
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Partner  
M.No. : 124658

**Clement Pinto**  
Chief Financial Officer

**Tejal Jariwala**  
Company Secretary

Mumbai, May 19, 2023

Mumbai, May 19, 2023



## Statement of Changes in Equity for the year ended March 31, 2023

### Equity Share Capital (Refer Note 16)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount ₹ In Crore	No. of Shares	Amount ₹ In Crore
Balance at the beginning of the year	336,584,313	33.66	336,525,098	33.66
Changes in equity share capital during the year*	53,944	0.00	59,215	0.00
Balance at the end of the year	336,638,257	33.66	336,584,313	33.66

\* Amount less than ₹ 0.01 crore.

### Other Equity (Refer Note 17)

Amount ₹ in Crore

Particulars	Other Equity						Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Capital Redemption Reserve	Security Premium Account	Capital Reserve	Employee Stock Grants Outstanding	Remeasurements of the net defined benefit Plans	
<b>Balance as at April 01, 2021</b>	<b>444.47</b>	<b>52.70</b>	<b>31.46</b>	<b>919.81</b>	<b>46.25</b>	<b>3.56</b>	<b>(5.61)</b>	<b>1,492.64</b>
(Loss) for the year	(44.19)							(44.19)
Other Comprehensive Income (net of tax)							(1.63)	(1.63)
Transfer from Employee Stock Grants Outstanding				2.79		(2.79)		-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)						2.74		2.74
<b>Balance as at March 31, 2022</b>	<b>400.28</b>	<b>52.70</b>	<b>31.46</b>	<b>922.60</b>	<b>46.25</b>	<b>3.51</b>	<b>(7.24)</b>	<b>1,449.56</b>
Profit for the year	232.57							232.57
Other Comprehensive Income (net of tax)							(1.62)	(1.62)
Transfer from Employee Stock Grants Outstanding				2.54		(2.54)		-
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)						2.22		2.22
<b>Balance as at March 31, 2023</b>	<b>632.85</b>	<b>52.70</b>	<b>31.46</b>	<b>925.14</b>	<b>46.25</b>	<b>3.19</b>	<b>(8.86)</b>	<b>1,682.73</b>

A description of the purposes of each Reserve within Equity has been disclosed in Note 17

The accompanying notes form an integral part of the Standalone financial statements

As per our Report attached

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

**For Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Regn. No. : 104607W/ W100166

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

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

**Jamshed K. Udawadia**  
Partner  
M.No. : 124658

**Clement Pinto**  
Chief Financial Officer

**Tejal Jariwala**  
Company Secretary

Mumbai, May 19, 2023

Mumbai, May 19, 2023

## Cash Flow Statement for the year ended March 31, 2023

Particulars	Amount ₹ in Crore	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>1 Cash Flow From Operating Activities:</b>		
<b>Profit / (Loss) Before Tax</b>	232.57	(44.19)
Adjustments for:		
Depreciation and Amortisation	78.96	74.80
Write down of Property, Plant and Equipment	-	66.57
Unrealised Foreign Exchange Loss	5.77	4.68
(Profit) on Sale of Investments	(24.41)	(26.84)
(Profit) / Loss on Sale of Property, Plant & equipments (Net)	(0.02)	0.35
Write Off of Property, Plant & Equipments	0.83	1.01
(Profit) / Loss on Investments measured at Fair Value through Profit and Loss	6.58	(10.20)
(Profit) on sale of subsidiary	-	(2.56)
Interest Income	(1.53)	(4.08)
Interest & Finance Charges	477.63	363.90
Employee Share based Payments	2.22	2.68
Provision for Doubtful Debts and Sundry Balances (net)	0.35	0.85
<b>Operating Profit Before Working Capital Changes</b>	<b>778.95</b>	<b>426.97</b>
Adjustments for :		
Increase / (Decrease) in Non-financial Liabilities	(4.66)	14.16
Increase in Financial Liabilities	34.44	134.44
(Increase) / Decrease in Inventories	66.02	(221.51)
(Increase) in Non-financial Assets	(36.03)	(7.85)
(Increase) / Decrease in Financial Assets	22.96	(166.27)
Cash Generated from Operations	861.68	179.94
Direct Taxes Paid	(24.48)	(21.31)
<b>Net Cash Generated from Operating Activities</b>	<b>837.20</b>	<b>158.63</b>
<b>2 Cash Flow from Investing Activities:</b>		
Purchase of Property, Plant & equipments, Investment Property & Intangibles (net)	(137.58)	(85.44)
Proceeds from Sale of Property, Plant & equipments	0.81	0.29
Purchase of Investments	(8,047.86)	(5,466.62)
Purchase of Investments in Subsidiaries	(936.87)	(2,105.35)
Proceeds from Sale of Subsidiary	-	5.73
Proceeds from Sale of Investments	8,001.62	6,059.89
Interest Received	1.46	4.05
<b>Net Cash (used in) Investing Activities</b>	<b>(1,118.42)</b>	<b>(1,587.45)</b>
<b>3 Cash Flow from Financing Activities:</b>		
Proceeds from issue of Equity shares	0.00	0.00
Proceeds from Non Current Borrowings	550.00	1,500.00
Net Proceeds from Current Borrowings	328.04	364.58
Repayment of Lease Liabilities	(14.26)	(14.24)
Repayment of Non Current Borrowings	(153.84)	(100.96)
Interest on Lease Liabilities	(3.90)	(3.87)
Interest & Finance Charges Paid	(473.72)	(290.80)
<b>Net Cash Generated from Financing Activities</b>	<b>232.32</b>	<b>1,454.71</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(48.90)</b>	<b>25.89</b>
Cash and Cash Equivalents (Opening Balance)	93.05	67.16
Cash and Cash Equivalents (Closing Balance)	44.15	93.05

## Cash Flow Statement for the year ended March 31, 2023

Notes :

Amount ₹ in Crore

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>1 Cash and Cash Equivalents</b>		
Balances with Banks		
(a) Current Accounts	18.56	17.27
(b) Deposits having maturity less than 3 months	25.05	75.25
Cash on hand	0.54	0.53
<b>Cash and Cash Equivalents</b>	<b>44.15</b>	<b>93.05</b>

### 2 Reconciliation of Liabilities arising from Financing activities

Amount ₹ in Crore

Particulars	As at March 31, 2022	Cash Flow	Non Cash Changes	As at March 31, 2023
Non Current Borrowings	3,301.78	550.00	(905.18)	2,946.60
Current Maturities of Long Term Debts (included under Current Borrowings)	153.85	(153.84)	903.84	903.85
Current Borrowings	2,698.49	328.04	0.00	3,026.53
<b>Total Borrowings</b>	<b>6,154.12</b>	<b>724.20</b>	<b>(1.34)</b>	<b>6,876.98</b>

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

4 The accompanying notes form an integral part of the Standalone financial statements.

As per our Report attached

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

**For Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
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**Clement Pinto**  
Chief Financial Officer

**Tejal Jariwala**  
Company Secretary

Mumbai, May 19, 2023

Mumbai, May 19, 2023

# Notes to the Standalone Financial Statements

## Note 1 : General Information

### 1 Corporate Information

Godrej Industries Limited ("the Company") was incorporated under the Companies Act, 1956 on March 7, 1988 under the name of Gujarat-Godrej Innovative Chemicals Limited. The business and undertaking of the erstwhile Godrej Soaps Limited was transferred to the Company under a Scheme of Amalgamation with effect from April 1, 1994 and the Company's name was changed to Godrej Soaps Limited. Subsequently, under a Scheme of Arrangement the Consumer Products division of the Company was demerged with effect from April 1, 2001 into a separate company, Godrej Consumer Products Limited (GCPL).

The Company's name was changed to Godrej Industries Limited on April 2, 2001. The Vegetable Oils and Processed Foods Manufacturing business of Godrej Foods Limited was transferred to the Company with effect from June 30, 2001. The Foods division (except Wadala factory) was then sold to Godrej Hershey Limited, on March 31, 2006. Swadeshi Detergents Limited, 100% subsidiary of the Company, was amalgamated with the Company effective from April 01, 2013. Wadala Commodities Limited was amalgamated with the Company effective from April 01, 2014. Vora Soaps Limited was amalgamated with the Company effective from December 14, 2017.

The Company is domiciled in India and is listed on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE). The Company's registered office is at Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (east), Mumbai – 400 079. The Company is engaged in the businesses of manufacture and marketing of oleo-chemicals, their precursors and derivatives, bulk edible oils & seeds, estate management and investment activities.

### 2 (a) Basis of preparation

These standalone financial statements have been prepared on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the "Ind As") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles in India.

The standalone financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The standalone financial statements of the Company for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 19, 2023.

### (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 9 regarding financial assets and 10 regarding financial liabilities)
- Defined benefit plans – plan assets/(liability) and share-based payments measured at fair value (Refer Note 39 and 40)

### 3 Functional and presentation currency

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

### 4 Key estimates, Judgements and assumptions

The preparation of financial statements requires Management to make judgments, estimates and assumptions in the

# Notes to the Standalone Financial Statements

## Note 1 : General Information (Continued)

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

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

- Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. (refer accounting policy 1 regarding Property, plant and equipment)
- Impairment of Property, Plant and Equipments, Investments and Investment Property (Refer Note 3 and 4)
- Recognition and measurement of defined benefit obligations (Refer Note 19, 24 and 39)
- Recognition of deferred tax assets (Refer Note 7 and 37)
- Fair value of financial instruments (Refer Note 42)
- Provisions and Contingent Liabilities (Refer Note 19, 24 and 25)
- Leases (Refer Note 38)

## 5 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

### Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

### Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in standalone financial statements to be measured in a way that involves measurement uncertainty.

None of the amendments notified by MCA, which are applicable from April 1, 2023, are expected to have any material impact on the standalone financial statements of the Company.

## 6 Measurement of fair values

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

The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the

# Notes to the Standalone Financial Statements

## Note 1 : General Information (Continued)

third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

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

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

## Note 2 : Significant Accounting Policies

### 1 Property, Plant and Equipment

#### (i) Recognition and measurement

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

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

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

Capital expenditure on tangible assets for Research and Development is classified under Property, Plant and Equipment and is depreciated on the same basis as other property, plant and equipment.

Property, Plant and equipment are derecognised from financial statement on disposal and gains or losses arising from disposal are recognised in the Statement of Profit and Loss in the year of occurrence.

#### (ii) Subsequent expenditure

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

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

#### (iii) Depreciation

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

# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

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

The range of useful lives of the Property, Plant and Equipment are as follows:

- a) Plant and Machinery - 7 - 30 years
- b) Furniture and fixtures - 7- 10 years
- c) Office Equipments - 2 - 5 years
- d) Factory Building - 10- 30 years
- e) Non Factory Building - 10- 60 years
- f) Vehicles - 3- 8 years
- g) Computer Hardware - 3 - 5 years
- h) Assets costing less than INR 5,000 are depreciated at 100% in the year of acquisition.

## 2 Investment Property

### (i) Recognition and measurement

Investment Property comprises of Freehold Land and Buildings.

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

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

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

### (ii) Depreciation

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

## 3 Intangible Assets

### (i) Recognition and measurement

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

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

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

### (ii) Amortisation

Intangible Assets are amortised over the estimated useful life on Straight Line Method (SLM).

The useful lives of Intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Indefinite life intangibles are not amortised but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired.

Computer Software is amortised in a Straight Line basis over a period of 3 years.

# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### 4 Impairment of non-financial assets

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

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

When there is indication that an impairment loss recognised for an asset in earlier accounting periods which no longer exists or may have decreased, such impairment loss is reversed in the Statement of Profit and Loss only, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

### 5 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, associate and jointly controlled entities, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

### 6 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using the weighted average method. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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.

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

### 7 Cash and Cash Equivalents

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

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

### 8 Assets held for Sale

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

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



# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### 9 Financial Assets

#### (i) Initial recognition and measurement

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

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

#### (ii) Classification and Subsequent measurement

Financial assets are subsequently classified and measured at

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

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

#### (iii) Trade Receivables:

Trade receivables are initially recognised at their transaction price (as defined in Ind AS 115) unless those contain significant financing component determined in accordance with Ind AS 115 (or when the entity applies the practical expedient in accordance with para 63 of Ind AS 115). As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

#### (iv) Debt Instruments

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

- Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.
- Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.
- Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss.

#### (v) Equity Instruments

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

# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

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

### (vi) Derecognition

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

### (vii) Impairment of Financial Asset

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

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

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

## 10 Financial Liabilities

### (i) Initial recognition and measurement

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

### (ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method or are measured at fair value through profit and loss with changes in fair value being recognised in the Statement of Profit and Loss.

### (iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. Financial Liability is also derecognised on modification of terms of contract and when cashflows under modified terms are substantially different.

## 11 Offsetting of financial instruments

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

## 12 Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. The Company also uses commodity futures contracts to hedge the exposure to oil price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The subsequent changes in fair value are recorded in Statement of Profit and Loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Company does not follow hedge accounting.

# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### 13 Provisions and Contingent Liabilities

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

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

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

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

Capital Commitments includes the amount of purchase orders (net of advance) issued to parties for acquisition of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

### 14 Revenue Recognition

#### *Revenue from contracts with customers*

"As per provision of IND AS 115 - 'Revenue from Contracts with Customer-', revenue is recognised on transfer of control of goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of discounts offered by the Company as part of the contractual obligation. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant uncertainty regarding the amount of consideration that will be derived from the sale of goods. The performance obligation in case of sale of goods is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sales are recognised when goods are supplied and control over the goods sold is transferred to the buyer which is on dispatch / delivery as per the terms of contracts. Sales are net of returns, trade discounts, rebates and sales taxes / Goods and Service Tax (GST).

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

#### *Other Operating Revenue*

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

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

#### *Other Income*

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

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

# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

### 15 Employee Benefits

#### (i) Short-Term Employee Benefits

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

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

#### (ii) Post Employment Benefits

##### (a) Defined Contribution Plans

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

##### (b) Defined Benefit Plans

###### Gratuity Fund

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

###### Provident Fund

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the 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 which is determined on the basis of an actuarial valuation, shall be made good by the Company.

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.

###### Pension

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

#### (iii) Other Long-Term Employee Benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Remeasurement

# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

of net obligation are recognised immediately in the Statement of Profit and Loss.

### (iv) Termination Benefits

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

## 16 Share-Based Payments

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

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

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

## 17 Leases

Effective 1<sup>st</sup> April, 2019, the company adopted IND AS 116 - Leases.

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

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

- (i) Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- (ii) If the supplier has a substantive substitution right, then the asset is not identified.
- (iii) Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.
- (iv) Company has the right to direct the use of the asset.
- (v) In cases where the usage of the asset is predetermined the right to direct the use of the asset is determined when the company has the right to use the asset or the company designed the asset in a way that predetermines how and for what purpose it will be used.

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

### As a Lessee:

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

Right-of-use asset (ROU):

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

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

# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

Right-of-use asset is depreciated using straight-line method from the commencement date to the earlier of end of the useful life of the ROU asset or the end of the lease term. If the lease transfers the ownership of the underlying asset to the Company at the earlier of the useful life of the ROU asset or the end of the lease term or/if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, ROU will be depreciated from the commencement date to the end of the useful life of the underlying asset.

### Lease liability:

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

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

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

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

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

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

### Lessor:-

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

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

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

## 18 Research and Development Expenditure

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

## 19 Borrowing Costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its

# Notes to the Standalone Financial Statements

## Note 2 : Significant Accounting Policies (Continued)

intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 20 Foreign Exchange Transactions

- (i) The standalone financial statements of the Company are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.
- (ii) Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- (iii) Realised gains or losses on cancellation of forward exchange contracts are recognised in the Standalone Statement of Profit and Loss of the period in which they are cancelled.

### 21 Taxes on Income

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

#### (i) Current Tax

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

#### (ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

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

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

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

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

### 22 Earnings Per Share

Basic Earnings per share is calculated by dividing the profit / (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 / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

# Notes to the Standalone Financial Statements

## Note 3 : Property, Plant and Equipment

Particulars	Amount ₹ in Crore									
	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles - Own	Computer Hardware	Office Equipments	Research Centre	Total
<b>Gross Carrying Amount</b>										
Balance as at April 01, 2021	3.71	8.04	690.42	722.48	21.93	33.53	18.85	24.70	1.13	1,524.79
Additions	9.71	-	-	95.22	0.84	1.34	6.31	0.21	0.01	113.64
Disposals / Adjustments (refer note 3(b))	-	-	20.56	(1.60)	(0.01)	(1.54)	(0.07)	(0.01)	-	17.34
<b>Balance as at March 31, 2022</b>	<b>13.42</b>	<b>8.04</b>	<b>710.98</b>	<b>816.11</b>	<b>22.76</b>	<b>33.33</b>	<b>25.09</b>	<b>24.90</b>	<b>1.14</b>	<b>1,655.77</b>
Additions	-	-	16.55	54.43	0.41	11.29	5.18	2.61	0.62	91.09
Disposals / Adjustments *	-	-	13.97	(15.18)	0.00	(1.53)	(0.26)	0.08	-	(2.92)
<b>Balance as at March 31, 2023</b>	<b>13.42</b>	<b>8.04</b>	<b>741.50</b>	<b>855.36</b>	<b>23.17</b>	<b>43.09</b>	<b>30.01</b>	<b>27.59</b>	<b>1.76</b>	<b>1,743.94</b>
<b>Accumulated Depreciation</b>										
<b>Balance upto March 31, 2021</b>	-	1.37	89.50	142.19	11.77	20.56	15.41	18.87	0.59	300.26
Charge for the year (refer note 4 below)	-	1.53	22.04	85.12	2.12	2.74	2.05	1.40	0.15	117.15
Disposals / Adjustments (refer note 3 (b))	-	-	0.90	(0.69)	(0.01)	(0.81)	(0.07)	-	-	(0.68)
<b>Balance as at March 31, 2022</b>	-	2.90	112.44	226.62	13.88	22.49	17.39	20.27	0.74	416.73
Charge for the year (refer note 4 below)	-	1.53	16.75	26.43	2.15	2.91	3.16	1.09	0.13	54.15
Disposals / Adjustments (refer note 38)*	-	-	-	(0.23)	0.00	(0.76)	(0.31)	0.00	-	(1.30)
<b>Balance as at March 31, 2023</b>	-	4.43	129.19	252.82	16.03	24.64	20.24	21.36	0.87	469.58
<b>Net Carrying Amount</b>										
Balance as at March 31, 2022	13.42	5.14	598.54	589.48	8.88	10.84	7.70	4.63	0.40	1,239.04
Balance as at March 31, 2023	13.42	3.61	612.31	602.53	7.14	18.45	9.77	6.23	0.89	1,274.36

\* Amount less than ₹ 0.01 crore.

Notes :

1. Refer Note No 26 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.
2. No Property, Plant and Equipment is pledged as security by the Company.
3. Additions to Property, Plant and Equipment includes ₹ NIL (previous year ₹ 3.75 crore) on account of Capitalisation of borrowing cost on eligible project.
4. In the previous financial year 2021-22, the Company re-assessed the future economic benefits from certain Plant and Machinery and considering expected usage and market conditions, it recorded an exceptional expense of ₹ 66.57 crore to write down the Property, Plant & Equipment to estimated recoverable amount. (Refer Note 35)
5. Leasehold land having gross carrying amount of ₹ 23.07 crores as at 1<sup>st</sup> April 2021 has been reclassified to Right of Use Assets to conform with the recognition, presentation and disclosure principles as specified in Ind AS. This reclassification has no impact on the net profit / (loss) before tax for the year ended and total equity as at 31<sup>st</sup> March, 2022. (Refer Note No 38)



# Notes to the Standalone Financial Statements

## Note 3a : Capital Work in Progress

₹ in Crore

Particulars	Property, Plant and Equipment
<b>Balance as at April 01, 2021</b>	<b>72.83</b>
Additions during the year	76.61
Capitalised during the year	(111.31)
<b>Balance as at March 31, 2022</b>	<b>38.13</b>
Additions during the year	121.28
Capitalised during the year	(75.86)
<b>Balance as at March 31, 2023</b>	<b>83.55</b>

Notes:

- Additions to Capital Work in Progress includes ₹ Nil (previous year ₹ 2.69 crore) on account of Capitalisation of borrowing cost on eligible project.
- Capital Work in Progress ageing schedule:

₹ in Crore

Particulars	Projects in progress	Projects temporarily suspended	Total
<b>Balance as at March 31, 2022</b>			
Less than 1 year	37.52	-	37.52
1-2 years	0.43	-	0.43
2-3 years	0.18	-	0.18
More than 3 years	-	-	-
<b>Total</b>	<b>38.13</b>	<b>-</b>	<b>38.13</b>
<b>Balance as at March 31, 2023</b>			
Less than 1 year	11.73	-	11.73
1-2 years	71.82	-	71.82
2-3 years	-	-	-
More than 3 years	-	-	-
<b>Total</b>	<b>83.55</b>	<b>-</b>	<b>83.55</b>

- Projects Overdue as compared to Original timeline

₹ in Crore

Particulars	Project at Ambernath Factory	Projects at Valia Factory	Projects at Head Office
To be Completed in			
Less than 1 year	2.04	0.38	0.04
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-

- Projects which has exceeded its cost compared to its Original plan  
There were no projects which have exceeded their original plan cost as at 31<sup>st</sup> March, 2023.

# Notes to the Standalone Financial Statements

## Note 3b : Investment Property

₹ in Crore

Particulars	Freehold Land	Buildings	Total
<b>Gross Carrying Amount</b>			
Balance as at April 01, 2021	0.38	494.83	495.21
Additions	-	0.26	0.26
Disposals / Adjustments (refer note 3)	-	(20.56)	(20.56)
<b>Balance as at March 31, 2022</b>	<b>0.38</b>	<b>474.53</b>	<b>474.91</b>
Additions / Adjustments	-	-	-
Disposals / Adjustments	-	-	-
<b>Balance as at March 31, 2023</b>	<b>0.38</b>	<b>474.53</b>	<b>474.91</b>
<b>Accumulated Depreciation</b>			
Balance upto April 01, 2021	-	21.02	21.02
Charge for the year	-	8.34	8.34
Disposals / Adjustments	-	(0.90)	(0.90)
<b>Balance upto March 31, 2022</b>	<b>-</b>	<b>28.46</b>	<b>28.46</b>
Charge for the year	-	8.09	8.09
Disposals / Adjustments	-	-	-
<b>Balance upto March 31, 2023</b>	<b>-</b>	<b>36.55</b>	<b>36.55</b>
<b>Net Carrying Amount</b>			
Balance as at March 31, 2022	0.38	446.07	446.45
Balance as at March 31, 2023	0.38	437.98	438.36
<b>Fair Value</b>			
As at March 31, 2022	10.88	519.87	530.75
As at March 31, 2023	10.88	556.82	567.70

Notes :

- Information regarding income and expenditure of Investment Property

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Rental income derived from investment properties	28.59	28.99
Direct operating expenses	3.76	7.11
Gains arising from investment properties before depreciation	24.83	21.88
Less - Depreciation	8.09	8.34
Gains arising from investment properties	16.74	13.54

- The Company's investment properties consist of 16 properties in India. The Management has determined that the investment property consists of two classes of assets - Land and Building - based on the nature, characteristics and risks of each property.

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

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

The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 3 fair value hierarchy.

# Notes to the Standalone Financial Statements

## Note 3b : Investment Property (Continued)

### 4. Reconciliation of Fair Value

₹ in Crore

Particulars	Freehold Land	Buildings	Total
Opening balance as at April 01, 2021	4.15	512.60	516.75
Fair value changes	6.73	27.57	34.30
Purchases / Transfer from Property, Plant & Equipments (CWIP)	-	(20.30)	(20.30)
Opening balance as at April 01, 2022	10.88	519.87	530.75
Fair value changes	-	36.95	36.95
Purchases / Transfer from Property, Plant & Equipments (CWIP)	-	-	-
<b>Closing balance as at March 31, 2023</b>	<b>10.88</b>	<b>556.82</b>	<b>567.70</b>

## Note 3c : Other Intangible Assets

₹ in Crore

Particulars	Computer Software
<b>Gross Carrying Amount</b>	
<b>Balance as at April 01, 2021</b>	<b>6.36</b>
Additions	1.95
Disposals	(0.01)
<b>Balance as at March 31, 2022</b>	<b>8.30</b>
Additions	2.94
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>11.24</b>
<b>Accumulated Depreciation</b>	
<b>Balance upto April 01, 2021</b>	<b>4.21</b>
Charge for the year	1.52
Disposals	-
<b>Balance upto March 31, 2022</b>	<b>5.73</b>
Charge for the year	1.46
Disposals	-
<b>Balance upto March 31, 2023</b>	<b>7.19</b>
<b>Net Carrying Amount</b>	
Balance as at March 31, 2022	2.57
Balance as at March 31, 2023	4.05

# Notes to the Standalone Financial Statements

## Note 4 : Investments in Subsidiaries and Associates

₹ in Crore

Particulars	Note	Face Value	As at March 31, 2023		As at March 31, 2022	
			Number	Amount	Number	Amount
Investment in Equity Instruments at cost (Fully Paid up unless stated otherwise)						
<b>(a) Quoted Investments</b>						
(i) Subsidiaries						
Godrej Properties Limited	5		131,618,294	1,780.47	131,452,194	1,761.04
Godrej Agrovet Limited	10		124,714,957	1,042.81	120,018,596	810.37
(ii) Associates						
Godrej Consumer Products Limited	1		242,812,860	1,366.20	242,812,860	1,366.20
<b>(b) Unquoted Investments</b>						
(i) Subsidiaries						
Godrej International Limited (Isle of Man)	£1		2,105,000	14.76	2,105,000	14.76
Godrej International Trading & Investments Pte. Limited	\$1		1,000,000	4.43	1,000,000	4.43
Godrej Capital Limited	10		214,130	1,494.17	129,033	809.17
Godrej One Premises Management Private Limited*	10		1,400	0.00	1,400	0.00
Godrej Industries Limited Employee Stock Option Trust*				0.00		0.00
(ii) Associates						
Personalitree Academy Ltd.	10		389,269	1.10	389,269	1.10
Share Application Money**				0.03		0.03
Less: Provision for Diminution in value of Investments				(1.13)		(1.13)
				-		-
				<b>5,702.84</b>		<b>4,765.97</b>
Aggregate Amount of Quoted Investments				4,189.48		3,937.61
Aggregate Amount of Unquoted Investments				1,514.49		829.49
Aggregate Amount of Impairment in Value of Investments				(1.13)		(1.13)
Market Value of Quoted Investments				42,225.42		45,433.46

\* Amount less than ₹ 0.01 crore.

\*\* Includes ₹ 0.03 crore paid towards share application money to Personalitree Academy Ltd.(an Associate Company) which is considered Doubtful.

Notes:

a) Information on Investment made in Subsidiaries during the year

S.No.	Name of the Company	No. Of Shares	Amount ₹ in Crore
1	Godrej Properties Limited	166,100	19.43
2	Godrej Agrovet Limited	4,696,361	232.44
3	Godrej Capital Limited	85,097	685.00

# Notes to the Standalone Financial Statements

## Note 4 : Investments in Subsidiaries and Associates (Continued)

### b) Information on Subsidiaries and Associates:-

#### (i) Information on Subsidiaries

S.No.	Name of the Company	Country of Incorporation	March 31, 2023	March 31, 2022
1	Godrej Properties Limited *	India	47.34%	47.29%
2	Godrej Agrovet Limited	India	64.90%	62.47%
3	Godrej International Limited	Isle of Man	100.00%	100.00%
4	Godrej International Trading & Investments Pte. Ltd.	Singapore	100.00%	100.00%
5	Godrej Capital Limited	India	87.22%	87.11%
6	Godrej One Premises Management Private Limited	India	14.00%	14.00%
7	Godrej Industries Limited Employee Stock Option Trust	India	100.00%	100.00%

\* The management has evaluated that the Company continues to exercise 'de facto' control over Godrej Properties Limited.

#### (ii) Information on Associates

S.No.	Name of the Company	Country of Incorporation	March 31, 2023	March 31, 2022
1	Godrej Consumer Products Limited	India	23.74%	23.75%

## Note 4a : Non Current Financial Assets - Other Investments

₹ in Crore

Particulars	Note	Face Value	As at March 31, 2023		As at March 31, 2022	
			Number	Amount	Number	Amount
<b>1 Investment in Equity Instruments (Fully Paid up unless stated otherwise)</b>						
At Fair Value Through Profit and Loss						
(a) Quoted Investments						
Agro Tech Foods Ltd.*		10	1	0.00	1	0.00
Colgate Palmolive India Ltd.*		1	2	0.00	2	0.00
Dabur India Ltd.*		1	6	0.00	6	0.00
Hindustan Unilever Ltd. *		1	751	0.19	751	0.15
Gillette India Ltd.*		10	1	0.00	1	0.00
Marico Ltd.*		1	80	0.00	80	0.00
Procter & Gamble Hygiene & Health Care Ltd.*		10	1	0.00	1	0.00
Venkys India Ltd.*		10	1	0.00	1	0.00
Advanced Enzyme Technologies Ltd.		2	3,000	0.07	3,000	0.08
Bajaj Finance Ltd.(F.V. change from ₹ 10 to ₹ 2)		2	450	0.25	450	0.33
Cera Sanitaryware Ltd.		5	1,189	0.76	1,189	0.59
DCM Ltd.		10	5,000	0.04	5,000	0.04
DCM Nouvelle Ltd.		10	5,000	0.07	5,000	0.12
HDFC Bank Ltd.		2	444	0.07	444	0.06
Infosys Ltd.		5	610	0.09	610	0.12
Just Dial Ltd		10	82	0.00	82	0.01
KSE Limited		10	65,467	10.66	65,467	13.88
Maruti Suzuki India Ltd.		5	50	0.04	50	0.04

# Notes to the Standalone Financial Statements

₹ in Crore

Particulars	Note	Face Value	As at March 31, 2023		As at March 31, 2022	
			Number	Amount	Number	Amount
Ruchi Soya Ltd*		2	35	0.00	35	0.00
Ujjivan Financial Services Ltd.		10	12,204	0.31	12,204	0.12
Vadilal Industries Ltd.		10	2,000	0.44	2,000	0.28
Whirlpool of India Ltd.		10	500	0.07	500	0.08
Zicom Electronics Sec. System Ltd.		10	173,918	0.00	173,918	0.00
Bharat Petroleum Corporation Limited		10	2,000	0.07	2,000	0.07
Wockhardt Ltd.		5	1,000	0.02	1,000	0.03
				<b>13.15</b>		<b>16.00</b>
(b) Unquoted Investments						
Bharuch Eco-Aqua Infrastructure Ltd.		10	440,000	0.44	440,000	0.44
Less : Provision for Impairment in the Value of Investment				(0.44)		(0.44)
				-		-
Avesthagen Ltd.		7	469,399	12.43	469,399	12.43
Less : Provision for Impairment in the Value of Investment				(12.43)		(12.43)
				-		-
CBay Infotech Ventures Pvt. Ltd.		10	112,579	2.33	112,579	2.33
Less : Provision for Impairment in the Value of Investment				(2.33)		(2.33)
				-		-
Gharda Chemicals Ltd.	a	100	114	0.12	114	0.12
Less : Provision for Impairment in the Value of Investment				(0.12)		(0.12)
				-		-
HyCa Technologies Pvt. Ltd.		10	12,436	1.24	12,436	1.24
Less : Provision for Impairment in the Value of Investment				(1.24)		(1.24)
				-		-
Tahir Properties Ltd (Partly paid) *	b	100	25	0.00	25	0.00
Boston Analytics Inc.		\$1	1,354,129	6.91	1,354,129	6.91
Less : Provision for Impairment in the Value of Investment				(6.91)		(6.91)
				-		-
The Saraswat Co-op Bank Ltd.		10	1,000	0.02	1,000	0.02
Isprava Vesta Pvt. Ltd. (previously known as Isprava Technologies Ltd.)		10	195,831	0.04	195,831	0.04
Isprava Hospitality Pvt. Ltd.		10	35,434	0.04	35,434	0.03
Clean Max Enviro Energy Solution Pvt Ltd.		10	3,093	1.01	3,093	1.01
Brookings Institution India Centre*		100	125	0.00	125	0.00
Clean Max Kaze Private Lintied		10	24,418	4.29	-	-

# Notes to the Standalone Financial Statements

## Note 4a : Non Current Financial Assets - Other Investments (Continued)

₹ in Crore

Particulars	Note	Face Value	As at March 31, 2023		As at March 31, 2022	
			Number	Amount	Number	Amount
<b>2 Investment in Preference Shares (Fully Paid up unless stated otherwise)</b>						
At Fair Value Through Profit and Loss						
(a) Unquoted Investment						
Tahir Properties Ltd (Class - A) (partly paid) *		100	25	0.00	25	0.00
Less: Forfeited*				0.00		0.00
				<b>0.00</b>		<b>0.00</b>
<b>3 Investment in Partnership Firms</b>						
At Fair Value Through Profit and Loss						
View Group LP *	c			0.00		0.00
Less : Provision for Impairment in the Value of Investment				0.00		0.00
				<b>0.00</b>		<b>0.00</b>
<b>4 Investment in Units of Venture Capital Fund</b>						
At Fair Value Through Profit and Loss						
Indian Fund for Sustainable Energy (Infuse Capital)		100	162,684	3.32	204,024	3.04
				<b>21.86</b>		<b>20.14</b>
Aggregate Amount of Quoted Investments				13.15		16.00
Aggregate Amount of Unquoted Investments				32.18		27.61
Aggregate Amount of Impairment in Value of Investments				(23.47)		(23.47)
Market Value of Quoted Investments				13.15		16.00

\* Amount less than ₹ 0.01 crore.

Notes:

- a The said shares have been refused for registration by the investee company.
- b Uncalled Liability on partly paid shares  
- Tahir Properties Ltd. - Equity - ₹ 80 per share (Previous year - ₹ 80 per share).
- c View Group LP has been dissolved on December 14, 2012, however, the Company has still not received an approval from RBI for writing-off the investment.

## Note 5 : Non Current Financial Assets - Loans

₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
<b>1 Other Loans</b>				
(a) Secured and Considered Doubtful (Refer note 2 below)		10.33		10.33
Less : Allowance for Bad and Doubtful Loans		(10.33)		(10.33)
				-
(b) Unsecured and Considered Good				
Loans to employees			0.90	0.87
			<b>0.90</b>	<b>0.87</b>

Notes:

- 1 There are no loans which have significant increase in credit risk.
- 2 The Company had advanced an amount of ₹ 10.33 crores under diverse loan-cum-pledge agreements to certain individuals who had pledged certain equity shares as security. The Company enforced its security and lodged the shares for transfer in its name. The said transfer application of the Company was rejected, and the Company had preferred an application to the Company Law Board (CLB) against rejection of the said transfer application. The CLB rejected the application of the Company and advised the parties to approach the High

## Notes to the Standalone Financial Statements

Court. The Company filed an appeal before the Hon'ble Bombay High Court against the order of the Company Law Board under section 10F of the Companies Act, which was disposed with the direction that the transfer of shares be kept in abeyance till the pendency of the arbitration proceedings between the parties. The Hon'ble Bombay High Court had by its order dated September 18, 2012, restrained the Company from *inter alia*, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company filed a Special Leave Petition (SLP) before the Supreme Court against this interim order of the Hon'ble Bombay High Court which was dismissed by the Hon'ble Supreme Court. The Ld. Sole Arbitrator, Justice (Retired)\*, A.P. Shah on June 29, 2019 passed an Award ruling that the Company shall return all the pledged shares along with the original loan-cum-pledge agreements and the power of attorneys executed by the said individuals in favour of the Company to the said individuals upon the said individuals repaying an amount of ₹ 10.33 crores to the Company.

The Company has challenged this Award before the Hon'ble High Court of Bombay by way of Section 34 petition under the Arbitration & Conciliation Act, 1996. The Hon'ble Bombay High Court by its Order dated September 13, 2019 has stayed the operation and execution of the said Award dated June 29, 2019 till the final disposal of the said Section 34 Petition. The matter is pending for final hearing before the Hon'ble Bombay High Court.

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

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

₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
1 Loans where there is no repayment schedule				
(i) Federal & Rashmikant	5.83	5.83	5.83	5.83
(ii) M/s Dhruv & Co. (Regd.)	4.18	4.18	4.18	4.18
(iii) D. R. Kavasmaneck & Dr. P. R. Kavasmaneck	0.32	0.32	0.32	0.32
2 Loans to Employees	1.31	0.90	1.12	0.87

### Note 6 : Non Current Financial Assets - Others

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
1 Bank Deposit with more than 12 months maturity	1.32	1.26
2 Secured		
(a) Interest Accrued on Loans (Refer Note 1 below)	3.15	3.15
Provision for Doubtful Interest Accrued	(3.15)	(3.15)
	-	-
3 Unsecured		
(a) Interest Accrued on Loans	1.03	1.03
Provision for Doubtful Interest Accrued	(1.03)	(1.03)
	-	-
4 Security Deposits		
(a) Unsecured and Considered Doubtful	0.95	0.95
Less : Allowance for Bad and Doubtful Deposit	(0.95)	(0.95)
	-	-
5 Other Deposits	4.61	5.14
	<b>5.93</b>	<b>6.40</b>

Note:

- 1 Interest on loan referred to in sub note (2) under Note 5 - Non Current Loans, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.



# Notes to the Standalone Financial Statements

## Note 7 : Deferred Tax Assets (Net)

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
<b>1 Liabilities</b>		
(a) Written Down Value of Assets	197.55	170.53
(b) Others	0.58	0.58
<b>2 Assets</b>		
(a) Provision for Employee Benefits	0.72	0.86
(b) Provision for Loss Allowance for Debts/Advances	4.71	4.48
(c) Other Provisions	12.59	12.45
(d) Unabsorbed Depreciation	179.52	152.73
(e) Investments	0.03	0.03
(f) Indexation benefit on Land	1.06	1.06
<b>Deferred Tax Assets (net) - (Refer note 37)</b>	<b>0.50</b>	<b>0.50</b>

## Note 8 : Other Non Current Assets

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
<b>1 Capital Advances</b>		
Considered Good	1.30	5.72
<b>2 Prepaid Expenses</b>	<b>0.38</b>	<b>0.50</b>
	<b>1.68</b>	<b>6.22</b>

## Note 9 : Inventories

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
<b>1 Raw Materials [includes Goods in transit ₹ 28.35 crore (previous year ₹ 14.45 crore)]</b>	<b>245.16</b>	<b>316.87</b>
<b>2 Packing Material</b>	<b>4.50</b>	<b>4.65</b>
<b>3 Work in Progress</b>	<b>179.33</b>	<b>152.25</b>
<b>4 Finished Goods [includes Goods in transit ₹ 24.04 crore (previous year ₹ 31.39 crore)]</b>	<b>123.66</b>	<b>146.74</b>
<b>5 Stock in Trade</b>	<b>-</b>	<b>0.01</b>
<b>6 Stores and Spares</b>	<b>13.38</b>	<b>11.53</b>
	<b>566.03</b>	<b>632.05</b>

### Notes:

- Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of GST Input Tax Credit.
- Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks. Monthly statements of stock and book debts are filed with the bank which are in agreement with the books of accounts.
- The write-down of inventories during the year amounted to ₹ 13.68 crores (previous year ₹ 4.39 crores). The write-downs/ provisions are included in cost of materials consumed.

# Notes to the Standalone Financial Statements

## Note 10 : Current Financial Assets - Investments

₹ in Crore

Particulars	Note	Face Value	As at March 31, 2023	As at March 31, 2022
<b>1 Investment in Mutual Funds (quoted)</b>			823.04	760.69
<b>2 Other Investment at fair value through Profit and Loss</b>				
(a) Unquoted Investment				
Optionally Convertible Loan Notes/Promissory Notes				
Boston Analytics Inc. (15%)	a	\$ 750,000	3.00	3.00
Less : Provision for Impairment in the Value of Investment			(3.00)	(3.00)
			-	-
Boston Analytics Inc. (20%)	a	\$ 15,50,000	6.73	6.73
Less : Provision for Impairment in the Value of Investment			(6.73)	(6.73)
			-	-
Boston Analytics Inc. (12%)	b	\$ 950,000	4.69	4.69
Less : Provision for Impairment in the Value of Investment			(4.69)	(4.69)
			-	-
			<b>823.04</b>	<b>760.69</b>
Aggregate Amount of Quoted Investments			823.04	760.69
Aggregate Amount of Unquoted Investments			14.42	14.42
Aggregate Amount of Impairment in Value of Investments			(14.42)	(14.42)
Market Value of Quoted Investments			823.04	760.69

## Notes:

- a The Optionally Convertible Promissory Notes (15%) of Boston Analytics Inc. in respect of which the Company did not exercise the conversion option and Boston Analytics Inc. promissory notes (20%) where there was a partial conversion option which the Company did not exercise, were due for redemption on June 30, 2009 and August 21, 2009, respectively. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
- b 12% promissory notes were repayable on or before December 31, 2011, along with interest on maturity. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.

## Note 11 : Current Financial Assets - Trade Receivables

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
1 Secured and Considered Good (Refer Note 1 below)	15.66	17.43
2 Unsecured and Considered Good	425.32	382.85
3 Unsecured and Credit impaired as per Schedule III	2.91	2.56
Less : Loss Allowance for Credit Impaired	(2.91)	(2.56)
	-	-
	<b>440.98</b>	<b>400.28</b>

# Notes to the Standalone Financial Statements

## Trade Receivables ageing based on due date

₹ in Crore

Particulars	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
<b>As at March 2023</b>						
Undisputed Trade receivables						
(i) Considered good	440.86	0.01	0.07	0.04	-	440.98
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	0.68	0.57	0.56	0.18	1.99
Disputed Trade receivables						
(i) Considered good	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	0.92	0.92
Less : Loss Allowance for Credit Impaired	-	(0.68)	(0.57)	(0.56)	(1.10)	(2.91)
<b>Total</b>	<b>440.86</b>	<b>0.01</b>	<b>0.07</b>	<b>0.04</b>	<b>-</b>	<b>440.98</b>
<b>As at March 2022</b>						
Undisputed Trade receivables						
(i) Considered good	400.16	0.06	0.02	0.04	-	400.28
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	0.52	0.85	0.09	0.18	1.64
Disputed Trade receivables						
(i) Considered good	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	0.92	0.92
Less : Loss Allowance for Credit Impaired	-	(0.52)	(0.85)	(0.09)	(1.10)	(2.56)
<b>Total</b>	<b>400.16</b>	<b>0.06</b>	<b>0.02</b>	<b>0.04</b>	<b>-</b>	<b>400.28</b>

Note:

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

## Note 12 a : Current Financial Assets - Cash and Cash Equivalents

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
1 Balances with Banks		
(a) Current Accounts	18.56	17.27
(b) Deposits having maturity less than 3 months	25.05	75.25
2 Cash on Hand	0.54	0.53
	<b>44.15</b>	<b>93.05</b>

## Note 12 b : Current Financial Assets - Other Bank Balances

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
1 Deposits with more than 3 months but less than 12 months maturity	0.39	60.38
2 Other Bank Balances (Refer Note 1 below)	0.39	0.47
	<b>0.78</b>	<b>60.85</b>

Notes:

Other Bank Balances include :

- Balance of ₹ 0.28 crore (previous year ₹ 0.36 crore) unclaimed dividends.

# Notes to the Standalone Financial Statements

## Note 13 : Current Financial Assets - Loans

₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
Unsecured Loans				
(a) Current Maturity of Long term Loans				
Considered Good		0.28		0.22
Considered Doubtful *		0.00		0.00
Provision for Doubtful Loan *		0.00		0.00
		<b>0.28</b>		<b>0.22</b>
		<b>0.28</b>		<b>0.22</b>

\* Amount less than ₹ 0.01 crore.

Note:

Details of Loans as per section 186 (4) of Companies Act, 2013.

₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
	Maximum Balance During the Year	Amount outstanding	Maximum Balance During the Year	Amount outstanding
1 Loans to Employees	0.28	0.28	0.22	0.22
2 Inter Corporate Deposit				
Tricom India Limited	-	-	5.77	-

## Note 14 : Current Financial Assets - Others

₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
1 Other Receivables				
Considered Good		18.51		21.38
Considered Doubtful		0.42		0.42
Allowance for Doubtful Other Receivables		(0.42)		(0.42)
		-		-
2 Interest Accrued on Loans and Deposits		0.07		0.90
		<b>18.58</b>		<b>22.28</b>

## Note 15 : Other Current Assets

₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
1 Deposits		3.56		2.84
2 Balance with Statutory Authorities		37.35		19.58
3 Other Advances				
(a) Advance to Suppliers				
Considered Good		32.06		24.94
Considered Doubtful		0.36		0.74
Provision for Doubtful Advances		(0.36)		(0.74)
		<b>32.06</b>		<b>24.94</b>
(b) Employee Advance		0.03		0.25
(c) Prepaid Expenses		11.81		8.24
(d) Other Advances		11.52		3.25
4 Export Benefits Receivables		0.97		2.05
		<b>97.30</b>		<b>61.15</b>

# Notes to the Standalone Financial Statements

## Note 16 : Equity

₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	Amount	Nos	Amount
1 Authorised Share Capital				
(a) Equity shares of ₹ 1 each	800,000,000	80.00	800,000,000	80.00
(b) Unclassified Shares of ₹ 10 each	100,000,000	100.00	100,000,000	100.00
		<b>180.00</b>		<b>180.00</b>
2 Issued, Subscribed and Paid up Share Capital				
Equity Shares of ₹ 1 each fully paid up	336,638,257	33.66	336,584,313	33.66
Par Value of Equity Share is ₹ 1 each				
Par Value of Unclassified Share is ₹ 10 each				
3 Reconciliation of number of Shares				
Equity Shares				
Number of Shares outstanding at the beginning of the year	336,584,313	33.66	336,525,098	33.66
Issued during the year	53,944	0.00	59,215	0.00
Number of Shares outstanding at the end of the year	<b>336,638,257</b>	<b>33.66</b>	<b>336,584,313</b>	<b>33.66</b>
4 Rights, Preferences And Restrictions attached to Shares				
Equity Shares : The Company has one class of equity shares. Each equity share entitles the holder to one vote. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.				
5 Share Holding Information				
(a) Shareholders holding more than 5% of Equity Shares in the Company:				
Rishad Kaikhushru Naoraji and others (Partners of RKN Enterprises)- 12.65% (previous year 12.65%)	42,583,272	4.26	42,583,272	4.26
Godrej Foundation - 13.37% (previous year 13.37%)	45,014,972	4.50	45,014,972	4.50
Jamshyd Naoraji Godrej 9.34% (previous year 9.34%)	31,429,854	3.14	31,429,854	3.14
Nyrika Holkar 8.01% (previous year 6.73%)	26,962,038	2.26	22,636,500	2.26
6 Equity Shares Reserved for Issue Under Employee Stock Grant (₹ 1 each)				
Employee Stock Grant for which vesting date shall be such date as may be decided by the Compensation Committee (*)				
(a) Employee Stock Grant vesting on 13/05/22	-	-	17,153	0.00
(b) Employee Stock Grant vesting on 30/06/22	-	-	19,454	0.00
(c) Employee Stock Grant vesting on 31/05/23	17,589	0.00	19,454	0.00
(d) Employee Stock Grant vesting on 21/05/22	-	-	16,318	0.00
(e) Employee Stock Grant vesting on 21/05/23	12,335	0.00	16,318	0.00
(f) Employee Stock Grant vesting on 21/05/24	12,335	0.00	16,318	0.00
(g) Employee Stock Grant vesting on 01/06/22	-	-	1,018	0.00
(h) Employee Stock Grant vesting on 01/06/23	509	0.00	1,018	0.00
(i) Employee Stock Grant vesting on 01/06/24	509	0.00	1,018	0.00
(j) Employee Stock Grant vesting on 27/05/23	17,179	0.00	-	-

## Notes to the Standalone Financial Statements

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	Amount	Nos	Amount
(k) Employee Stock Grant vesting on 30/05/23	2,707	0.00	-	-
(l) Employee Stock Grant vesting on 05/09/23	1,452	0.00	-	-
(m) Employee Stock Grant vesting on 06/12/23	713	0.00	-	-
(n) Employee Stock Grant vesting on 27/05/24	22,051	0.00	-	-
(o) Employee Stock Grant vesting on 27/05/25	22,051	0.00	-	-
The exercise period in respect of the stock grants mentioned above is one month.				

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

Pursuant to the Scheme of Amalgamation of Vora Soaps Limited (VSL) with the Company 19,39,04,681 equity shares allotted as fully paid up to the Equity and Preference Shareholders of VSL.

8 There are no calls unpaid.

9 There are no forfeited shares.

(\* ) Amount less than ₹ 0.01 crore.

Details of shares held by promoters

Sr. No.	Entity Type	Promoter Name	As at 31 <sup>st</sup> March 2023			As at 31 <sup>st</sup> March 2022		
			No. of Shares	% of Total Shares	% change	No. of Shares	% of Total Shares	% change
1	Promoter	Adi Barjorji Godrej	607,692	0.18	0.00	607,692	0.18	0.00
2	Promoter	Nadir Barjorji Godrej	599,008	0.18	0.00	599,008	0.18	0.00
3	Promoter	Jamshyd Naoroji Godrej	31,429,854	9.34	0.00	31,429,854	9.34	9.28
4	Promoter	Smita Godrej Crishna	607,634	0.18	0.00	607,634	0.18	0.00
5	Promoter	Rishad Kaikhushru Naoroji	50	0.00	0.00	50	0.00	0.00
6	Promoter Group	Tanya Arvind Dubash	741,755	0.22	0.00	741,755	0.22	0.00
7	Promoter Group	Nisaba Godrej	741,753	0.22	0.00	741,753	0.22	0.00
8	Promoter Group	Pirojsha Adi Godrej	741,758	0.22	0.00	741,758	0.22	0.00
9	Promoter Group	Karla Bookman	237,000	0.07	0.00	237,000	0.07	0.00
10	Promoter Group	Sasha Godrej	241,200	0.07	0.00	241,200	0.07	0.00
11	Promoter Group	Lana Godrej	265,000	0.08	0.00	265,000	0.08	0.00
12	Promoter Group	Burjis Nadir Godrej	5,694,975	1.69	0.00	5,694,975	1.69	0.00
13	Promoter Group	Sohrab Nadir Godrej	5,282,647	1.57	0.00	5,282,647	1.57	0.00
14	Promoter Group	Hormazd Nadir Godrej	1,731,000	0.51	0.00	1,731,000	0.51	0.00
15	Promoter Group	Pheroza Jamshyd Godrej	33	0.00	0.00	33	0.00	0.00
16	Promoter Group	Navroze Jamshyd Godrej	10,157,316	3.02	0.00	10,157,316	3.02	2.72
17	Promoter Group	Raika Jamshyd Godrej	997,089	0.30	0.00	997,089	0.30	0.30
18	Promoter Group	Vijay Mohan Crishna	-	0.00	0.00	-	0.00	0.00
19	Promoter Group	Nyrika Holkar	26,962,038	8.01	1.28	22,636,500	6.73	6.73
20	Promoter Group	Freyan Crishna Bieri	13	0.00	0.00	13	0.00	0.00
21	Promoter Group	Adi Godrej, Tanya Dubash, Nisaba Godrej and Pirojsha Godrej (Trustees of ABG Family Trust)	11,507,016	3.42	0.00	11,507,016	3.42	0.00

# Notes to the Standalone Financial Statements

## Note 16 : Equity (Continued)

Sr. No.	Entity Type	Promoter Name	As at 31 <sup>st</sup> March 2023			As at 31 <sup>st</sup> March 2022		
			No. of Shares	% of Total Shares	% change	No. of Shares	% of Total Shares	% change
22	Promoter Group	Tanya Dubash and Pirojsha Godrej (Trustees of TAD Family Trust)	11,934,517	3.55	0.00	11,934,517	3.55	0.75
23	Promoter Group	Tanya Dubash and Pirojsha Godrej (Trustees of TAD Children Trust)	1	0.00	0.00	1	0.00	0.00
24	Promoter Group	Nisaba Godrej and Pirojsha Godrej (Trustees of NG Family Trust)	11,934,518	3.55	0.00	11,934,518	3.55	0.75
25	Promoter Group	Nisaba Godrej and Pirojsha Godrej (Trustees of NG Children Trust)	1	0.00	0.00	1	0.00	0.00
26	Promoter Group	Pirojsha Godrej and Nisaba Godrej (Trustees of PG Family Trust)	11,191,318	3.32	0.00	11,191,318	3.32	0.75
27	Promoter Group	Pirojsha Godrej and Nisaba Godrej (Trustees of PG Children Trust)	1	0.00	0.00	1	0.00	0.00
28	Promoter Group	Pirojsha Godrej and Nisaba Godrej (Trustees of PG Lineage Trust)	1	0.00	0.00	1	0.00	0.00
29	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of NBG Family Trust)	11,507,016	3.42	0.00	11,507,016	3.42	0.00
30	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of BNG Family Trust)	7,999,103	2.38	0.00	7,999,103	2.38	0.75
31	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of SNG Family Trust)	8,394,193	2.49	0.00	8,394,193	2.49	0.75
32	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of HNG Family Trust)	8,935,621	2.65	0.00	8,935,621	2.65	0.75
33	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of RNG Family Trust)	1	0.00	0.00	1	0.00	0.00
34	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of BNG Successor Trust)	1	0.00	0.00	1	0.00	0.00
35	Promoter Group	Nadir Godrej, Hormazd Godrej and Burjis Godrej (Trustees of BNG Lineage Trust)	1	0.00	0.00	1	0.00	0.00
36	Promoter Group	Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of SNG Successor Trust)	1	0.00	0.00	1	0.00	0.00

# Notes to the Standalone Financial Statements

## Note 16 : Equity (Continued)

Sr. No.	Entity Type	Promoter Name	As at 31 <sup>st</sup> March 2023			As at 31 <sup>st</sup> March 2022		
			No. of Shares	% of Total Shares	% change	No. of Shares	% of Total Shares	% change
37	Promoter Group	Nadir Godrej, Hormazd Godrej and Sohrab Godrej (Trustees of SNG Lineage Trust)	1	0.00	0.00	1	0.00	0.00
38	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of JNG Family Trust)	-	0.00	0.00	-	0.00	-2.72
39	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of PJG Family Trust)	1	0.00	0.00	1	0.00	0.00
40	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of NJG Family Trust)	1	0.00	0.00	1	0.00	0.00
41	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of RJG Family Trust)	1	0.00	0.00	1	0.00	0.00
42	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of The Raika Godrej Family Trust)	-	0.00	0.00	-	0.00	-0.30
43	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of Navroze Lineage Trust)	-	0.00	0.00	-	0.00	-4.64
44	Promoter Group	Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of Raika Lineage Trust)	-	0.00	0.00	-	0.00	-4.64
45	Promoter Group	Smita Godrej Crishna, Vijay Mohan Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of SGC Family Trust)	-	0.00	0.00	-	0.00	-2.94
46	Promoter Group	Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of FVC Family Trust)	8,414,608	2.50	-1.29	12,740,146	3.79	0.00
47	Promoter Group	Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of NVC Family Trust)	-	0.00	0.00	-	0.00	-3.79
48	Promoter Group	Smita Godrej Crishna, Vijay Mohan Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of VMC Family Trust)	1	0.00	0.00	1	0.00	0.00
49	Promoter Group	Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of NVC Children Trust)	1	0.00	0.00	1	0.00	0.00



# Notes to the Standalone Financial Statements

## Note 16 : Equity (Continued)

Sr. No.	Entity Type	Promoter Name	As at 31 <sup>st</sup> March 2023			As at 31 <sup>st</sup> March 2022		
			No. of Shares	% of Total Shares	% change	No. of Shares	% of Total Shares	% change
50	Promoter Group	Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of FVC Children Trust)	1	0.00	0.00	1	0.00	0.00
51	Promoter Group	Rishad Kaikhushru Naoroji & Others (Partners of RKN Enterprises)	42,583,272	12.65	0.00	42,583,272	12.65	0.00
52	Promoter Group	Anamudi Real Estates LLP	1,916,792	0.57	0.00	1,916,792	0.57	-1.97
53	Promoter Group	Godrej Seeds & Genetics Limited	-	0.00	0.00	-	0.00	-2.52
54	Promoter Group	AREL Enterprise LLP	2,770,983	0.82	0.00	2,770,983	0.82	0.00
<b>Total Promoter Holding</b>			<b>226,126,787</b>	<b>67.17</b>		<b>226,126,787</b>	<b>67.18</b>	

## Note 17 : Other Equity

### A Summary of Other Equity Balances

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
1 Capital Redemption Reserve	31.46	31.46
2 Securities Premium Account	925.14	922.60
3 Capital Reserve	46.25	46.25
4 Employee Stock Grants Outstanding	3.19	3.51
5 General Reserve	52.70	52.70
6 Retained Earnings	623.99	393.04
	<b>1,682.73</b>	<b>1,449.56</b>

Refer Statement of Changes in Equity for detailed movement in Other Equity balances

### B Nature and purpose of reserve

- Capital Redemption Reserve : The Company recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings.
- Securities Premium Account : The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This Reserve can be used only for the purposes specified in the Companies Act, 2013.
- Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.
- Employee Stock Grants Outstanding : The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.
- 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.
- Retained Earnings : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. These are stated net of amount relating to Remeasurement of defined benefit plans.

# Notes to the Standalone Financial Statements

## Note 18 : Non Current Financial Liabilities - Borrowings

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>Unsecured Borrowings</b>		
(a) Bonds and Debentures (Refer Note 2 & 3 below)		
Non Convertible Debentures	2,792.75	2,994.09
(b) Term Loans		
(i) From Banks (Refer Note 1 & 2 below)	153.85	307.69
	<b>2,946.60</b>	<b>3,301.78</b>

Notes:

## 1 Unsecured Loans from Banks

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Loan carries interest at 1 year MCLR for an original term upto 72 months and repayable starting March 2022 to March 2025	153.85	307.69

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

3 During the year, the Company has issued 55,000 Unsecured Redeemable Non Convertible Debentures (NCD) of face value ₹ 1 lac each. The total value of NCD is ₹ 550 crore. The NCD is listed on National Stock Exchange. The Company will utilise the proceeds to meet its business purposes, investments in body corporate(s), repayment / prepayment of certain loans and for general corporate purposes.

During previous year, the Company had issued 15,000 Unsecured Redeemable Non Convertible Debentures (NCD) of face value ₹ 10 lac each. The total value of NCD is ₹ 1500 crore. The NCD is listed on National Stock Exchange. The Company will utilise the proceeds to meet its business purposes, investments in body corporate(s), repayment / prepayment of certain loans and for general corporate purposes.

The particulars of NCDs and the utilisation of proceeds is as under:-

₹ In Crore

Particulars	NCD 6.24%	NCD 6.43%	NCD 6.92%	NCD 7.58%	NCD 8.35%	NCD 8.30%	Total
Amount received from NCD (7500 NCDs of Face value of ₹ 10,00,000 each)	750.00	750.00	750.00	750.00	-	-	3,000.00
Amount received from NCD (30,000 NCDs of Face value of ₹ 1,00,000 each)	-	-	-	-	300.00	-	300.00
Amount received from NCD (25,000 NCDs of Face value of ₹ 1,00,000 each)	-	-	-	-	-	250.00	250.00
Repayment Terms	Single principal to be repaid at the end of the term, 14 <sup>th</sup> July, 2023	Single principal to be repaid at the end of the term, 26 <sup>th</sup> Apr, 2024	Single principal to be repaid at the end of the term, 14 <sup>th</sup> May, 2025	Single principal to be repaid at the end of the term, 28 <sup>th</sup> September, 2028	Single principal to be repaid at the end of the term, 12 <sup>th</sup> Dec, 2025	Single principal to be repaid at the end of the term, 12 <sup>th</sup> June, 2026	
Utilisation of Funds till 31 <sup>st</sup> March 2021 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes	480.00	43.45	-	-	-	-	523.45
Utilisation of Funds till 31 <sup>st</sup> March 2022 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes	270.00	706.55	750.00	147.16	-	-	1,873.71

# Notes to the Standalone Financial Statements

## Note 18 : Non Current Financial Liabilities - Borrowings (Continued)

Particulars	NCD 6.24%	NCD 6.43%	NCD 6.92%	NCD 7.58%	NCD 8.35%	NCD 8.30%	Total
Utilisation of Funds till 31 <sup>st</sup> March 2023 for business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes	-	-	-	602.84	-	-	602.84
Balance unutilised amount temporarily invested in Mutual Fund and Bank Fixed Deposit	-	-	-	-	300.00	250.00	550.00

## Note 19 : Non Current Provisions

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Provision for Employee Benefits</b>		
(a) Provision for Gratuity (Refer Note 39)	16.83	13.20
(b) Provision for Compensated absences	2.07	2.66
(c) Provision for Pension (Refer Note 39)	0.27	0.22
(d) Provision for other Benefits	0.31	0.33
	<b>19.48</b>	<b>16.41</b>

## Note 20 : Current Financial Liabilities - Borrowings

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
<b>1 Secured Borrowings</b>		
(a) Loans Repayable on Demand		
(i) From Banks	0.29	0.03
(b) Short Term Loans (Refer Note 1 & 2 below)	-	15.00
<b>2 Unsecured Borrowings</b>		
(a) Loans Repayable on Demand		
(i) From Banks (Refer Note 2 below)	22.10	49.44
(b) Short Term Loans		
(i) From Banks (Refer Note 2 below)	1,045.00	1,175.00
(ii) From Other Parties (Refer Note 2 below)	-	75.00
(c) Other Loans		
(i) Commercial Papers (Refer Note 3 below)	1,959.14	1,384.02
<b>3 Current Maturities of Long Term Borrowings (refer note 4 below)</b>		
Unsecured		
(a) Term Loan from Bank	153.85	153.85
(b) Non Convertible Debentures	750.00	-
	<b>3,930.38</b>	<b>2,852.34</b>

Notes:

1 Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.

## Notes to the Standalone Financial Statements

### Note 20 : Current Financial Liabilities - Borrowings (Continued)

#### 2 Unsecured Loans from Bank/ Other parties

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Loan carries interest rate of 6.9%p.a. repayable by July 22	-	275.00
Loan carries interest rate from 6.1%p.a.to 6.35% p.a. repayable by July 22	-	450.00
Loan carries interest rate from 7.1%p.a.to 7.15% p.a. repayable by Aug 22	-	100.00
Loan carries interest rate of 6.9% p.a. repayable by Jun 22	-	100.00
Loan carries interest rate of 6.6% p.a. repayable by Apr 22	-	50.00
Loan carries interest rate from 5.45%p.a.to 5.55% p.a. repayable by Jun 22	-	200.00
Loan carries interest rate at 6.20% p.a. repayable within 6 months	-	4.44
Loan carries interest rate at 5.05% p.a. repayable within 6 months	-	45.00
Loan carries interest rate from 6.8%p.a. repayable by May 22	-	15.00
Loan carries interest rate from 6.65%p.a. repayable by June 22	-	75.00
Loan carries interest rate from 7.60%p.a.to 8.15% p.a. repayable by Aug'23	100.00	-
Loan carries interest rate of 8.0% p.a. repayable by May'23	50.00	-
Loan carries interest rate of 8.25% p.a. repayable by Apr'23	35.00	-
Loan carries interest rate from 8.05%p.a.to 8.45% p.a. repayable by June'23	330.00	-
Loan carries interest rate from 8.42%p.a.to 8.63% p.a. repayable by Apr'23	120.00	-
Loan carries interest rate from 7.89%p.a.to 7.97% p.a. repayable by May'23	200.00	-
Loan carries interest rate from 7.55%p.a.to 7.65% p.a. repayable by Apr'23	100.00	-
Loan carries interest rate from 8.45%p.a.to 8.63% p.a. repayable by May'23	110.00	-
Loan carries interest rate at 6.30% p.a. repayable by April 23	22.10	-

#### 3 Commercial Papers

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Commercial Papers carries interest at 3.87% p.a. to 4.23% p.a. repayable during the period April to June 2022.	-	1,384.02
Commercial Papers carries interest at 7.15% p.a. to 7.80% p.a. repayable during the period April to June 2023.	1,959.14	-

#### 4 Current Maturities of Long Term Borrowings

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Loan carries interest at 1 year MCLR for an original term upto 72 months and repayable starting March 2022 to March 2025	153.85	153.85
NCD Carries a interest rate of 6.24%, repayable in July 2023	750.00	-

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

# Notes to the Standalone Financial Statements

## Note 21 : Current Financial Liabilities - Trade Payables

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
1 Trade Payables		
(a) Total Outstanding dues of Micro and Small Enterprises (Refer Note 1 below)	61.56	62.98
(b) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	126.92	151.86
2 Acceptances	587.23	530.39
	<b>775.71</b>	<b>745.23</b>

### Trade Payable ageing Schedule

₹ in Crore

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding for following periods from due date of payment							
<b>As at March 31, 2023</b>							
(i) MSME	-	61.56	-	-	-	-	61.56
(ii) Others	54.67	645.22	8.91	3.36	1.65	0.34	714.15
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
	<b>54.67</b>	<b>706.78</b>	<b>8.91</b>	<b>3.36</b>	<b>1.65</b>	<b>0.34</b>	<b>775.71</b>
<b>As at March 31, 2022</b>							
(i) MSME	-	62.98	-	-	-	-	62.98
(ii) Others	44.95	626.59	3.58	2.43	1.57	3.13	682.25
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
	<b>44.95</b>	<b>689.57</b>	<b>3.58</b>	<b>2.43</b>	<b>1.57</b>	<b>3.13</b>	<b>745.23</b>

Note:

- 1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the financial year 2022-23, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

₹ in Crore

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSME act)		
a.	Principal amount due to micro and small enterprise	61.56	62.98
b.	Interest due on above *	-	0.00
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

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

\* Amount less than ₹ 0.01 crore

# Notes to the Standalone Financial Statements

## Note 22 : Current Financial Liabilities - Others

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
1 Interest Accrued but not Due on Borrowings	130.81	129.46
2 Unclaimed Dividends	0.28	0.36
3 Unclaimed Matured Deposits		
(a) Principal Amount	0.03	0.13
(b) Interest accrued Thereon	-	-
	0.03	0.13
4 Others		
(a) Other Creditors (includes employee benefits & capex payables)	90.09	57.57
(b) Deposits	27.02	14.49
(c) Derivative Contracts Payable	0.18	0.68
(d) Other Payables	0.03	0.03
	117.32	72.77
	<b>248.44</b>	<b>202.72</b>

Note:

- There are no amounts due for payments to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

## Note 23 : Other Current Liabilities

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
1 Advance received from Customers	9.55	12.57
2 Statutory Liabilities	12.22	14.21
3 Other Liabilities	1.04	0.78
	<b>22.81</b>	<b>27.56</b>

## Note 24 : Current Provisions

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
(a) Provision for Gratuity (Refer Note 39)	3.88	3.44
(b) Provision for Compensated absences	1.13	2.81
(c) Provision for Pension (Refer Note 39)	-	0.12
(d) Provision for other Benefits	0.08	0.08
	<b>5.09</b>	<b>6.45</b>

# Notes to the Standalone Financial Statements

## Note 25 : Contingent Liabilities

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
<b>1 Claims against the Company not acknowledged as debts</b>		
(a) Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Company has contested and is in appeal at various levels.	1.22	1.46
(b) Customs Duty demands relating to lower charge, differential duty, classification, etc.	11.20	-
(c) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	43.99	41.99
(d) Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	0.29	0.29
(e) Stamp duties claimed on certain properties which are under appeal by the Company.	1.82	1.82
(f) Income tax demands relating to disallowance against sec. 14A in respect of exempt income, Depreciation on Land/ rights in Land of Godrej One etc. against which the Company has preferred appeals.	97.33	97.33
(g) Industrial relations matters under appeal.	0.43	0.35
(h) Demand of Arrears of Rent / Compensation by Mumbai Port Trust Authority - refer note 3 below	159.58	-
(i) Others	4.00	4.00
<b>2 Surety Bonds</b>		
Surety Bonds given by the Company in respect of refund received from excise authority for exempted units of associate company - refer note 4 below.	31.65	32.56

## Notes:

- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.
- It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- The Company had received a notice from a Lessor demanding differential rent amounting to ₹ 159.58 crores upto March 31, 2023, for certain plots of land situated at Wadala. The Company has filed detailed replies denying any liability to pay such differential lease rental. Management has obtained legal advice, basis which, the Company believes that it has a very strong case and accordingly, no provision for the same has been made in the financial Statements but has been considered as a contingent liability.
- Detail of Guarantee given covered under section 186 (4) of the Companies Act, 2013 :  
The Corporate surety bond of ₹ 31.65 crore ( previous year ₹ 32.56 crore) is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an Associate company.

## Note 26 : Commitments

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
1 Estimated amount of contracts remaining to be executed on capital account and not provided for [Net of Advances amounting to ₹ 1.30 crore (previous year - ₹ 5.72 crore)]	12.29	16.11
2 Uncalled liability on partly paid shares / debentures (*)	0.00	0.00

\* Amount less than ₹ 0.01 crore

# Notes to the Standalone Financial Statements

## Note 27 : Revenue From Operations

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1 Sale of Products (Refer Note 2 and 3 below)	4,301.96	3,180.49
2 Other Operating Revenues		
(a) Export Incentives	15.58	10.65
(b) Sale of Scrap	5.14	4.31
(c) Dividend Income (Refer Note 1 below)	117.97	96.59
(d) Rental Income	47.31	47.56
	<b>4,487.96</b>	<b>3,339.60</b>

## Notes:

- Dividend Income has been disclosed under Revenue from Operations since Finance and Investments is an Operating Business Segment for the Company.
- Disaggregation of revenue from contracts with customers

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

₹ in Crore

Sale of Products	Year Ended March 31, 2023	Year Ended March 31, 2022
1 Chemicals Segment		
Domestic Sale	2,762.34	2,141.15
Export Sale	1,383.45	894.72
2 Vegoils Segment		
Domestic Sale	154.58	142.94
3 Other Segment - Wind Energy		
Domestic Sale	1.59	1.68
	<b>4,301.96</b>	<b>3,180.49</b>

- Reconciliation of revenue from contracts with customer

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from contracts with customer as per the contract price	4,307.63	3,186.09
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	(5.66)	(5.81)
b) Sales Returns / Credits / Reversals	-	(0.01)
c) Any other adjustments	(0.01)	0.22
Revenue from contracts with customer as per the statement of Profit and Loss	<b>4,301.96</b>	<b>3,180.49</b>



# Notes to the Standalone Financial Statements

## Note 28 : Other Income

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1 Interest Income	1.53	4.08
2 Profit on sale of Property, Plant and Equipment	0.02	-
3 Profit on Sale of Current Investments	24.41	26.84
4 Write back of Provision for Doubtful Debt	-	1.15
5 Income from Investment measured at FVTPL	-	10.20
6 Business Support Service	34.35	28.13
7 Miscellaneous Income	8.69	4.21
	<b>69.00</b>	<b>74.61</b>

## Note 29 : Cost of Materials Consumed

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>1 Raw Materials Consumed</b>		
Inventory at the Commencement of the Year	316.87	175.29
Add : Purchases (Net)	2,802.04	2,437.28
	<b>3,118.91</b>	<b>2,612.57</b>
Less : Inventory at the Close of the Year (1)	245.16	316.87
	<b>2,873.75</b>	<b>2,295.70</b>
<b>2 Packing Materials Consumed</b>		
Inventory at the Commencement of the Year	4.65	4.24
Add : Purchases (Net)	69.57	62.47
	74.22	66.71
Less : Inventory at the Close of the Year (2)	4.50	4.65
	69.72	62.06
<b>Total Material Consumed (1+2)</b>	<b>2,943.47</b>	<b>2,357.76</b>

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

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>1 Inventory at the Commencement of the Year</b>		
Finished Goods	146.74	95.58
Stock in Trade	0.01	0.08
Work in Progress	152.25	129.07
	299.00	224.73
<b>2 Inventory at the End of the Year</b>		
Finished Goods	123.66	146.74
Stock in Trade	-	0.01
Work in Progress	179.33	152.25
	302.99	299.00
<b>Changes in Inventories (1-2)</b>	<b>(3.99)</b>	<b>(74.27)</b>

# Notes to the Standalone Financial Statements

## Note 31 : Employee Benefits Expenses

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1 Salaries and Wages (Net)	158.18	148.17
2 Contribution to Provident and Other Funds (Refer Note 39)	11.83	10.15
3 Employee Share based payments (Refer Note 40) (net)	2.22	2.68
4 Staff Welfare Expense	8.83	7.64
	<b>181.06</b>	<b>168.64</b>

## Note 32 : Finance Costs

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>1 Interest Expense</b>		
Gross Interest	450.80	346.00
Less : Capitalised to Capital Work in Progress	-	(2.69)
Net Interest	450.80	343.31
<b>2 Other Borrowing Costs</b>		
a) Discounting Charges	21.98	15.49
b) Others	4.85	5.10
	<b>477.63</b>	<b>363.90</b>

## Note 33 : Depreciation

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1 Depreciation on Property, Plant & Equipments	54.15	117.15
Less : Write down of Property, Plant and Equipment (Refer Note 35)	-	(66.57)
	54.15	50.58
2 Depreciation on Investment Property	8.09	8.34
3 Amortisation of Other Intangible Assets	1.46	1.52
4 Depreciation on Right of Use Assets	15.26	14.36
	<b>78.96</b>	<b>74.80</b>

## Note 34 : Other Expenses

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1 Consumption of Stores and Spares	30.91	19.11
2 Power and Fuel	144.61	112.69
3 Processing Charges	12.92	8.10
4 Rent	1.54	0.84
5 Rates and Taxes	7.54	7.81
6 Repairs and Maintenance		
(a) Machinery	23.16	16.84
(b) Buildings	20.47	20.07
(c) Other Assets	0.62	0.62

# Notes to the Standalone Financial Statements

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
7 Insurance	5.84	3.67
8 Freight	110.29	111.18
9 Commission	9.97	7.16
10 Advertisement and Publicity	4.29	2.29
11 Selling and Distribution Expenses	18.16	16.67
12 Provision for Doubtful Debts and Advances	0.29	-
13 Loss on Foreign Exchange Translation	4.45	10.38
14 Loss on Sale of Property, Plant and Equipment	-	0.35
15 Research Expense	2.79	2.42
16 Legal and Professional fees	30.25	28.13
17 Fair Value Loss on Investments measured at FVTPL	6.58	-
18 Auditor's Remuneration (Refer Note 1 below)	1.17	0.79
19 Miscellaneous Expenses	103.88	70.57
	<b>539.73</b>	<b>439.69</b>

Notes :

## 1 Auditor's Remuneration

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(a) Auditors - Limited Review and Statutory Audit Fees	0.79	0.73
(b) Tax Audit Fees	0.15	-
(c) Taxation Matters	0.17	-
(d) Other services	0.06	0.06
	<b>1.17</b>	<b>0.79</b>

## Note 35 : Exceptional Item

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1 Profit on sale of Non Current Investments (Refer note 1 below)	-	2.56
2 Write down of Property Plant and Equipment (Refer note 2 below)	-	(66.57)
	-	<b>(64.01)</b>

Notes :

- An application was made to the Reserve Bank of India (RBI) on April 5, 2021 to seek its approval for change in shareholding and change in Directors of Ensemble Holdings & Finance Limited (a subsidiary of the Company) (renamed as Godrej Finance Limited w.e.f. November 03, 2021 ) by virtue of proposed transfer of shares from its existing shareholders (i.e. Godrej Industries Limited and its nominees) to Pyxis Holdings Limited,(renamed as Godrej Capital Limited w.e.f October 26, 2021) a subsidiary of the Company. The RBI had approved the said proposal vide its letter dated June 2, 2021. The procedure for the change in the shareholding and directors, as per the guidelines of the RBI, has been completed. Effective August 24<sup>th</sup> 2021, Godrej Finance Limited had become a direct subsidiary of Godrej Capital Limited. Net Gain of Rs. 2.56 crores has been recorded on sale of holding in Godrej Finance Limited to Godrej Capital Limited in standalone financial statements of the Company.
- During the previous financial year, the Company has reassessed the future economic benefits from certain plant and machinery and considering expected usage and market conditions it has recorded an exceptional expense of ₹ 66.57 crore to write down the Property, Plant and Equipment to estimated recoverable amount.

# Notes to the Standalone Financial Statements

## Note 36 : Earnings Per Share

Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
1 Calculation of weighted average number of equity shares - Basic		
(a) Number of equity shares at the beginning of the year (in units)	336,584,313	336,525,098
(b) Number of equity shares issued during the year (in units)	53,944	59,215
(c) Number of equity shares outstanding at the end of the year (in units)	336,638,257	336,584,313
(d) Weighted average number of equity shares outstanding during the year (in units)	336,624,771	336,567,373
2 Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year (in units)	336,692,382	336,645,487
(b) Effect of Dilution/ Share based payments	55,305	46,895
(c) Number of potential equity shares at the end of the year (in units)	336,747,687	336,692,382
(d) Weighted average number of potential equity shares outstanding during the year (in units)	336,740,889	336,690,820
3 Profit / (Loss) for the Year after tax (Amount ₹ in Crore)	232.57	(44.19)
(a) Basic Earnings Per Share of ₹ 1 each	6.91	(1.31)
(b) Diluted Earnings Per Share of ₹ 1 each	6.91	(1.31)

## Note 37 : Income Tax Expense

### 1 Tax Expense recognised in the Statement of Profit and Loss

₹ in Crore

Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Deferred Income Tax Liability / (Asset), net		
Origination and reversal of temporary differences	11.97	(3.01)
Recognition of previously unrecognised tax losses	(11.97)	3.01
Deferred Tax Expense - (credit)	-	-
Tax Liability of earlier years	-	-
Tax Expense For the Year	-	-

### 2 Amounts recognised in Other Comprehensive Income

₹ in Crore

Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Items that will not be reclassified to Profit or Loss		
Remeasurements of defined benefit liability (asset)	-	-
	-	-

### 3 Reconciliation of effective tax rate

₹ in Crore

Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Profit / (Loss) Before Tax	232.57	(44.19)
Tax using the Company's statutory tax rate	58.53	(11.12)
Tax effect of		
Income not subject to tax	(4.65)	(5.16)
Amounts which are not deductible for taxable income	2.44	4.89
Previously unrecognised tax losses and unabsorbed depreciation utilised against taxable income	(44.35)	3.01
Deferred tax assets not recognized because realization is not probable	(11.97)	8.38
	0.00	0.00

# Notes to the Standalone Financial Statements

## Note 37 : Income Tax Expense (Continued)

The applicable statutory tax rate for the year ended March 31, 2023 is 25.168% (PY 25.168%). The Company has not recognised Deferred tax assets on unused tax losses and unused tax credits (refer note 5 below) as there is no reasonable certainty of availing the same in future years against normal taxes.

### 4 Movement in deferred tax balances

₹ in Crore

Particulars	Net balance April 1, 2022	Recognised in Statement of Profit and Loss	Net balance March 31, 2023	Deferred tax asset March 31, 2023	Deferred tax liability March 31, 2023
Deferred tax asset					
Property, Plant and Equipment	(170.53)	(27.02)	(197.55)	-	(197.55)
Indexation benefit on land and shares	1.06	-	1.06	1.06	-
Employee benefits	0.86	(0.14)	0.72	0.72	-
Provision for Doubtful Debts / Advances	4.48	0.23	4.71	4.71	-
Unabsorbed Depreciation	152.73	26.79	179.52	179.52	-
Other provisions	12.45	0.14	12.59	12.59	-
Others (Related to EHFL Demerger)	(0.58)	-	(0.58)	-	(0.58)
Investments (Acquisition on account of EHFL)	0.03	-	0.03	0.03	-
Tax assets (Liabilities)	0.50	(0.00)	0.50	198.63	(198.13)
Net tax assets	<b>0.50</b>	<b>(0.00)</b>	<b>0.50</b>	<b>198.63</b>	<b>(198.13)</b>

₹ in Crore

Particulars	Net balance April 1, 2021	Recognised in Statement of Profit and Loss	Net balance March 31, 2022	Deferred tax asset March 31, 2022	Deferred tax liability March 31, 2022
Deferred tax asset					
Property, Plant and Equipment	(177.76)	7.23	(170.53)	-	(170.53)
Indexation benefit on land and shares	1.06	-	1.06	1.06	-
Employee benefits	1.35	(0.49)	0.86	0.86	-
Provision for Doubtful Debts / Advances	6.26	(1.78)	4.48	4.48	-
Unabsorbed Depreciation	157.84	(5.11)	152.73	152.73	-
Other provisions	12.30	0.15	12.45	12.45	-
Others (Related to EHFL Demerger)	(0.58)	-	(0.58)	-	(0.58)
Investments (Acquisition on account of EHFL)	0.03	-	0.03	0.03	-
Tax assets (Liabilities)	0.50	(0.00)	0.50	171.61	(171.11)
Net tax assets	<b>0.50</b>	<b>(0.00)</b>	<b>0.50</b>	<b>171.61</b>	<b>(171.11)</b>

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 judgement 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.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Details of unused tax losses is given in note 5 below.

As the Company does not have any intention to dispose off investments in unlisted subsidiaries and associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

# Notes to the Standalone Financial Statements

## Note 37 : Income Tax Expense (Continued)

### 5 Tax losses carried forward

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Expiry date		
31/3/2023	91.54	153.69
31/3/2024	110.09	110.09
31/3/2025	133.22	133.22
31/3/2026	119.43	119.43
31/3/2027	100.02	100.02
31/3/2028	103.87	103.87
31/3/2029	69.07	69.07
	727.24	789.39
Unabsorbed Depreciation never expires	815.09	930.72

## Note 38 : Leases

### 1. Right of use Assets- Cost, Accumulated Depreciation and Carrying Amount

₹ in Crore

Particulars	Land	Buildings	Total
	<b>Cost</b>		
Balance as at April 1, 2021 (refer note 3)	31.07	104.97	136.04
Additions	-	3.80	3.80
Disposals	-	(41.38)	(41.38)
Balance as at March 31, 2022	<b>31.07</b>	<b>67.39</b>	<b>98.46</b>
Additions / Adjustments	50.86	-	50.86
Disposals	(8.00)	-	(8.00)
Balance as at March 31, 2023	<b>73.93</b>	<b>67.39</b>	<b>141.32</b>
<b>Accumulated depreciation and impairment</b>			
Balance upto April 1, 2021	6.96	60.27	67.23
Depreciation	2.93	11.43	14.36
Disposals	-	(41.38)	(41.38)
Balance upto March 31, 2022	<b>9.89</b>	<b>30.32</b>	<b>40.21</b>
Depreciation	3.83	11.43	15.26
Disposals / Adjustments	(8.00)	-	(8.00)
Balance upto March 31, 2023	<b>5.72</b>	<b>41.75</b>	<b>47.47</b>
<b>Carrying amounts</b>			
Balance as at March 31, 2022	21.18	37.07	58.25
Balance as at March 31, 2023	68.21	25.64	93.85

### 2. Breakdown of lease expenses

₹ in Crore

Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Short-term lease expense	1.04	0.84
Low value lease expense	-	-
<b>Total lease expense</b>	<b>1.04</b>	<b>0.84</b>

# Notes to the Standalone Financial Statements

## Note 38 : Leases (Continued)

### 3. Cash outflow on leases

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Repayment of lease liabilities	14.26	14.24
Interest on lease liabilities	3.90	3.87
Short-term lease expense	1.04	0.67
Low value lease expense	-	-
<b>Total cash outflow on leases</b>	<b>19.20</b>	<b>18.78</b>

### 4. Lease Liability - Maturity analysis (Undiscounted amounts)

₹ in Crore

Particulars	Total	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Weighted average effective interest rate %
<b>As at March 31, 2023</b>						
Lease liabilities						
Principal Repayment	39.67	16.08	15.47	8.12	-	7.98%
Interest Repayment	4.32	2.66	1.36	0.30	-	7.98%
	<b>43.99</b>	<b>18.74</b>	<b>16.83</b>	<b>8.42</b>	-	-
<b>As at March 31, 2022</b>						
Lease liabilities						
Principal Repayment	40.47	11.73	12.82	15.92	-	7.98%
Interest Repayment	5.52	2.80	1.82	0.90	-	7.98%
	<b>45.99</b>	<b>14.53</b>	<b>14.64</b>	<b>16.82</b>	-	-

### 5. Lease Liability- Maturity analysis (Discounted amounts)

₹ in Crore

Particulars	Total	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Weighted average effective interest rate %
<b>As at March 31, 2023</b>						
Lease liabilities						
Principal Repayment	39.67	16.08	15.47	8.12	-	7.98%
<b>As at March 31, 2022</b>						
Lease liabilities						
Principal Repayment	40.47	11.73	12.82	15.92	-	7.98%

### 6. As a Lessor

Undiscounted lease payments to be received for operating leases

₹ in Crore

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Year 1	33.76	35.05
More than 1 year and less than 5 years	53.46	56.34
<b>Total</b>	<b>87.22</b>	<b>91.39</b>

# Notes to the Standalone Financial Statements

## Note 39 : Employee Benefits

### 1 DEFINED CONTRIBUTION PLAN

#### Provident Fund :

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

### 2 DEFINED BENEFIT PLAN

#### Gratuity :

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

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

#### Provident Fund :

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

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, 2023.

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Plan assets at period end, at fair value	114.22	106.45
Provident Fund Corpus	107.88	101.38

Valuation assumptions under Deterministic Approach:

Weighted Average Yield 8.42%

Guaranteed Rate of Interest 8.15%

#### Pension :

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

### 3 Basis Used to Determine Expected Rate of Return on Assets :

The expected return on plan assets of 7.35% p.a. has been considered based on the current investment pattern in Government securities.

### 4 Amounts Recognised as Expense :

#### i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to ₹ 4.16 crore (previous year ₹ 4.41 crore) has been included in Note 31 Employee Benefits Expenses.

#### ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 2.44 crore (previous year ₹ 2.48 crore) has been included in Note 31 Employee Benefits Expenses.

Employer's Contribution to Provident Fund amounting to ₹ 1.54 crore (previous year ₹ 1.46 crore) has been included in Note 31 Employee Benefits Expenses.

Pension cost amounting to ₹ 0.02 crore (previous year ₹ 0.24 crore) has been included in Note 31 Employee Benefits Expenses.



# Notes to the Standalone Financial Statements

## Note 39 : Employee Benefits (Continued)

5 The amounts recognised in the Company's financial statements as at the year end are as under :

₹ in Crore

Particulars	Gratuity		Pension	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>1 Change in Present Value of Obligation</b>				
Present value of the obligation at the beginning of the year	35.33	34.94	0.07	0.91
Current Service Cost	1.43	1.57	-	-
Interest Cost	2.14	2.42	-	-
Contribution by Plan Participants			-	-
Actuarial (Gain) / Loss on Obligation due to change in financial assumptions	(0.66)	0.24	0.03	(0.18)
Actuarial (Gain) / Loss on Obligation due to experience adjustments	1.81	0.22	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.01	0.61	-	-
Benefits Paid	(3.16)	(4.67)	(0.06)	(0.66)
<b>Present value of the obligation at the end of the year</b>	<b>36.90</b>	<b>35.33</b>	<b>0.04</b>	<b>0.07</b>
<b>2 Change in Plan Assets</b>				
Fair value of Plan Assets at the beginning of the year	18.68	21.76	-	-
Expected return on Plan Assets	1.13	1.51	-	-
Return on Plan Assets, Excluding Interest Income	(0.46)	(0.56)	-	-
Contributions by the Employer	0.00	0.64	-	-
Benefits Paid	(3.16)	(4.67)	-	-
<b>Fair value of Plan Assets at the end of the year</b>	<b>16.19</b>	<b>18.68</b>	<b>-</b>	<b>-</b>
<b>3 Amounts Recognised in the Balance Sheet :</b>				
Present value of Obligation at the end of the year	36.90	35.33	-	-
Fair value of Plan Assets at the end of the year	16.19	18.68	-	-
<b>Net Obligation at the end of the year</b>	<b>20.71</b>	<b>16.65</b>	<b>-</b>	<b>-</b>
<b>4 Amounts Recognised in the statement of Profit and Loss :</b>				
Current Service Cost	1.43	1.57	-	-
Interest cost on Obligation	2.14	2.42	-	-
Expected return on Plan Assets	(1.13)	(1.51)	-	-
<b>Net Cost Included in Personnel Expenses</b>	<b>2.44</b>	<b>2.48</b>	<b>-</b>	<b>-</b>
<b>5 Amounts Recognised in Other Comprehensive Income (OCI):</b>				
Actuarial Loss on Obligation For the Year	1.16	1.07	-	-
Return on Plan Assets, Excluding Interest Income	0.46	0.56	-	-
<b>Net Expense For the Period Recognised in OCI</b>	<b>1.62</b>	<b>1.63</b>	<b>-</b>	<b>-</b>
<b>6 Actual Return on Plan Assets</b>	<b>0.67</b>	<b>0.95</b>	<b>-</b>	<b>-</b>
<b>7 Estimated Contribution to be made in Next Financial Year</b>	<b>3.88</b>	<b>3.44</b>	<b>-</b>	<b>-</b>

# Notes to the Standalone Financial Statements

## Note 39 : Employee Benefits (Continued)

₹ in Crore

Particulars	Gratuity		Pension	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>8 Actuarial Assumptions</b>				
i) Discount Rate	7.35% P.A.	6.70% P.A.	7.35% P.A.	6.08% P.A.
ii) Expected Rate of Return on Plan Assets	7.35% P.A.	6.70% P.A.	-	-
iii) Salary Escalation Rate	6.00% P.A.	6.00% P.A.	-	-
iv) Mortality	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

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.

### 6 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.

₹ in Crore

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.96)	1.04	(1.00)	1.09
Future salary growth (1% movement)	1.04	(0.98)	1.09	(1.03)
Rate of employee turnover (1% movement)	0.05	(0.05)	0.02	(0.02)

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

### 7 Expected future benefit payments of Gratuity

₹ in Crore

Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
1 <sup>st</sup> following year	13.39	11.16
2 <sup>nd</sup> following year	3.92	5.36
3 <sup>rd</sup> following year	4.99	3.77
4 <sup>th</sup> following year	3.90	3.99
5 <sup>th</sup> following year	3.83	3.35
Sum of Years 6 to 10	11.77	11.76
Thereafter	5.39	5.56

### 8 Details of Plan Assets

₹ in Crore

Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
ICICI Prudential Life Insurance	0.68	0.66
HDFC Standard Life Insurance	6.27	6.13
SBI Life Insurance	9.24	11.89
	<b>16.19</b>	<b>18.68</b>

# Notes to the Standalone Financial Statements

## Note 40 : Employee Stock Benefit Plans

### 1 Employee Stock Grant Scheme

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

Following table lists the average inputs to the model used for the plan:

Particulars	Year Ended	Year Ended	Description of the Inputs used
	March 31, 2023	March 31, 2022	
Dividend yield %	0.00%	0.00%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	10%-13%	12%-14%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	5.9% to 6.8%	4.4% to 5.3%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options (₹)	433.65	560.70	

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

Particulars	Year Ended	Year Ended	Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
	March 31, 2023	March 31, 2022		
Options Outstanding at the Beginning of the Year	108,069	120,389		
Options Granted	70,305	56,466		
Options Vested	53,944	59,215		
Options Exercised	53,944	59,215	1.00	459.10
Options Lapsed / Forfeited	15,000	9,571		
<b>Total Options Outstanding at the end of the year</b>	<b>109,430</b>	<b>108,069</b>		

- (i) The weighted average exercise price of the options outstanding as on March 31, 2023 is ₹ 1 (previous year ₹ 1 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2023 is 0.88 years (previous year 0.84 years).

# Notes to the Standalone Financial Statements

## Note 41 : Related Party Information

a) Names of related parties and description of relationship	
<b>Parties where control exists</b>	
<b>1</b>	<b>Godrej Agrovet Limited - Subsidiary Company</b>
1.1	Godvet Agrochem Limited
1.2	Astec LifeSciences Limited (including its following subsidiaries)
1.2.1	Behram Chemicals Private Limited
1.2.2	Comercializadora Agricola Agroastrachem Cia Ltda
1.3	Creamline Dairy Products Limited
1.4	Godrej Tyson Foods Limited
1.5	Godrej Maxximilk Private Limited
<b>Joint Venture</b>	
1.6	ACI Godrej Agrovet Private Limited, Bangladesh
1.7	Omnivore India Capital Trust
<b>Associates</b>	
1.8	Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
<b>2</b>	<b>Godrej Properties Limited - Subsidiary Company</b>
2.1	Oasis Landmarks LLP ( w. e. f 1 March 2022)
2.2	Godrej Garden City Properties Private Limited
2.3	Prakritiplaza Facilities Management Private Limited
2.4	Godrej Prakriti Facilities Private Limited
2.5	Godrej Genesis Facilities Management Private Limited
2.6	Godrej Hillside Properties Private Limited
2.7	Godrej Highrises Properties Private Limited
2.8	Citystar Infraprojects Limited
2.9	Godrej Residency Private Limited
2.10	Godrej Home Developers Private Limited
2.11	Godrej Projects Development Limited
2.12	Godrej Project Developers & Properties LLP
2.13	Godrej Projects (Soma) LLP
2.14	Godrej City Facilities Management LLP
2.15	Godrej Construction Projects LLP
2.16	Godrej Highrises Realty LLP
2.17	Godrej Green Properties LLP
2.18	Godrej Skyview LLP
2.19	Godrej Athenmark LLP
2.20	Ashank Realty Management LLP
2.21	Godrej Olympia LLP
2.22	Ashank Facility Management LLP
2.23	Godrej Green Woods Private Limited
2.24	Godrej Precast Construction Private Limited
2.25	Godrej Properties Worldwide Inc., USA
2.26	Godrej Realty Private Limited
2.27	Godrej Florentine LLP

# Notes to the Standalone Financial Statements

## Note 41 : Related Party Information (Continued)

### a) Names of related parties and description of relationship

2.28	Godrej Living Private Limited (w.e.f. Feb 1, 2022)
2.29	Yerwada Developers Private Limited ( w. e. f 9 December 2021 upto January 30,2022)
2.30	Ashank Land & Building Private Limited (w.e.f. May 19, 2022)
2.31	Godrej Reserve LLP (Subsidiary w.e.f October 01, 2022)
2.32	Wonder City Buildcon Private Limited (Subsidiary w.e.f. March 29, 2023)
2.33	Maan-Hinje Township Developers LLP (Subsidiary w.e.f. March 29, 2023)
2.34	Godrej Home Constructions Private Limited (Subsidiary w.e.f. March 29, 2023)

### a) Names of related parties and description of relationship

#### Joint Ventures

2.35	Godrej Redevelopers (Mumbai) Private Limited
2.36	Godrej Greenview Housing Private Limited
2.37	Wonder City Buildcon Private Limited (Joint venture upto March 28, 2023)
2.38	Godrej Home Constructions Private Limited (Joint venture upto March 28, 2023)
2.39	Wonder Projects Development Private Limited
2.40	Godrej Real View Developers Private Limited
2.41	Pearlite Real Properties Private Limited
2.42	Godrej Skyline Developers Private Limited
2.43	Godrej Green Homes Private Limited (Formerly Known as Godrej Green Homes Limited)
2.44	Yujya Developers Private Limited (Merged with Madhuvan Enterprises Private Limited) w.e.f. 27 <sup>th</sup> March, 2023
2.45	Vivrut Developers Private Limited
2.46	Madhuvan Enterprises Private Limited
2.47	Mosiac Landmarks LLP
2.48	Dream World Landmarks LLP
2.49	Oxford Realty LLP
2.50	Godrej SSPDL Green Acres LLP
2.51	Caroa Properties LLP
2.52	M S Ramaiah Ventures LLP
2.53	Oasis Landmarks LLP ( upto 28 February 2022)
2.54	Godrej Amitis Developers LLP ( formerly known as Amitis Developers LLP)
2.55	Godrej Property Developers LLP
2.56	A R Landcraft LLP
2.57	Prakhhyat Dwellings LLP
2.58	Godrej Highview LLP
2.59	Godrej Projects North Star LLP
2.60	Godrej Developers & Properties LLP
2.61	Godrej Reserve LLP (Joint venture upto September 30, 2022)
2.62	Godrej Irismark LLP
2.63	Roseberry Estate LLP
2.64	Suncity Infrastructures (Mumbai) LLP
2.65	Maan-Hinje Township Developers LLP (Joint venture upto March 29, 2023)
2.66	Godrej Vestamark LLP
2.67	Manyata Industrial Parks LLP

# Notes to the Standalone Financial Statements

## Note 41 : Related Party Information (Continued)

### a) Names of related parties and description of relationship

2.68	Godrej Odyssey LLP
2.69	Universal Metro Properties LLP.
2.70	Embellish Houses LLP
2.71	Manjari Housing Projects LLP (Formerly Known as Godrej Avamark LLP)
2.72	Mahalunge Township Developers LLP (Formerly Known as Godrej Land Developers LLP)
2.73	Yerwada Developers Private Limited ( w. e. f. 31 January 2022)
2.74	Godrej Projects North LLP ( w. e. f 3 December 2021)
2.75	Godrej Housing Projects LLP
2.76	Vagishwari Land Developers Private Limited
2.77	Godrej Macbricks Private Limited
2.78	Munjal Hospitality Private Limited

### 3 Godrej Capital Ltd - Subsidiary Company

3.1	Godrej Finance Limited (Earlier known as Ensemble Holdings & Finance Limited w.e.f August 23, 2021)
3.2	Godrej Housing Finance Limited (w.e.f August 24, 2021)
3.3	Pyxis Employee Stock Option Trust
4	Godrej International Limited - Subsidiary Company
5	Godrej International Trading & Investments Pte Limited - Subsidiary Company
6	Godrej One Premises Management Private Limited - Subsidiary Company
7	Godrej Industries Limited Employee Stock Option Trust - Subsidiary Entity

### Associates

8	Godrej Consumer Products Limited and its stepdown subsidiaries
8.1	PT Godrej Consumer Products Indonesia (Earlier known as PT Megasari Makmur)
8.2	Strength of Nature, LLC
8.3	Subinite Pty Ltd
8.4	Laboratoria Cuenca S.A.
8.5	Godrej Consumer Products International FZCO
8.6	Godrej Nigeria Limited
8.7	Canon Chemicals Limited
8.8	Godrej Household Products Lanka (Private) Limited
8.9	COSMETICA NACIONAL S.A.
8.10	LORNA NIGERIA LIMITED
8.11	GODREJ GLOBAL MIDDLE EAST FZE

### 9 Companies under common ownership

9.1	Godrej & Boyce Manufacturing Company Limited
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### 10 Key Management Personnel

10.1	Mr. A. B. Godrej - Chairman Emeritus (retired w.e.f September 30, 2021)
10.2	Mr. N. B. Godrej - Chairman & Managing Director (effective October 1, 2021)
10.3	Ms. T. A. Dubash - Executive Director & Chief Brand Officer
10.4	Mr. N. S. Nabar - Executive Director & President (Chemicals)
10.5	Mr. C. G. Pinto - Chief Financial Officer
10.6	Ms. Tejal Jariwala - Company Secretary

# Notes to the Standalone Financial Statements

## Note 41 : Related Party Information (Continued)

### a) Names of related parties and description of relationship

#### 11 Non-Executive Directors

11.1	Mr. J.N. Godrej
11.2	Mr. V.M. Crishna (upto November 8, 2021)
11.3	Mr. P. A. Godrej
11.4	Mr. K.N. Petigara (upto April 1, 2021)
11.5	Mr. Mathew Eipe
11.6	Dr. Ganapati D. Yadav
11.7	Ms. Monaz Noble
11.8	Ms. Shweta Bhatia
11.9	Mr. Sandeep Murthy
11.10	Mr. Ajay Kumar Vaghani (effective June 23, 2021)

#### 12 Relatives of Key Management Personnel

12.1	Ms. N. A. Godrej - Sister of Ms. Tanya Dubhash
12.2	Ms. R. N. Godrej - Wife of Mr. N. B. Godrej
12.3	Mr. B. N. Godrej - Son of Mr. N. B. Godrej
12.4	Mr. S. N. Godrej - Son of Mr. N. B. Godrej
12.5	Mr. H. N. Godrej - Son of Mr. N. B. Godrej
12.6	Mr. A. D. Dubash - Husband of Ms. Tanya Dubash
12.7	Master A. A. Dubash - Son of Ms. Tanya Dubash
12.8	Master A. A. Dubash - Son of Ms. Tanya Dubash
12.9	Ms. N. N. Nabar - Wife of Mr. N. S. Nabar
12.10	Mr. P. A. Godrej - Brother of Ms. Tanya Dubash

#### 13 Enterprises over which key management personnel exercise significant influence

13.1	Anamudi Real Estates LLP
13.2	Godrej Seeds & Genetics Limited
13.3	Meghmani Organics Limited

#### 14 Enterprises over which relative of key management personnel exercise significant influence

14.1	Shata Trading & Finance Private Limited
14.2	Shilawati Trading & Finance Private Limited
14.3	NG Family Trust
14.4	PG Family Trust
14.5	BNG Family Trust
14.6	SNG Family Trust
14.7	HNG Family Trust
14.8	Godrej Fund Management and Investment Advisers Private Limited w.e.f. April 8, 2022
14.9	Karukachal Developers Private Limited
14.10	Eranthus Developers Private Limited
14.11	Praviz Developers Private Limited
14.12	Godrej Holdings Private Limited
14.13	Ceres Developers Private Limited
14.14	Transpolar Logistics (India) Private Limited
14.15	Mindcrescent Wellness Ventures Private Limited

#### 15 Post Employment Benefit Trust where reporting entity exercises significant influence

15.1	Godrej Industries Employees Provident Fund
15.2	Godrej Industries Ltd Group Gratuity Trust

# Notes to the Standalone Financial Statements

## b) Transactions with Related Parties

₹ in Crore

Nature of Transaction	Subsidiary Companies	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Management Personnel exercise significant influence	Enterprises over which Relative of Key Management Personnel exercise significant influence	Total
Sale of Goods *	8.67	118.50	0.52	-	-	96.75	-	224.44
<i>Previous Year *</i>	<i>6.54</i>	<i>90.19</i>	<i>0.22</i>	-	<i>0.25</i>	<i>74.83</i>	-	<i>172.03</i>
Purchase of goods	2.74	25.15	0.01	-	-	107.41	-	135.31
<i>Previous Year</i>	-	<i>27.33</i>	-	-	-	<i>65.31</i>	-	<i>92.64</i>
Purchase of Property, Plants & Equipments & Purchase of Investment Property	-	0.04	0.80	-	-	-	-	0.84
<i>Previous Year</i>	-	<i>0.00</i>	<i>0.04</i>	-	-	-	-	<i>0.04</i>
Commission / Royalty received	-	0.24	-	-	-	-	-	0.24
<i>Previous Year</i>	-	<i>0.27</i>	-	-	-	-	-	<i>0.27</i>
Licence fees / Service charges / Storage Income	13.95	15.49	-	-	-	-	0.32	29.76
<i>Previous Year</i>	<i>14.67</i>	<i>18.58</i>	<i>0.02</i>	-	-	-	<i>0.04</i>	<i>33.31</i>
Other Income *	1.45	1.00	0.00	-	-	0.00	0.02	2.47
<i>Previous Year</i>	<i>0.73</i>	<i>0.19</i>	-	-	<i>0.01</i>	-	-	<i>0.93</i>
Recovery of establishment & Other Expenses	27.94	28.15	-	-	-	-	0.29	56.38
<i>Previous Year</i>	<i>21.13</i>	<i>27.43</i>	<i>1.71</i>	-	-	<i>7.70</i>	<i>0.09</i>	<i>58.06</i>
Rent, Establishment & other expenses paid	11.19	13.50	5.17	-	-	6.98	4.25	41.09
<i>Previous Year</i>	<i>8.96</i>	<i>13.29</i>	<i>5.22</i>	-	<i>0.91</i>	-	<i>2.20</i>	<i>30.58</i>
Dividend income	117.82	-	-	-	-	-	-	117.82
<i>Previous Year</i>	<i>96.01</i>	-	-	-	-	-	-	<i>96.01</i>
Remuneration to Key Management Personal								
Short term employee benefit	-	-	-	31.04	-	-	-	31.04
Post employment benefit	-	-	-	0.87	-	-	-	0.87
Share based payment	-	-	-	0.80	-	-	-	0.80
<i>Previous Year</i>	-	-	-	-	-	-	-	-
<i>Short term employee benefit</i>	-	-	-	<i>27.76</i>	-	-	-	<i>27.76</i>
<i>Post employment benefit</i>	-	-	-	<i>0.80</i>	-	-	-	<i>0.80</i>
<i>Share based payment</i>	-	-	-	<i>0.85</i>	-	-	-	<i>0.85</i>



# Notes to the Standalone Financial Statements

## Note 41 : Related Party Information (Continued)

₹ in Crore

Nature of Transaction	Subsidiary Companies	Associate/ Joint Venture Companies	Companies under common ownership	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Enterprises over which Relative of Key Mangement Personnel exercise significant influence	Total
Other Deposits refund	-	0.93	-	-	-	-	-	0.93
<i>Previous Year</i>	-	-	-	-	-	-	-	-
Other Deposits accepted	4.07	-	-	-	-	-	-	4.07
<i>Previous Year</i>	1.60	0.22	-	-	-	-	-	1.82
Sale of Investments	-	-	-	-	-	-	-	-
<i>Previous Year</i>	5.73	-	-	-	-	-	-	5.73
Purchase of Investments	685.00	-	-	-	-	-	-	685.00
<i>Previous Year</i>	809.16	-	-	-	-	-	-	809.16
Commission paid to Director	-	-	-	0.60	-	-	-	0.60
<i>Previous Year</i>	-	-	-	0.58	-	-	-	0.58
Directors Fees	-	-	-	0.78	-	-	-	0.78
<i>Previous Year</i>	-	-	-	0.71	-	-	-	0.71
Balance Outstanding								
Receivables *	4.86	23.01	0.19	-	-	0.01	0.02	28.09
<i>Previous Year *</i>	6.67	21.52	0.24	-	-	7.96	-	36.39
Payables	0.28	2.26	0.39	-	-	-	0.02	2.95
<i>Previous Year</i>	0.04	1.81	0.41	0.01	-	-	0.04	2.31
Deposit Payable	6.66	1.59	-	-	-	-	0.31	8.56
<i>Previous Year</i>	2.90	2.52	-	-	-	-	-	5.42
Advance Given	-	-	-	-	-	22.97	-	22.97
<i>Previous Year</i>	-	-	-	-	-	-	-	-
Guarantees outstanding	-	31.65	-	-	-	-	-	31.65
<i>Previous Year</i>	-	32.56	-	-	-	-	-	32.56

\* Amount less than ₹ 0.01 crores

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

# Notes to the Standalone Financial Statements

## Note 41 : Related Party Information (Continued)

### c) Significant Related Party Disclosure

₹ in Crore

Nature of Transaction	Company Name	As at March 2023	As at March 2022
Sale of Goods	Godrej Consumer Products Limited	85.33	69.25
Sale of Goods	Godrej Seeds & Genetics Limited	96.68	74.83
Purchase of Goods	Godrej Consumer Products Limited	25.15	27.33
Purchase of Goods	Godrej Seeds & Genetics Limited	107.41	65.31
Commission / Royalty received	Godrej Consumer Products Limited	0.24	0.27
Licence fees / Service charges / Storage Income	Godrej Consumer Products Limited	15.49	18.58
Recovery of establishment & other Expenses	Godrej Consumer Products Limited	28.11	27.43
Recovery of establishment & other Expenses	Godrej Agrovet Limited	9.91	7.73
Recovery of establishment & other Expenses	Godrej Properties Limited	14.40	10.44
Rent, Establishment & other expenses paid	Godrej Consumer Products Limited	13.50	13.31
Rent, Establishment & other expenses paid	Godrej Properties Limited	0.02	0.09
Rent, Establishment & other expenses paid	Godrej & Boyce Manufacturing Company Limited	5.17	5.46
Dividend income	Godrej Agrovet Limited	117.82	96.01
Sale of Investments	Godrej Capital Limited	-	5.73
Purchase of Investments	Godrej Capital Limited	685.00	809.16
Other Deposits accepted	Godrej Properties Limited	1.79	-
Other Deposits accepted	Godrej Agrovet Limited	-	0.11
Other Deposits accepted	Godrej Projects Development Ltd	1.98	-

## Note 42 : Fair Value Measurement

Refer Note 2 sub note 9 & 10 for accounting policy on Financial Instruments.

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

### 1 Accounting classification and fair values

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

₹ in Crore

As at March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-Current</b>								
Investments								
Other Investments*	21.86	-	-	21.86	13.15	-	8.71	21.86
Loans								
Loans to Employees	-	-	0.90	0.90	-	-	-	-
Other financial assets	-	-	5.93	5.93	-	-	-	-

# Notes to the Standalone Financial Statements

## Note 42 : Fair Value Measurement (Continued)

₹ in Crore

As at March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Current</b>								
Current investments	823.04	-	-	823.04	823.04	-	-	823.04
Trade receivables	-	-	440.98	440.98	-	-	-	-
Cash and cash equivalents	-	-	44.15	44.15	-	-	-	-
Other bank balances	-	-	0.78	0.78	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Others	-	-	0.28	0.28	-	-	-	-
Other Current Financial Assets	-	-	18.58	18.58	-	-	-	-
	<b>844.90</b>	<b>-</b>	<b>511.60</b>	<b>1,356.50</b>	<b>836.19</b>	<b>-</b>	<b>8.71</b>	<b>844.90</b>
<b>Financial liabilities</b>								
<b>Non-Current</b>								
Borrowings - Non Convertible Debentures	-	-	2,792.75	2,792.75	-	2,746.78	-	2,746.78
Borrowings - Term Loans from Banks	-	-	153.85	153.85	-	-	-	-
Lease Liabilities	-	-	23.59	23.59	-	-	-	-
<b>Current</b>								
Borrowings	-	-	3,930.38	3,930.38	-	748.25	-	748.25
Lease Liabilities	-	-	16.08	16.08	-	-	-	-
Trade and other payables	-	-	775.71	775.71	-	-	-	-
Derivative liabilities	0.18	-	-	0.18	-	0.18	-	0.18
Other financial liabilities	-	-	248.26	248.26	-	-	-	-
	<b>0.18</b>	<b>-</b>	<b>7,940.62</b>	<b>7,940.80</b>	<b>-</b>	<b>3,495.21</b>	<b>-</b>	<b>3,495.21</b>

₹ in Crore

As at March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-Current</b>								
Investments								
Other Investments*	20.14	-	-	20.14	16.00	-	3.83	19.83
Loans								
Loans to Employees	-	-	0.87	0.87	-	-	-	-
Other financial assets	-	-	6.40	6.40	-	-	-	-
<b>Current</b>								
Current investments	760.69	-	-	760.69	760.69	-	-	760.69
Trade receivables	-	-	400.28	400.28	-	-	-	-
Cash and cash equivalents	-	-	93.05	93.05	-	-	-	-
Other bank balances	-	-	60.85	60.85	-	-	-	-
Loans								
Others	-	-	0.22	0.22	-	-	-	-
Other Current Financial Assets	-	-	22.28	22.28	-	-	-	-
	<b>780.83</b>	<b>-</b>	<b>583.95</b>	<b>1,364.78</b>	<b>776.69</b>	<b>-</b>	<b>3.83</b>	<b>780.52</b>

# Notes to the Standalone Financial Statements

## Note 42 : Fair Value Measurement (Continued)

₹ in Crore

As at March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>								
<b>Non-Current</b>								
Borrowings - Non Convertible Debentures	-	-	2,994.09	2,994.09	-	3,034.88	-	3,034.88
Borrowings - Term Loans from Banks	-	-	307.69	307.69	-	-	-	-
Lease Liabilities	-	-	28.74	28.74	-	-	-	-
<b>Current</b>								
Borrowings	-	-	2,852.34	2,852.34	-	-	-	-
Lease Liabilities	-	-	11.73	11.73	-	-	-	-
Trade and other payables	-	-	745.23	745.23	-	-	-	-
Derivative liabilities	0.68	-	-	0.68	-	0.68	-	0.68
Other financial liabilities	-	-	202.04	202.04	-	-	-	-
	<b>0.68</b>	<b>-</b>	<b>7,141.86</b>	<b>7,142.54</b>	<b>-</b>	<b>3,035.56</b>	<b>-</b>	<b>3,035.56</b>

\* The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at net book value as per the latest audited financial statements available.

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

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

### 2 Measurement of fair values

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

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

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

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

- The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- The Company uses the Discounted Cash Flow valuation technique (in relation to financial assets measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined for financial asset measured at fair value through profit and loss are classified as Level 2.
- The Company uses the discounted cash flow valuation technique (in relation to financial liabilities measured at amortised cost) which involves determination of the present value of expected payments, discounted using bank rate. The fair value of non-convertible debentures is valued using FIMMDA guidelines.

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

Type	Valuation technique
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.

# Notes to the Standalone Financial Statements

## Note 43 : Financial Risk Management

### 1 Financial Risk Management objectives and policies

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

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

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

### 2 Credit risk

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

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

#### Trade receivables and loans and advances.

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

The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Company's export sales are backed by letters of credit and insured through Export Credit Guarantee Corporation. The Company bifurcates the Domestic Customers into Large Corporates, Distributors and others for Credit monitoring.

The Company maintains adequate security deposits for sales made to its distributors. For other trade receivables, the Company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors individual loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk.

The ageing analysis of trade receivables is disclosed in Note 11

The movement in Provision for Loss Allowance is as follows:

Particulars	₹ in Crore	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Opening Provision for Loss Allowance	2.98	3.86
Impairment loss recognised	0.45	0.89
Balance written back	-	-
Amounts written off	(0.10)	(1.77)
Closing Provision for Loss Allowance	<b>3.33</b>	<b>2.98</b>

#### Bank Balances and derivative transactions

Bank Accounts / derivative transactions are maintained / carried out with Banks having high credit ratings

# Notes to the Standalone Financial Statements

## Note 43 : Financial Risk Management (Continued)

### 3 Liquidity risk

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

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

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

#### Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities as at Balance Sheet Dates:

₹ in Crore

As at March 31, 2023	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Non Current Borrowings	2,946.60	3,680.61	115.63	100.91	1,090.92	1,566.30	806.85
Non Current Lease Liabilities	23.59	25.25	-	-	16.83	8.42	-
Current Borrowings	3,930.38	4,010.20	3,930.70	79.50	-	-	-
Current Lease Liabilities	16.08	18.74	9.37	9.37	-	-	-
Trade and other payables	775.71	775.71	775.71	-	-	-	-
Other financial liabilities	248.44	248.44	248.44	-	-	-	-

₹ in Crore

As at March 31, 2022	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Non Current Borrowings	3,301.78	4,175.46	166.88	59.44	1,126.02	1,959.42	863.70
Non Current Lease Liabilities	28.74	31.46	-	-	14.64	16.82	-
Current Borrowings	2,858.32	5,233.76	2,354.18	2,800.55	79.03	-	-
Current Lease Liabilities	11.73	14.53	7.27	7.26	-	-	-
Trade and other payables	745.23	745.23	745.23	-	-	-	-
Other financial liabilities	202.72	202.72	202.72	-	-	-	-

### 4 Market risk

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

#### 4(i) Currency risk

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

# Notes to the Standalone Financial Statements

## Note 43 : Financial Risk Management (Continued)

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

The currency profile of financial assets and financial liabilities as at Balance Sheet dates are as below:

₹ in Crore

As at March 31, 2023	USD	EURO
<b>Financial assets</b>		
<b>Current</b>		
Trade Receivables	177.39	4.98
Less : Forward Contracts for Trade Receivables	(10.27)	-
	<b>167.12</b>	<b>4.98</b>
<b>Financial liabilities</b>		
<b>Current</b>		
Trade and other payables	272.35	0.21
Less: Forward contracts for Trade Payables	(72.76)	-
	<b>199.59</b>	<b>0.21</b>
<b>As at March 31, 2022</b>	<b>USD</b>	<b>EURO</b>
<b>Financial assets</b>		
<b>Current</b>		
Trade Receivables	175.54	10.00
Less : Forward Contracts for Trade Receivables	(3.79)	-
	<b>171.75</b>	<b>10.00</b>
<b>Financial liabilities</b>		
<b>Current</b>		
Trade and other payables	386.57	0.39
Less: Forward contracts for Trade Payables	(173.18)	-
	<b>213.39</b>	<b>0.39</b>

The following significant exchange rates have been applied as at the Balance Sheet dates:

INR	Year-end spot rate	
	As at	As at
	March 31, 2023	March 31, 2022
USD 1	82.18	75.79
EUR1	89.37	84.17

### Sensitivity analysis

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

₹ in Crore

Particulars	As at March 31, 2023		As at March 31, 2022	
	Profit or (loss) and Equity		Profit or (loss) and Equity	
	Strengthening	Weakening	Strengthening	Weakening
USD - 1% Movement	-	-	0.42	(0.42)
USD - 3% Movement	0.97	(0.97)	-	-
EUR - 4% Movement	(0.19)	0.19	-	-
EUR - 3% Movement	-	-	(0.29)	0.29
	<b>0.78</b>	<b>(0.78)</b>	<b>0.13</b>	<b>(0.13)</b>

# Notes to the Standalone Financial Statements

## Note 43 : Financial Risk Management (Continued)

### 4(ii) Interest rate risk

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

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

#### Exposure to interest rate risk

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

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Fixed rate borrowings	6,569.28	5,592.58
Variable rate borrowings	307.70	561.54
	<b>6,876.98</b>	<b>6,154.12</b>

#### 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 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

₹ in Crore

Particulars	Profit or (loss) and Equity	
	100 bp increase	100 bp decrease
<b>As at March 31, 2023</b>		
Variable-rate instruments	(3.08)	3.08
Interest rate swaps	-	-
<b>Cash flow sensitivity (net)</b>	<b>(3.08)</b>	<b>3.08</b>
<b>As at March 31, 2022</b>		
Variable-rate instruments	(5.62)	5.62
Interest rate swaps	-	-
<b>Cash flow sensitivity (net)</b>	<b>(5.62)</b>	<b>5.62</b>

### 4(iii) Commodity Price risk

The Company is exposed to commodity risks mainly due to price volatility in Palm oil derivatives and Rapeseed Oil. We enter into fixed price contracts with suppliers and in certain cases, enter into back to back sale contract with customers. We periodically review the open exposure of Raw material regularly.

#### Forward Contracts

The Company 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 Company does not use foreign exchange forward contracts for trading or speculation purposes.



# Notes to the Standalone Financial Statements

## Note 43 : Financial Risk Management (Continued)

### Forward Contracts outstanding:

USD in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Forward Contract to Purchase (USD) [17 contracts (previous year 50 contracts)]	0.89	2.29
Forward Contract to Sell (USD) [5 contracts (previous year 2 contracts)]	0.13	0.05

## Note 44 : Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

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

₹ in Crore

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Non-Current Borrowings	2,946.60	3,301.78
Current Borrowings	3,930.38	2,852.34
<b>Gross Debt</b>	<b>6,876.98</b>	<b>6,154.12</b>
Less : Cash and Cash Equivalents	(44.15)	(93.05)
Less : Other Bank Balances	(0.78)	(60.85)
Less : Current Investments	(823.04)	(760.69)
<b>Adjusted Net debt</b>	<b>6,009.01</b>	<b>5,239.53</b>
<b>Total Equity</b>	<b>1,716.39</b>	<b>1,483.22</b>
Adjusted Net Debt to Equity ratio	3.50	3.53

## Note 45 : Master netting or similar agreements

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at Balance Sheet Dates:

₹ in Crore

As at March 31, 2023	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>Financial liabilities</b>						
<b>Current</b>						
Derivative liabilities	0.18	-	0.18	-	-	0.18
<b>Total</b>	<b>0.18</b>	<b>-</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>0.18</b>

₹ in Crore

As at March 31, 2022	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>Financial liabilities</b>						
<b>Current</b>						
Derivative liabilities	0.69	0.01	0.68	-	-	0.68
<b>Total</b>	<b>0.69</b>	<b>0.01</b>	<b>0.68</b>	<b>-</b>	<b>-</b>	<b>0.68</b>

# Notes to the Standalone Financial Statements

## Note 45 : Master netting or similar agreements (Continued)

### Offsetting arrangements

#### Derivatives

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

## Note 46 : Ratios

### Ratio analysis and its elements

Particulars	As at March 31, 2023	As at March 31, 2022	Change %	Reason for more than 25% change
Debt Equity Ratio (based on net debt)	3.50	3.53	(1%)	
Debt Equity Ratio (based on gross debt)	4.01	4.15	(3%)	
Debt Service Coverage Ratio (DSCR)	1.23	1.05	18%	
Interest Service Coverage Ratio (ISCR)	1.69	1.09	55%	Company has borrowed long term fund of ₹ 550 crore during the year and ₹ 1500 crore in previous year. The fund is utilised for strategic investment in subsidiary Companies. Interest expense has increased due to incremental borrowing.
Current Ratio	0.40	0.53	(25%)	
Long Term Debt to Working Capital	(0.98)	(1.81)	(46%)	Reduction in long term debt and reduction in working capital has improved the ratio
Bad Debts to Account Receivable Ratio	0.00%	0.00%		
Current Liability Ratio	0.63	0.54	17%	
Total Debts to Total Assets	0.71	0.71	0%	
Debtors Turnover (Annualised)	10.67	10.28	4%	
Inventory Turnover (Annualised)	5.09	4.50	13%	
Operating Margin (%)	16.05%	11.50%	40%	Operating Margin of Chemicals Division of the Company has improved significantly due to value added products and favourable market conditions
Return on Equity Ratio	14.54%	(2.94%)	(595%)	Increased Operating Margin of Chemicals Division due to value added products and favourable market conditions has improved the profitability of the Company
Trade Payable turnover Ratio	3.92	3.71	6%	
Net Capital Turnover Ratio*	-	-		
Net Profit Margin (%)	5.18%	(1.32%)	(492%)	Increased Operating Margin of Chemicals Division due to value added products and favourable market conditions has improved the profitability of the company. Moreover, in previous financial year, Net profit margin had been impacted due to write down on certain property, plant and equipments and higher finance costs due to incremental borrowings.
Return on capital employed	8.32%	4.20%	98%	Increased Operating Margin of Chemicals Division due to value added products and favourable market conditions has improved the profitability of the Company.
<b>Return on investment:</b>				
Fixed Deposits with Banks	1.78%	3.04%	(41%)	Temporary surplus invested in fixed deposits were utilised for business thereby reducing the fixed deposits during the year
Mutual Funds	4.01%	3.64%	10%	
Investments other than specified above	2.24%	2.59%	(13%)	
Adjusted EBIDTA (%)	16.05%	11.50%	40%	Operating Margin of Chemicals Division of the Company has improved significantly due to value added products and favourable market conditions

# Notes to the Standalone Financial Statements

## Note 46 : Ratios (Continued)

### Formulae used for Calculation of Key Ratios and Financial indicators:

Debt Equity Ratio (Gross) = Total Debt /Equity

(Net) Debt - Equity Ratio = DEBT [Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes FD) - Liquid Investments] / Equity

Debt Service Coverage Ratio = EBIDA / [Interest Expense + Repayment of Long Term Borrowings during the period (netted off to the extent of Long term Loans availed during the same period for the repayments)]

Interest Service Coverage Ratio = EBIDA / Interest Expense

EBIDA = Net Profit/(Loss) After Tax + Interest Expense + Depreciation and Amortisation Expenses+Loss/(Profit) (net) on sale of Property, Plant and Equipment

Current Ratio = Current Assets/Current Liabilities

Long term Debt to Working Capital = Non Current Borrowing / (Current assets-Current Liabilities)

Bad Debts to Accounts Receivable Ratio = Bad Debts/Accounts Receivable

Current Liability Ratio = Current Liabilities /Total Liabilities

Total Debt to Total Assets = (Non Current Borrowing+Current Borrowing)/Total Assets

Debtors Turnover = Revenue from Operations / Average Trade Receivable

Inventory Turnover = (Cost of Materials Consumed + Purchases of Stock in Trade + Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress) / Average Inventory

Operating profit ratio = (Earnings before exceptional item, interest, taxes, depreciation, amortization expenses less Other Income)/ Revenue from operations

Net Profit Margin = Profit/(Loss) for the period/ Revenue from Operations

Return on Equity Ratio= Net Profits after taxes /Average Shareholder's Equity

Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables

Net capital turnover ratio = Net Sales/Working Capital

Return on capital employed (ROCE) =Earning before interest and taxes/Capital Employed

Capital Employed = Tangible Net worth +Total Debt+Deferred Tax Liabilities

Return on investment= Income generated from invested funds/ Average value of investments

\* as working capital is negative Net Capital Turnover ratio has not been provided.

## Note 47 : Utilisation of Borrowed Funds and Share Premium

- a) To the best of our knowledge and belief, other than the details mentioned below, the Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) To the best of our knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Details of investments made by the Company in an intermediary during the year:

Investee Company	Relationship with the Company	Nature of Investment	Date	Amount Invested
Godrej Capital Limited (CIN: U67100MH2019PLC330262)	Subsidiary	Equity	2 <sup>nd</sup> June, 2022	685.00

## Notes to the Standalone Financial Statements

Details of investments made by Godrej Capital Limited (subsidiary of Godrej Industries Limited), as intermediary, in the equity share capital of Godrej Housing Finance Limited and Godrej Finance Limited during the year (Ultimate Beneficiaries):

Amount ₹ in Crore

Investee Company	Relationship with the Company	Nature of Investment	Date	Amount Invested
Godrej Housing Finance Limited (CIN: U65100MH2018PLC315359)	Subsidiary	Equity	2 <sup>nd</sup> June, 2022	209.95
Godrej Finance Limited (CIN: U67120MH1992PLC065457)	Subsidiary	Equity	2 <sup>nd</sup> June, 2022	475.00

The above investments are in compliance with the relevant provisions of the Companies Act, 2013 and the transactions are not violative of the Prevention of Money Laundering Act, 2002 (15 of 2003).

### Note 48 : Struck off Companies

#### Relationship with Struck off Companies

₹ in Crore

Sr. No.	Name of struck off company	Nature of transactions	Transactions during the year March 31, 2023	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
1	3H Health And Hygiene Pvt. Ltd	Payables	0.02	-	Vendor

### Note 49 : Dividend On Equity Shares

The Company has not declared or paid any dividend during the year FY 2022-23.

### Note 50

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

### Note 51

Corporate Social Responsibility contribution required to be made as per provisions of Section 135 of the Companies Act, 2013 is NIL for the current year and previous year.

### Note 52

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

### Note 53

Previous year figures have been regrouped/ reclassified wherever necessary, to conform to current period's classification.

As per our Report attached

**For Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Regn. No. : 104607W/ W100166

**Jamshed K. Udawadia**  
Partner  
M.No. : 124658  
Mumbai, May 19, 2023

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

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

**Clement Pinto**  
Chief Financial Officer  
Mumbai, May 19, 2023

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

**Tejal Jariwala**  
Company Secretary

# Notes to the Standalone Financial Statements

FORM AOC-1  
Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed FORM AOC-1 relating to Subsidiaries, Joint Ventures and Associates.

Part "A" : Subsidiaries/ Limited Liability Partnerships

Sr. No.	Name of Subsidiary Company/Limited Liability Partnership	Reporting Currency	Exchange Rate	Accounting Period	Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover (Refer Note (a) below)	Profit before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	% of Holding	Amount in ₹ Crore	Country
1	Godrej Agrovet Limited	INR	1.00	2022-23	192.16	1,889.84	3,755.17	1,673.17	755.19	7,014.14	386.76	85.12	303.64	182.55	64.90%	India	
2	Godrej Agrochem Limited	INR	1.00	2022-23	9.95	7.80	21.92	4.17	-	-	0.99	0.32	0.92	-	100%	India	
3	Ashie Uiscealtes Limited	INR	1.00	2022-23	18.61	399.19	978.85	560.05	0.43	628.17	34.85	9.33	25.52	2.94	64.77%	India	
4	Behram Chemicals Private Limited	INR	1.00	2022-23	0.60	0.62	1.26	0.04	-	-	0.11	0.03	0.08	-	65.63%	India	
5	Comerciazadora Agricola Agrostrachem Cia Ltda	COP	0.02	2022-23	0.01	(0.09)	0.00	0.08	-	-	-	-	-	-	100%	Columbia	
6	Creamline Dairy Products Limited	INR	1.00	2022-23	11.32	98.22	483.16	343.82	-	1,471.58	(66.27)	(14.70)	(41.56)	-	51.91%	India	
7	Godrej Tyson Foods Limited	INR	1.00	2022-23	0.20	160.56	399.47	238.71	-	1,002.93	13.20	4.61	(4.70)	-	51.00%	India	
8	Godrej Maxmilk Private Limited	INR	1.00	2022-23	2.94	36.91	56.95	17.09	-	20.58	(4.70)	-	(4.70)	-	100%	India	
9	Godrej One Premises Management Private Limited	INR	1.00	2022-23	0.01	-	6.06	6.05	-	30.80	0.02	0.02	0.00	-	58.00%	India	
10	Godrej International Limited	USD	82.18	2022-23	14.76	142.00	156.92	0.16	-	3.36	2.18	-	2.18	-	100%	IsleofMan	
11	Godrej International Trading & Investment	USD	82.18	2022-23	4.43	58.38	158.36	95.55	-	471.88	12.54	2.28	10.25	-	100%	Singapore	
12	Godrej Capital Limited	INR	1.00	2022-23	0.25	1,584.51	1,586.27	1.51	0.10	1.59	(0.16)	-	(0.16)	-	87.23%	India	
13	Godrej Finance Limited	INR	1.00	2022-23	554.70	(72.06)	1,715.97	1,233.33	185.14	65.63	(68.89)	-	(68.89)	-	100%	India	
14	Godrej Housing and Finance Limited	INR	1.00	2022-23	310.25	385.43	4,516.25	3,842.58	-	279.68	38.02	-	38.02	-	100%	India	
15	Godrej Properties Limited*	INR	1.00	2022-23	139.01	9,806.12	19,940.11	9,994.98	3,086.55	2,100.05	830.54	174.87	655.67	-	47.34%	India	
16	Godrej Projects Development Limited	INR	1.00	2022-23	0.23	118.37	4,542.45	4,423.85	324.23	982.35	157.95	32.50	125.46	-	100%	India	
17	Godrej Garden City Properties Private Limited	INR	1.00	2022-23	0.05	7.09	13.51	6.37	-	2.22	(0.23)	0.01	(0.24)	-	100%	India	
18	Godrej Hillside Properties Private Limited	INR	1.00	2022-23	0.41	(1.20)	0.06	0.85	0.01	0.00	(0.08)	-	(0.08)	-	100%	India	
19	Godrej Home Developers Private Limited	INR	1.00	2022-23	0.01	(0.34)	0.08	0.01	0.00	0.00	(0.01)	-	(0.01)	-	100%	India	
20	Godrej Prakriti Facilities Private Limited	INR	1.00	2022-23	0.01	1.08	4.19	3.10	-	6.84	0.12	0.03	0.08	-	100%	India	
21	Godrej Prakriti Facilities Management Private Limited	INR	1.00	2022-23	0.01	0.04	0.12	0.07	-	0.22	0.01	0.00	0.22	-	100%	India	
22	Praktikaza Facilities Management Private Limited	INR	1.00	2022-23	0.01	(2.73)	583.23	565.95	-	0.12	(1.42)	-	(1.42)	-	100%	India	
23	Godrej Genasis Facilities Management Private Limited	INR	1.00	2022-23	0.01	0.52	1.73	1.20	-	5.50	(0.05)	(0.02)	(0.03)	-	100%	India	
24	Godrej Highrise Properties Private Limited	INR	1.00	2022-23	0.05	(0.25)	0.35	0.56	-	-	(0.05)	-	(0.05)	-	100%	India	
25	Citystar InfraProjects Limited	INR	1.00	2022-23	0.00	(0.58)	713.59	714.17	-	-	(0.69)	(0.16)	(0.51)	-	100%	India	
26	Godrej Residency Private Limited	INR	1.00	2022-23	1.74	(9.04)	0.13	7.44	-	-	(0.71)	-	(0.71)	-	100%	India	
27	Godrej Realty Private Limited	INR	1.00	2022-23	0.01	(0.04)	0.00	0.04	-	0.00	(0.01)	-	(0.01)	-	100%	India	
28	Godrej Precast Construction Private Limited	INR	1.00	2022-23	64.00	(14.13)	1,930.92	1,881.05	-	0.00	(5.61)	-	(5.61)	-	100%	India	
29	Godrej Green Woods Private Limited	INR	1.00	2022-23	-	-	-	-	-	-	-	-	-	-	100%	India	
30	Yenwada Developers Private Limited (w.e.f. December 09, 2021 till January 30, 2022)	INR	1.00	2022-23	0.00	(5.04)	9.39	14.42	-	9.06	(5.02)	-	(5.02)	-	100%	India	
31	Godrej Living Private Limited (w.e.f. February 1, 2022)	INR	1.00	2022-23	0.00	(1.89)	33.71	35.40	-	-	(1.89)	-	(1.89)	-	100%	India	
32	Ashank Land & Building Private Limited (w.e.f. May 19, 2022)	INR	1.00	2022-23	85.21	1.05	246.82	160.56	97.29	-	-	-	-	-	74%	India	
33	Godrej Home Constructors Limited (w.e.f. Mar 29, 2023) (Formerly known as Godrej Home Constructors Private Limited)	INR	1.00	2022-23	111.62	(107.20)	132.07	127.65	37.02	-	-	-	-	-	74%	India	
34	Wonder City Buildcon Limited (w.e.f. Mar 29, 2023) (Formerly known as Wonder City Buildcon Private Limited)	INR	1.00	2022-23	0.01	10.41	49.87	39.45	-	21.73	11.11	3.91	7.21	-	100%	India	
35	Godrej Construction Projects LLP	INR	1.00	2022-23	0.00	(4.20)	1.00	5.19	-	-	(0.35)	-	(0.35)	-	100%	India	
36	Godrej Highrise Realty LLP	INR	1.00	2022-23	0.00	(0.70)	2.67	3.37	-	-	(0.23)	-	(0.23)	-	100%	India	
37	Godrej Project Developers & Properties LLP	INR	1.00	2022-23	0.00	(0.06)	0.00	0.06	-	-	(0.01)	-	(0.01)	-	100%	India	
38	Godrej Skyview LLP (Refer Note (a) below)	INR	1.00	2022-23	0.00	(0.06)	0.00	0.06	-	-	(0.01)	-	(0.01)	-	100%	India	
39	Godrej Green Properties LLP (Refer Note (a) below)	INR	1.00	2022-23	0.00	(0.05)	0.00	0.05	-	-	(0.01)	-	(0.01)	-	100%	India	
40	Godrej Projects (Soma) LLP (Refer Note (a) below)	INR	1.00	2022-23	0.00	(0.06)	0.00	0.06	-	-	(0.01)	-	(0.01)	-	100%	India	
41	Godrej Projects North LLP (Classified as Subsidiary upto December 02, 2021)	INR	1.00	2022-23	-	-	-	-	-	-	-	-	-	-	100%	India	
42	Godrej Alhnamark LLP (Refer Note (a) below)	INR	1.00	2022-23	0.00	(0.16)	0.25	0.41	-	0.25	(0.03)	6.39	(6.43)	-	100%	India	
43	Oasis Landmarks LLP	INR	1.00	2022-23	0.01	12.43	627.50	615.06	-	327.09	107.32	-	107.32	-	51.0%	India	
44	Godrej City Facilities Management LLP (Classified as Joint Venture upto February 28, 2022)	INR	1.00	2022-23	0.00	(0.04)	0.00	0.04	-	-	(0.01)	-	(0.01)	-	100%	India	
45	Godrej Olympia LLP	INR	1.00	2022-23	0.00	(0.03)	0.00	0.04	-	-	(0.01)	-	(0.01)	-	100%	India	
46	Godrej Florentine LLP	INR	1.00	2022-23	1.05	(1.04)	0.02	0.01	-	-	(0.01)	-	(0.01)	-	100%	India	
47	Ashank Facility Management LLP	INR	1.00	2022-23	0.00	0.29	0.46	0.17	-	4.07	0.04	-	0.04	-	100%	India	
48	Ashank Realty Management LLP	INR	1.00	2022-23	0.00	0.29	0.46	0.17	-	0.08	(0.08)	-	(0.08)	-	100%	India	
49	Ashank-Hinje Township Developers LLP (w.e.f. March 29, 2023)	INR	1.00	2022-23	411.79	7.81	1,077.51	657.90	-	74.60	31.78	4.43	27.35	-	99.0%	India	
50	Godrej Reserve LLP (w.e.f. October 1, 2022)	INR	1.00	2022-23	2.01	2.07	50.21	46.13	-	4.76	2.79	(0.01)	2.80	-	99.9%	India	
51	Godrej Properties Worldwide Inc., USA	USD	1.00	2022-23	3.36	(0.17)	3.73	0.54	-	4.83	0.32	-	0.32	-	100%	USA	

Amount in ₹ Crore  
Percentage holding in LLPs denotes the Share of Profit in the LLPs  
(a) Turnover includes Revenue from Operations and Other Income  
\*The Company, Godrej Industries Limited (GIL) has power and de facto control over Godrej Properties Limited (GPL) (even without overall majority of shareholding and voting power). Accordingly, there is no loss of control of GIL over GPL post the OIP and GIL continues to consolidate GPL as a subsidiary.

# Notes to the Standalone Financial Statements

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed FORM AOC-1 relating to Subsidiaries, Joint Ventures and Associates. (Continued)

## Part "B" : Associates / Joint Ventures

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership/ Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures / Associates held by the company on the year end			Description of how there is significant influence	Reason why associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
			No of Share	Amount of Investment in Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Godrej Consumer Products Limited	31.03.2023	242,812,860	1366.2	23.74%	through % of holding	NA	3275.03	404.22	-
2	ACI Godrej Agrovet Private Limited	31.03.2023	1,850,000	12.58	50.00%	through % of holding	NA	105.57	32.90	-
3	Omnivore India Capital Trust	31.03.2023	2,071.17 Units	20.71	9.62%	The Company participates in the key activities jointly with the Investment Manager.	NA	34.81	(0.91)	-
4	AI Rahaba International Trading Limited Liability Company	31.03.2017	24	0.04	24.00%	through % of holding	NA	-	-	-
5	Godrej Redevelopers (Mumbai) Private Limited	31.03.2023	28,567	4.44	51.00%	through % of holding	NA	41.21	4.17	-
6	Wonder City Buildcon Limited (Classified as Subsidiary w.e.f. March 29, 2023) (Formerly known as Wonder City Buildcon Private Limited)	31.03.2023	-	-	NA	through % of holding	NA	-	7.87	-
7	Godrej Home Constructions Limited (Classified as Subsidiary w.e.f. March 29, 2023) (Formerly known as Godrej Home Constructions Private Limited)	31.03.2023	-	-	NA	through % of holding	NA	-	0.05	-
8	Godrej Greenview Housing Private Limited	31.03.2023	19,915,200	6.07	20.00%	through % of holding	NA	9.95	1.55	-
9	Wonder Projects Development Private Limited	31.03.2023	21,401,200	5.15	20.00%	through % of holding	NA	3.92	(5.69)	-
10	Godrej Real View Developers Private Limited	31.03.2023	26,954,000	27.25	20.00%	through % of holding	NA	7.22	1.19	-
11	Pearlite Real Properties Private Limited	31.03.2023	3,871,000	4.18	49.00%	through % of holding	NA	25.86	9.82	-
12	Godrej Skyline Developers Private Limited	31.03.2023	581,249	0.58	44.00%	through % of holding	NA	(6.14)	(9.78)	-
13	Godrej Green Homes Private Limited	31.03.2023	360,813	83.18	50.00%	through % of holding	NA	31.72	(68.06)	-
14	Godrej Macbricks Private Limited (formerly known as Ashank Macbricks Private Limited)	31.03.2023	21,625,000	19.80	20.00%	through % of holding	NA	9.62	(1.89)	-
15	Yujya Developers Private Limited (merged with Madhuvan Enterprises Private Limited order dated March 16, 2023 effective from April 01, 2021)	31.03.2023	-	-	NA	through % of holding	NA	-	(0.03)	-
16	Vagishwari Land Developers Private Limited	31.03.2023	302	35.90	20.00%	through % of holding	NA	34.66	(0.01)	-
17	Vivrut Developers Private Limited	31.03.2023	20,577,324	22.15	20.00%	through % of holding	NA	15.24	0.01	-
18	Yerwada Developers Private Limited	31.03.2023	12,863,813	15.25	20.00%	through % of holding	NA	14.87	0.05	-
19	Munjaj Hospitality Private Limited	31.03.2023	60,961,200	83.23	12.00%	through % of holding	NA	82.40	(0.02)	-
20	Madhuvan Enterprises Private Limited	31.03.2023	85,240,683	8.89	20.00%	through participative rights	NA	-	-	-
21	Universal Metro Properties LLP	31.03.2023	NA	0.00	49.00%	through % of holding and Voting rights	NA	(19.62)	(3.05)	-
22	Godrej Property Developers LLP	31.03.2023	NA	-	32.00%	through % of holding and Voting rights	NA	(0.14)	(0.00)	-
23	Mosaic Landmarks LLP	31.03.2023	NA	0.11	1.00%	through % of holding and Voting rights	NA	0.11	(0.00)	-
24	Dream World Landmarks LLP	31.03.2023	NA	0.04	40.00%	through % of holding and Voting rights	NA	(0.38)	(0.65)	-
25	Oxford Realty LLP	31.03.2023	NA	0.00	35.00%	through % of holding and Voting rights	NA	12.28	10.42	-
26	Godrej SSPDL Green Acres LLP	31.03.2023	NA	0.05	37.00%	through % of holding and Voting rights	NA	(20.30)	(1.34)	-
27	M S Ramaiah Ventures LLP	31.03.2023	NA	1.01	49.50%	through % of holding and Voting rights	NA	(0.08)	(0.31)	-
28	Caroca Properties LLP	31.03.2023	NA	0.04	35.00%	through % of holding and Voting rights	NA	(28.72)	0.15	-
29	Godrej Housing Projects LLP	31.03.2023	NA	0.01	50.00%	through % of holding and Voting rights	NA	18.16	9.46	-

Amount in 0.00 are less than ₹ 0.01 crore

# Notes to the Standalone Financial Statements

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed FORM AOC-1 relating to Subsidiaries, Joint Ventures and Associates. (Continued)

**Part "B" : Associates / Joint Ventures**

Amount in ₹ Crore

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership/ Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures / Associates held by the company on the year end			Description of how there is significant influence	Reason why associate / joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
			No of Share	Amount of Investment in Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
30	Godrej Amilis Developers LLP (formerly known as Amilis Developers LLP)	31.03.2023	NA	0.05	46.00%	through % of holding and Voting rights	NA	3.51	15.77	-
31	A R Landcraft LLP	31.03.2023	NA	0.10	40.00%	through % of holding and Voting rights	NA	(87.09)	(6.76)	-
32	Priakhyat Dwellings LLP	31.03.2023	NA	0.01	50.00%	through % of holding and Voting rights	NA	(63.60)	(9.70)	-
33	Godrej Highview LLP	31.03.2021	NA	4.80	40.00%	through % of holding and Voting rights	NA	(44.13)	(6.28)	-
34	Godrej Irismark LLP	31.03.2020	NA	0.01	50.00%	through % of holding and Voting rights	NA	(21.55)	3.29	-
35	Godrej Projects North Star LLP	31.03.2023	NA	30.01	55.00%	through % of holding and Voting rights	NA	38.56	50.49	-
36	Godrej Developers & Properties LLP	31.03.2022	NA	0.00	37.50%	through % of holding and Voting rights	NA	(28.49)	(3.54)	-
37	Godrej Reserve LLP (Classified as Joint Venture upto Oct 1, 2022)	31.03.2023	NA	-	NA	through % of holding and Voting rights	NA	-	(0.53)	-
38	Roseberry Estate LLP	31.03.2023	NA	0.00	49.00%	through % of holding and Voting rights	NA	(80.62)	(9.86)	-
39	Maan-Hinje Township Developers LLP (Classified as Joint Venture upto Mar 29, 2023)	31.03.2023	NA	-	NA	through % of holding and Voting rights	NA	-	(8.77)	-
40	Suncity Infrastructures (Mumbai) LLP	31.03.2023	NA	0.01	59.99%	through % of holding and Voting rights	NA	(13.55)	(3.50)	-
41	Mahalunge Township Developers LLP	31.03.2023	NA	288.81	40.00%	through % of holding and Voting rights	NA	220.83	(1.12)	-
42	Manjari Housing Projects LLP	31.03.2023	NA	210.00	40.00%	through % of holding and Voting rights	NA	163.93	7.79	-
43	Godrej Projects North LLP (Classified as Subsidiary upto December 02, 2021)	31.03.2023	NA	30.00	50.10%	through % of holding and Voting rights	NA	52.41	(4.37)	-
44	Manyata Industrial Parks LLP	31.03.2023	NA	0.01	1.00%	through % of holding and Voting rights	NA	(0.03)	0.15	-
45	Godrej Odyssey LLP	31.03.2023	NA	0.00	55.00%	through % of holding and Voting rights	NA	(0.28)	(0.00)	-
46	Embellish Houses LLP	31.03.2023	NA	0.04	50.00%	through % of holding and Voting rights	NA	(5.37)	(2.47)	-
47	Godrej Vestamark LLP	31.03.2023	NA	196.50	58.28%	through % of holding and Voting rights	NA	(27.70)	(15.20)	-

Amount in 0.00 are less than ₹ 0.01 crore.  
Percentage holding in LLPs denotes the Share of Profit in the LLPs

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

**N. B. Godrej**  
Chairman and Managing Director  
DIN: 00066195

**Clement Pinto**  
Chief Financial Officer

**Tejal Jariwala**  
Company Secretary

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

Mumbai, May 19, 2023







**Godrej Industries Limited**

[www.godrejindustries.com](http://www.godrejindustries.com)

