Godrej | CONSUMER PRODUCTS

Annual & Integrated Report 2021-22

Visit our
Annual and Integrated
Report microsite

Contents

Integrated Reporting

At Godrej Consumer Products Limited (GCPL), we have been publishing a statutory annual report, in line with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; Companies Act, 2013; and Secretarial Standards. This is our fourth Annual and Integrated Report, aligned with the principles of the International Integrated Reporting Framework (referred to as the <IR> framework) developed by the International Integrated Reporting Council (IIRC). In addition, this report is aligned with the Global Reporting Initiative (GRI) standards required by the Sustainability Reporting Guidelines of GRI and the Business Responsibility Report (BRR) requirements of SEBI.

Our Research & Development team leads new product development in India

Content of the report

Through integrated reporting, we aim to share an overview of our financial and non-financial performance that has helped create short and long-term value for our stakeholders.

This report provides insights on:

- Material issues and our operating context
- Governance structure
- Our key strategies
- Our approach to value creation within each of the capitals
- Our performance against identified key performance indicators (KPIs)
- Interconnectedness between our material issues, strategies, performance, and value creation
- Financial and statutory reports

Scope and boundary

This report is for GCPL, including GCPL manufacturing plants in India, Africa, Indonesia, Latin America, and the USA. The data and content are consolidated for the business, unless otherwise specified.

Reporting period

All information, financial and non-financial, is reported for the period from April 1, 2021 to March 31, 2022. For a holistic overview of our performance on sustainability, we have also incorporated comparative figures for the previous year (fiscal year 2021) and baseline year (fiscal year 2011, except for statutory financials).

Management Committee endorsement and assurance

The GCPL Management Committee remains committed to high levels of disclosure and transparency in communication with all stakeholders. The Committee has been involved in the process of drafting this report and fully endorses its contents.

In addition, GCPL has commissioned TUV India Private Limited to conduct an independent external assurance of non-financial information disclosed in GCPL's Integrated Report for the period April 1, 2021 to March 31, 2022. It is a 'limited assurance' report of GCPL's sustainability information for the applied reporting period. This assurance statement is based on the principles of IIRC Integrated Reporting, GRI standards, and the ISAE 3000 standard.

Read TUV India's assurance statement of GCPL's ESG and non-financial information

Materiality

Approach to materiality

We approach materiality from a strategic and value creation perspective. Material issues are identified by engaging in conversations with our stakeholders and monitoring broad trends in the industry. Performance on material issues forms the core content of this Annual and Integrated Report. In fiscal year 2021, we conducted an extensive materiality exercise, which involved engaging an external partner and enabling a thorough understanding of the relationship of the material issues with our business risks, objectives, and value creation.

The process of determining materiality at GCPL is compliant with the prescriptions of the IIRC and draws from the 6 capitals of integrated reporting.

Methodology

Materiality analysis was performed through identification and prioritisation. A systematic step-wise process was followed. First, relevant insights were collected through primary and secondary research and, then, necessary calculations were performed to obtain the materiality matrix. Primary inputs were obtained through direct stakeholder engagement, that is, through discussions on material issues with various stakeholder groups. Furthermore, surveys were conducted to reach out to employees and gather information at scale.

Overview of the methodology

Identify issues across 6 capitals
(Issue identification)

- GCPL sustainability reports
- Peer analysis
- Sector trends
- Internal team consultation

Engage with 450+ key stakeholders on material issues
(Stakeholder engagement)

- Leadership team
- Employees
- Investors
- Suppliers
- Distributors
- NGO partners
- Consumers
- Beneficiaries
- Industry associates

Develop a materiality matrix using a specialised tool
(Issue prioritisation)

- Stakeholder responses
- External requirements
- Significant assessment
- Internal team consultation

Stakeholder engagement

The secondary research primarily involved analysis of various sector trends, sustainability reports, and select peer analysis. These aspects were further rated based on the level of importance ascertained by us and our stakeholders.

Upon identifying a broad list of material issues, interactions were initiated with each key stakeholder group. Each material issue was assessed for its relative importance with respect to different stakeholder groups and aggregated. Stakeholder analysis was performed by identifying key stakeholders and administering tailored questionnaires to each of them.

To develop the materiality matrix, it was necessary to collate stakeholder responses. Because not all stakeholders are equally important in the organisational context, they were rated based on 2 parameters: ability to influence GCPL and extent of influence due to GCPL. Stakeholders were then assigned weightages on the basis of these 2 parameters.

Stakeholder prioritisation

Stakeholder group	Ability of a stakeholder to strongly influence GCPL's performance and operations	Extent of influence on a stakeholder due to GCPL's performance and operations
Leadership team	High	High
Employees	Medium	High
Suppliers	Medium	Medium
Distributors	Medium	Medium
Consumers	Medium	Medium
Investors	Medium	High
NGO partners	Low	Medium
Beneficiaries	Low	Medium
Industry associates	Low	Medium

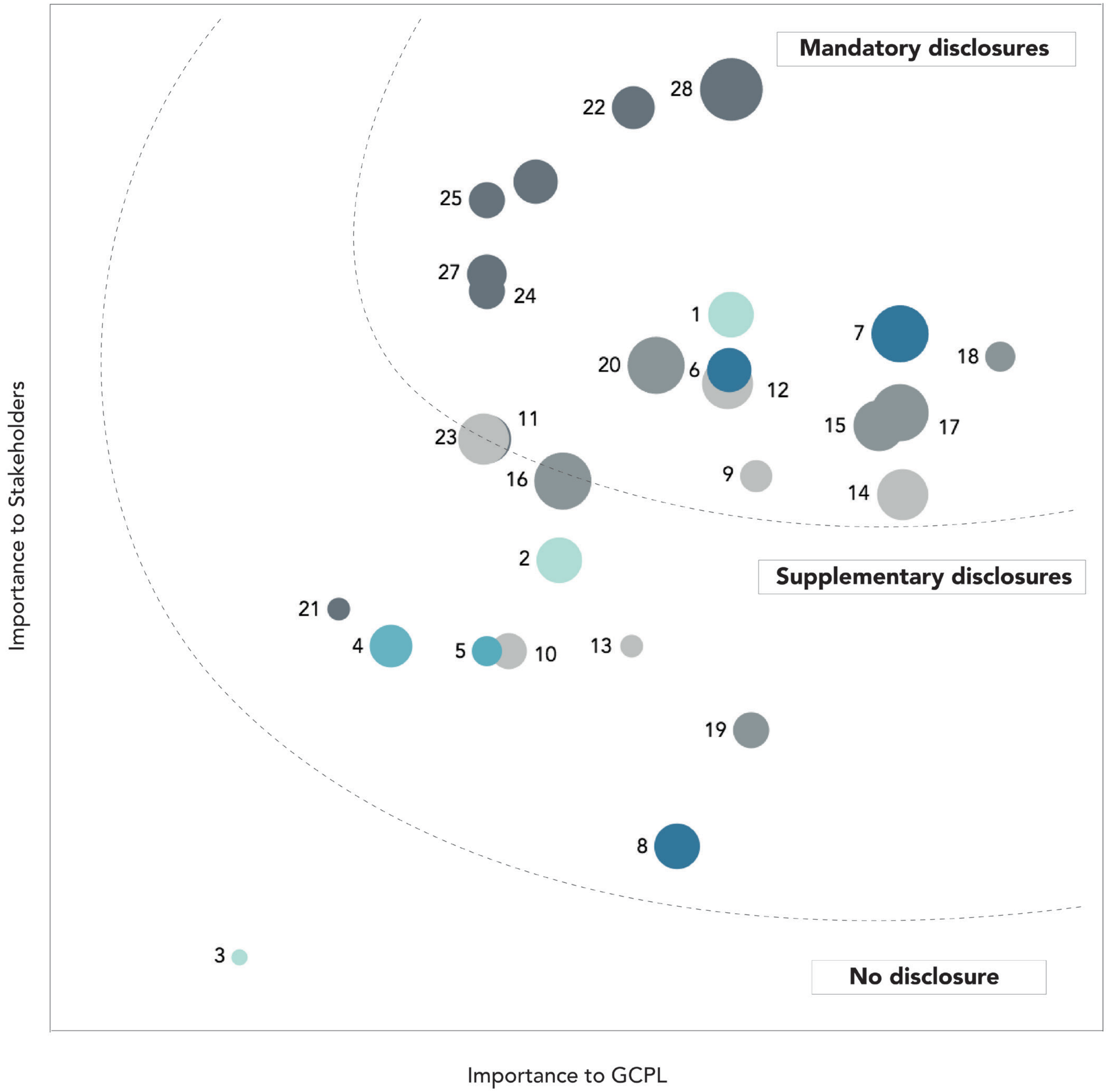
Feedback from stakeholders determined our top material issues, which are all within our boundary of operations.
Our material issues are linked to our strategic pillars.

Top material issues	Link to our strategic pillars
1. Sustainable packaging	1. Accelerating innovation and building purposeful brands: Integrating sustainability into our brand purpose through sustainable packaging 2. Enhancing go-to-market: Differentiating our products and exploring new market segments 3. Building a more inclusive and greener world: Driving responsible consumption by reducing post-consumer footprint of packaging material
2. Research and development (R&D)	1. Accelerating innovation and building purposeful brands: Developing products with natural ingredients to differentiate our products from those already avaliable in the market and improve market position 2. Making our supply chain best-in-class: Integrating sustainable materials into our supply chain for rapid innovation and product development 3. Building a more inclusive and greener world: Reducing the overall footprint of our product penetration
3. Responsible marketing and communication	1. Accelerating innovation and building purposeful brands: Developing products with natural ingredients to differentiate our products from those already available in the market and improve market position 2. Making our supply chain best-in-class: Integrating sustainable materials into our supply chain for rapid innovation and product development 3. Building a more inclusive and greener world: Reducing the overall footprint of our product penetration

Top material issues	Link to our strategic pillars
4. Building inclusive and prosperous communities	1. Making our supply chain best-in-class: Improving the environmental footprint of our entire supply chain 2. Building a more inclusive and greener world: Improving social relationships through CSR interventions in local communities
5. Governance and accountability	1. Making our supply chain best-in-class: Improving the performance of our entire value chain through governance, codes, policies, and audits 2. Fostering an inclusive, agile, and high-performance culture: Harnessing our company purpose to build greater engagement with team members and drive agility and innovation
6. Occupational health and safety	1. Making our supply chain best-in-class: Ensuring best practices are followed to improve overall performance across the value chain 2. Fostering an inclusive, agile, and high-performance culture: Building greater engagement with team members by focusing on their safety and well-being
7. Skill development and training	1. Extending leadership in core categories and geographies 2. Leveraging digital: Achieving improved growth and market penetration by developing the skills (including digital skills) of team members 3. Fostering an inclusive, agile, and high-performance culture: Enhancing the skills of team members to build capabilities and improve engagement

The following figure maps out the entire universe of material issues and stakeholder input and its significance in our business.

Number	Material issues
1	Greater market penetration
2	Robust revenue growth
3	Ensuring reliable access to capital
4	Asset utilisation
5	Capacity expansion
6	Product safety and quality
7	Research and development
8	Enhancing digital capabilities
9	Human rights across value chain
10	Employee engagement
11	Diversity and inclusion
12	Occupational health and safety
13	Developing leadership capabilities
14	Skill development and training
15	Governance and accountability
16	Regulatory compliance
17	Responsible marketing and communication
18	Responsible supply chain
19	High customer service level
20	Building inclusive and prosperous communities
21	Conservation of biodiversity
22	Responsibly sourced/certified raw materials
23	Renewable energy
24	Energy efficiency
25	Water recycle and reuse
26	Waste management and circular economy
27	Reduction of GHG emissions
28	Sustainable packaging



A note on COVID-19

In fiscal year 2020-21, the COVID-19 pandemic had a multi-fold impact on our business. We experienced a similar impact in the first two quarters of fiscal year 2021-22, with the second and third waves of the pandemic. However, towards the end of this fiscal, we witnessed a gradual recovery in business and a return to normal operations.

The impact, mitigation, and recovery are discussed in detail in our leadership messages and our 7 strategic pillars.

We engage with all our stakeholders on a regular basis to foster and nurture strong relationships, which in turn help us improve our strategy and decision-making and grow our business. In a crisis like the COVID-19 pandemic, our partnerships with our stakeholders became even more important.

The table below provides an overview of our stakeholder engagement process and the steps we take to understand the needs and priorities of each stakeholder group.

Stakeholders and their significance	Frequency and manner of stakeholder engagement
Consumers	• Making our supply chain best-in-class: Improving the environmental footprint of our entire supply chain • Building a more inclusive and greener world: Improving social relationships through CSR interventions in local communities
Investors and shareholders	• Investor meets • Investor calls • Roadshows and grievance forums for shareholders and investors
Employees	• Weekly/monthly reviews • HR forums • Town halls • Small group discussions • Employee engagement surveys • 360-degree feedback

Sustainability and other concerns	Our engagement approach
• Product safety and quality • Waste management and circular economy	• Providing high-quality, safe products that delight consumers • Understanding short and long-term needs • Ensuring responsible consumer engagement
• Profitability and growth • Focus on carbon emission, renewable and clean energy, and air pollution • Technology, product, and process innovation • Embed sustainability in supply chain	• Communicating progress transparently
• Health, safety, and mental well-being • Skill development and learning • Circular economy principles • Water recycling and reuse • Sustainable packaging	• Ensuring a safe and productive place to work where employees can be their whole selves • Prioritising learning and development • Highlighting employee feedback mechanisms through a variety of channels • Enabling medical facilities for employees and their families

Stakeholders and their significance	Frequency and manner of stakeholder engagement
Suppliers	• Sustainable procurement initiative • Supplier meets • Audits • Annual suppliers conference
Customers	• Customer meets • Customer surveys • Feedback calls • Direct visits
NGO partners and community	• Project planning and review meetings • Need assessment surveys • Field visits • Feedback surveys
Government and regulatory bodies	• One-on-one meetings • Meetings in industry forums

Sustainability and other concerns	Our engagement approach
• Product safety and quality • Responsible supply chain • Reducing environmental footprint • Waste management and circular economy • Sustainable packaging	• Supporting and enhancing their capabilities through skill development, growth opportunities, and safe operations
• Greater market penetration • Responsible marketing and communication	• Using technology to assess and respond in an agile manner • Providing high-quality, safe products that delight consumers • Ensuring responsible consumer engagement
• Building inclusive and prosperous communities	• Responding to the COVID-19 crisis by supporting communities with immediate relief kits and medical supplies and longer term livelihood revival • Creating and scaling up programmes that meet the needs of communities in terms of livelihoods, public health, waste management, and water conservation
• Carbon emission, energy efficiency, and waste management • Building inclusive and prosperous communities	• Committing to meet and exceed compliance and regulatory mandates • Collaborating on national agendas to build inclusive and prosperous communities

Our Company

Godrej Consumer Products is a part of the over 125-year-young Godrej Group. We are fortunate to have a proud legacy built on the strong values of trust, integrity, and respect for others. As an emerging markets company, we have witnessed rapid growth and are pursuing our exciting and innovative aspirations.

Our Values

Our Purpose

Bringing the goodness of health and beauty
to consumers in emerging markets

Watch the video

90+
countries

10,000+
Godrejites

1.2 bn
consumers

1.6 USD bn FY 21-22
revenue

10.1 USD bn FY 21-22
market cap

Leading presence in Asia, Africa, and Latin America

Latin America

#1 Hair Colour (Argentina)
#1 Hair Fixing Sprays (Argentina)**
#1 Depilatory Products (Chile)

Sub-Saharan Africa

#1 Hair Colour (Ethnic hair)
#1 Hair Extensions

India & SAARC

#1 Household Insecticides
#1 Hair Colour

Indonesia

#1 Household Insecticides
#1 Air Care

Source: **Scentia

Home Care

Household Insecticides
Air Care
Fabric Care
Home Hygiene

Personal Care

Personal Wash and Hygiene
Hair Colour
Premium Beauty and Professional Products

Sustainability

For over 125 years, the Godrej Group has actively championed social responsibility. It's core to who we are.

23%

of the promoter holdings in the Group is held in trusts that invest in education, environment, and health

Creating a more inclusive and greener planet through

Godrej Good & Green

SUSTAINABLE DEVELOPMENT GOALS

Aligned with the

United Nations

Sustainable Development Goals, and the needs of local communities

Board of Directors

Nisaba Godrej
Executive Chairperson

CS

Sudhir Sitapati
Managing Director and CEO

S

Nadir Godrej
Non-executive Director

S | C

Tanya Dubash
Non-executive Director

S

Pirojsha Godrej
Non-executive Director

C

Jamshyd N Godrej
Non-executive Director

Board Committees

●	Nomination and Remuneration Committee	●	Risk Management Committee	●	Stakeholder Relationship Committee
■	Audit Committee	▲	CSR Committee	C	Chairman
S	Sustainability Committee				

Ireena Vittal
Lead Independent Director

● | ■

Narendra Ambwani
Independent Director

■ | ▲ | ● | S | C●

Pippa Tubman Armerding
Independent Director

● | ■

Omkar Goswami
Independent Director

■ | C●

Ndidi Nwuneli
Independent Director

■ | S

Sumeet Narang
Independent Director

● | ■

A Letter to Our Shareholders

Dear shareholders,

I hope this letter finds you and your families well and safe.

A second year of the COVID-19 pandemic, the Ukrainian war, China disruptions, and the Great Resignation have posed several new challenges for our team. We, however, remain optimistic.

There is a change underway at your company, which I believe will serve us well, both in the short and longer term. But before I share with you the reasons for my optimism, I want to reflect on where we are today; the good news, and the bad.

The good news

Despite all the uncertainty, your company delivered on a lot of what we set out to do. We have progressed well against some of the key priorities outlined in my letter last year. This is our second year of double-digit sales growth—11% sales growth (2-year CAGR of 11%). On the category front, Personal Care continued to grow strongly at 17%. From a geography perspective, our India, Africa, and Latin America businesses delivered strong growth.

Accessible and innovative products are the DNA of GCPL. Our R&D pipeline continues to go from strength to strength, and I am excited about the new products that will come to market in the year ahead. In fact, one of my best moments last year was meeting a consumer who said that she had tried to buy a product prototype we had given her, at DMART.

Spending time with our teams in India and South Africa, thanking them for their service, visiting consumers, and learning about new growth opportunities

I believe the best news of this year (and hopefully for the years to come) is that Sudhir Sitapati is now the CEO of GCPL. His strategic clarity and excellent execution capabilities have already started impacting the company positively.

What has delighted me in particular though is his integrity and humility—values that are core to us at Godrej. I really enjoy working with and learning from him, and look forward to him taking GCPL to a new level of ambition and achievement.

Sudhir Sitapati and I share ideas and seek feedback from our India leadership team at our team offsite in March 2022

The bad news

Our performance in Indonesia continued to be disappointing. Getting the business onto better ground will be a key imperative for the year ahead. Rajesh Sethuraman, our new CEO for Indonesia, and the rest of the team will have our full support in doing what is necessary. In our Africa business, we recorded very poor profits in the last quarter due to a theft of inventory in South Africa. Africa is our business with the lowest profitability, so we must focus both on expanding margins and making sure we don't have similar governance issues going forward. Dharnesh Gordhon, CEO for Godrej Africa, USA, and Middle East, and Adesola Sotande-Peters, our new CFO, are a very experienced leadership team, and I look forward to their guidance in strengthening the fundamentals of the business.

While we had turned a corner in Household Insecticides in fiscal year 2021 with 15% growth globally, and Q1 of fiscal year 2022 was also very strong, overall performance this year was a big disappointment with flat growth. We have introduced several initiatives for the year ahead, including a repositioning of Goodknight. I look forward to them driving growth in the category.

The external environment continues to be very volatile due to high inflation, the Great Resignation, and climate change. Despite and perhaps even because of all these challenges, there are significant opportunities to build a more resilient and purposeful organisation.

We are strengthening our leadership capabilities required to navigate these contexts, and doing more zero-based thinking on how we operate, while continuing to be guided by our values and principles in decision-making. You will be happy to note that, as always, we do not change the total fatty matter (TFM) in our soaps, even though the cost of palm oil in fiscal year 2022 went up by 60%. We do this to maintain the quality that consumers expect from us.[1]

[1] A high percentage of TFM makes soap last longer and is better on the skin.

Adesola Sotande-Peters, our new CFO for the Godrej Africa, USA, and Middle East business cluster, at our global leadership meet in Mumbai in April 2022

What do we need to do now?

Sudhir and the leadership team have crafted very clear plans for your business to achieve our ambition of double-digit volume growth over the next few years.

Our strategy is to now leverage a more global approach to product innovation and brand equity for our Household Insecticides, Hair Colour, and Air Care categories. This will enable us to leverage the best insights and innovation across the globe quickly and seamlessly. The early results are very encouraging. Categories like Soaps in India and Hair Fashion in Africa will continue to be managed locally.

We will focus on Household Insecticides and the growth of the Indonesia business, and margins and governance will be the focus in Africa. We have already made a number of strategic changes to enable this.

It is most important that we deliver business growth in a more sustainable way, while continuously working to be more diverse and inclusive, and leveraging digital to reduce our Cost to Serve.

Over the next few years, we will use digital technology and automation to reimagine and radically simplify your company. The aim is to become more agile, lean, and empowered, while also enabling greater cost efficiencies, which will, in turn, create the fuel needed for growth.

Keeping our people and communities safe has continued to be a critical priority. We have strengthened safety infrastructure and policies for our on-roll team members and partners in our channel partner networks.

The second wave of the pandemic in India, for all the devastation it caused, also showed us the power of communities. I will always remember the deep empathy of our people across the Godrej ecosystem and how they supported each other through some of our most difficult days.

After helping our team members and their families, business partners, and communities around our operations get vaccinated against COVID-19, we moved our focus to vaccination awareness drives for students and low-income and underserved communities in India. We also pivoted our on-ground CSR programmes to provide COVID-19 relief and livelihood recovery for people in our ecosystems.

Our CSR teams partnered with a non-profit organisation and local government healthcare workers to raise awareness and provide door-to-door vaccination services. The drive enabled ~1,30,000 people to get vaccinated.

Becoming more diverse and inclusive and truly representing our global consumers and communities is critical. While we have made some progress in improving the representation of diverse and under-represented groups, there is lots more to do. We have the highest number of women Board members of any listed company in India, and we have improved women representation in our company to 26%, but we are not at the equal representation we aim for. This is a specific focus for us now.

We have also introduced various efforts to become inclusive for our LGBTQIA+ colleagues, but the translation from advocacy into hiring has been slow.

Sustainability is core to our strategy and we embed it across our business: our strategy and operating model, culture, and brands. The World Business Council for Sustainable Development has crafted 9 pathways for the sustainable transformation of businesses.

These pathways are aligned with the UN's Sustainable Development Goals that can help solve 'wicked' social and environmental problems. Our sustainability vision, roadmap, and action plan for 2025 are aligned with these pathways.

We started our Elimination of Mosquito Borne Endemic Diseases (EMBED) programme in 2015 in partnership with the Government of Madhya Pradesh. It was then a state with Category 3 high malaria incidence. In 2021, it was declared a Category 1 state, and is well on its way to eliminate malaria.

In the first 10 years of our sustainability journey, we focused on sustainability in production and our operations. As we look at the next 5 years, with all the changes in the global context, and developments in science, technology, and data, we realise that our approach needs to pivot to the much broader concept of sustainable consumption.

We are aligning our product, design, and sustainability teams to work closely on a sustainability framework for developing new products that are greener across the value chain. Our Sustainability Council at our Board of Directors level continues to oversee progress and provide direction.

On behalf of the GCPL Board and Management Committee, I want to take this opportunity to express our deep gratitude to all our people for their passion, leadership, and exemplary service to Godrej, our consumers, and communities.

To all our customers, business partners, shareholders, investors, and communities, we greatly value your unwavering partnership and support. It is what has enabled us to emerge stronger. We will continue to count on your support as our teams and brands unleash some 'magic' in the year ahead.

Nisaba Godrej

Our powder-to-liquid Magic handwash, a great example of a reconstituted product—and also one I am personally most excited about—is the world's most affordable handwash, and we believe it has the potential to democratise handwashing. It uses half the plastic packaging compared to a regular handwash refill, and only a quarter of the fuel to be transported.

In Conversation with our Managing Director and CEO, Sudhir Sitapati

What is your big dream for GCPL, and why is this of personal significance to you?

Back in 2013, I spent time at a workshop on discovering my personal purpose. I did a lot of soul searching that week, asking myself what makes me happy. On reflection, I felt that I was happiest when I was creating something. So, I framed my purpose as 'painting the unseen on a large canvas'. With time, I am now reframing my purpose to include a lens of 'serving and defending institutions'. This is something I feel quite strongly about; in India and many emerging market countries, we need to cultivate more respect for institutions—how to pass the baton and build on the back of someone else, rather than ending the story when a person moves on. It is a big reason why I have chosen to build this leg of my career at Godrej, serving a legacy of 125 years, with the ambition to make it stronger and more purposeful.

GCPL's purpose to bring the goodness of health and beauty to consumers in emerging markets inspires me, and my greatest hope is that over the next few years, we will be able to truly bring this alive in how we innovate and transform our categories and serve our consumers. All our efforts around category development, innovation, and consumer delight will be directed towards this.

We have some towering strengths as a company; a terrific product portfolio and a play in categories and markets with significant growth potential. We also have the humility to call out our weaknesses, the biggest of which is complexity, and we are working to solve for it. With our track record of value creation, strong fundamentals, and a clear strategy ahead, I believe we can take our iconic company to double-digit volume growth.

At the heart of all of this, is our people. We will invest disproportionately in developing internal talent and capabilities with the aim of making GCPL a place where great talent comes to thrive. This is critical to enable our growth aspirations.

How do you plan to achieve the ambitious aspirations you have laid out for GCPL? What is the strategy for the next 3-5 years?

Our game plan, quite simply, is to focus on category development of our existing portfolio, driven by product innovation, relevance building, and access and marketing investments, and funded by a digitally enabled simplification of our company.

As market leaders in categories with significant non-linear growth potential—by which I mean that these categories will naturally grow faster than GDP for a long period of time—we have the amazing opportunity to develop and expand our categories and build long-term value.

We have a really top-notch portfolio. From a geographic standpoint, 4 countries—India, Indonesia, Nigeria, and Bangladesh—account for 80% of our revenues. Together, these countries comprise just below a third of the world's population and have consistently grown at twice the GDP of the world; so these may be low-income countries, but they are growing very fast. We also have 4 key products that account for 40% of our revenues and 60% of our profit pool; all are very heavily underpenetrated—liquid vapourisers and aerosols in Household Insecticides; grey coverage in Hair Care; and our Air Care category.

We are going to fire on the twin engines of blockbuster innovations and category development. Innovation has traditionally been GCPL's strong suit. We will continue to build on that, but it is only half the solution. The other half is actually making these new products relevant and accessible, which we will do through more focused category development.

Our portfolio and heritage are in democratisation, and this is what our strategy hinges on—making amazing quality products available at accessible price points. We had earlier democratised the Indian hair crème market by offering the first hair crème in a sachet in the country at just ₹30. We have now launched this at ₹15, which will open it up to a new set of users. Similarly, we have introduced game-changing access packs in Household Insecticides in Indonesia. We have a slew of re-launches in the first quarter of fiscal year 2022-23, which we believe will dramatically build the relevance of our categories.

Our journey on simplification is making good progress, with the Global Category structure yielding early results. As our Cost to Serve reduces, it will give us significant fuel for growth and digital transformation. But investments are only part of the story in digital transformation.

We have also made two senior appointments of people with significant experience in digital transformation—Rajesh Sethuraman as CEO of ASEAN and Vijay Kannan as the Head of Business Transformation and Digital. Rajesh spent 21 years at Hindustan Unilever and Unilever, leading teams across categories and divisions in South Asia and Sub-Saharan Africa to deliver significant value for the business. In his previous role, he led the execution of Unilever's largest digital transformation programme across Asia, Africa, and the Middle East. Vijay was the Global Chief Information and Digital Officer of Shell's Lubricants business and has past experience as Hindustan Unilever's Chief Information Technology Officer, and in Asian Paints. The brief is simple: if we were a digital-first company, how would we look at dramatically reducing our Cost to Serve, while enhancing consumer experience?

At the heart of our success today lies existing category penetration-led volume growth. I know it will not be easy to do this consistently, but I would measure medium-term success as achieving something in the vicinity of double-digit volume growth.

Exchanging ideas and building plans for the year ahead at my first team offsite with our India leadership team in March 2022

You have emphasised that a transformative business plan needs a philosophy that all of GCPL collectively believes in. Tell us more about the operating philosophy you have crafted.

A business model works on paper, but to make real change possible we need a shared philosophy that we truly believe in. Over the last several months, I have spoken to and met many, many people across our company, and from those conversations and my reflections, we have crafted a 5-pronged operating philosophy. These principles are already shaping the choices we make. Let me tell you how.

Our first principle is **Less is more; Much less is much more**. It guides not just how we do business, but also importantly, our commitment to becoming more sustainable. The environment is not a premium; our consumers should not have to pay a green premium. We have to innovate better and develop products that are both sustainable and more affordable.

Our powder-to-liquid handwash, Magic, is a great example of how we have reduced plastic, water usage, and transportation costs to create a product that is a quarter the cost of other handwashes in the market, and can democratise the category at a time when sanitation is of global significance. We have taken Magic global, and the scale up is very encouraging.

The second is **Consumer first, Business second**. At GCPL, we have historically kept quality out of the equation on short-term business performance. It is pretty much an adage—quality cannot be tampered with to manage price volatility—and really laudable. This is Consumer first in action. We are going to do the same with media—delink media investments from short-term business performance, because ultimately media is also an investment in the future. Going forward, I hope you will see our consumer investments in terms of media remaining the same, regardless of gross margins in the short term.

Sharing our vision for GCPL with leaders from across Godrej at the Godrej Leadership Forum 2022. I am assisted on stage by a sign language interpreter.

Think local, Act global is the third. One of the first structural changes I made was setting up a Global Category Team. As part of this shift, we have a centralised strategy, product development, innovation, and brand communication for our three core categories (Household Insecticides, Hair Colour, and Air Care), while keeping market development or category development and brand building, advertising, P&L, etc., local. This allows us to increase the rigour, objectivity, and consumer focus on activities that are particularly strategic and long term in nature—distinct from daily operations.

We are doing this in areas where we see high fungibility across geographies and therefore, greater efficiency and effectiveness from a global approach. The rest of our portfolio, which is largely Soaps in India and Dry Hair in Africa, tends to be local businesses, operating mostly in one geography, and we don't see the benefit of globalising them. We remain choiceful on why to globalise, and which parts of our portfolio and functions will benefit from this globalisation.

The fourth is **Tomorrow before today**. Often consumer goods companies get caught in a 'today' culture. Take forecasting. You forecast for ambition, and when you are not able to achieve it, to somehow make up for it, you compromise on the 'tomorrow' often just through media cuts. The big change we are trying to introduce is that while we have an ambition (double-digit volume growth in the medium term), our forecasts are always going to be for the reality on ground. We will hold our sales system responsible for delivering on a real forecast, and more senior management will be responsible for delivering on the ambition—decoupling ambition and forecasting.

Godrej aer Power Pocket, our patented gel technology for air fresheners, was doing well for a few years but then moderated. The question was around relevance—"I know about the product, but why should I buy it?" We identified a trigger—clean, fresh smelling bathrooms linking to the prestige of the homeowner when guests visit. This is driving our new communication in India and Indonesia.

And the fifth and last is, **Better from within, Different from outside**. The best examples are of the bets we are taking on people. When we set up a Global Category structure, we promoted Robert Menzies, who previously worked as the Head of Strategy at Godrej Industries and the Head of GCPL's E-commerce business in India, as the Global Head of Category, Innovation, and Strategy.

We appointed Somasree Bose, who had 18 years of experience in GCPL as the Chief Marketing Officer, India. Thomas Dawes, who had been working for 10 years at GCPL as the Chief Creative Officer of BBLUNT, was appointed as the Global Head of Equity and Communication, to lead advertising on global brands. Amit Jain, who had spent 10 years at GCPL, was heading Customer Marketing in India and we expanded his role to include Sales Development. But where we found that we did not have internal talent, we hired from outside.

In Africa, where the business has turned around considerably, the role of the CFO is crucial. We appointed Adesola Sotande-Peters in the role, who has previously worked at multinationals like Diageo and Unilever.

Building on our growth plans at GCPL's Global Leadership Meet 2022 at our headquarters Godrej One in Mumbai

We have seen a significant shift in how people are thinking about careers and personal growth over the last couple of years. How is GCPL reimagining its people offerings to continue to attract and retain top talent?

I have spent nearly a quarter of my time travelling across India, Africa, Indonesia, and the USA, meeting our people and sharing in their stories. This was my induction to Godrej and what makes our legacy so powerful and unique. We have an incredible team, deeply committed to our company, values, and ambition. So, underlying all of our business ambitions is our continued commitment to fostering a values-based culture and organisation—what we call 'sprinkling some people stardust'—making GCPL a place where great talent wants to come to work and thrive.

Tough Love is at the heart of our employer proposition. We will nurture and bet on potential and internal talent. Developing best-in-class functional expertise is a big part of this, so this year we are doubling down on functional capability building. This includes creating global learning agendas and getting global experts to train our teams.

I am personally leading the work around building Marketing capabilities; Dharnesh Gordhon, Business Head of Africa, USA, and Middle East, is working on Sales capabilities; and Pallavi Wad, Head of the India Manufacturing and Supply Chain Organisation, is leading Supply Chain capability building. Given our operating model and global presence, there are great opportunities to build global careers and experiences across multiple emerging markets.

We are also restructuring to build an organisation that is more empowered, lean, and digital. What this means for our people is richer, more meaningful jobs, with more empowerment. For our top talent, we will offer the high velocity that is made possible by our growth ambitions. We will match this with market-leading opportunities for value creation through our performance-linked rewards schemes. This is part of a more holistic benefits proposition, including best-in-class wellness and medical support and flexible work options.

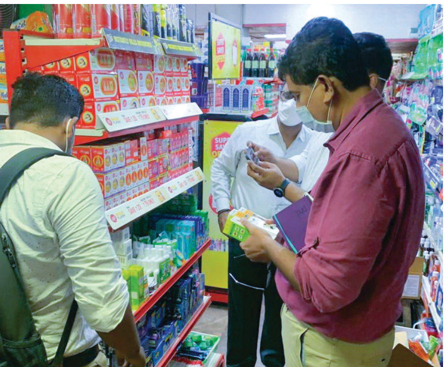
Being diverse and inclusive is core to who we are at Godrej, emphasised by our values of Trust and Respect. Like with our sustainability commitments, we believe that the next phase requires us to shift from a 'do no harm' approach to a 'proactively do good' approach. Our change agenda must be sponsored by our leadership team through accountability and role modelling.

So, we are having critical conversations to make leaders more mindful of the power that resides with them as change agents, not only for Godrej, but also for our world; inspiring them to be better allies to women, persons with disabilities, individuals from the LGBTQIA+ community, and other under-represented groups in the mainstream workforce.

Spending time with our people, consumers, and partners across India, Africa, Indonesia, and the USA and learning about the incredible legacy of GCPL


moov
No. 1 PAIN RELIEF
FREE


WORLD ENVIRONMENT



The latest Intergovernmental Panel on Climate Change (IPCC) sixth assessment report is alarming and talks of a catastrophic future of climate crises linked calamities if governments and companies don't step up. What are you doing to make GCPL a more responsible and sustainable company?

Climate crises is a critical concern, not only for us as businesses, but also as individuals securing the future of our world. We need urgent action. The IPCC report reaffirms that we must reduce our emissions by more than half by 2030. Only then would we be within the safe threshold of the 1.5-degree Celsius global warming limit by 2050. But none of us has done enough, and in the current scenario, we are poised to reach the limit a whole decade sooner.

At GCPL, we recognise that we need to do much more and are stepping up our commitments. We already source over 30% of all our energy from renewables. We have reduced our emissions by almost half from 2010. We recharge more than 1.9 times the water we use, and we send zero waste to landfill. We will now aim to be Scopes 1 and 2 carbon neutral by 2025. We have set science-based targets in line with the initiative to help limit global warming well below 1.5-degree Celsius. In the first half of fiscal year 2023, we will publish the roadmap to meet our science-based emission reduction targets.

A big area of focus is making products greener by using the life cycle assessment (LCA) approach to understand the environmental impact of our products across their entire lifecycle from sourcing of raw materials right to end-of-life or disposal. As of 2021, we have conducted LCAs for more than half of our products by revenue. The findings help us determine the environmental hotspots or areas of concern. These serve as the starting point for our greener product initiatives.

Let me share the example of how our R&D team has worked on reducing the environmental impact of Goodknight Gold Flash. The technology used in the wick was imported at a high cost from a monopoly vendor. In addition, the wicks were made from non-biodegradable and non-reusable material. The team saw this as an opportunity to develop an indigenous wick that could deliver the same efficacy at a better cost and with a lower environmental impact. The new 100% biodegradable wick is a GCPL-owned, patented indigenous formulation. It is not dependent on a single vendor, is at par with Gold Flash's efficacy and longevity, is 70% cheaper than the imported wick, and reduces our plastic usage by over 300 tonnes a year.

We are also working on finding and testing alternate packaging materials and increasing the use of post-consumer recycled (PCR) plastic to move away from virgin plastic. Apart from just ensuring regulatory compliance with extended producer responsibility (EPR) plastic waste management guidelines, we are innovating on formulation, design, and delivery models to lower our plastic footprint.

We will continue to increase transparency in our ESG reporting and disclosures, reaffirming our commitment to true sustainability. We have also built on our learnings from the last decade and renewed our sustainability vision for the next 5 years to continue building a more equitable and greener world.

Goodknight Gold Flash, India's most powerful liquid vapouriser with visible vapours. Our team developed an indigenous wick to deliver the same efficacy at a better cost and with a lower environmental impact.

Managem
Discussio
and Analy

ment
n
ysis

Our Business Model

Inputs

Financial Capital
- Equity, profits re-invested, investments in assets, brands

Manufactured Capital
- Dispersed manufacturing clusters
- Global and local R&D centres
- Agile manufacturing through smart automation and Internet of Things (IoT)

Intellectual Capital
- Strong legacy of the Godrej Group
- Strong portfolio of brands
- Investment in R&D
- Integrated Research & Development + Innovation + Design + Expertise (RIDE) platform to develop innovative products
- Unique consumer insights though advanced predictive analytics
- Digital command centre

Human Capital
- Skilled manpower across functions
- Investment in training and development
- Prioritising safety
- Fostering diversity and inclusion

Social and Relationship Capital
- Consumer engagement models
- Partnerships with suppliers, retailers, distributors, and wholesalers
- Investment in CSR and community engagement initiatives

Natural Capital
- Sourcing and investment in renewable and non-renewable raw materials for our products
- Investments in green initiatives

Business Process

Purpose

To bring the goodness of health and beauty to consumers in emerging markets

VALUES

- Trust
- Be Bold
- Create Delight
- Own It
- Be Humble
- Show Respect

VISION

To be the leading emerging markets focused multi-local FMCG player

STRATEGY

- **3 by 3 approach**
- **Multi-local approach**
- **7 Strategic Pillars**
  1. Extending leadership in our core categories and geographies
  2. Accelerating innovation and building purposeful brands
  3. Leveraging digital
  4. Enhancing go-to-market
  5. Making our supply chain best-in-class
  6. Fostering an inclusive, agile, and high-performance culture
  7. Building a more inclusive and greener world

Outputs

Financial Capital

- Consolidated revenue increased by 11%
- Consolidated net reported profit increased by 4%
- Consolidated net profit before tax (pre-exceptions) increased by 2%

Manufactured Capital

- Saved over ₹3 crore through sustainable manufacturing
- Stock availability in India is 96.84%

Intellectual Capital

- HIT Anti-mosquito Racquet, our e-commerce only launch, garnered an 80% market share online and has scaled to USD 5 million in top line sales across online and offline platforms
- E-commerce in Indonesia has grown by 25%, post COVID-19
- Darling reached over 27 million women across Africa through various digital campaigns
- E-commerce business in the USA has become nearly 4% of the overall USA business

Human Capital

- 26.3% of white collar and 51.8% of blue collar team members are women
- 27% women in senior leadership roles (Vice President and above)
- Great Place to Work® Institute's (India) Best Workplaces in Manufacturing (2022)
- Won the 2022 Indonesian Best Employer Brand Award for the third consecutive year

Social and Relationship Capital

- Awarded the ESG India Leadership Award 2021 for Leadership in Governance Issues by ESG Risk Assessments & Insights
- Ranked #1 in CSR Journal's annual ranking of companies for CSR and Sustainability
- Ranked as India's top Company for Sustainability and CSR 2021 by Futurescape
- Supported the public healthcare system in India with medical equipment worth ₹2.5 crore
- Helped 105,000 people from low-income and underserved communities in India get vaccinated
- We welcomed 750 new women to our Beautypreneur cohort, and expanded our work with barbers and have trained and supported over 130 young men
- Rural malaria programmes reached out to 132,759 households in 778 villages in 7 districts across MP, UP, and Chattisgarh
- Urban dengue programme reached out to 71,199 households in 406 urban settlements and 4 cities in UP and MP

Natural Capital

- Specific waste to landfill reduced by 100%
- Specific GHG emissions reduced by 42%
- We are conserving 3x more water than we use via rainwater harvesting and watershed programmes
- LCAs carried out for products covering 50% of our revenue

Outcomes

- Leadership positions (market share) across geographies, category penetration, and consumption rate
- Exponential growth in our e-commerce business
- Enhanced long-term value for all stakeholders, including shareholders, customers, consumers, suppliers, distributors, retailers, and the community
- Reduced waste to landfill, GHG emissions, and water consumption

Risks and Opportunities

We have a comprehensive and structured approach to risk management at GCPL. Across our geographies, we have integrated the way we manage risk into the operating framework and reporting channels of our business. Starting with Board-level oversight to a dedicated Risk Committee, a cross-functional team within the business, we routinely assess risks across the company and all geographies.
We have a risk management team as part of the Corporate Audit function that engages in discussions with various functional heads and relevant team members to identify potential risks, assess the business impact, and rate the likelihood of occurrence.

Risks	Opportunities
Compliance and regulatory changes and emerging regulations	We ensure the highest levels of statutory compliance and ensure that all regulations and laws of the land are adhered to. GCPL has an internal system called Legatrix, which helps all manufacturing units monitor adherence to compliance and regulations. It enables management with a one-stop view of the organisation's compliances and control mechanism through comprehensive compliance dashboards and provides necessary information at the operating level by creating a comprehensive matrix on laws and their management. Further, our Legal and Audit teams are in constant communication with key government departments and industry bodies to keep track of new and emerging regulations. They routinely assess and analyse regulations to mitigate business risk.

The identified risks are routinely discussed with the GCPL Management Committee and progress updates are presented to the Risk Management Committee of the GCPL Board, which meets on a half-yearly basis. A cross-functional team also operates at the Godrej Industries Group level to identify potential risks and mitigate the same across businesses. Further, employees keep sharing their perception of potential risks via informal forums, discussions, and annual planning conferences.

We are also looking at creating a platform for the employees to share their perception on potential risks. Last year, we introduced a mobile app to identify potential safety-related risks.

Employees are routinely encouraged to provide feedback for continuous improvement in risk management practices. An annual InTune survey is conducted across the company seeking suggestions and feedback from all the employees. Also, there are regular open forums and monthly review meetings conducted to understand the emerging risks and develop mitigation measures. Valid risks identified by the team members are recorded by the line manager and communicated to the Management Committee for further action.

Training sessions on Enterprise Risk Management are organised throughout the year for employees at all levels. Inputs on risk definition, risk identification, risk rating, risk classification, risk prioritisation, risk mitigation, control, and review are imparted to participants. Workshops on crisis management were also conducted across all manufacturing facilities during the fiscal year.

The risk assessment process is aligned to regional and global risks as identified by the World Economic Forum. These risks, along with the mitigation plan and opportunities, are listed below.

Strategic pillar alignment

- Extending leadership in our core categories and geographies
- Making our supply chain best-in-class
- Fostering an inclusive, agile, and high-performance culture
- Building a more inclusive and greener world

Risks and Opportunities

Risks	Opportunities
Supply chain risks related to the following: • Potential disruption of operations due to geomedical risks • Labour-intensive product portfolios in some geographies • Inadequate planning in procuring raw material • Inability to deliver material to the customer as per agreed delivery dates	Our focus in manufacturing and supply chain is on becoming future-ready. We have initiated projects in Industry 4.0 and are making future-ready investments to ramp up our processes. We have seen encouraging results in improved productivity, greater accuracy, safety, and efficiency. We continue to introduce best practices across geographies and are trying to become more agile in responding to constantly changing consumer needs. Core to our approach is how we build win-win relationships with all our partners, collaborating closely to ensure capability development and alignment with our core values. Our ongoing engagement with partners has helped us identify emerging issues and adequately respond to them in time.
Environmental risks and dependence on natural resources	We have always actively championed social and environmental responsibility. As part of our Good & Green vision, we have 6 environmental sustainability goals to be achieved by fiscal year 2025-26. We have made good progress against these goals and have analysed areas where we need to ramp up our efforts in the future. We actively identify and adopt new green technology that helps us reduce usage, reuse, recycle, and adopt circularity.

Strategic pillar alignment

- Making our supply chain best-in-class

- Building a more inclusive and greener world

Risks and Opportunities

Risks

Competitive risks:

- Dependency on a few product categories to drive sales
- Product pricing strategy
- Greater aggression by competitors
- Competitive market conditions and new entrants
- New online, offline, and omnichannel go-to-market models and channels
- Nimble e-commerce/digital-first brands

Opportunities

We have centered our growth strategy around emerging markets and the emergent consuming class in them. As incomes rise, purchasing power improves and these markets mature; new distribution systems and the digital economy are enabling greater reach. To be able to leverage this, we are ramping up our go-to-market and digital strategies and reach to go deeper and improve penetration. We are also the leaders in most categories in the markets we operate in and are constantly innovating to create more superior quality products at affordable prices.

Political economy in geographies of operation:

- Political instability
- Macroeconomic risks
- Exchange rate volatility
- Devaluation of local currency
- Inflation
- Impact of economic environments on consumer behaviour

Our focus is to build leadership in Home Care and Personal Care in 3 emerging geographies: Asia, Africa, and Latin America. Our Risk Committee, along with regional Business and Finance teams, closely monitors the political economy of each geography to respond and adapt to emerging situations. Our globalisation strategy has been very deliberate and guided by this, over the last decade, we have created significant value through M&A and established strong beachheads.

Strategic pillar alignment

- Extending leadership in our core categories and geographies
- Accelerating innovation and building purposeful brands
- Leveraging digital
- Enhancing go-to-market

- Extending leadership in our core categories and geographies
- Accelerating innovation and building purposeful brands
- Leveraging digital
- Enhancing go-to-market
- Making our supply chain best-in-class

Risks and Opportunities

Risks	Opportunities
Labour risks due to the following: • Shortages caused on account of industrial disputes and attrition of key staff • Health and safety-related risks in manufacturing operations and frontline distribution teams	At GCPL, we have a capable, engaged, and productive workforce and the company is committed to ensuring their well-being. Our activities and investments in attracting and retaining talent, providing a safe, healthy and engaged working environment, promoting employee training and development, ensuring fair labour and contracting practices, and encouraging local employment opportunities provide the foundation for optimising value creation. Through our comprehensive COVID-19 relief initiatives, we implemented wide-ranging protective measures and adapted our operations to a new way of working amidst the pandemic.
Social risks arising from the following: • Community unrest • Repercussions of natural and man-made disasters	We are now exploring ways to further this commitment through shared value initiatives that create value for both society and business. Our business continuity plans are in place to address any man-made or natural disasters and ensure business as usual.
Cyber security: We depend on information systems and technology, including public websites and cloud-based services, for many activities important to our business, including communications within our company, and interfacing with customers and consumers. Some of the threats facing our business are as follows: • Technology protection (for example: data leaks) • Functional operations (for example: third-party management, data privacy) • Resiliency (for example: business continuity planning) • Cyber intelligence (for example: threat awareness) • Threat vectors include data theft of: - Personal information - Identity/credentials - Financial information - Products/R&D information	Mitigation measures comprise performing periodic risk assessment and mitigation, including threat analysis and vulnerability assessments. Our teams control, monitor, and log all access to protected assets. We have defined and enforced secure change control and configuration management processes, and are working towards training employees in incident-handling and contingency plans. Further mitigation measures include advanced web security, perimeter intrusion prevention, perimeter firewalls, application firewalls, internal firewalls, and advanced server security.

Strategic pillar alignment

- Fostering an inclusive, agile, and high-performance culture

- Building a more inclusive and greener world

- Accelerating innovation and building purposeful brands
- Leveraging digital

Risks and Opportunities

In addition to the risks identified by the Committee and by our team members, the fiscal year 2019-20 materiality study also pointed out issues which form a critical input to our formal risk criticality matrix.

Top material issues and associated business risks

Sustainable packaging:
Increasing public awareness about environmental concerns has resulted in higher demand for sustainable packaging and processing operations. GCPL is already working to reduce plastic waste by creating thinner and lighter packaging and reducing waste.
Risks associated with sustainable packaging:

- Sustainable and recyclable materials, such as biodegradable and bioderived plastics are not, in fact, widely recycled but instead collected as general waste. In addition, waste collection and recycling is not co-ordinated centrally, but by local authorities, creating inconsistences and hindering closed-loop recycling of materials.
- Using recycled and new materials is also, on average, more expensive than using virgin ones.
- Changing the packaging material may also require a completely new production line, as well as the need to prove the quality of the shelf life, product safety, and how it travels/impacts logistics.
- Inadequate planning in procuring the raw material and the inability to deliver material to the customer as per agreed delivery dates are also the associated risks.

R&D:
R&D is critical to the growth and prosperity of our business. The risks associated with this function are as follows:

- Dependency on non-sustainable materials in the supply chain by developing sustainable alternatives
- Urgency to reduce the environmental footprint of GCPL's products by developing sustainable alternatives to products and packaging
- Competitive market conditions
- New local players gaining geographic dominance

Opportunities

GCPL believes that in order to develop an optimum sustainable packaging solution for any product, there is a need for three distinct considerations:

- Sustainability footprint of the packaging
- How the packaging performs against the functional and brand requirements of the product
- How commercially acceptable the packaging is to consumers and customers

A few of our mitigation efforts in this regard include:

- Reducing packaging weight and/or eliminating plastic peripheries such as single-use bags.
- Increasing recyclability of packaging material
- Increasing recycled content in packaging material
- Identifying and supporting the growth of vendors who can supply recycled plastic
- Working with local governments to streamline waste collection and management to ensure availability of more recycled plastics

A two-pronged approach to innovation, including democratisation and creating new vectors of growth.

- Leveraging our cross-functional RIDE structure
- Investments in design, technology, and skills
- Building global partnerships
- Fostering a culture of innovation

The material issues identified ultimately connect to broad risk drivers.

The risk assessment process is aligned to regional and global risks as identified by the World Economic Forum.

These risks, along with the mitigation plan and opportunities, are listed below.

Strategic pillar alignment

- Building a more inclusive and greener world

- Accelerating innovation and building purposeful brands

Risks and Opportunities

Top material issues and associated business risks

Responsible marketing and communication:
Social and responsible marketing practices are becoming the norm, where companies acknowledge the larger social and environmental impacts of their products and services and/or adopt a specific social or environmental stance which resonates with their brand image. Associated risks include:

- Risk of falling behind other brands who are conducting various campaigns on social and environmental issues
- Risk of campaigns or brands being labelled as greenwashing
- Risk of backlash due to a specific social or environmental stance which is at odds with a community, language, group, etc.

Building inclusive and prosperous communities:
It is generally believed that CSR is a way of managing and reducing risk. But, in addition to its possible benefits, CSR also creates risks:

- Poor implementation in a key geography may lead to loss of 'licence to operate'.
- Insincere or shallow CSR, such as greenwashing, can damage a firm's reputation.
- A government may impose heavier regulation, leading to over-regulation and limitations in programme implementation.
- Partnering with NGOs or CSR groups can expose a firm to the mishaps of the CSR partner.

Opportunities

We adhere to the norms of the Advertising Standards Council of India and those of other local bodies in our international geographies as the basis for all our communications. All our marketing and advertising is in line with the expectations of these bodies, that is, 'legal, decent, honest, and truthful', and we ensure that all the claims we make have a scientific basis.

- Establish and maintain an ongoing dynamic CSR programme that is in line with the strategic purpose and core processes of the business
- Institute checks and balances in place to ensure effective programme implementation and judicious use of resources
- Regular engagement with external stakeholders such as the government and industry bodies to ensure we stay abreast of the law

Strategic pillar alignment

- Extending leadership in our core categories and geographies
- Accelerating innovation and building purposeful brands

- Building a more inclusive and greener world

Risks and Opportunities

Top material issues and associated business risks	Opportunities
Governance and accountability: GCPL's sustainability governance aims to ensure the company's commitments to its stakeholder groups with regard to its aim to create an inclusive and greener world.	It is increasingly important for corporate boards to understand how these issues affect business strategy and performance. Impacts from these issues can be financial and material, and can be spread across multiple areas of a business. • Stricter regulation on corporate governance by having good internal governance practices in all emerging markets • Reducing the vulnerability of people and processes to broader macroeconomic conditions by having resilient governance practices • Identifying ways of being perceived as a responsible and socially/environmentally focused purpose-driven brand when compared to other leading FMCG brands
Occupational health and safety: • Health and safety-related risks in manufacturing operations and frontline distribution teams • Reducing physical risk to the workforce • Reducing risk of unrest due to incidents in both the workforce and the local communities that they are from	This is a high priority area for GCPL. We have a dedicated Human Rights Policy, strong SOPs to ensure the highest adherence to health and safety, and a governance mechanism to ensure any incidents are duly investigated and resolved for the future.
Training and skill development: At GCPL, we believe that learning is a continuous process and happens on the job through a combination of challenging assignments and a variety of roles. Some risks associated with this aspect include: • Human resource gaps and attrition which limits growth and penetration of business • Unskilled team hampering the growth of digital technologies in supply chain management • Opportunity to enhance the skills and motivation of the workforce	• Reducing the risk of a higher skill gap in the workforce, which may lead to lower productivity • Reducing supply chain risk in the context of increasing digitisation and the need for digital skills • Reducing the risk of reduced motivation and engagement in the workforce, which may lead to greater unrest in the local communities • Reducing competitive risk of falling behind other brands due to skill gaps in the workforce

Strategic pillar alignment

- Fostering an inclusive, agile, and high-performance culture
- Building a more inclusive and greener world

- Fostering an inclusive, agile, and high-performance culture
- Building a more inclusive and greener world

- Fostering an inclusive, agile, and high-performance culture
- Building a more inclusive and greener world

Other Disclosures

A. Key financial ratios

	Standalone		Consolidated	
	FY 21-22	FY 20-21	FY 21-22	FY 20-21
Debtors turnover ratio	23.34	22.18	11.48	10.12
Inventory turnover ratio	9.13	9.02	6.33	6.40
Interest coverage ratio	199.83	53.71	19.11	16.22
Current ratio	2.62	1.55	1.43	1.08
Debt equity ratio	-	0.00	0.14	0.19
Operating profit margin (%)	24.90	26.50	20.47	22.34
Net profit margin (%)	21.69	19.96	14.65	15.74
Return on net worth (%)	18.84	19.25	15.43	18.23

Reasons for change in standalone ratios

- Interest coverage ratio: Finance cost decreased from ₹24.81 crore in LY to ₹7.87 crore in CY
- Current ratio: Current assets have increased due to an increase in deposits with banks and NBFCs (₹309.74 crore in CY vs ₹20.93 crore in PY)

Reasons for change in consolidated ratios

- Current ratio increased from 1.08 to 1.43 on account of increase in current assets driven by inventory and financial assets and reduction in current liabilities driven by decrease in financial liabilities
- Debt equity ratio changed to 0.14 from 0.19 due to the repayment of borrowings

Formulae used for calculation of the ratios

Debtors turnover ratio	Net sales/Average of opening and closing trade receivables
Inventory turnover ratio	Net sales/Average of opening and closing inventories
Interest coverage ratio	Profit after tax + finance cost + depreciation and amortisation expense + profit/loss on the sale of fixed assets/Finance costs
Current ratio	Current assets/Current liabilities
Debt equity ratio (including financial liabilities)	Non-current + current borrowings/Total equity
Operating profit margin (%)	Profit before depreciation, interest, tax, exceptional items and foreign exchange gain or loss less other income/Total revenue from operations
Net profit margin (%)	Profit after tax/Net sales
Return on net worth (%)	Profit after tax/Equity

B. Internal control systems and their adequacy

We have implemented an internal control framework to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded, and reported correctly. The framework includes Internal Financial Controls over Financial Reporting, which provides reasonable assurance over the integrity of financial statements of the company and reduces the possibility of frauds. Our Corporate Audit and Assurance department issues well-documented operating procedures and authorities with adequate built-in controls keep track of any major changes both at the beginning of any activity as well as during the process.

As part of the audits, they also review the design of key processes from the point of view of adequacy of controls. Periodic reports—as part of continuous monitoring—are generated to identify exceptions through data analysis. The internal controls are tested for their design and operating effectiveness across all our locations and functions by the Corporate Audit team; control failures are reviewed by the management from time to time for corrective action.

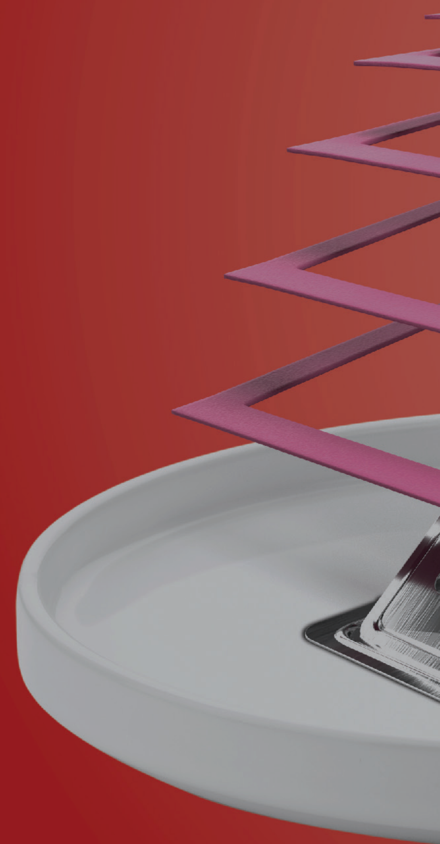
Controls with respect to authorisation in underlying IT systems are also reviewed periodically to ensure that users have access to only those transactions that their roles require. Our head office in Mumbai, offices across India, and all major factories follow an Information Security Management System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

Our Strateg Pillars

gic

Extending leadership in our core categories and geographies

1




Godrej
Good knight
JUMBO
FAST CARD
Anti-mosquito card
FAST ACTION
PLEASANT SMELL
UP TO
4 HOURS
PROTECTION
₹15
For 10 cards
Pull the
card apart
3 Insert the
card on stand
4 Light up tip
with safe gap
5 Blow out the
flame from tip

Strategic Priority

Extending leadership in our core categories and geographies

Capitals Impacted

Social and Relationship Capital

Financial Capital

Human Capital

Intellectual Capital

Risks

- Macroeconomic factors
- Exchange rate volatility
- Competitive market conditions and new entrants to the market

Material Issues Impacted

- Responsible marketing and communication
- Skill development and training

Enablers

- Focused 3 by 3 growth strategy
- Growth potential in priority markets
- Superior quality, affordable products that provide great value

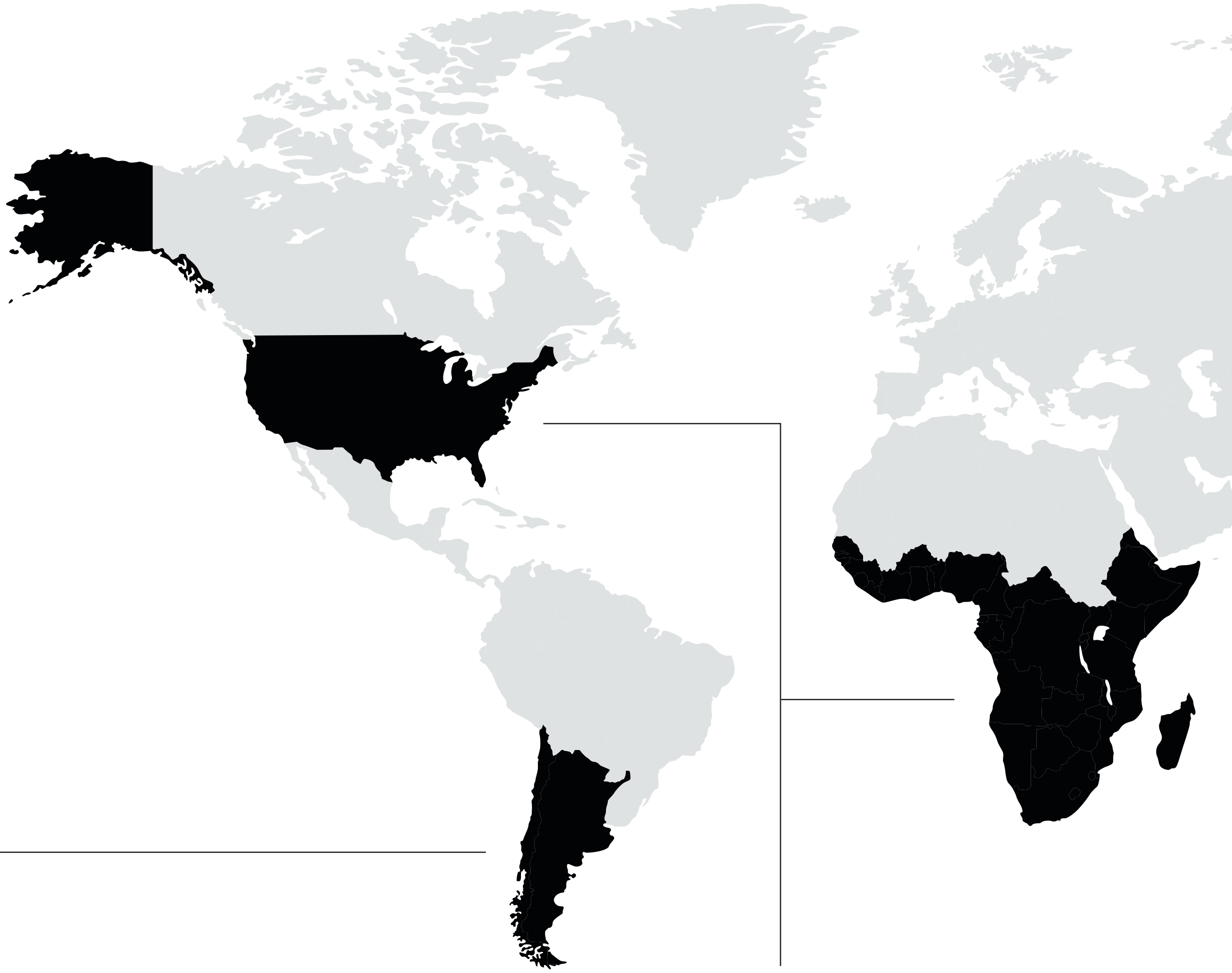
Key Focus Area

- Building leadership in Hair Care, Home Care, and Personal Care in Asia, Africa, and Latin America

Value Created

We have enhanced value creation through organic and inorganic growth and in line with our 3 by 3 growth strategy. Consequently, **Social and Relationship Capital**, measured through leadership market positions, category penetration, and consumption rates, has improved. This has led to the strengthening of our **Financial Capital** metrics.

Our multi-local strategy translates into serving diverse geographies, consumer preferences, and socio-economic contexts. As a result, we have significantly diversified our **Human Capital**. Today, we have over 10,000 team members across 17 countries. We continue to build diversity as a competitive advantage. In line with our approach to democratising categories, we are making world-class products available at affordable prices. We do this through ramping up our design-driven innovation capabilities and **Intellectual Capital**, measured through patents, brand valuation, and R&D investments.



Latin America

#1 Hair Colour
(Argentina)

#2 Hair Colour
(Chile)

#1 Premium Beauty and
Professional Products
(Hair fixing sprays |
Argentina)**

#2 Premium Beauty and
Professional Products
(Hair styling products |
Argentina)*

#1 Premium Beauty and
Professional Products
(Depilatory products | Chile)

Source: *Nielsen, **Scentia

Sub-Saharan Africa & USA

#1 Hair Colour
(Ethnic hair | Sub-Saharan Africa)

#1 Premium Beauty and
Professional Products
Hair extensions |
Sub-Saharan Africa)

#3 Hair Colour
(Caucasian hair colour | South Africa)

Leader in Premium Beauty
and Professional Products
(Hair care and maintenance
products | Africa & USA)

India & SAARC

#1 Household Insecticides

#1 Hair Colour

#2 Air Care

#2 Fabric Care

#2 Personal Wash and Hygiene

Indonesia

#1 Household Insecticides

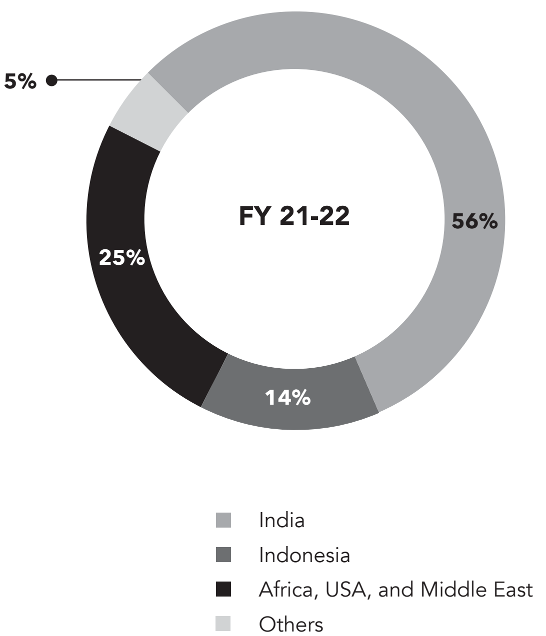
#1 Air Care

#2 Personal Wash and Hygiene

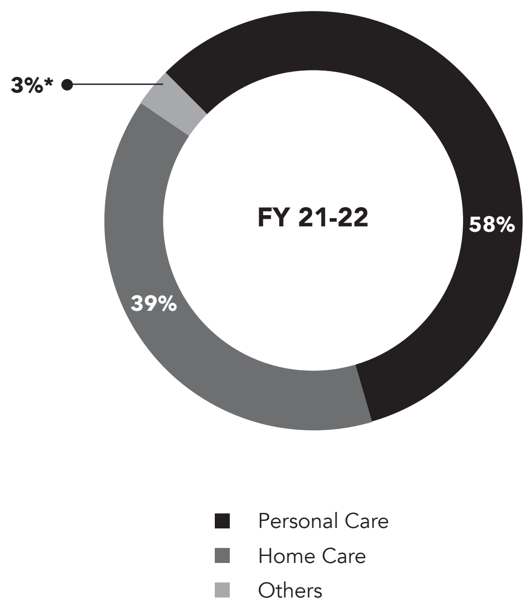
A broad emerging markets portfolio

In fiscal year 2011-12, 22% of our overall revenues came from international businesses. In fiscal year 2021-22, it is 44%.

Geography Salience



Category Salience



*Comprises inter-company eliminations and miscellaneous products

A portfolio of power brands

₹ 1,000 crore+

₹ 500-1,000 crore

₹ 200-500 crore

Top 10 brands contribute ~70% of revenue

Strengthened brand positions across key markets and geographies

#1

Godrej Good knight | Godrej expert | DARLING | INECTO

saniter | mitu baby | HIT | AIR FRESHENER Stella | PROFECTIV Mega Growth

HIT | ISSUE | ROBY* | Millefiori Makes you feel better

#2

Godrej No.1 | CINTHOL | Godrej aer | Godrej Ezee LIQUID DETERGENT

Godrej protekt | ilicit color

*Roby Sprays only

Home Care

Range of products across Household Insecticides, Air Care, Fabric Care, and Home Hygiene

India & SAARC
#1 Household Insecticides
#2 Air Care
#2 Fabric Care

Goodknight

India & SAARC

HIT

India & SAARC

Ezee

India & SAARC

ProClean

India & SAARC

Indonesia
#1 Household Insecticides
#1 Air Care
#2 Personal Wash and Hygiene

Source: Management estimates

HIT

Indonesia

Stella

Indonesia

Mitu

Indonesia

Saniter

Indonesia

Bidex

Latin America

Personal Care

Range of products across Personal Wash and Hygiene, Hair Colour, and Premium Beauty and Professional Products

India & SAARC
#1 Hair Colour
#2 Personal Wash and Hygiene

Cinthol

India & SAARC

Godrej No.1

India & SAARC

Godrej Protekt

India & SAARC

Godrej Expert

India & SAARC

Godrej Professional

India & SAARC

Sub-Saharan Africa & USA
#1 Hair Colour
(Ethnic hair | Sub-Saharan Africa))
#1 Premium Beauty and Professional Products
(Hair extensions | Sub-Saharan Africa)
#3 Hair Colour (Caucasian hair colour | South Africa)
Leader in Premium Beauty and Professional Products
(Hair care and maintenance products | Africa & USA)

Source: Management estimates

Darling

Sub-Saharan Africa & USA

TCB Naturals

Sub-Saharan Africa & USA

MegaGrowth

Sub-Saharan Africa & USA

Just For Me

Sub-Saharan Africa & USA

African Pride Moisture Miracle

Sub-Saharan Africa & USA

Inecto

Sub-Saharan Africa & USA

Renew

Sub-Saharan Africa & USA

NYU

Indonesia

Latin America
#1 Hair Colour
(Argentina)
#1 Premium Beauty and Professional Products
(Hair fixing sprays | Argentina)**
#1 Premium Beauty and Professional Products
(Depilatory products | Chile)
#2 Premium Beauty and Professional Products
(Hair styling products | Argentina)*
#2 Hair Colour
(Chile)

Source: *Nielsen, **Scentia

Issue

Latin America

Roby

Latin America

Ilicit

Latin America

Millefiori

Latin America

Pamela Grant

Latin America

2

Accelerating innovation and building purposeful brands

Strategic Priorities

- Nurturing memorable, relevant, and purposeful brands
- Strengthening the core, creating new vectors of growth, and entering attractive adjacencies

Capitals Impacted

Intellectual Capital

Financial Capital

Risks

- Competitive market conditions
- New local players gaining geographic dominance
- Disruptions due to outbreaks of infectious diseases

Material Issues Impacted

- Sustainable packaging
- R&D
- Responsible marketing and communication

Enablers

- Global category structure
- Enhanced, digitally enabled consumer insight capability
- Investments in R&D, design, technology, and skills

Key Focus Areas

We have 3 priorities towards value creation via innovation:

- Democratising categories
- Establishing winning products in new geographies
- Addressing unmet consumer needs

This value creation is underpinned by the following critical activities:

- Structured identification of unmet consumer needs
- Technology-led push innovations
- Rigorous, consumer-focused stage-gate pipeline processes
- Truly global innovation management
- Investments in design, technology, and skills
- New brand development

Value Created

After an intense period of innovation in fiscal year 2020-21, characterised by the pandemic and our commitment to bolster new **product development**, we took the opportunity to undertake a strategic reset of our **product innovation** and new **brand development** activities over the last year.

While continuing to leverage our unique **RIDE** structure, we intend to drive our innovation capabilities to the next level by adopting the following key principles:

- A **'less is more'** approach: fewer, bigger, better innovations
- Even more **consumer-centric**: deeper insights, prioritising the voice of our consumers in decision-making
- **100% objectivity**: rigorous stage-gate process, right governance
- **Become truly global**: efficiently delivering synergies
- **Sustainability**: sustainability built into our products from Day 1

While **new brand development** will continue to be an important capability and driver of value, we aim to discontinue with smaller brands where it makes sense from a better parentage/value realisation perspective.

Creating value through innovation

Democratising categories

As category leaders, our strategy is to ramp up innovation-led growth and discover new ways to disrupt our categories. Democratisation and accessibility, while creating superior quality, delightfully designed products, are particularly important, given our focus on emerging markets.

Establishing winning products in new geographies

GCPL's geographic footprint comprises some of the largest and fastest growth emerging economies in the world. However, our top categories in these countries, such as Household Insecticides, Air Care, and Hair Colour, are underdeveloped, with significant headroom for growth. We see this as a huge opportunity for value creation via application of our winning strategies for category development through our know-how in product, communications, and activations.

Magic, our first-ever global product

India & SAARC

Indonesia

We have already laid the foundation for achieving this goal, cross-pollinating Magic—our revolutionary powder-to-liquid handwash, from India, Africa, Indonesia, and Latin America, making it our first-ever global product. Similarly, we forayed into the Household Insecticides category in Africa with the launch of Goodknight Power Shots. Our next big priority is building Goodknight Gold Flash liquid vaporiser into a global product, too.

Addressing unmet consumer needs

We are proud of our strong track record of disruptive innovations, which has taken us into new categories and allowed us to address unmet consumer needs. Often, this work has also involved the development of new, distinctive memorable brands. We are looking forward to continue this trend, while enhancing our consumer insight capabilities and bringing more structure to the process of need identification and solution development.

Chile

South Africa

Argentina

Godrej Expert 5-minute Shampoo-based hair colour addresses the consumer need for quick, hassle-free hair colouring at home

Critical enablers

Global category structure

In fiscal year 2021-22, we led the creation of an empowered global category structure. This new structure will power our global categories in Household Insecticides, Air care, Hair Colour, and Hygiene and will build on product development (innovation and renovation) and brand equity (brand strategy and advertisement), enabling 3 critical sources of value:

- Coherent global category strategy and cross-geography synergies
- Deeper capability in product and communication development
- Better alignment across product development and brand equity

Our design and consumer insight functions have also evolved to be more global in nature and report into the category structure.

Enhanced, digitally enabled consumer insight

In keeping with our core principle of consumer centricity, we are augmenting our consumer insight capabilities in several ways:

- Global structure allowing the sharing of insights and know-how
- Clear definition of global testing protocols and action standards
- Deeper relationships with critical agency partners, given the global scale
- Leverage new-age digital techniques for consumer insights

Investments in R&D, design, technology, and skills

Our state-of-the-art R&D centre at our global headquarter, Godrej One, in Mumbai, is supported by local R&D teams who partner across geographies and share learnings. At our in-house global Design Lab, we integrate design thinking and transform product capabilities.

While this is usually a capability outsourced in FMCG, we have chosen to build it internally and make it a competitive advantage. The lab comprises highly skilled graphic and industrial designers across geographies who collaborate on projects.

Our in-house global Design Lab integrates design thinking into product development

Strengthening business outcomes

Innovating for greener products

The need

Goodknight Gold Flash—one of our latest innovations—comes with a patented novel device system with a timer-based circuit, powerful heaters, and high-temperature stable wicks. The technology used in the wicks was imported at a high cost from a monopoly vendor. In addition, the wicks were made from a non-biodegradable and non-reusable material.

The solution

Seeing this as an opportunity, the team started to explore and develop an indigenous wick that could deliver the need at better cost and lower environmental impact. After evaluating materials such as glass wool, carbon fibres, plant fibres, and other low-density materials like wood dust and silicone dust, the team narrowed on a specific grade of plant fibres with better thickness and tensile strength than others.

The new 100% biodegradable wick is a GCPL-owned patented indigenous formulation. It's not dependent on a single vendor and is feasible to manufacture in-house at our regular clay wick vendor sites. It's also 70% cheaper than the imported wick and reduces our plastic usage by more than 300 tonnes a year.

Goodknight Gold Flash,
India's most powerful liquid vapouriser
with visible vapours

Goodknight Jumbo Fast Card

India & SAARC

- Acts instantly, delivering over 4 hours of protection from mosquitoes
- Powered with the advanced TFT technology for uninterrupted protection
- Available at an affordable price of ₹10 for 10 cards

aer
Power Pocket

India & SAARC

- A refreshing range of bathroom fragrances
- Developed with a unique gel technology that provides long-lasting freshness for up to 30 days
- Available in an all-new variant: Tangy Delight

Stella Parfumist Home

Indonesia

- Premium-quality air fresheners for the home
- Available in 2 new fragrances: Cananga Lullaby and Warm Verbena

Saniter
Powder-to-liquid Handwash

Indonesia

- Innovative powder-to-liquid handwash that offers 99.9% protection from disease-causing germs
- Packed with DH active and aloe vera for soft hands
- Available in an all-new variant: Fresh Clean

Darling Asili Locs

Africa

- A premium crochet style from Darling's Supreme Collection
- Available in 4 stunning ombré and blended colours
- Enables African women to elevate their style

Megagrowth Anti-dandruff

Africa

- A scientifically formulated multi-active anti-dandruff range enriched with coconut, menthol, and tea tree oil
- This simple 3-step routine promises to eliminate flakes, relieve scalp irritation, and reduce dryness
- Includes a shampoo, spray, and treatment

Villeneuve Body Lotion

Argentina

- A range of body creams that offers an instant dose nutrition to skin
- Available in 3 variants, including Avocado, Almond, and Coconut, that are safe for use on normal, dry, and very dry skin types
- Made with natural ingredients
- Cruelty-free and paraben-free

Issue
Restyling Bleaching Kit

Argentina

- A complete semi-permanent hair colour kit, comprising tonaliser, bleaching powder, applicator, nutrition mask, and gloves
- Available in a trendy new shade: H2O Blue

Bidex
Hypoallergenic Neutral Liquid Soap

Chile

- An all-new addition to our Bidex range of hygiene products
- Formulated with the exclusive clean and care complex that combines hyaluronic acid and glycerine for moisturised and hydrated skin
- Dermatologically tested for hypoallergenicity and maintenance of pH balance in the skin

Bidex Moisturising Liquid Soap

Chile

- Formulated with the exclusive clean and care complex that combines hyaluronic acid and glycerine for moisturised and hydrated skin
- Developed with chamomile extract for smooth and moisturised hands
- Hypoallergenic

Ilicit
Perfect Oil

Chile

- A unique hair oil that offers incredible benefits for every hair type
- Formulated with thermoprotection that seals in moisture from root to tip and argan oil that repairs and deeply nourishes hair

Ilicit Kera-V

Chile

- A range of shampoos and conditioners developed with plant-derived keratin and a mix of amino acids that strengthens hair fibre and improves hair quality
- Certified cruelty-free and vegan, with over 93% natural ingredients

Millefiori Body Mask

Chile

- A depilatory body mask made from natural clay
- Available in 2 variants: Care (Natural Clay and Aloe Vera) and Detox (Natural Clay and Charcoal)
- Cruelty-free

Millefiori Waxing Strip

Chile

- All-new gel-based depilatory strips that offer ease of use
- Available in 3 combinations: Argan Oil and Jojoba, Acai and Goji, and Charcoal and Coconut
- Vegan and cruelty-free

Millefiori Microwavable Hair Removal Wax

Chile

- A new, unique at-home hair removal wax that saves time and is easy to use
- It removes hair from the root for smooth and radiant skin that lasts for up to 4 weeks

Araucana Rosehip Regenerating Cream

Chile

- An anti-spot cream with boldo and rosehip extract that regenerates, repairs, and evens out skin tone

Colourplex

Chile

- Our new range of hair colour brings home the salon experience
- Developed with a strong bond concentrate that protects hair without altering the final result
- Available in 16 beautiful shades

3

Leveraging digital


HIT
GO BACK TO ALL PRODUCTS
HOME > PRODUCTS > HIT RACQUET
HIT RACQUET
Intelligently designed electric racquet with higher coverage area and unique shape to reach corners effectively. Inclusive of 6 months warranty.
PRODUCTS
ENGLISH
Dangerous mosquitoes that spread diseases like Dengue, Chikungunya, Malaria etc hide in dark corners of your home. To keep you and your family protected, use the HIT Anti Mosquito Racquet for instant kill of mosquitoes. Created out of top-notch ABS plastic, the Godrej Hit mosquito racket killer will take into account your requirements for quite a long time owing to the durability.
BUY NOW
WARRANTY
BUY NOW

Strategic Priority

Our objective is to capitalise on the ongoing consumer shift towards digital media consumption and digital commerce by assuring brilliant basics, effectively leveraging data, maintaining the highest levels of customer experience, and ensuring agile execution. We are also making digital investments in a focused and balanced manner, in accordance with our overall brand strategies and consumer tasks.

Capitals Impacted

Social and Relationship Capital

Intellectual Capital

Risks

- Nimble e-commerce/ digital-first brands
- Emergence of consolidated customers owning first-party consumer data
- Impact of economic environments on consumer behaviour

Material Issues Impacted

- Responsible marketing and communication
- Skill development and training

Enablers

- Strong internal, global, and regional structures to support bold ambitions
- Agility of teams to rapidly execute plans
- Selective media investments to drive growth and penetration
- Bespoke approach: Country roadmaps to reflect brand and regional stages of development
- An agile test-and-learn approach
- Upskilling marketing teams to have a digital-first approach

Key Focus Areas

- Building an e-commerce business organisation
- Launching and scaling up direct-to-consumer (D2C)
- Doubling down on data-driven marketing
- Leveraging digital brand advocacy
- Scaling up brand communities

Value Created

The acceleration in digital adoption over the past year has been a shot in the arm for our digital ambitions. We are integrating and ramping up capabilities across different aspects of our business, with a focus on building relevant digital platforms for the future and stronger **Social and Relationship Capital** through partnerships and more meaningful consumer connects. We are also investing in building internal capabilities and **Intellectual Capital** through focused talent, trainings, and infrastructure.

- In India, the e-commerce business now contributes **5%** to the overall business.
- The HIT Anti-mosquito Racquet, our e-commerce only launch, has garnered an **80%** market share online and has scaled up to **USD 5 million** in top line sales across online and offline platforms.
- E-commerce business in Indonesia has grown by **25%** post COVID-19.
- E-commerce business in the USA has become nearly **4%** of the overall USA business.
- 3 new D2C brand channels have been introduced in India, including Godrej aer, which has seen **USD 6,50,000** in top line sales in spite of COVID-19-related disruptions.
- D2C in Nigeria sees an exponential growth:
  - Top line revenue grew by **45%** YoY to USD **3,80,000**, while traffic grew by **52%.**
  - The conversion rate increased to **0.82%** from 0.66% in fiscal year 2021-22.
  - The repeat customer rate increased to **25%** from 14% in fiscal year 2020-21.
  - D2C had a **7%** contribution to key NPDs across Premium Beauty and Professional Product categories.
  - D2C contributed to **37%** of Hair Care combo pack NPD sales launched for modern trade and e-commerce in Nigeria.
- D2C business launched in South Africa witnessed a **20%** QoQ growth since its launch.
- Approximately **10 million** first-party data points have been gathered from consumers and users in India.
- Over **60,000** stylists connected through brand community platforms in Africa.
- Darling reached over **27 million** women across Africa through various digital campaigns.

Building an e-commerce business organisation

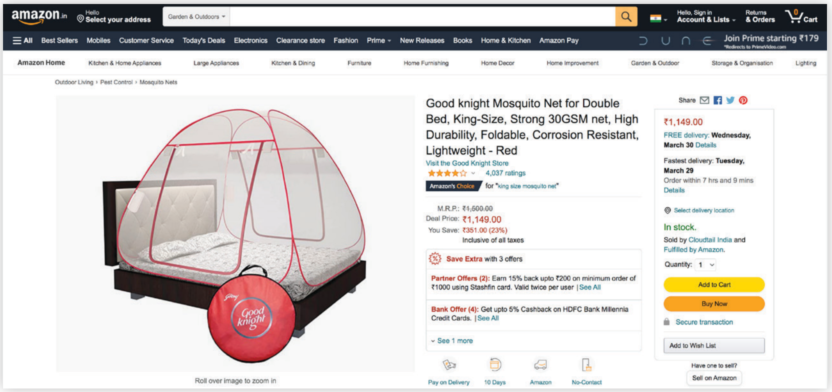
In India, our incubation of e-commerce as a separate business unit has enhanced our e-commerce capabilities and salience and significantly improved profitability. Capabilities have matured to the point where we can now re-integrate e-commerce more closely together with our overall sales structure, reflecting the increasingly omnichannel nature of shopper behaviour and our customer base. We continue to support significant e-commerce-first product launches such as our HIT Anti-mosquito Racquet, Goodknight Mosquito Net, and aer Smart Matic room freshener.

In Indonesia, our e-commerce business grew by 25% post COVID-19. We have significantly scaled up our investments in key platforms backed by strong joint business partnering, new product launches, strong cataloguing and store management, and a steep jump in leveraging analytics. Driving focused digital activities on both online and offline platforms helps create seamless consumer experiences: from awareness in digital to purchase in e-commerce. Stella Smart Matic Parfumist, for example, was launched exclusively on Shopee. Our new Saniter brand levered digital technology to generate stronger sales through e-commerce. We have also started developing e-commerce-only products to cater to the big segments online, starting with the HIT Anti-mosquito Racquet.

Our Africa cluster has evolved its structure from a digital-first marketing function to an e-business function, which combines digital marketing and e-commerce to leverage and scale our digital capabilities.

In the USA, e-commerce is now nearly 4% of our business in an acceleration made possible by the investments and ground work in previous years.

We have set up a new e-commerce team in Latin America and are investing in multiple ways to boost our presence on different digital platforms and marketplaces.



Goodknight Mosquito Net, our latest e-commerce-first launch

Launching and scaling D2C

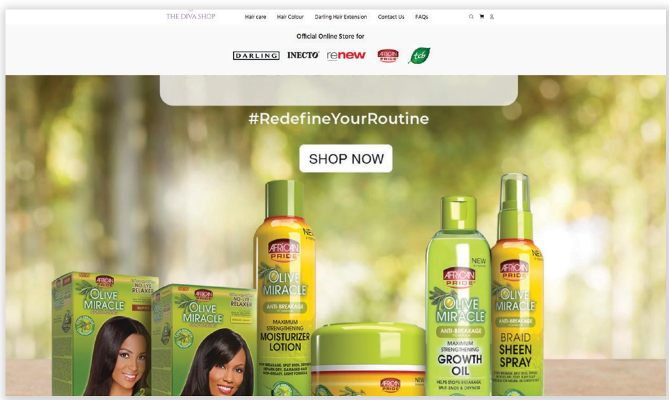
In line with our increased focus on building first-party data and the need to have a complete view of a consumer's purchase journey, we have been successfully launching new adjacent business channels for D2C.

We leveraged D2C for Godrej aer, conducting an exclusive launch of Smart Matic, one of the brand's best-selling products. Since its launch in September 2019, aer has clocked top line sales of USD 6,50,000, with an above industry benchmark ROAS and healthy repeat customer rate of 15%.

Following the pandemic, consumer trends like online shopping have accelerated with significant momentum. More consumers are now turning to online shopping and choosing to interact with brands directly through their D2C channels. This traction has been very encouraging, and we have been able to derive learnings across multiple brands and categories. Our return on ad spend has been very encouraging, too. We have also experimented with exclusive launches of some of our new product variants on these platforms, through which we have witnessed a positive consumer response.

In Africa, we scaled up our Nigeria D2C business to a 45% year-on-year top line growth, while also providing world-class customer experience, which resulted in an impressive 25% repeat customer rate. This year, we further scaled up our D2C businesses; we launched Diva Store, a D2C store in South Africa, and entered into a partnership with a beauty and personal care online marketplace, 'BeautyClick', in Kenya to further our e-business ambitions.

It has also clocked upwards of 10% saliency in the launch of premium new products across categories. We aim to leverage this extensively to test and launch new products and gather customer intelligence going forward.



Diva Shop, our multi-brand D2C platform

Doubling down on data-driven marketing

In the past year, we collected first-party data from multiple platforms through our in-house cloud-based Central Data Platform in India. We now have over 10 million first-party data points from consumers and users, which we are expecting to further scale-up.

These rich and actionable insights based on audience interests, shopping/purchase behaviour, demography, appography, and location history are critical for us. Backed by this data, we are now building use cases, which have not only helped us optimise our media for efficiency and effectiveness but also allowed us to gain a deeper understanding about our end users, establish cross-brand interest, and further expand our user base.

We are now working on an Audience Intelligence Platform to further enrich the collected data, which will help us deliver actionable insights for our brands and categories and enhance consumer experience by providing relevant and personalised messaging.

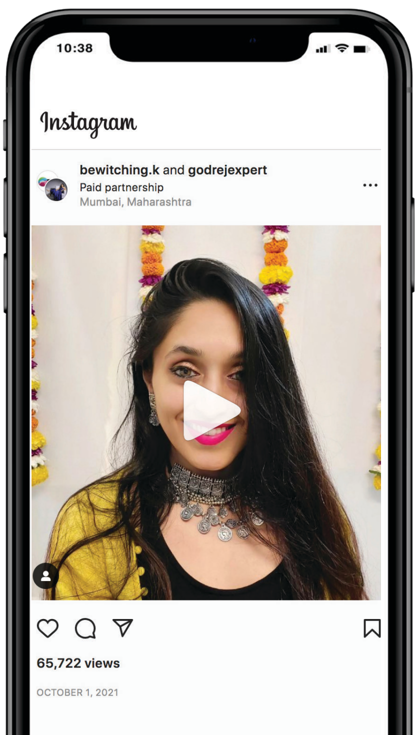
Leveraging digital brand advocacy

An exponential increase in time spent on social media and content platforms in the past year has reinforced the importance of digital brand advocacy, propelling us to make it a key pillar in our overall marketing and communication strategy.

In addition to partnering celebrities and influencers to drive key messaging around our brands, we are also tailoring our approach to focused markets and are collaborating with regional content creators on YouTube and social media platforms.

We have leveraged large digital content platforms like Glamrs (Indian beauty, style, fitness, and lifestyle video platforms for women) for Godrej Expert and Shitty Ideas Trending (YouTube channel with funny relationship sketches) for Goodknight. Food has been a big trend this year, and therefore, we also partnered with celebrity chefs.

Mothers in the age group of 25-44 years are a key target audience for our different brands. We have been actively engaging with large-scale mom communities to drive brand advocacy across categories, specifically for Hair Colour. We partnered mom influencers to create content ideas that address the specific barriers to trial for Hair Colour, driving occasion-led triggers and establishing the beauty imagery for Godrej Expert.

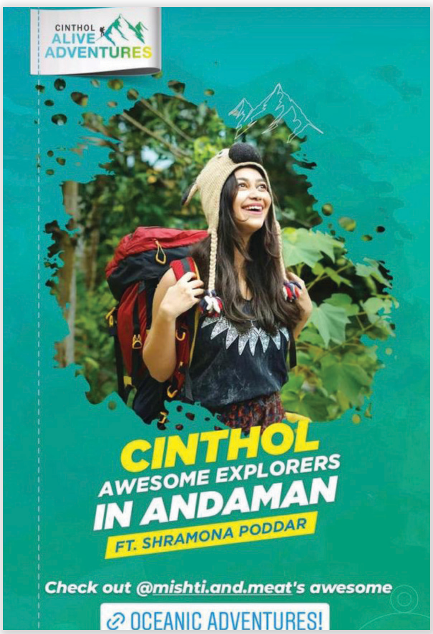


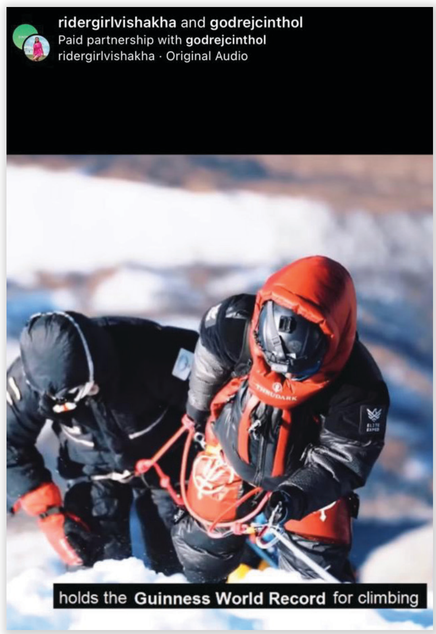
Partnering mom influencers to build advocacy around Godrej Expert

Collaborations with regional content creators in India for Goodknight and HIT

For Cinthol, we have been actively working on creating a community of Cinthol Awesome Explorers, a tribe comprising off-beat travellers, adventure sports enthusiasts, mountaineers, rock climbers, surfers, etc. from India who are bringing to life the 'Alive is Awesome' philosophy.

This is a small example of how we are using influencer marketing in a highly integrated manner to build the brand's exploratory image.





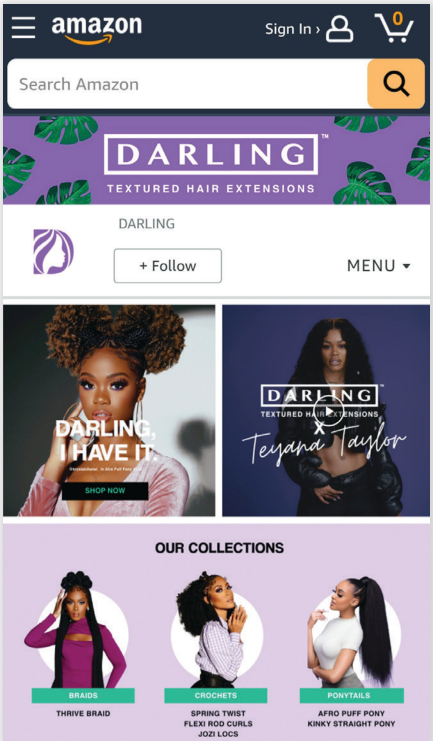
Our Cinthol Awesome Explorers community partners with off-beat travellers

In Africa, our categories are heavily driven by visual content and influencers. We plan to scale-up our strategy of co-creating content with influencers to enhance believability and impact, while driving new products and styles. We have partnered with macro, micro, and nano influencers across markets to drive new product awareness and considerations.

We have also partnered with popular women-centric communities like 'She Leads Africa' to create a series of stories about women who have become successful despite facing societal and personal challenges. This was followed by a free course for our community on how to prepare for job interviews and an online summit where experts spoke about various topics on building confidence, upskilling, and being prepared for the real world. This was a year-long programme by Darling in partnership with 'She Leads Africa', where we were able to help over 5 million women across Kenya, Nigeria, and South Africa.

A teaser from the 'She Leads Africa campaign' in partnership with Darling

In the USA, we launched the Darling brand store on Amazon USA and a brand campaign with popstar Teyana Taylor for the launch of our Hair Fashion category.



We launched the Darling brand store on Amazon USA

Our Darling brand campaign with popstar Teyana Taylor

Scaling up brand communities

With online communities becoming the next big thing on digital platforms, we aim to scale-up our brand communities and tribes.

Our other brands will also build communities by using social media platforms such as Facebook groups and WhatsApp.

Currently, we have stylist Facebook group communities in Kenya, South Africa, and Nigeria, with over 60,000 stylists connected through the platform. We aim to double down on efforts to build these communities and create long-lasting, meaningful relationships with our consumers and partners.


Good knight
Naturals
NEEM AGARBATTI

4

Enhancing go-to-market

Strategic Priority

Integrating our go-to-market approach and leveraging technology for strategic decision-making

Capitals Impacted

Intellectual Capital

Manufactured Capital

Social and Relationship Capital

Financial Capital

Risks

- Competitive market conditions
- New entrants into the market
- New online, offline, and omnichannel go-to-market models and channels such as e-commerce

Material Issue Impacted

- Sustainable packaging

Enablers

- Brand reputation
- Affordable pricing
- Superior quality products
- Continuous innovation in products and processes
- Strong long-term partnering focus
- Distribution footprint

Key Focus Areas

- Enhancing our go-to-market strategy in the context of the COVID-19 pandemic
- Expanding penetration and reach
- Laying the foundation for future growth priorities
- Ramping up the e-commerce business
- Leveraging technology and data analytics
- Fostering win-win partnerships

Value Created

Our agile go-to-market approach is the backbone of our business. We are leveraging data and technology, innovating for local contexts, and building more agility across multiple routes to markets to serve our consumers with greater purpose and focus.

We aim to continue to invest in enhancing our **Intellectual Capital**, making our **Manufactured Capital** more agile and creating joint value with our partners to maximise our **Social and Relationship Capital**. This, in turn, will translate into a stronger **Financial Capital** value.

- With continued focus on strengthening our distribution reach in urban and rural India; we increased our chemist distributors by nearly **30%.**
- The modern trade channel in India has bounced back, growing at high double-digit values after contracting in the past year.
- Direct distribution, through active registered outlets, in Indonesia continued to grow strongly to reach nearly **1,75,000** outlets.
- Rural sub-stockist network grew by **5%**.
- We continued our focus on last-mile distribution.
- Nigeria's van model has increased our direct reach significantly, gaining salience at a breakout pace. The contribution of van sales to the Nigerian business has almost doubled.
- E-commerce in India continues to grow faster than traditional channels, with a 2-year CAGR of approximately **60%**.
- Strong e-commerce focus in the USA, accounting for nearly **4%** of the total business.
- Multiple initiatives launched to leverage digital technologies and build closer connections with different partners.

Enhancing our go-to-market strategy in a post COVID-19 world

Innovations and start-up efforts in the last-mile distribution of FMCG have been altering the overall sales and distribution landscape over the past couple of years. Shifts in consumer behaviour and digital acceleration following the COVID-19 pandemic have only added to this, opening up significant opportunities to scale, transform, and make our sales organisation more future-ready.

We are adapting and innovating, leveraging technology across our operations, and building new capabilities, particularly the muscle to be more agile. Our approach hinges on close connections with our markets, consumers, partners, and communities to understand and better serve evolving needs.

Channels of the future

New technologies are transforming the sales and distribution landscape. Additionally, e-commerce has seen strong growth across India, Indonesia, and the USA, and modern trade, Cash & Carry, and, more recently, eB2B continue to grow. COVID-19 has accelerated digital adoption across shoppers, retailers, and the FMCG network.

In India and Indonesia, attention has been refocused on the role of traditional kirana or neighbourhood convenience stores. Similarly, in Africa, we have seen the acceleration of proximity shopping to overcome the challenges of the pandemic. This has reinforced the importance of last-mile distribution. New models will now be omnichannel, straddling a pyramid of online and offline sales.

In Bangladesh, the focus continues to be on building the traditional kirana (modir dukaan) backbone because modern trade and e-commerce are limited to urban centres. In Sri Lanka, we continue to focus on all channels, including traditional, modern trade, and, more recently, the e-commerce channel too.

We continue to leverage traditional kirana stores as a sales channel in India

Our leadership actively connects
with our partners on ground

Shopper behaviour

The fiscal year 2021-22 saw a partial return to normal business operation in India and Indonesia, interspersed with milder COVID-19 waves, as compared with the previous year, which was affected severely by the pandemic. Africa and the USA were minimally affected, except for South Africa that witnessed 2 COVID-19 waves.

In terms of an assortment mix, the shift of shoppers' basket to health and hygiene that we witnessed in fiscal year 2020-21 across markets sharply reversed this year, with consumers spending heavily on these only during the COVID-19 waves. In India, for example, the spike in both handwash penetration and Household Insecticides consumption during the peak of COVID-19 began tapering off significantly in fiscal year 2021-22.

High inflation together with the global economic slowdown is affecting consumer purchasing power, adversely impacting volumes across geographies.

Partnerships

The interdependencies of our networks have always been crucial to the business. For the system to deliver successfully, we need all partners to be enabled and benefited. In addition to continuing our support towards our suppliers, distributors, wholesalers, and modern trade customers globally, we are also building deeper partnerships with large-scale salons across Africa.

Expanding penetration and reach

In India, we continue to focus on deepening penetration in traditional trade. We aim to expand our total reach from 6 million outlets in fiscal year 2020-21 to 7 million outlets in the next 2 years. We are, particularly, focused on driving rural reach and penetration by launching lower priced stock-keeping units in our key categories, which will result in greater accessibility of our products for rural consumers.

In the past year, we created a blueprint of the ideal rural coverage along with our external partners. Guided by this, we have grown our rural sub-stockist network by 5%. We have further leveraged external partnerships in rural India and worked closely with an emerging player in the rural eB2B space. The partnership has helped us reach villages with a population of less than 3,000, where we could not reach directly through our sub-stockist network. This has significantly complemented our rural distribution, and the initiative has now been expanded to approximately 15 states in India.

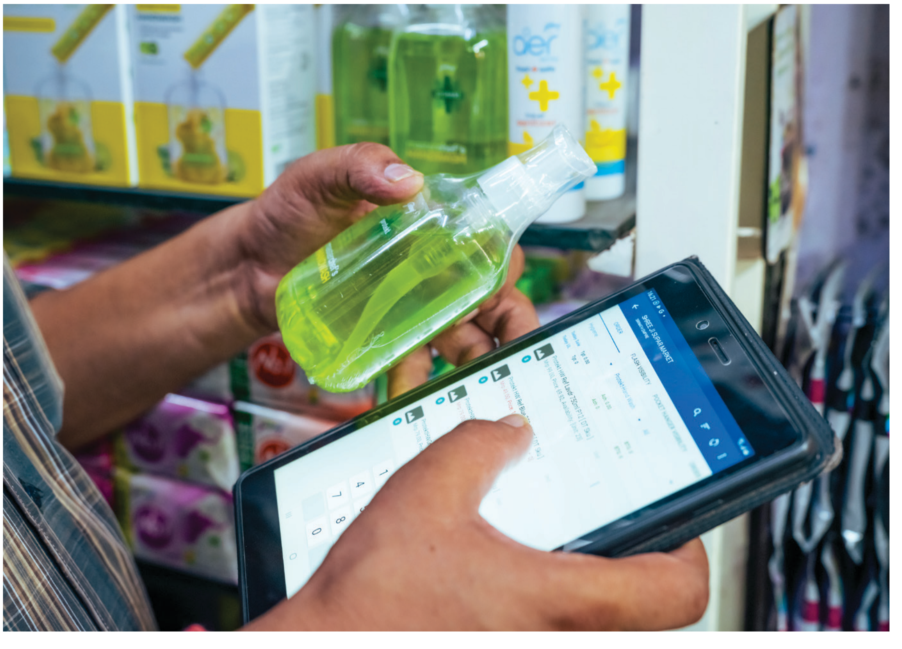
To strengthen our in-market execution, we are now tracking tertiary sales in rural areas, measuring sales from sub-stockists to rural retailers, and using that as a KPI for rural sales team members. Tertiary sales tracking was launched by us in the past year, which made us one of the first FMCG companies that not only tracks tertiary sales but also uses it as a crucial KPI for our rural sales ecosystem.

We have experimented with moving the frontline salesforce to third-party payroll, which has resulted in improved productivity and reduced attrition. The pilot was successfully completed in Mumbai, and we are now scaling up this model to towns with a population of over 1 million.

Tapping into the emerging opportunity of a growing chemist channel remains a key strategic lever for us. To achieve this goal, we have created a strong distributor network of pharma/over-the-counter drugs distributors and through them created a new revenue stream. This channel helps us expand our reach into previous untapped chemist outlets.

Our Bangladesh team is expanding its direct reach to 1,00,000 outlets and driving salesforce automation through handheld devices for salespeople. Our focus remains on becoming one of the top FMCG companies in terms of reach. Moreover, we are piloting various tech-based interventions to increase our width of sales in the stores that we reach. This will help us in improving our returns tremendously.

Leveraging technology to enhance last-mile distribution



In Sri Lanka, our team is driving productivity and increasing reach through a cloud-based distributor management system and salesforce automation. Our focus is to ensure that we reach a good mix of traditional and modern trade stores across the country.

In Indonesia, we significantly accelerated our go-to-market transformation. Our efforts on route-to-market consolidation in the previous year have stabilised well. Direct distribution, through active registered outlets, continued to grow strongly to reach nearly 1,75,000 outlets. We have also expanded alternate channel distribution in pharma and health and beauty, which have strong synergies with our Baby Care and Hair Colour portfolios.

Going forward, we aim to continue the momentum on distribution expansion and double down on new outlets while maximising throughput from our existing distribution base.

We are ramping up our go-to-market efforts across Africa. In Nigeria, where trade is largely unorganised and wholesale-led, we are scaling up our last-mile distribution through van models, sub-distributor models, and salon advocacy.

Our experiment of launching a D2C channel aimed at seeding new products, experimenting with untested price points and product bundles, leveraging consumer analytics, and potentially providing distribution in white space regions, with retailers coming onto the platform, has been faring well.

We continued our door-to-door sampling drive to build demand and educate consumers on our recently launched Household Insecticides portfolio in addition to expanding distribution to modern trade.

This resulted in a significant shift in our non-wholesale channel contribution. We will continue the momentum in Nigeria and strengthen fundamentals at an accelerated pace in South Africa and Kenya to unlock the full potential over the next few years.

We have expanded the distribution of our Hair Extensions business in the USA. Alongside Walmart, we have now expanded into other retail partnerships such as Target. Hair extensions is a USD 1 billion market in the USA, and this offers a tremendous opportunity with significant consumer synergies. We are the only end-to-end hair player (Hair Extensions and Hair Care) catering to the African-American community.

Partnerships with Walgreens and Target in the USA to launch our range of hair products

Laying the foundations for future growth priorities

Improving efficiencies

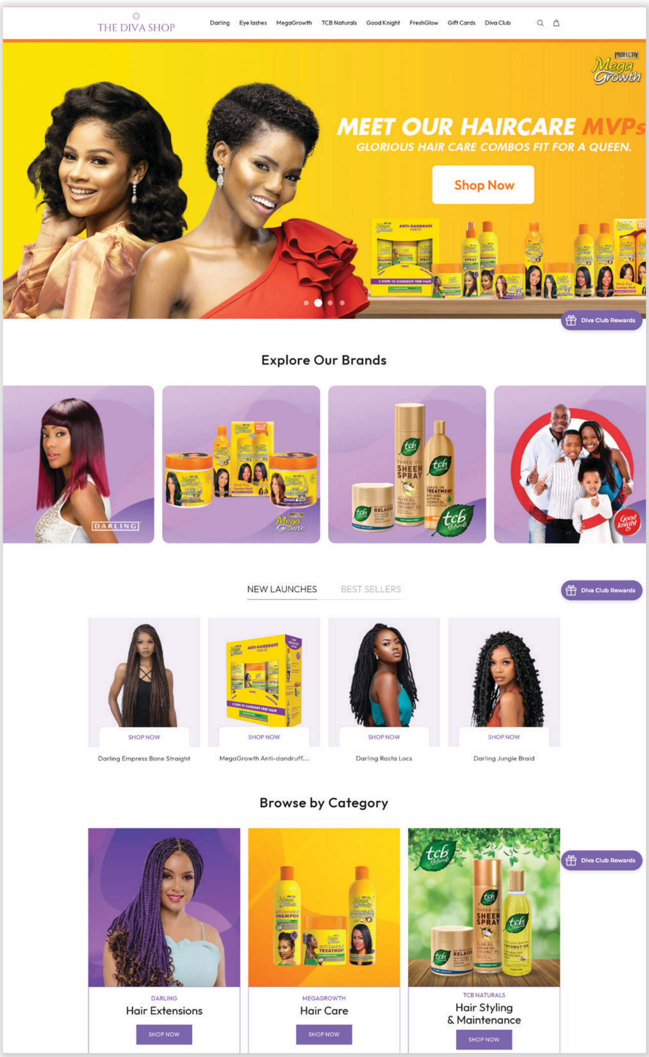
We are driving efficiency across the value chain and improving sales productivity by leveraging analytics and technology. Reducing sales losses through auto-replenishment and enhancing salesforce effectiveness through technology will be critical levers of future growth.

Building an omnichannel play

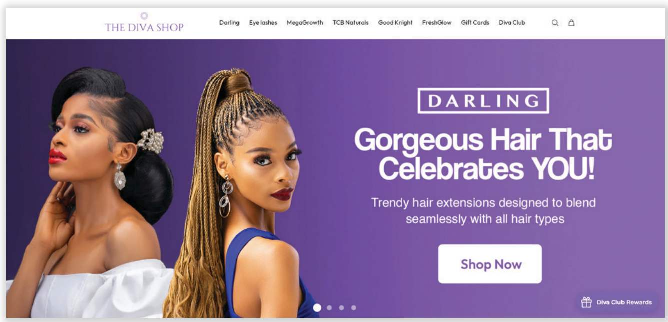
Given the changing shopper trends and environments, we are ramping up capabilities to service the demands of an omnichannel play. Externally, this translates into servicing and solving channel conflicts. Internally, it means putting the right team structure in place to service this channel with agility.

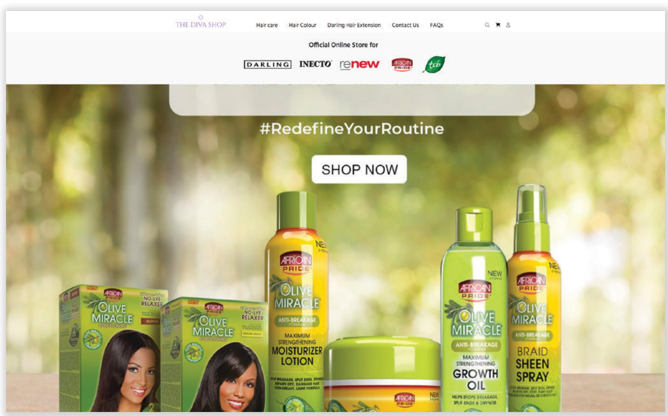
Exploring new go-to-market formats

In Nigeria, we continue to explore the D2C channel and are seeing strong wins, given the overall shopper preference for online purchasing.



The Diva Shop, our D2C channel in Africa





Transforming modern trade

Modern trade is a key driver of growth across geographies, and we aim to ramp this up. Building blocks include account and portfolio prioritisation, category management, fill rate improvement, and strong partnerships with customers through joint business planning.

In India, we are investing in category management to build new-age categories such as Air Care and Household Insecticides. To this end, our teams are sharing and learning from our Indonesian and Latin American businesses on category management best practices. We are also investing in developing modern trade-specific analytics and shopper marketing capabilities.

Sri Lanka boasts a strong modern trade-driven FMCG space, and our objective is to optimise efforts to ensure that we take full advantage of the opportunities by driving visibility, focused marketing interventions, in-store sampling, etc. We also aim at deepening our partnerships with chains through strong mutual plans.

Modern trade accounts for nearly 70% of our business in Indonesia. We continued our long-term journey to drive modern trade excellence, with a continued thrust on strategic investments, prioritising winning accounts, which was particularly relevant with shopper shifts post-COVID-19, and focusing on joint business partnerships, which were crucial to winning in an unprecedented macro environment. This resulted in a successful foray into the Hygiene category. Our Saniter brand ramp up was primarily driven by modern trade and crossed unprecedented milestones.

In Africa, given modern trade continues to be the key, we are leveraging availability, strong in-store presence, and competitive pricing to build on the opportunity, particularly in South Africa. Our entire business in the USA is modern trade-led, with the channel split into retail and beauty stores. We continue to leverage strong channel partnerships and joint business planning to drive distribution and new product listing, compelling in-store presence, and competitive pricing.

Leveraging modern trade to boost sales

Building on the salon channel

We are moving beyond traditional retail to build other new-age channels such as salons. The restructuring of our salon channel in Africa will be a big focus as salon partnership programmes are key to building influence, driving penetration, and generating demand in Hair Fashion as well as Hair Care. We also intend to leverage this channel to drive last-mile distribution.

Inside our Darling Professional Stylists' Academy in Nigeria

Training and capability building for frontline teams

Equipping our team members to best serve the changing landscape is critical. We continue to drive multiple capability building initiatives, which were enhanced over the past year and were moved online.

In India, our in-house training academy, the 'Godrej Sales Academy', moved completely online to encourage easy access and on-the-go learning. In other geographies too, we have leveraged online training modules for continuous skillset improvement in a tough macro environment, while also focusing on team engagement and motivation.

Ramping up e-commerce

E-commerce represents strong opportunities to win in a fast-growing channel, while leveraging its unique reach to bring innovative products and brands to market.

Underpinning this, in India, we are building a strong data backbone to leverage the data-rich environment of e-commerce and drive our efficiency and effectiveness across the board. We are investing in ramping up capabilities in the e-commerce function by insourcing capabilities like graphic design, content writing, and search engine optimisation as well as performance marketing. We have a dedicated shopper marketing team to distil insights from e-commerce brands and platforms to extract maximum efficiency from our visibility and promo spends. To improve operational efficiencies, we are also automating our processes from the order receiving stage to the billing stage and leveraging data analytics to improve our forecasting methods. Our objective is to improve margins in the e-commerce channel through a better mix and optimisation of operational efficiencies.

Through joint business planning, promotion strategies, and online content, we have made significant upgrades to our capabilities, which are yielding results in terms of on-platform conversion rates and off-takes. We continue to deliver strong performance on e-com-focused product innovations such as Goodknight Mosquito Net, HIT Anti-mosquito Racquet, and aer Smart Matic.

Our e-commerce business in Indonesia continued to have strong growth. We have significantly scaled up our efforts and investments with a focus on winning platforms backed by strong joint business partnering, new product launches, strong cataloguing and store management, and a step jump in leveraging analytics.
In the USA, our efforts to strengthen e-commerce fundamentals paid off with the business growing strongly to become nearly 4% of our overall US business this year.

E-commerce in Africa has significant headroom for growth, particularly in the fashion and beauty segments. Given limited resident traffic on the third-party platforms, in Africa (unlike in India, Indonesia, and the USA), we launched our own D2C platform in Nigeria.

This has been more than just a sales channel, with significant upsides to leverage, like the immediate availability of new products, controlled brand building, consumer data, seeding new products, ability to cross-sell/upsell, experiment with untested product bundles and price assessment, and opportunities for focused consumer research. We have set up a new e-commerce team in Latin America and are investing in multiple ways to grow our presence on different digital platforms and marketplaces.

E-commerce-first innovations such as the HIT Anti-mosquito Racquet continue to deliver strong performance

Leveraging technology and analytics

We have integrated different technology solutions across the value chain in India, starting with our sales people on the ground, through our many channel partners. Predictive analytics enables our urban sales people to sell the right assortment at a store. We are moving our distributor billing software and handheld terminals to cloud-based servers to bring more agility to the sales ecosystem. We have completed cloud transformation for our urban and rural businesses. We are currently exploring the usage of Global Policy and Strategy locations to drive the in-market execution of our sales team in both urban and rural markets. We also have plans in place to move our distributors to an automated replenishment system by the end of the coming year, which will enable us to minimise sales loss due to stock-outs.

Going forward, we are building a strong analytics platform to forecast sales with higher levels of accuracy by considering external as well as internal factors. This is a key organisational priority and will enable us to predict demand better and thus improve operational efficiency.

Technology continues to play a key role in improving field-force productivity in our Indonesian business. Handheld terminals guide and track on-ground decision-making, and analytics and dashboards help drive sharper execution. Regional distributors are connected and serviced through an online portal with simplified e-claim settlements.

A trade spend optimiser tool helps drive return on in-store investments for modern trade. We will continue to integrate technology across all execution touchpoints. We have also built stronger visibility in e-commerce analytics on Amazon, which we are translating into action points.

In SAARC, we are leveraging potential tech partnerships and analytics to help augment our traditional trade expansion through systems like cloud-based document management systems, micro-targeting, SOQ, and TPM. Through this, we aim to ensure that our primary aim remains to expand distribution in traditional trade in both Bangladesh and Sri Lanka and drive efficiencies in penetrated stores.

We are also leveraging automation to streamline other functions such as inventory management and claims management.

In Africa, salesforce automation has been expanded to cover most feet-on-street in South Africa and Nigeria. This has helped expand coverage and improve brand visibility across the subcontinent. The focus will now be on scaling up distribution, extracting efficiencies, and building accountability across all channels and regions.

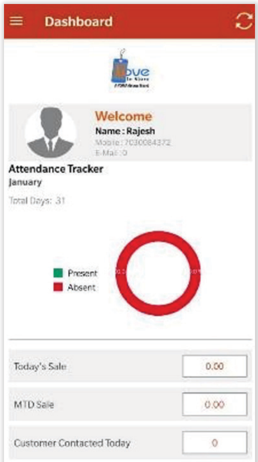
We have also leveraged technology in consumer insights, like taking consumer insights from the D2C channel in Nigeria to product bundles and price points that can work, and shifting to virtual consumer and stylist interactions to continue having a strong pulse of the on-ground trends and for agile action planning.

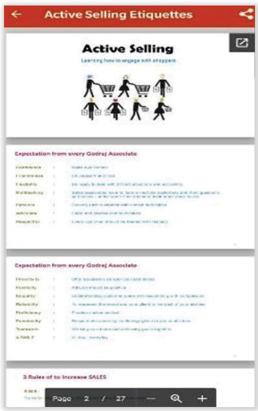
Fostering win-win partnerships

We ramped up channel partner engagement over the past 2 years. One of our foremost priorities has been to ensure the health and safety of our partners and their networks.

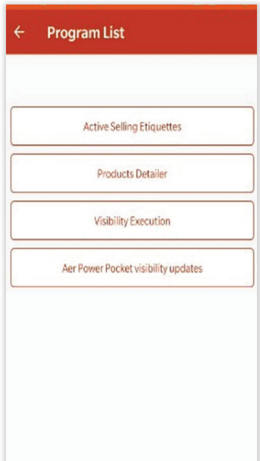
In India, we have introduced a medical insurance policy for all our sales people in extended networks. This initiative is one of the first in the industry wherein sales people on our distributor payrolls will also receive the benefit of our medical insurance policy. To increase digital connect, we scaled up our industry-pioneer Android app called ‘Bandhan’, which is a one-stop for all GCPL-related information, communication updates, and training for all our distributors. We also have a comprehensive approach to improve return on investment for our distributors to enhance engagement.

Leveraging our Bandhan app to connect and engage with distributors on ground





Engaging with in-store associates through Roanto, our merchandising app



Our regional distributor network in Indonesia contributed a significant share to the business. We continued to partner to help drive stronger returns and coverage. We supported our salesforce and distributors with timely medical assistance during COVID-19 waves.

Salons and stylists are our key partners in the Hair Care category in Africa. In addition to initiating training programmes for stylists, which help them become self-employed, we are scaling up salon connect programmes to drive penetration and usage as well as build engagement and advocacy.

Our partnership with retail chains in the USA marked an exclusive foray into Hair Extensions for both Godrej and organised retail. Walmart and Target offer a significant distribution network and unparalleled shopper footprint, and we have strong consumer understanding as the only Hair Extension brand in the USA with African roots and the only player with an integrated Hair Care portfolio. This provides a great opportunity for a lasting win-win partnership, unlocking tremendous value for the overall category while serving our consumers.

5

Making our supply chain best-in-class

Strategic Priorities

- High customer service levels through ready availability of a diverse product range
- Best-in-class value delivery to customers at optimised costs
- Freshness of products supplied to consumers

Capitals Impacted

Manufactured Capital

Financial Capital

Human Capital

Intellectual Capital

Social and Relationship Capital

Natural Capital

Risks

- Supply chain risks due to the pandemic
- Commodity inflation
- Labour-intensive product portfolios in some geographies
- Potential disruption due to political risks
- Localised competition
- Regulations

Material Issues Impacted

- Sustainable packaging
- R&D
- Building inclusive and prosperous communities
- Occupational health and safety

Enablers

- Shop floor employee engagement and workplace safety
- Localised manufacturing technology
- Dispersed manufacturing footprint
- Engagement with our business partners and suppliers
- Good & Green vision

Key Focus Areas

- Customer service
- Employee engagement and productivity improvement
- Industry 4.0
- Sustainability of the process

Key Impact Areas

- Bottom line growth
- Customer service
- Environment
- Community

Value Created

We are enhancing our **Intellectual Capital** by scaling up technology and capabilities and evolving best practices. We are also building smarter, safer work environments in line with global standards to enable our team members to deliver more efficiently and improve **Human Capital.**

Our future-ready investments are aimed at achieving process efficiencies, leveraging economies of scale, and impacting speed to market. This helps us being more competitive in the market, directly impacting our **Manufactured Capital**, and consequently, strengthening our **Financial Capital.**

We work closely with our partners and suppliers and together reach out to our wide consumer base and build **Social and Relationship Capital.** Our work impacts the environment, and we are constantly working to improve the sustainability of our process and make a positive impact on **Natural Capital.**

United Nations' Sustainable Development Goals

For more details, refer to the sustainable development goal mapping on our website

- Saved over ₹**3 crore** in fiscal year 2021-22 through sustainable manufacturing
- Stock availability in India is **96.84%**

Supply chain strategic priorities

1. Incorporating best practices and strengthening supply chain processes across geographies to become more agile
2. Extending shop floor employee engagement initiatives to international businesses
3. Building a safe workplace through training and capability building
4. Sustainable manufacturing and supply chain practices, thereby resulting in significant improvements in energy and water consumption, carbon footprint, waste generation, and renewable energy across the value chain
5. Working on cutting-edge replenishment practices
6. Responding to constantly changing consumer demand patterns, thereby leading to high fill rates
7. Improving the 'freshness' of products for sale, better logistics practices, product traceability, and reduced obsolescence
8. Increasing manufacturing capacity across geographies through fresh investments and de-bottlenecking of capacities
9. Enhancing the IoT in manufacturing and logistics

Key focus areas and initiatives

1. Customer service

Focusing on agile fulfilment initiatives to respond efficiently to changing consumer demands

2. Employee engagement and productivity improvement

Extending best practices and shop floor employee engagement globally

3. Industry 4.0

Making future-ready investments to further improve productivity

4. Sustainability of the process

Driving sustainability initiatives across the supply chain and extending them to key vendors through sustainable procurement policies

1. Customer service

Focusing on agile fulfilment initiatives to respond efficiently to changing consumer demands

We had a strong rebound in our service level across all our regions. This helped us mitigate the disruptions caused by the pandemic.

We rolled out multiple digitisation initiatives at our manufacturing and supply chains. We setup the Transportation Management System in our logistics to manage our entire transportation operations, lower freight costs, and optimise routes and loads. We automated scheduling and planning to integrate our supply chain to run majority of processes and decisions in real-time. We have also made progress on crucial projects on future network footprint for our distribution network and replenishment-driven sales for our distributors.

Cumulative fill rates across geographies

Country	Fill rate of FY 21-22 (%)
India	96.84
Indonesia	98.80
Argentina	98.70
Chile	95.00
Kenya	95.20
South Africa	82.59
Nigeria	89.00
Ghana	87.60
Tanzania	94.40
Mozambique	97.00
USA	92.70

In line with demand patterns, we focused on improving the agility of our manufacturing capacity across geographies.

In our manufacturing and supply chain, we have also adopted sustainable practices such as using renewable energy resources at our manufacturing sites and increasing rail mode of transportation for our stocks, among many other initiatives.

To cater to the shifts in consumer purchasing habits, we have enabled demand-led forecasts for growing our organised trade channels.

2. Employee engagement and productivity improvement

Extending best practices and shop floor employee engagement globally

We have adopted best-in-class manufacturing practices such as Theory of Constraints, TPM, Lean, Kaizen, and low-cost automation, across our global supply chain from procurement through manufacturing and shipping.

We are constantly exploring new technologies and solutions to improve the utilisation of our assets, materials, and resources to ensure enhanced freshness of our products.

A. Total quality management

We drive total quality management through shop floor employee engagement initiatives across geographies. As a part of this initiative, we train all shop floor employees in TPM, Lean, Quality Circles, Task Force, and Kaizen.

Our leaders engage with shopfloor employees

B. Productivity and safety improvement

In fiscal year 2022, we engaged with nearly 26,700 shop floor team members in Africa to improve manufacturing safety processes, employee connects, and relations.

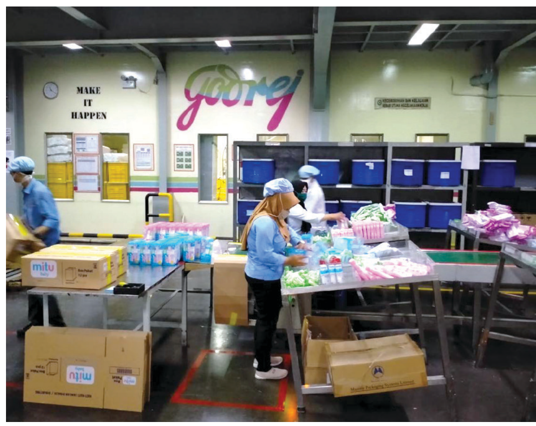
All team members are encouraged to suggest changes to improve process safety. Our key activities included the launch of safety month, emergency evacuation trainings, safety trainings and interactions, and safety-related communication, among others.

Shop floor team members across India, Indonesia, and Africa are helping solve problems related to their own jobs through quality circles, a participatory management technique.

Safety awareness initiatives organised by our Africa and Indonesia factory teams

His Excellency, Mozambique's President Filipe Jacinto Nyusi, inaugurates Beleza—our manufacturing plant in Mozambique

Our factories across our locations in India, Africa, Latin America, and Indonesia



3. Industry 4.0

Making future-ready investments to further improve productivity

In our North East Cluster, data insights from IoT in our New Conso unit's LV refill lines and Lokhra unit's Godrej Expert Rich Crème and Goodknight Jumbo Fast Card lines helped us identify issues in production and arrange for preventive maintenance. IoT at the refill lines at our New Conso unit improved the Overall Equipment Effectiveness (OEE) by 1.4%. We installed an online inspection system in LV refill lines that helps in streamlining the detection of defects and reducing faults during operation. We also trained our operators to focus on improvement of machines and productivity. At our Lokhra 2 units where we manufacture Crème and Ezee, we started monitoring data machine-wise and improved the OEE of the Crème developer machine and autopack machine by 2.64% and 8.42%, respectively. We installed digital twins in the Ezee section, which facilitated changes in layout for improved efficiency in the transfer of material, reduction in manpower, energy savings, and better space utilisation. We also installed an energy management system at our New Conso unit that will help us achieve 5%-6% saving in electrical energy consumption.

Data insights from IoT in our Baddi and Katha soap lines in our North Cluster helped in taking timely decisions to improve efficiency and reduce downtime. In Katha soap line number 1, our OEE improved by 5%. We recently installed IoT in soap line number 3 that helped to improve the OEE by 3%.

In our Central Cluster, we implemented several IoT projects at our Malanpur Soap plant. We installed a Programmable Logic Controller (PLC)-based Supervisory Control and Data Acquisition (SCADA) system in our Soap Noodle plant 1 for monitoring and controlling. This resulted in improvement in noodle productivity by 2 MT/day. We installed a PLC-based temperature control system in 11 RO storage tanks that resulted in the reduction of steam consumption, helping us save ₹ 6.9 lakh/annum. We provided online monitoring of electrical parameters on SCADA of the HT section to take immediate actions. We also automated the flapper system in the Gum Taping machine and overwrapping machines for promotional offer packs. This helped reduce the manpower requirement.

In our South Cluster, we installed IoT in the LV line at the Conso plant in Puducherry that will help in monitoring real-time data and taking timely decisions, thereby improving the OEE by 2%. We implemented a manufacturing portal in all the Coil lines of our KKL plants and Coil-9 plant. It helps track and analyse breakdowns and enables Auto SAP booking. As a result, we are receiving an auto email with production and downtime details for monitoring and improvement. We installed a coil inner wrapping with auto coil feeding and auto leaflet feeding systems in lines 1, 3, and 4 at the Coil-9 unit. We also installed several automation projects such as a vision camera in our Conso plant's domestic refill line to detect and eject defective products in all sections.

We reduced the manpower requirement by installing an auto flow wrapping line with a leaflet feeder in the KKL plants, installing auto screwing system in MMN plant's device assembly line, a case erector at the Conso plant, and auto inner carton stacker in Coil-7 plant.

In Argentina, under our 'Make or Buy' (MoB) initiative, we operationalised the new flow-packing machine that was installed the previous year. This helped us achieve significant savings and remove our dependency on a third party. We also operationalised a new case packer machine that helps eliminate manual labour and solves the capacity constraint to produce hair colour kits. We made several improvements in our powder mixing area to increase the capacity to attend customer demand, improve people and product safety, and improve productivity. This included mixer automation, installation of a new system to handle raw materials, layout redesign, and recipe redesign.

In Indonesia, after the digitisation of shift logbooks, we will be leveraging IoT in the production line. This will allow more accurate analysis, eliminating human intervention. Through this initiative, we are expecting to improve the OEE by 5%-8%.

4. Sustainability of the process

Driving sustainability initiatives across the supply chain and extending them to key vendors through sustainable procurement policies

Manufacturing

As part of our Good & Green vision, we have identified environmental sustainability goals to be achieved by fiscal year 2025-26. We aim to make one-third of all our products greener than those in 2020. We also aim to be neutral on Scopes 1 and 2 carbon emissions, source at least 35% of our energy mix from renewable sources, improve energy efficiency by 100% in line with our EP100 commitment, and maintain our water positivity and zero waste to landfill status. Most significantly, we intend to announce our commitment towards the global Science-Based Targets initiative (SBTi) and publish our roadmap and targets for emission reduction in line with the globally agreed 1.5-degree reduction scenario.

We track energy, emissions, water, waste, and renewable data for all the locations where we have 100% operational control. We are in the process of validating and imbibing carbon and water pricing to capture the financial implications of our emissions and water use and build sustainability into decision-making at every point in the value chain.

Ensuring judicious use of natural resources

To measure our progress against our environmental goals, we use the standards, methodologies, and assumptions entailed in the 'IPCC Guidelines for National Greenhouse Gas Inventories, 2006' and the 'IPCC AR5 Assessment Report'. Our performance is guided by the sustainability team at the corporate level and driven by manufacturing cluster heads and team members at each of our manufacturing locations.

Our process includes the following:

- Extensive meetings with multiple stakeholders to align on priorities, budgets, and expected benefits for the year
- Setting targets to help drive environmental sustainability in our manufacturing process and brands
- Cascading an annual operating plan where sustainability targets are made part of the key responsibility areas for 'green champions'
- An internal sustainability monitoring tool collects and analyses data, and monthly reports highlighting key indicators are generated, including the carbon footprint as per the set GHG protocol
- Identifying and circulating best practices on multiple platforms for wider adoption
- A strong governance mechanism to monitor, review, and improve sustainability performance
- Strategic improvement planning for underperforming units
- An innovation cell to look at bleeding-edge sustainability solutions for the medium to long term
- Participating in multiple ESG disclosures to measure our performance against peers engaging external consultants when required for specific initiatives like materiality or climate risk assessments

Our goals and performance for 2025-26

1. Energy

- Reduce specific energy consumption by 40% by 2025 (vs 2011 baseline)
- Increase renewable energy portfolio to 35% by 2025 (vs 2011 baseline)

Approach

- Improvements in processes and increase in the efficiency of systems
- Adoption of green energy sources such as solar and biomass
- Upgradation of technologies

Performance*#

- Reduced our specific energy consumption by 33%
- Increased the renewable energy portfolio to 29.4%

2. Water

Reduced water intensity by 40% by 2025 (vs 2011 baseline) while maintaining water positivity

Approach

Innovative water management systems, technological improvements, and integrated watershed management programme

Performance**#

- Reduced water intensity by 38% and achieved water positivity (we are conserving three times more water than we use in our operations through rainwater harvesting within our facilities and our community watershed programme).

3. Waste

Maintain zero waste to landfill and achieve zero liquid discharge

Approach

- Judicious and innovative use of materials, including reuse and recycling and greater circularity

Performance***#

- Our specific waste to landfill has reduced by 100% (diverted 100% waste from landfill); we have assessed the quantity of liquid discharge and developed a plan to achieve zero liquid discharge

4. Emission

Reduced GHG emission intensity by 45% by 2025 (vs 2011 baseline) and carbon neutrality for Scopes 1 and 2 emissions

Approach

- Adopting cleaner fuels such as biomass and continually improve process efficiencies

Performance****#

- Reduced our GHG emission intensity by 42%

5. Greener products

Ensure a third of all our products are greener than those in 2020

Approach

- Carry out LCAs for products covering 80% of revenue
- Implement findings from LCA to reduce the environmental impact from our products, thus making them 'greener'

Performance*****

- LCA carried out for products covering 50% of revenue

#Performance as of March 2022 against the fiscal year 2010-11 baseline
*Energy use is calculated by specific energy consumption per tonne of production
**Water usage is calculated by specific water consumption per tonne of production
***Waste generated is calculated by specific waste to landfill per tonne of production
****Emissions are tracked for Scopes 1 and 2 and calculated by specific GHG emissions per tonne of production
*****LCAs for products covered by India revenue

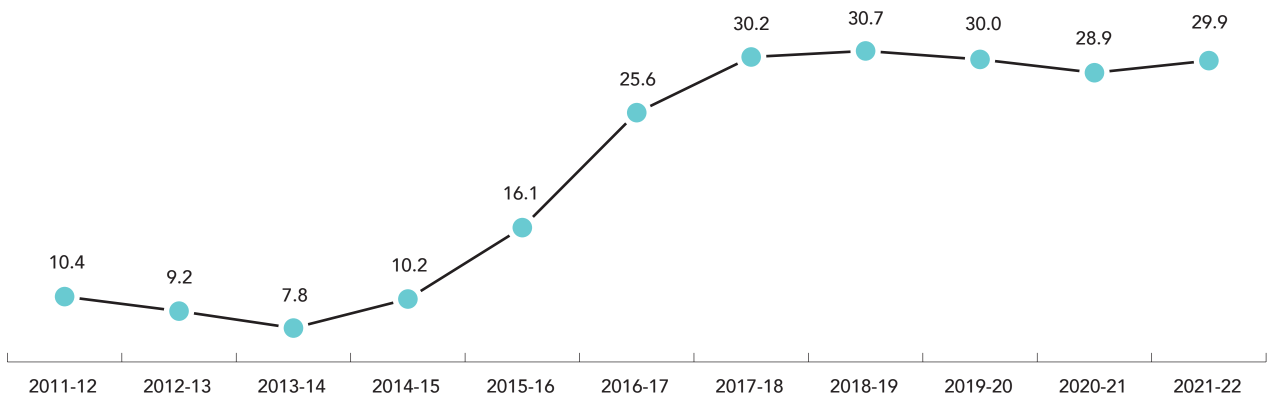
1. Energy

Our energy performance this year is on track with our vision 2025. We have recovered from the delays of last year's COVID-19 impact. We implemented 80 green initiatives across all our locations.

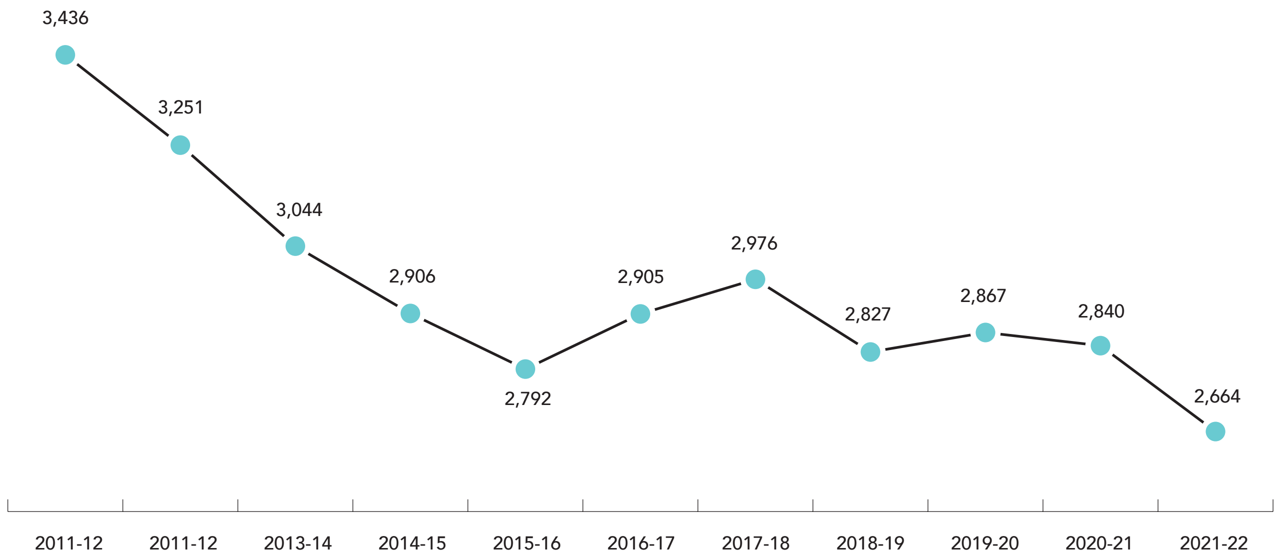
Highlights from fiscal year 2021-22:

- In Ghana, we installed a BOOT model rooftop solar power plant. The installation does not involve any capex, and the unit rate of power is 15% cheaper. The plant will serve nearly 50% of the energy load of the Spintex plant. The solar plant will help us save nearly USD 1 million over the project life.
- In India's North East Cluster, we replaced the thermal drying system with a dehumidifier at our Kalapahar Coil plant. This helped reduce specific energy consumption by 45%.
- In India, we have installed solar rooftop PV plants at Katha and Thana in the North Cluster and at Conso in the South Cluster to further add to our renewable energy portfolio.
- In Indonesia, we have replaced diesel fuel with comparatively cleaner natural gas for our oil heaters.

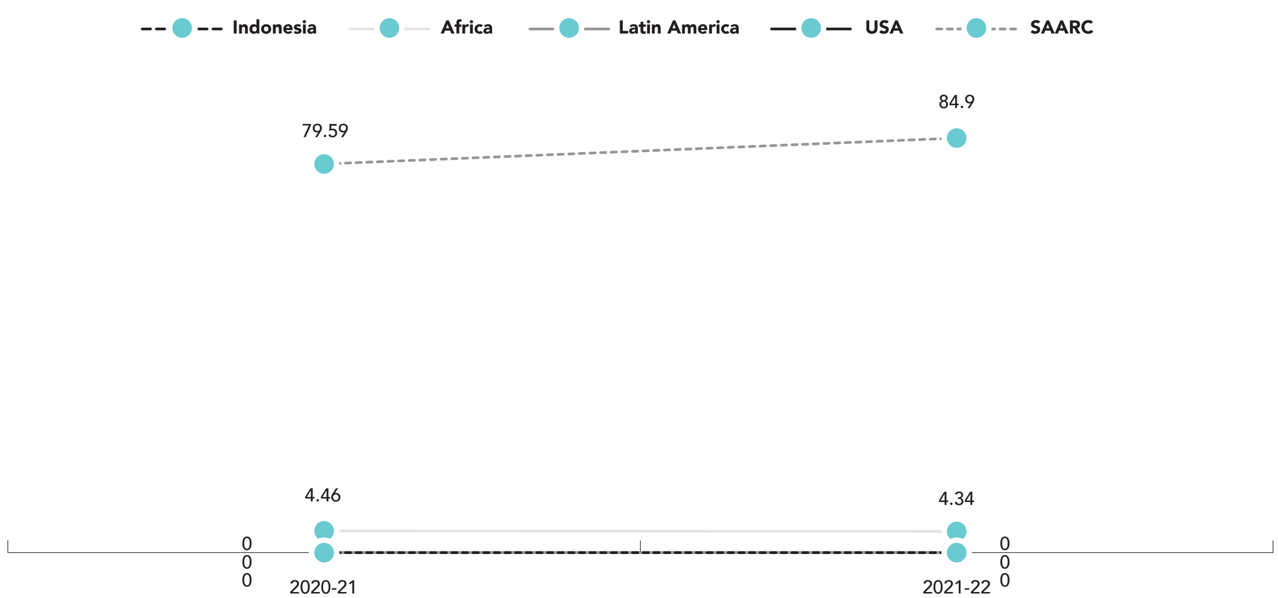
Share of renewable energy in energy mix (%) - India



Specific energy consumption (MJ/MT) - India

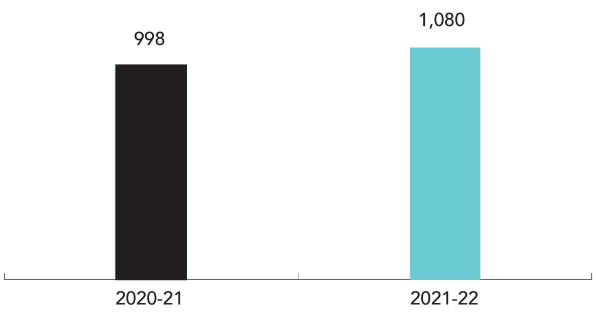


Share of renewable energy in energy mix (%) - Global

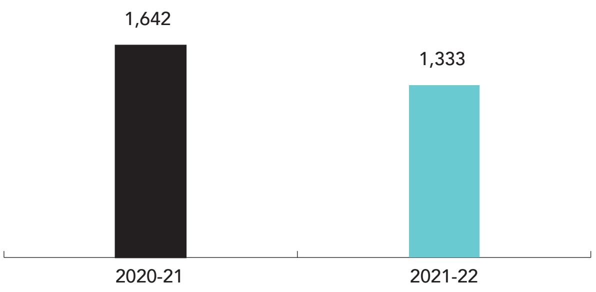


Energy report - Global

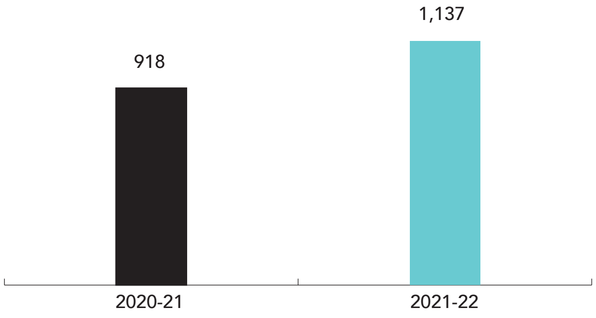
Indonesia - Specific energy consumption (MJ/MT)



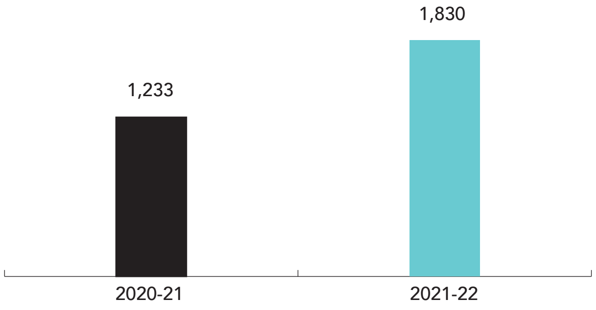
Africa - Specific energy consumption (MJ/MT)



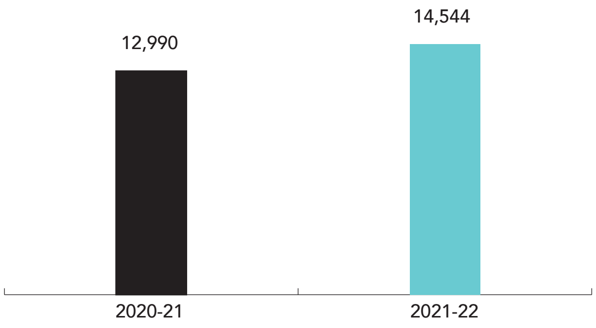
Latin America - Specific energy consumption (MJ/MT)



USA - Specific energy consumption (MJ/MT)



SAARC - Specific energy consumption (MJ/MT)



2. Water

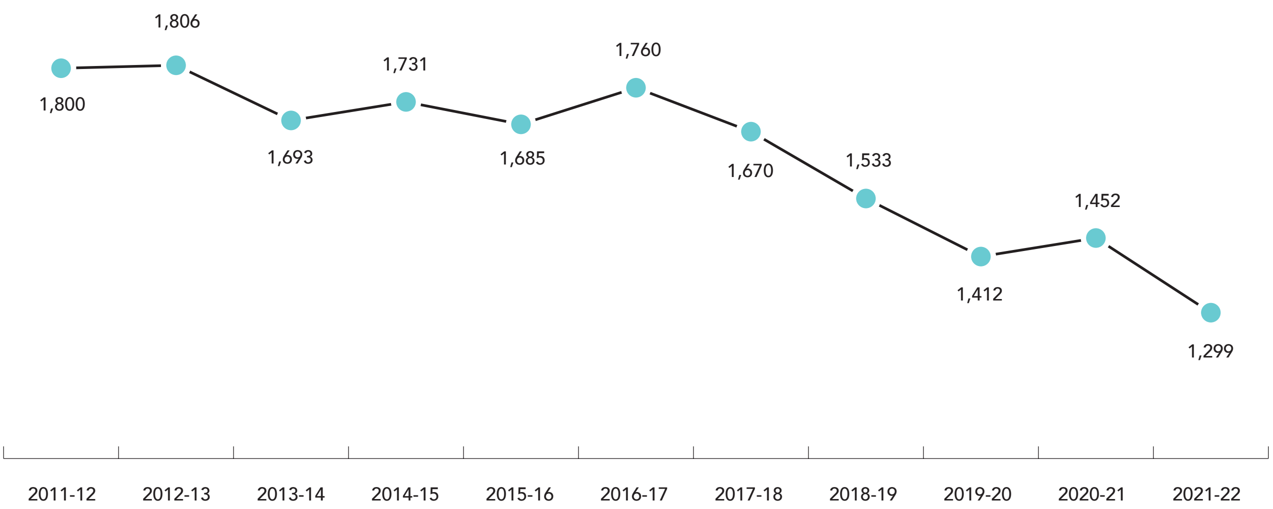
We evaluate and implement innovative projects to reduce our specific water consumption. Our performance is in line with our set targets.

We continue to source our water from sustainable sources and have also supported integrated watershed projects to replenish groundwater levels.

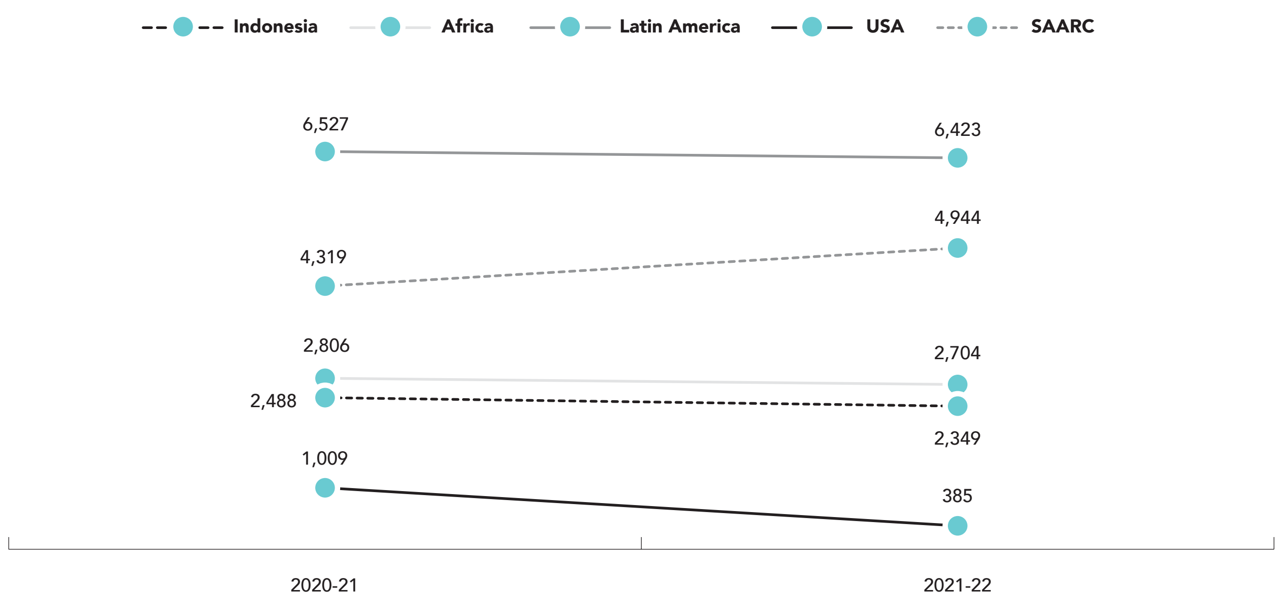
Highlights from fiscal year 2021-22:

- In Indonesia, we reduced chemical usage in the demineralisation water plant with the help of RO. We have diverted the water rejected from RO to be used for plantation and other domestic usages.
- In Argentina, our team developed a new washing system to reduce water consumption during Mespack machine cleaning. This initiative also helped increase our capacity in the main packing line of our operation.
- In Sri Lanka, our water consumption has increased due to manufacturing of new products such as water-based air freshener and shampoo.

Specific water withdrawal per metric tonne of production (L/MT) - India



Specific water withdrawal per tonne of product (L/MT) - Global



3. Waste

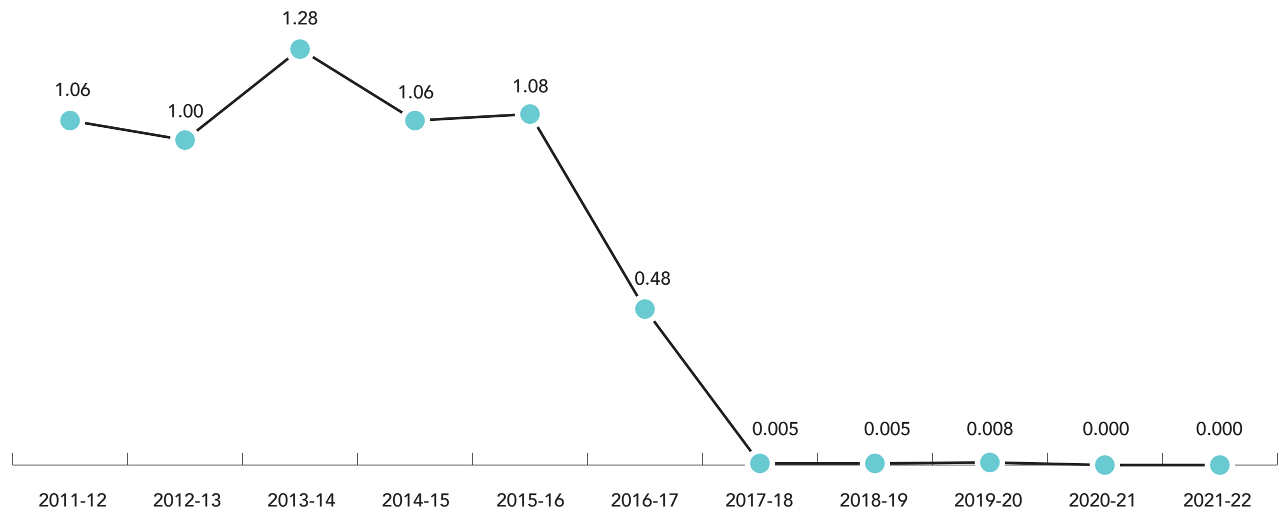
We undertook several initiatives to reduce waste generation and divert waste from landfill. We continue to send ETP sludge from our Malanpur plant to co-processing at a cement plant and have already achieved zero waste to landfill in our India operations.

We are also on track with our EPR commitment. We use approximately 19,500 MT of plastic packaging for our products. We are now plastic neutral, which means we take back the equivalent amount of plastic that we send out to our consumers. In addition, we continue to invest in community solid waste management programmes.

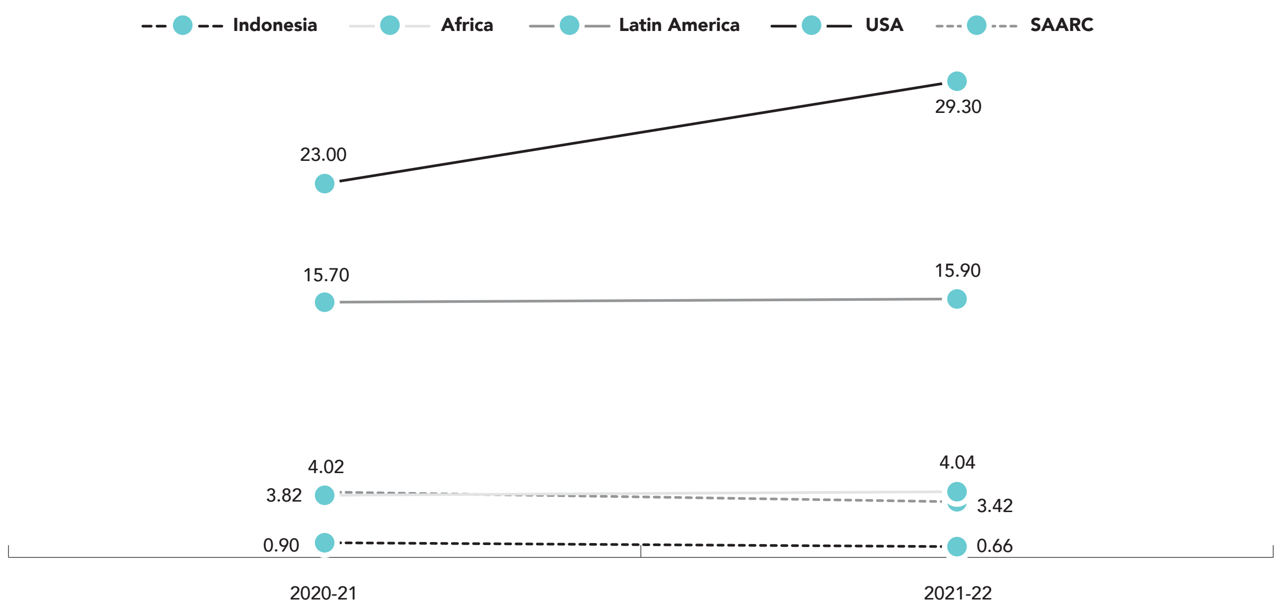
Highlights from fiscal year 2021-22:

- In Chile, we continue to segregate and manage our solid waste. We have destroyed 100% of our hazardous waste with minimal effect. In addition, we have lowered the proportion of hazardous waste, with respect to the total waste generated, from 9% fiscal year 2021 to only 1.65% in fiscal year 2022. We continue to increase the proportion of waste sent for recycling. In fiscal year 2021-22, we recycled paper and cardboard, glass, metals, and other materials that constitute 45% of the total waste generated.
- In Mozambique, we have started diverting waste to recycling.

Specific waste to landfill (kg/MT) - India



Specific waste to landfill (kg/MT) - Global



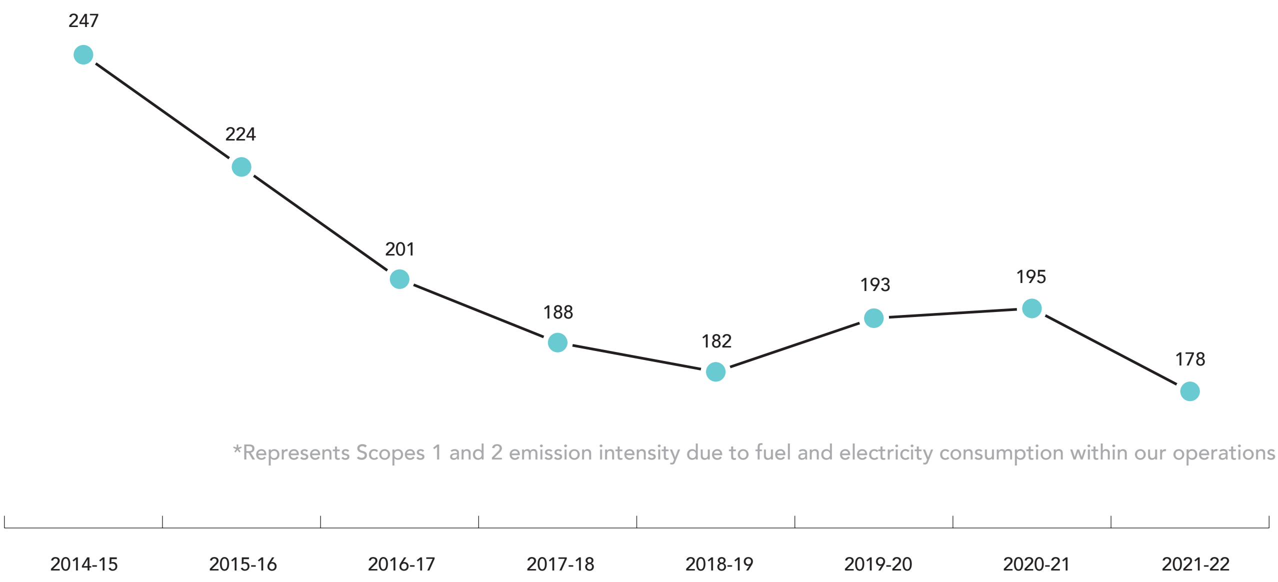
4. Emission

All our manufacturing units have systems in place for monitoring GHG emissions and short-term reduction targets with the long-term aim of achieving Scopes 1 and 2 carbon neutrality. Our initiatives on improving energy mix and reducing specific consumption have helped us reduce our GHG emissions. Some of these initiatives include switching to renewable biomass for boilers, increased procurement of renewable energy, flue gas heat recovery from boilers for process utilisation, and installation of energy-efficient equipment, among others. In addition, we continue to invest in community carbon mitigation programmes.

Highlights from fiscal year 2021-22:

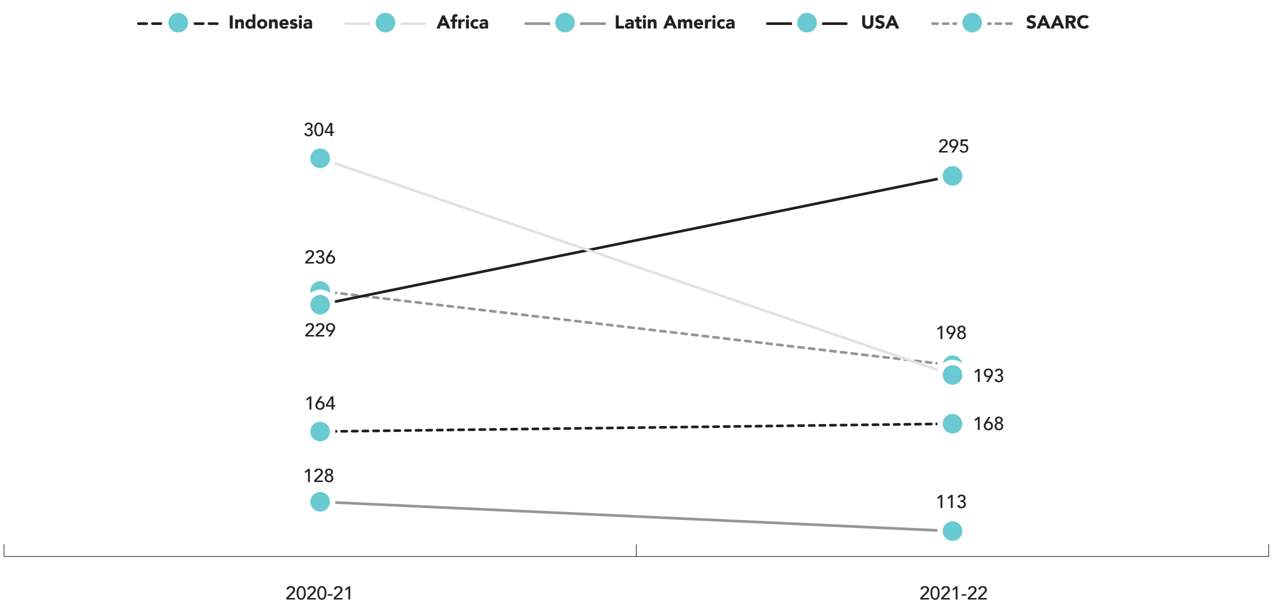
- In Ghana, we installed a BOOT model rooftop solar power plant. The solar plant will help reduce the GHG footprint by approximately 126 tonnes of CO_2 equivalent per annum.

Specific GHG emissions per tonne production (kg CO_2e/MT) - India*



*Represents Scopes 1 and 2 emission intensity due to fuel and electricity consumption within our operations

Specific GHG emissions per tonne production (kg CO_2e/MT) - Global



5. Greener products

Besides greening our manufacturing process, we aim to make a third of our products greener than they were in 2020. We also aim to carry out LCAs for our major products that cover 80% of our revenue by fiscal year 2025-26. Furthermore, we aim to implement the findings of the assessment to manufacture greener products and implement a sustainable framework for all new product developments.

Highlights from fiscal year 2021-22:

- We completed LCA for 5 products—Godrej No.1, Goodknight Gold Flash liquid vapouriser, Godrej Expert Rich Creme, and Godrej Ezee, Goodknight Jumbo Coil—which constitute approximately 50% of India revenue.
- For Goodknight Activ liquid vapouriser, we have started trials using PCR for the bottle and cap.

Innovating sustainable packaging

As an FMCG business, packaging plays an extremely important role in maintaining product integrity. We use delightful design and packaging to differentiate our products, and we aim to do this in an eco-friendly manner. Several of our products are known for unique packaging, which balances utility and recyclability.

In addition to our Good & Green targets, at a company level, we have identified sustainable packaging targets for fiscal year 2024-25.

Strengthening business outcomes

Moving towards green packaging

The need

India generates over 3.4 million tonnes of plastic waste annually, of which only one-fourth is recycled. As an FMCG company, we use close to 20,000 MT of plastic packaging every year. We collect 100% of post-consumer plastic waste as part of our EPR compliance. We also aim to reuse this PCR plastic back in our packaging and replace the virgin plastic we use.

Our aim for this eco-friendly switch is to be cost-effective, ensure the same or superior quality, and that it continues to provide a delightful experience for our consumers.

The solution

We made Goodknight coil poly bags out of 90% PCR plastic for our South Coil units. This is our first successful attempt on a circular economy project. The recycled granules used to make the poly bags are sourced from a solid waste management site in Hyderabad and are processed at a facility that was co-funded by us. We also use them back in our packaging. We successfully implemented the replacement after several trials and detailed assessment.

We have replaced 50% of all our South Coil unit's requirement with this initiative, and aim to replace 600 tonnes of virgin plastic on full-scale implementation.

Optimising packaging for
Goodknight Jumbo Coil

Our goals and performance

1. Reduce packaging consumption per unit of production by 20% from the base year of fiscal year 2017-18

Approach

- Process improvements and collaboration with packaging vendors to make packaging more efficient

Performance

- Established a monitoring system to track and implement initiatives to reduce consumption; reduced packaging intensity by 6%

2. Ensured 100% of the packaging material be recyclable, reusable, recoverable, or compostable

Approach

- Upgrade to newer technologies and innovate for alternate packaging materials

Performance

Assessing status of packaging materials

3. Use at least 10% PCR content in plastic packaging (this target will be revised based on the new, more stringent plastic use guidelines)

Approach

- Partner with vendors and enterprises to enable the use of PCR plastic instead of virgin plastic

Performance

- Using 3.5% PCR content in plastic packaging

Highlights from fiscal year 2021-22:

- We made Goodknight coil poly bags out of 90% PCR plastic for our South Coil units. This project is a first of its kind on circular economy in India. The recycled granules used to make the poly bags are sourced from our solid waste management project in Hyderabad. We collect the post-consumer plastic waste as part of our EPR obligation, get it processed in a facility that was co-funded by us, and use it back in our packaging. We successfully completed the pilot implementation after several trials and detailed assessment. We have replaced 50% of our virgin plastic need for coil poly bag manufacturing in our South Cluster.
- Optimised Godrej Protekt's refill pouch dimensions for the 1.5 litre pack, resulting in annual savings of ₹ 1.8 crore.
- All material and weight-saving sustainable packaging initiatives resulted in an annual plastic saving of 1,706 MT, paper savings of 169 MT, tin savings of 144 MT, and total cost savings of approximately ₹ 25 crore.

Supply chain

Since 2015, we have defined our sustainability commitment expectations for suppliers, linked to our Good & Green goals. This is detailed in the GCPL Sustainable Procurement Policy. All our key suppliers are expected to align with this, and we are committed to enabling them to get there. Existing and new suppliers are expected to conform to the expectations listed under the policy. We are committed to helping our suppliers make their operations more sustainable through the following ways:

- Assist in reducing specific energy and specific water consumption, waste discharge to landfill, and specific CO_2 emissions
- Identify and mitigate ESG concerns
- Help enhance process efficiency, reduce the use of hazardous and toxic materials, and responsibly dispose toxic waste, if any
- Recommend the use of renewable sources of energy, wherever possible

As part of our supplier scoring process, we collate qualitative and quantitative data and develop a composite score based on the responses. To drive continuous adherence, we schedule self-declarations from suppliers, as well as external audits, identify category-wise targets, and share industry best practices and suggested actions.

As a part of supplier assessments in India, we have evaluated 135 suppliers so far (accounting for around 72% of our procurement spends) on being quality centred, ethically driven, green inspired, and socially focused.

Due to the pandemic, we conducted only paper audits and no physical site visits. Of 125 vendors with historical scores, 51 vendors showed a positive improvement, however at an overall level, the average scores remained flat. None of the vendors showed any non-compliance on ethical policies. We flagged 1% of the evaluated suppliers in the sustainability risk zone.

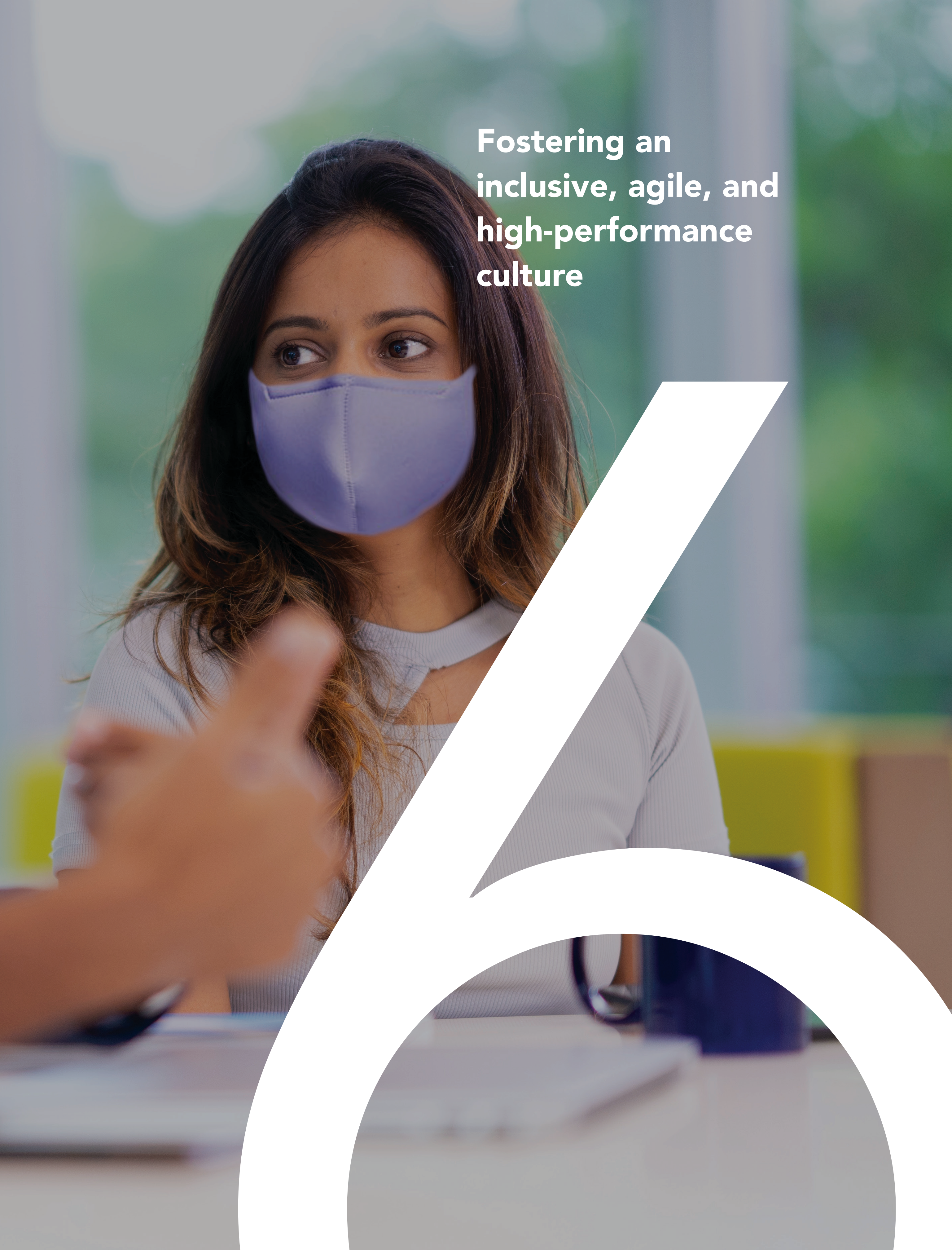
To drive continuous improvement, we have shared industry best practices and suggested actions. Additionally, sustainability assessment through a self-declared questionnaire has become a part of our new vendor initiation protocol.

In Argentina, we are assessing 14 vendors (accounting for nearly 50% of our purchases), including raw materials suppliers, packaging suppliers, and local material vendors. We have made efforts to execute an online audit of our vendors and have been monitoring their issues and risks.

In Chile, we are assessing 8 vendors (accounting for nearly 27% of our purchases). We are auditing our vendors for sustainability of their process and have been monitoring their issues and risks.

In Indonesia, we continue to work with 18 of our vendors (accounting for 65% of our purchases) to monitor sustainability of their process.

Know more about our Sustainable Procurement Policy



6 Fostering an inclusive, agile, and high-performance culture

Strategic Priority

Attracting, developing, engaging, and retaining high-quality talent

Capitals Impacted

Human Capital

Intellectual Capital

Social and Relationship Capital

Risk

- Competitive market conditions and new entrants leading to attrition enablers

Material Issues Impacted

- Governance and accountability
- Occupational health and safety
- Skill development and training

Enablers

- The Godrej Way: Our purpose and values
- Our Employee Value Proposition (Tough Love, Whole Self, and Your Canvas)
- Our leadership behaviours anchored in the Godrej Capability Factors
- An entrepreneurial and inclusive culture backed by enabling people practices
- Our global footprint and the option to build global careers in emerging markets in three continents
- Competitive remuneration based on the principle of sharing value created

Key Focus Areas

- Living the Godrej Way
- Prioritising wellness and safety
- Building a culture of agility and experimentation
- Fostering a diverse and inclusive GCPL
- Enabling bespoke learning
- Leveraging digital to engage meaningfully
- Being among the best companies to work for

Value Created

We are committed to building an inspiring place to work, grounded in the Godrej Way. Our culture aims at fostering diversity, agility, and experimentation. Through our people, policies, and values, we are empowering our team members, enhancing capabilities in line with business ambitions, thereby creating more impactful **Human Capital** and **Intellectual Capital.**

Most of our engagement translates through **Social and Relationship Capital** partnerships and enhanced team member connects, especially in the context of our multi-geography presence.

- Over **10,000** direct team members
- **~34** nationalities
- Team members from **17** countries
- **76%** of team members are based outside India
- Average age of team members (white collar) is **40 years**
- **26.3%** of white collar and **51.8%** of blue collar team members are women
- **27%** women are in senior leadership roles (Vice President and above)
- Helped **1.35 lakh** people get vaccinated against COVID-19 in India
- Great Place to Work® Institute's (India) Best Workplaces in Manufacturing (2022)
- Received the 2022 Indonesian Best Employer Brand Award for the third consecutive year
- Workplace by Facebook helps engage and connect **~3,000** people across geographies

Living the 'Godrej Way'

Culture around the Godrej Way

The Godrej Way, which we call our purpose and values, is the cultural cornerstone that guides our choices and actions. Over the past year, we have done our best to truly embrace and live our distinctive purpose and values. We continue to explore ways to build a more purposeful Godrej for all our stakeholders.

Keeping our people safe while continuing to serve our communities

Our employee value proposition

We take much pride in fostering an inspiring workplace with an agile and high-performance culture to attract, develop, and retain the best global talent.

Your Canvas

Our exciting and ambitious growth plans allow us to offer unparalleled career opportunities relatively early on.

Tough Love

We expect a lot from our team members, differentiate based on performance and potential through career opportunities and rewards, and lay particular emphasis on developing, mentoring, and training.

Whole Self

We believe that passionate, well-rounded individuals with diverse interests make for better Godrejites. We understand that our team members play multi-faceted roles. Therefore, we not only encourage them to explore their whole selves but also create an enabling space for them to do so. We are committed to being an equal opportunity employer and have flexible working policies around part-time work, work from home, working hours, employee self-help resources, and professional counselling to enable better productivity and effectiveness.

Godrej Capability Factors

All our people policies and practices are founded on the leadership capability factors of 'Leading Self', 'Leading Others', and 'Leading Business'.

Leading Self

Much of our success depends on whether we can unleash the unique and powerful potential of each Godrejite. An in-house programme built around our Godrej Capability Factors, called the pillar of Leading Self, enables people to introspect and better understand and channelise personal drive.

Leading Others

Leading Others is an important skillset that helps drive both performance and organisational growth. This year, we focused on building people management capabilities through an in-house programme, 'Leading Others for Impact'.

Leading Business

Strategic orientation and execution are emerging learning needs at middle management levels. We ensure this through a blended learning approach with on-the-job implementation.

Prioritising wellness and safety

Vaccination

We strongly believe that vaccination is the first and most effective line of defence against the COVID-19 pandemic. We consistently ensured that our people (on-roll and off-roll), business partners, their families, household helpers, and our communities, across geographies, have access to vaccination.

We hosted several vaccination drives and engaged in partnerships to ensure access to vaccination for all. We also shared extensive information around vaccination to build more awareness. In India, we helped 1.35 lakh people get vaccinated.

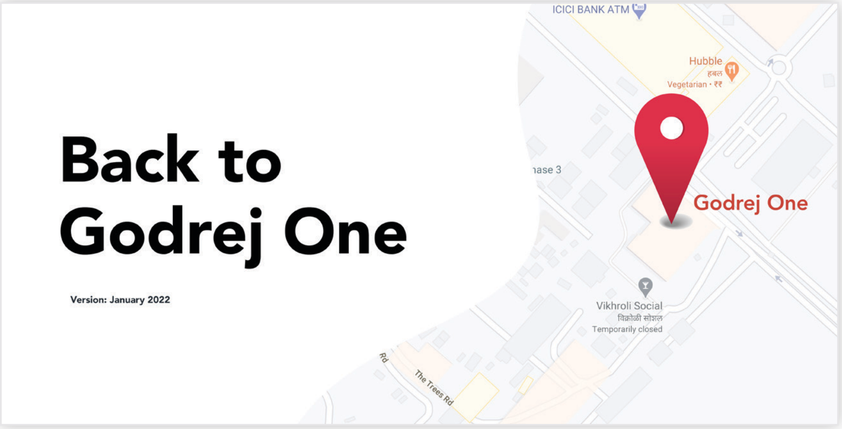
Vaccination drives hosted across our geographies

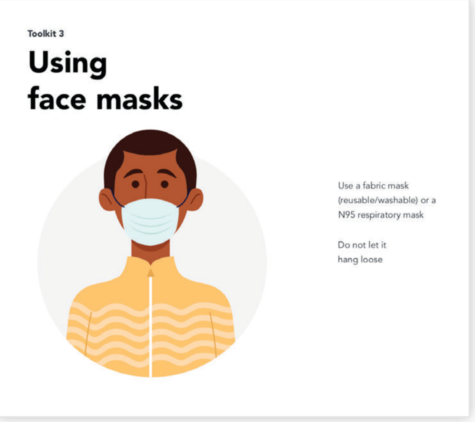
Safety

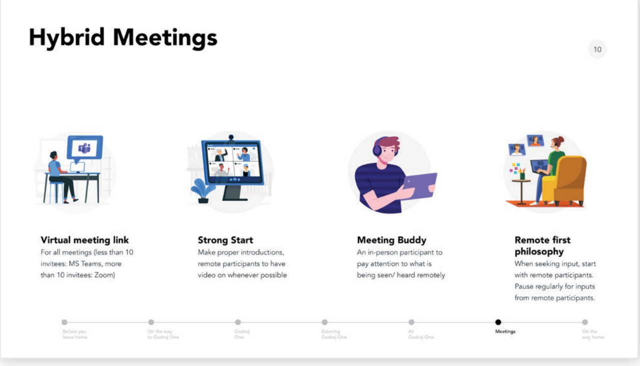
We introduced and enhanced several safety measures across our offices and factories and for our Sales team members on ground. This included extensive sanitisation measures, safety kits and protocol, redesigning floor layouts, and formulating working plans to ensure social distancing measures. In line with local government guidelines, we shifted to remote work for our team members, as and when required.

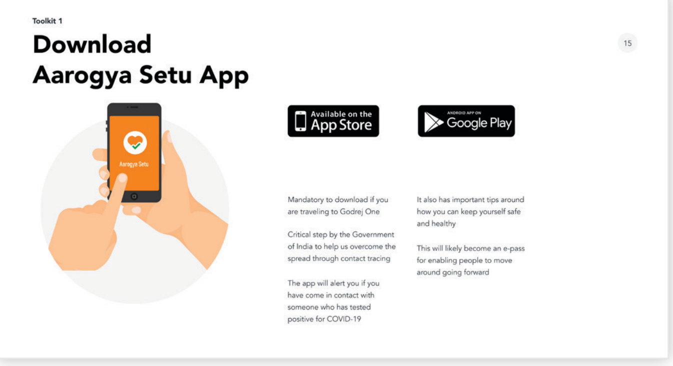
Sanitation efforts at Godrej One, our headquarters in Mumbai

'Back to Godrej One', our ready-reckoner on hygiene best practices as our people return to the office









Health and medical support

Ensuring health and well-being of our teams has continued to be our key priority. Given the categories we operate in, our business was classified an essential service. We had to keep our manufacturing facilities operational to ensure that our products reach our consumers and markets on time.

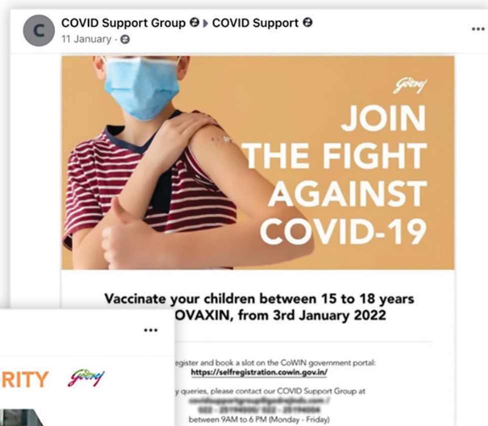
Apart from expanding the existing hospitalisation and medical policies for all Godrejites, we introduced additional measures for partners in our extended networks in India, for example:

- Introduced COVID-19 medical insurance and life insurance to our extended workforce, including salesmen on distributor rolls, CFAs, and drivers and computer operators.
- Covered home quarantine expenses, which are not a part of regular hospitalisation policies, for team members in frontline roles in Manufacturing, R&D, and Sales.
- Introduced safety measures around commuting to work.
- Partnered with Apollo, a healthcare service provider, for a 24x7 doctor-on-call service in India, and with Fab Hotels for hotel quarantine facilities in India.

We realised early on that while our central and local teams were doing their best to help our people, given the magnitude of the crisis, especially during the second wave of the pandemic in India, our collective reach and empathy as a company could make a significant difference. Therefore, we set up platforms to leverage our shared network at Godrej.

- A COVID-19 support helpdesk leveraged internal resources and the Godrej networks to help.
- A COVID-19 support group on Workplace by Facebook, our internal social media platform, and Microsoft Teams amplified requests for help and shared resources related to COVID-19 support.
- Godrejites volunteered their time to help with essential medicines and supplies (including the availability of oxygen and plasma), hospital beds, and other support.

Our COVID-19 support group on Workplace by Facebook



Internal communication around vaccination, and partnerships with Apollo Healthcare and Fab Hotels

Mental wellness

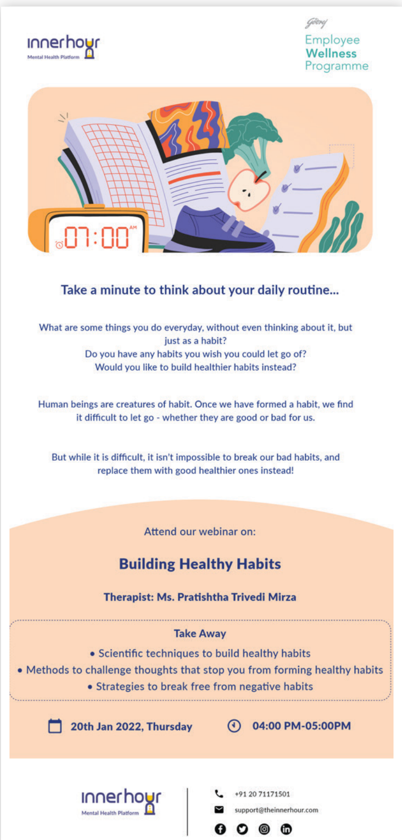
Ensuring the well-being of our team members continues to be our key priority. In line with this objective, we have partnered with Inner Hour, a mental health platform, to create an Employee Assistance Programme that offers confidential mental wellness services. Through this service, our team members can avail personalised plans with multiple resources such as self-help, short daily courses, articles, activities, and access to trained therapists.

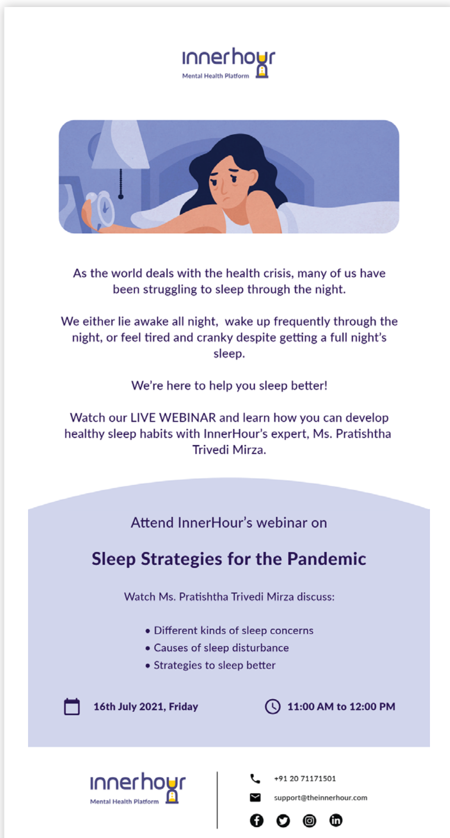
We have extended the services of Inner Hour to the dependents of Godrejites, including parents, partners, siblings, and children. We are encouraging open conversations around the importance of mental health by organising webinars with senior therapists and leaders on self-care strategies, strengthening relationships, social media, and mental health, among other themes.

Striking a balance while working from home

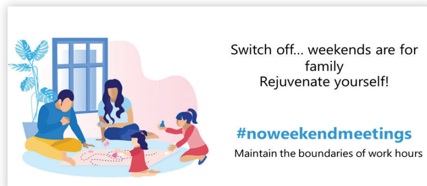
We are deeply committed to ensuring that our team members continue to bring their 'whole selves' to work, even when working from home. Enabling and equipping them to navigate the challenges of working from home has been the key objective. We launched a series of initiatives to support them, including regulating work hours, respecting weekends and holidays, Meeting-free Thursdays (rescheduling any meetings planned in the first half of the day for better focus and deep-thinking work), 'A day to myself' (a mandatory day off once a month to recharge and reset), and importantly, leadership role modelling for all these goals.

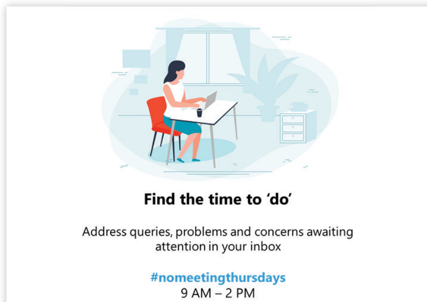
Mental wellness webinars held by senior therapists





Work from home initiatives launched during the lockdowns



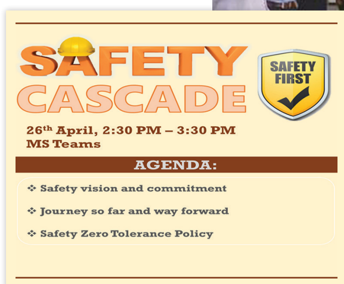


Occupational health and safety

We continue to focus on inculcating a culture of safety and health and creating an incident-free organisation. We are committed to providing a safe and healthy work environment for the well-being of all our employees and stakeholders. In addition to this, our focus is on investing in world-class safety infrastructure and implementing the best safety systems. Throughout the year, we organised various safety campaigns across all our operations, with our employees across levels actively participating in them.

Fiscal year 2021-22 started with a safety cascade, where we launched a series of cardinal rules around safety and shared our vision and commitment for the year. More than 500 employees across our India and SAARC business pledged for safety improvement. This was followed by the launch of our behaviour-based safety (BBS) programme at one of our factories in Malanpur.

Our Africa manufacturing team led the initiatives from the front and celebrated safety month with the launch of Leadership Attributes for Safety and the Safety GEMBA Walk. Through these initiatives, we have covered more than 30,000 employees.



Committing to a culture of safety and health at our operations in India

Safety initiatves organised by our Africa team

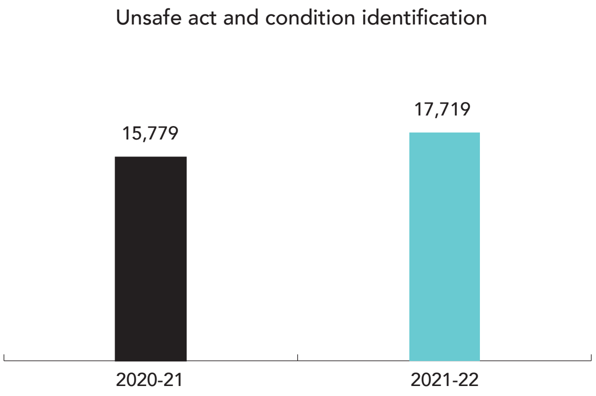
In the last quarter of fiscal year 2021-22, we celebrated Road and Occupational Safety initiatives, with active participation from all our site teams. We witnessed some of the most innovative communications and awareness initiatives such as safety songs and training material prepared by our teams.

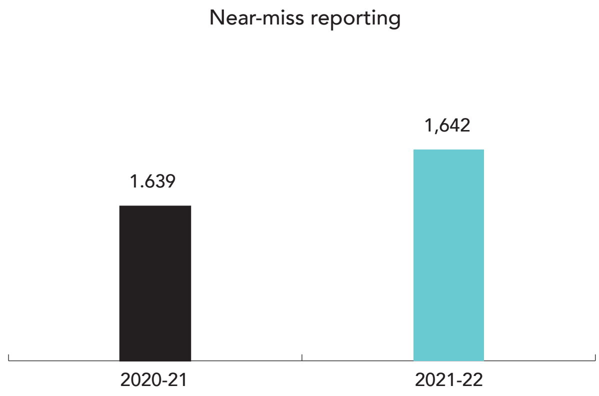
The key highlight of this campaign was the involvement of our leadership team and their continued drive towards ensuring the **'Score Zero'** safety vision.

Road and Occupational Safety initiatives organised across all our operations

These initiatives have played a key role in early identification and closure of safety issues.

More importantly, we are seeing improvements in employee involvement at all levels and leading indicator reporting across the company.





11%
Improvement across GCPL

158%
Improvement in GAUM

27%
Improvement across GCPL.

750%
Improvement in GAUM

Leading safety indicators across our offices

Our safety performance was also recognised by various renowned national agencies, and we won 10 external recognitions. Godrej aer's Guwahati plant received the prestigious **National Safety Award** by the Government of India, and the Godrej Maraimalai Nagar unit in Chennai received the 'Bronze' award at the CII EHS Excellence Award 2021.

Our Maraimalai Nagar unit in Chennai received the 'Bronze' award at the CII EHS Excellence Award 2021

Key priorities		FY 20-21	FY 21-22
Number of people trained on safety (employees and contractors)	Global data (except GAUM)	27,552	28,848
	GAUM	54,288	1,15,410
Increase in near-miss reporting	Global data (except GAUM)	19.1%	22%
	GAUM	-67%	750%
Injury rate*	Global data (except GAUM)	2.02	0.56
	GAUM	0.53	1.69
Disabling incidents	Global data (except GAUM)	3	0
	GAUM	0	0
Number of fatalities	Global data (except GAUM)	0	0
	GAUM	1	0
Number of LTIs	Global data (except GAUM)	16	5
	GAUM	8	32

*Injury rate is calculated as per IS 3786: Number of reportable accidents*1,000)/Average number of employees
Reason for increse in injury rate in GAUM is as follows:
India & SAARC, Indonesia, and Latin America have shown a reduction of over 60% in injury rate due to significant efforts.
In Africa, this year, we have restructured our safety system and lots of focus is given on safety awareness and reporting.
We have seen good results of our efforts and the number of safety incident reporting is increasing as expected.
We are focusing on Africa in a big way to build a strong safety culture.

Strengthening business outcomes

Use of drones for stack inspection

The need

In an industrial chimney, smoke stack thickness inspection is critical to identify the health and predict any future breakdown of the equipment. However, it's a tedious and risky operation as it requires the setting up of temporary scaffolding up to a height of 35 meters to reach the chimney. There is also the need to shut down operations for 2-3 days and supervise the process continuously. In addition, it's difficult to hire trained workers to perform this job and there's always a risk of mishap.

The solution

We knew that the use of technology could help us in resolving this need safely. Therefore, after exploring several options, we were able to find a vendor that provided drones for this inspection. Using these drones, we've been able to eliminate high risks while continuing to collect more accurate data. As the time for inspection reduced significantly and the physical presence of any person was not required, we didn't need to shut down operations while we carried out the inspection.

Using drones for smoke stack inspection at our industrial chimneys

Building a culture of agility, ownership, and experimentation

Our unique multi-local operating model

Our international growth has been through acquisitions. Unlike traditional multi-nationals, we have a multi-local operating model centred on value-based partnering and operational autonomy at the local level. This helps sustain the agile, entrepreneurial spirit that made these companies successful while providing the benefits of strong processes and scale brought by Godrej.

Striking a balance between our global identity and the ability to appreciate the local flavour and respond to changing consumer needs is our competitive advantage.

Cluster-function ways of working

In line with our operating model, we are building strong collaborations across geographical clusters and function teams through shared accountability and clearly defined ways of working.

Introducing a hybrid work approach

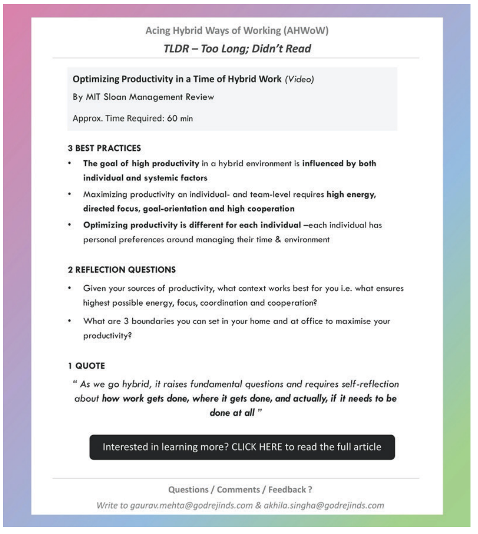
Over the last couple of years, there have been significant shifts underway in the way we work. Many of our team members spent the better part of their time working remotely and reimagining how we run our businesses and collaborate with our teams. As we initiate a return to more full-time work at offices, we have the opportunity to create new ways of hybrid working to make Godrej a more inclusive and agile place to work at.

Going forward, we do not believe there will be a one-size-fits-all approach to how we work because there are some teams and types of work that require people to be together in a physical space, while some other types of work require people to come together at specific moments. Working remotely can offer several benefits, including the flexibility for people to invest more time in their 'whole selves' and improving productivity by allowing them to work in a more focused way. At the same time, there are collaborations and conversations that require in-person interactions for a greater impact.

We are rethinking flexibility around the nature of work by:

- Redefining our current work arrangement models to be more flexible and outcome-focused
- Making our people processes and policies more agile to support these changing work models
- Introducing new ways of working, including how we collaborate and conduct meetings, to make hybrid work models more effective

As a part of these efforts, we intend to introduce new initiatives around flexibility, starting with a hybrid work approach.



Acing Hybrid Ways of Working (AHWoW)

TLDR – Too Long; Didn't Read

Optimizing Productivity in a Time of Hybrid Work *(Video)*

By MIT Sloan Management Review

Approx. Time Required: 60 min

3 BEST PRACTICES

- **The goal of high productivity** in a hybrid environment is **influenced by both individual and systemic factors**
- Maximizing productivity an individual- and team-level requires **high energy, directed focus, goal-orientation and high cooperation**
- **Optimizing productivity is different for each individual** –each individual has personal preferences around managing their time & environment

2 REFLECTION QUESTIONS

- Given your sources of productivity, what context works best for you i.e. what ensures highest possible energy, focus, coordination and cooperation?
- What are 3 boundaries you can set in your home and at office to maximise your productivity?

1 QUOTE

*" As we go hybrid, it raises fundamental questions and requires self-reflection about **how work gets done, where it gets done, and actually, if it needs to be done at all** "*

Interested in learning more? CLICK HERE to read the full article

Questions / Comments / Feedback ?

Write to gaurav.mehta@godrejinds.com & akhila.singha@godrejinds.com

Internal communication around hybrid work

Fostering a diverse and inclusive GCPL

As a global conglomerate, delighting over a billion consumers, becoming inclusive is not just in our DNA and the right thing to do but it also makes an excellent business sense. We take pride in being an equal opportunity employer. We recognise merits and encourage diversity.

We respect human rights of every individual. We do not discriminate on the basis of gender, sexual orientation, gender identity, religion, political opinion, nationality, race, colour, social origin and status, indigenous status, disability, age, or any other personal characteristic or status. We do not tolerate disrespectful or inappropriate behaviours, harassments, intimidation or unfair treatment, or retaliation of any kind.

Diversity and Inclusion Council

Our Diversity and Inclusion Council, comprising business leaders and senior team members, anchors and drives conversations around different dimensions of diversity.

Diversity champions in Africa

Sub-Saharan Africa is a key geographic cluster for us. Given the diversity in gender, nationality, race, and educational background, we see tremendous opportunity in leveraging synergies. We are extremely focused on building a diverse talent pool, enabling local, ethnic hiring for all open positions across roles and designations.

Building senior leader sponsorship

Towards Inclusive Leadership is an exclusive programme we hosted for some of our most senior team members (for example: CEOs, CHROs, CXOs). Through this, we aimed to make them more mindful of the power that resides with them as change agents and inspire them to find ways of using that power to further diversity, equity, and inclusion (DEI) in their teams and serve as better allies to women, persons with disabilities, LGBTQIA+, and other dimensions of diversity.

The programme had two core elements: (1) Diversity perspectives from the corporate world and (2) A deeper empathy journey. Hosted across 6 months, we have had a mix of conversations and sharing sessions with DEI experts and practitioners. This has served as an incredible learning experience for our leaders, who are now building on their reflections from this journey and translating it into bold bets in their businesses.

We hosted Towards Inclusive Leadership, an exclusive programme for our senior leaders

Employee resource group for women in sales

'Manch', our first women-only employee resource group in India, is built on peer-to-peer networking and senior leadership support. Through this group, we are building trusted professional and personal relationships to share ideas and learn and co-create tangible solutions to challenges faced by women in sales. The team focused on two big areas this year: building awareness around menstrual wellness and networking.

Menstrual wellness for women in field sales roles

We believe in fostering a culture of trust, respect, and acceptance. Through our conversations regarding different needs of men and women, we identified the need for women to be able to take time off from travel or work during menstruation. This need was more pronounced for women in field roles, where the exertion of outdoor work, coupled with limited or no access to clean and hygienic washrooms, causes extreme discomfort.

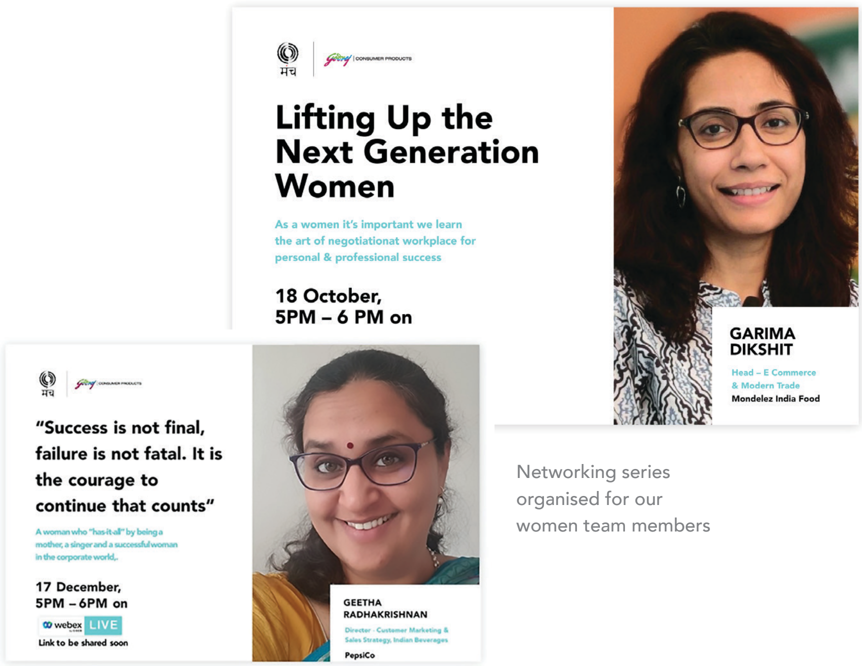
To support our women team members, we have introduced the following concepts:

- Encouraging women to make use of our Unlimited Sick Leave Policy, whenever required
- Availing 'work from home' options in field sales roles
- Improving the existing infrastructure like the availability of clean washrooms at our major distributor points.

Our Sales Leadership Team also hosted sensitisation workshops on menstruation-linked challenges faced by women in field sales roles.

Networking

Through the year, we organised a series of virtual networking events with women leaders from across the FMCG sector. We believe that this sharing of experiences will inspire our young managers to share and build their own networks.



Networking series organised for our women team members

Women and leadership

As a result of our efforts to foster a holistic, supportive workplace for women, the representation of women managers and senior leadership (Vice President and above) has increased to approximately 28% and 23%, respectively.

Apart from our maternity benefits and day care facilities, we have a Caregiver Travel Policy, which enables new mothers to bring a caregiver and children up to 1 year of age, for necessary work-related travel.

To help build a culture of inclusion among senior leaders and managers, we organised 'Winning with Empathy', a conversational- and reflection-based workshop on unconscious biases. Through the workshop, we focused on bringing unconscious biases among team managers to the surface, building the emotional intelligence of our people managers, and creating an inclusion framework for managers.

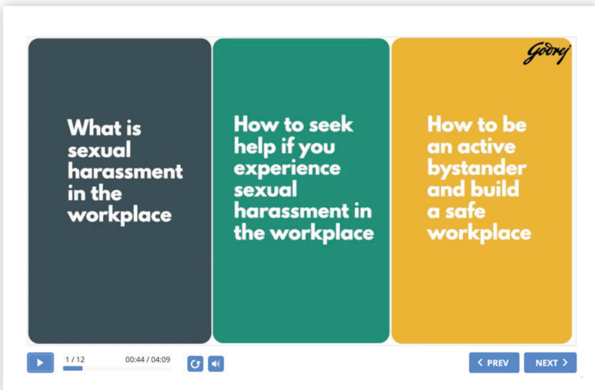
LGBTQIA+ inclusion

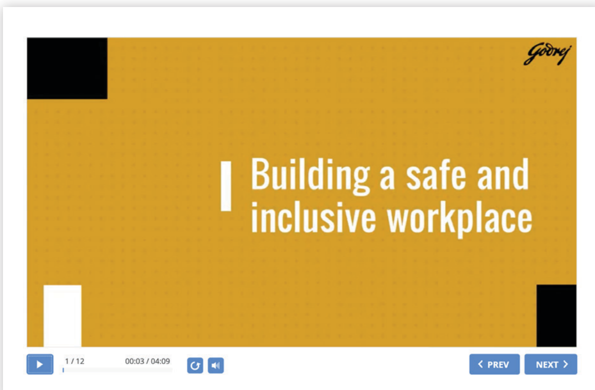
Our well-defined Equal Opportunity Policy and a Gender-neutral Anti-harassment Policy protect the rights of our lesbian, gay, bisexual, transgender, queer, and intersex team members. We have extended medical benefits, such as hospitalisation cover, to domestic partners of Godrejites. We offer a choice to any team member to choose a spouse/domestic partner as a dependent. This also covers same-sex dependents, AIDS patients, and fertility treatments. Our Adoption Policy, too, is designed with a gender-neutral primary caregiver in mind. We have a Gender Affirmation Policy to support team members who wish to undergo gender transition. Godrejites can claim reimbursements towards non-cosmetic surgeries and hormone replacement therapy.

We are reviewing amenities and infrastructure facilities for LGBTQIA+ team members. As the first step, we have set up 2 gender-neutral washrooms at our headquarters, Godrej One, in Mumbai. The Godrej Group was also one of two Indian companies to win 'gold' in India's first LGBT+ work quality index by British LGBT+ advocacy group Stonewall, India's LGBT+ rights Keshav Suri Foundation, and LGBT+ inclusion consultancy Pride Circle. On December 13, 2018, we launched a 'Manifesto for Trans Inclusion in the Indian Workplace'. Through this programme, we aimed to highlight the position and circumstances of trans people in the Indian society and the steps corporate India can take to improve them.

Prevention of sexual harassment

At Godrej, we are deeply committed towards enabling a safe and inclusive workspace for all our team members, and by extension, for our customers, clients, partners, visitors, and other members of our communities and ecosystem, who interact with us. We recently reviewed and strengthened our policy and processes around the prohibition, prevention, and redressal of sexual harassment, in each of the countries where we operate. We have also introduced an online platform for redressal to ensure stronger governance.





Our anti-sexual harassment training module focuses on building awareness around sexual harassment at the workplace

We continue to build awareness through specially designed, compulsory trainings for our Redressal Committee members and all Godrejites at regular intervals.

Enabling bespoke learning

As we stepped into the second year of the pandemic and with reimagined ways of working and learning, our philosophy of continuous learning has become more robust. This year, we merged our e-learning solutions with in-house training programmes, enabling a blended learning approach that benefited several of our key employee groups.

E-learning

To upskill our team members in functional and behavioural capabilities, we partnered with best-in-class online learning platforms, such as Udemy, Coursera, and EdX, and leveraged our Learning Management System to drive learning. We covered nearly 50% of our people through various learning initiatives centred around knowledge gained through adoption of these platforms.

With a vast library of well-structured courses across various domains, Udemy was a popular learning platform. Nearly 1,000 unique learners signed up for several courses related to both functional and behavioural areas. We also introduced courses for our blended learning initiatives.

We leveraged Coursera and EdX to improve the capabilities of middle and senior management team members, who actively signed up for courses offered by some of the best institutes globally. High-quality content along with regular assessments ensured that the learning retention was high. As a result, several of our team members honed critical capabilities in areas such as digital marketing, project management, and strategic thinking.

Harvard Business School Online

We continued our partnership with Harvard Business School Online, which offers access to Harvard's world-class case study content on areas such as strategy, innovation, leadership, negotiation, business analytics, and entrepreneurship. The programme is highly engaging and allows participants to think from the lens of a business leader.

My Learning Space

The platform houses 500 courses on the Godrej Capability Factors. We organised several group-focused campaigns to promote online courses and witnessed more than 490 enrolments through the year. Functions like HR, logistics, manufacturing, procurement, sales, and sourcing had focused learning campaigns relevant to their areas of work. We used available data to identify areas of improvement and recommend courses.

SAP MIT Digital Library

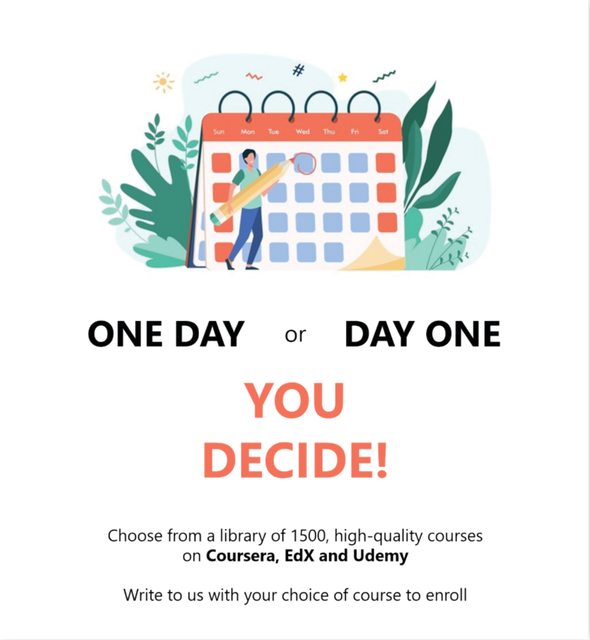
As a step towards offering best-in-class learning solutions coupled with a seamless user experience, we partnered with the SAP MIT Digital Library to offer curated employee learning resources on leadership and digital transformation. In total, 200 Godrejites across various functions, levels, and geographies had access to a range of learning resources related to formats such as articles, courses, videos, e-books, and audiobooks.

The courses on leadership are curated by the MIT Sloan Management Review. Learning resources on digital transformation have been designed by thought leaders, with a focus on digital as a mindset and business strategy, and cover new-age digital technologies such as big data, analytics, artificial intelligence, and machine learning.

Learning through simulations

Venturing beyond traditional solutions for e-learning, we partnered with Knolskape to introduce learning through simulations. This is being used in conjunction with existing training programmes and learning interventions to build on key concepts in an engaging and meaningful manner. The gamification of learning brings us a step closer to realising the true potential of non-conventional modes of digital learning.

Encouraging team members to sign up for online learning



Online courses to foster remote working

Role transition programmes

Our transition programmes followed a blended learning approach, with learners completing a self-paced course, followed by group-based learning sessions. We hosted 2 transition programmes this year.

Discover

A 6-month blended learning programme for people transitioning to the role of General Manager, focused on building critical capabilities and equipping people with the necessary tools to help them in their new roles.

Evolve

We designed this programme to manage the transition of people to managerial roles, with a focus on building critical capabilities around the Godrej Capability Factors of Acting Strategically, Leading Teams, Influencing, and Emotional and Social Awareness.

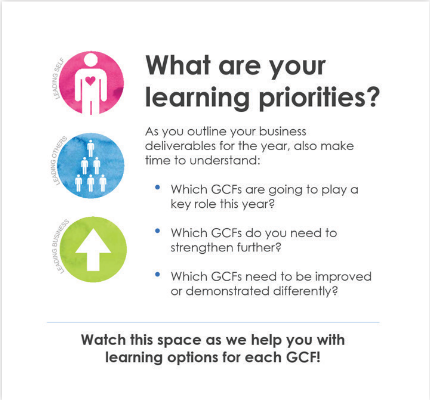
Leading Teams for Impact

We designed and delivered this customised people management programme virtually, with a focus on key aspects of effective leadership. The sessions were run in 6 segments, with each focusing on a particular skill and leveraging a mix of technological platforms and brainstorming tools, interactive tools, and learner engagement platforms. It was hosted for people managers across different levels, covering nearly 70 managers, and customised to the scope and complexity of each level.

Leading Teams for Impact is our customised people management programme designed to build leadership skills

Focused capability development initiatives

To bolster our learning efforts, we also organised training workshops via video calls by partnering with external vendors and facilitators. Internal training programmes facilitated by the Learning and Development team allowed for increased customisation of instructional design and learning interventions.



Online courses around the Godrej Capability Factors

Negotiation skills

15 of our key supply chain team members, who negotiate deals for the company with our vendors and partners, participated in a 4-day workshop on negotiation skills training.

Mastering finance for business decisions

To further build their financial acumen and P&L understanding, 14 mid-managerial sales leaders participated in a 3-month learning journey that comprised online modules, case studies, and a 1-day in-person workshop.

Building brand mastery

Approximately 110 team members from our marketing and allied teams all across the globe participated in virtual training workshops of several hours to further craft their understanding on building brands and creating a lasting legacy.

Accelerate

Focused on building crucial capabilities for data-based decision-making and leading teams of sales managers, Accelerate is a blended learning journey that is anchored internally and comprises online simulations, virtual workshops, and projects. About 33 managers participated in Accelerate this year.

Train the trainer

Thirty of our quality control team members were trained in skills of content design and facilitation for use in quality control-related workshops across various plant locations in the country.

Building women leaders

Accel is a specially crafted 9-month development opportunity for women leaders across Godrej Industries. It is designed to sharpen women's to their ability to deliver value across all the Godrej Capability Factors through a journey of holistic development: a mix of masterclasses and one-on-one coaching with industry-leading faculty, mentoring by Godrej Leadership Forum members, and self-paced online learning content.

It allowed the participants to deeply understand the capabilities required for the next leadership level and learn to action the change through capstone projects. It was a significant opportunity for them to build strong networks with peers across the Group.

Accel is our exclusive cohort for women leaders across Godrej Industries

Strengthening business outcomes

Enabling a culture of self-paced learning

The need

As we stepped into the second year of the pandemic, ways of working and learning were reconceptualised. It became crucial to strengthen our philosophy of continuous learning. There was a transition from working from home to a hybrid mode of working, which put a strain on employees' bandwidth to learn, in turn forcing us to redirect our conventional learning campaigns to become more learner-friendly.

The solution

Our goal was to ensure that a majority of people in the organisation—across levels and functions—benefited from learning initiatives. We planned to drive this goal with specific e-learning campaigns and tools.

A holistic learning needs approach was adopted through the following four levers:

1. Functional

Courses specific to each function were evaluated and campaigns were launched by the Head of each function to highlight the importance of functional training. Some of these campaigns were as follows:

a. Learning marathon: An e-learning competition among the 4 manufacturing clusters across months, with recognition given to the winners
b. R&D learning hub: A 2-month long e-learning campaign with specific courses given to R&D employees according to their learning needs
c. Other functional learning campaigns: e-learning courses from various platforms were assigned to employees from Supply chain, Sales, and HR functions

2. Behavioural

The need of honing behavioural skills around the work environment prompted us to launch the following campaigns:

a. GCF campaign: A 3-month long campaign to provide 6 MOOC courses on the Godrej Capability Factors
b. Simulation modules: With a focus on building skills such as leading teams, influencing etc., participants of our virtual workshops were provided simulation licences that bolstered learning

3. Technical

We recognised the importance of enhancing on our employees' technical skills, and so we launched:

Learning Spotlight: We highlighted specific learning areas each week (MS Excel, MS PowerPoint) and selected the best available technical course across all MOOC platforms. At the end of each course, learners also earned credits.

4. Topical

The shift in working was a cue to introduce courses that made living in the new normal easier:

a. Remote working: Courses related to working from home and the skills needed to manage remote work and team management.
b. Mental health and well-being: A month-long campaign releasing courses that emphasised wellness, mental health, and promoted a healthy work culture.

Through these learning courses, our team members learned several skills which were applicable in their daily life as well as work areas and, as a result, they were able to find a good balance between work and training.

Leveraging digital to engage meaningfully

Authentic conversations

Our senior leadership team engages through different platforms, including town halls and one-on-one conversations. We made a shift and continued to move from static point in-time conversations and surveys to a culture of continuous listening, with an aim to understand the pulse of our company in real-time for taking immediate action. These conversations have been extremely crucial in the context of navigating the COVID-19 pandemic.

We continue to leverage Amber, a chat bot, to interact with team members across geographies. Currently, 1,800 people are being reached out to via Amber. Through this platform, we capture people's experiences at a defined frequency based on their tenure in the company. The feedback has helped us take both faster individual actions and make organisation-level changes based on emerging themes.

Leadership connects

COVID-19 lockdowns encouraged our leadership teams to reimagine new ways to connect. As lockdowns eased, our leadership teams gradually resumed market visits and spent time with our Sales and Manufacturing teams. Our on-ground teams, including our suppliers and partners, have been our true heroes throughout the pandemic, serving our consumers and communities through some of the toughest lockdowns.

Our leadership engaging and connecting with teams on ground

As the lines between work and home blurred due to lockdowns and employees continued working from home, we introduced initiatives to promote work–life balance. Initiatives such as ‘No meeting Thursday mornings’, one day off a month, and ‘No weekend working’ were all aimed at enabling employees to find the right balance. As a part of our recognition programme, we also ran ‘Thank you Thursdays’ to ensure that appreciation does not take a backseat in the virtual world and our employees continue to stay motivated.

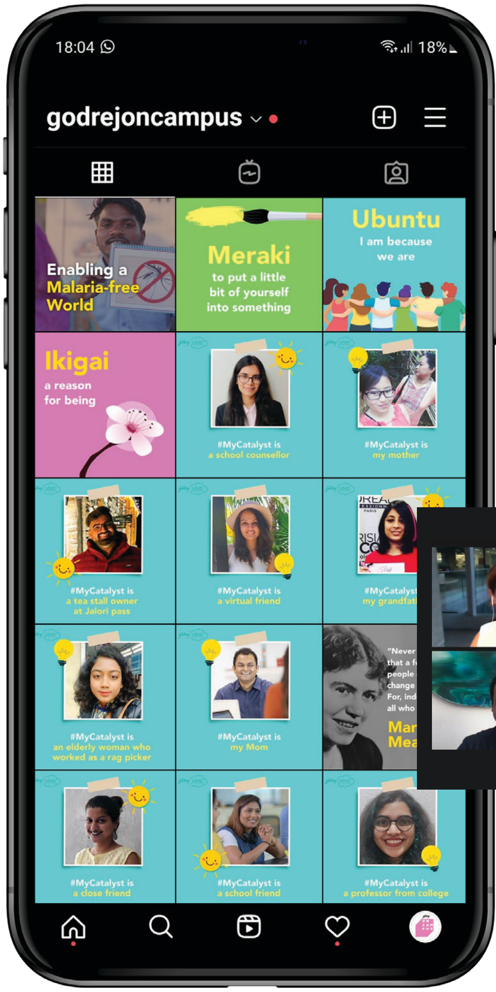
Appreciating our team members through the ‘Thank you Thursdays’ initiative

Leveraging technology to connect

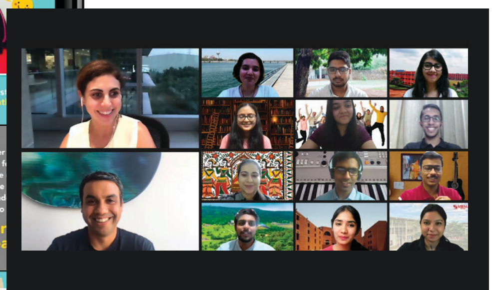
Our business heads regularly engage through town halls at our offices and one-on-one conversations. However, this year, due to the global lockdowns, we had to completely relook at how we connect.

We continued to conduct virtual town halls to share our business performance on a quarterly basis and hosted online interactive sessions to answer questions and share feedback and ideas.

We also continued to host the Real Deal, our in-house talk show that encourages open conversations on important topics. Some of the topics that we covered this year were: mental wellness, dealing with grief during COVID-19, and working from home.



Watch the highlights of a very special edition of Godrej LOUD 2021



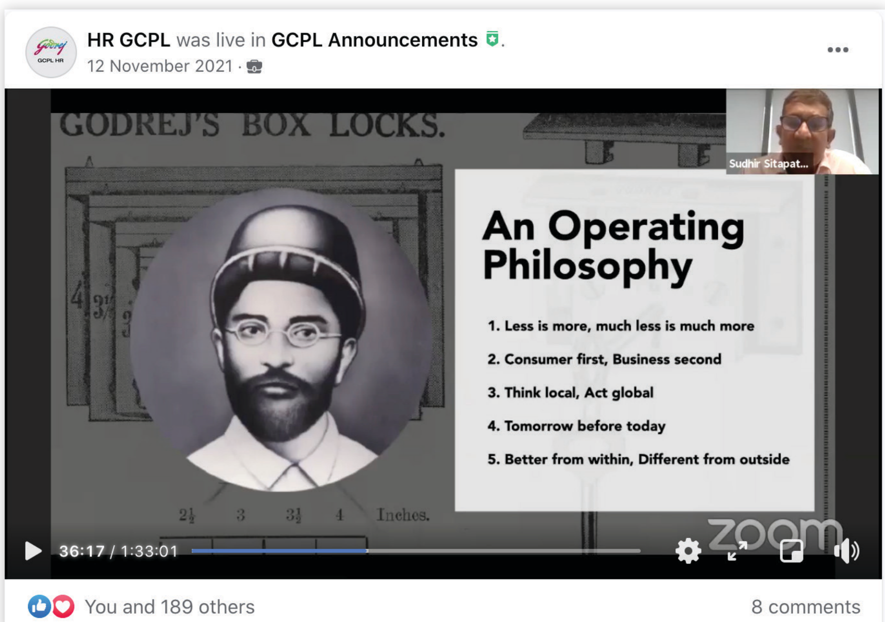
Innovative approach to recruitment

We continue to build an engaging, inclusive employer brand on business school campuses. In line with reflections from the previous year, we recrafted Godrej LOUD (Live Out Ur Dream), our engagement platform, as a immersive experience around various touchpoints. The all-digital format allowed us to engage closely with 5,500 students from 16 business schools for over 40 days.

Through our conversations, we encouraged these young people to reflect on their personal purpose and values and the kind of change they can drive in our world. The conversations were driven by the belief that purposeful, determined young people can grow into the future leaders at Godrej.

Connecting with our global teams

Workplace by Facebook is our in-house social media and engagement platform that helps us stay connected with our teams globally. This year, we had 56% active users and 12.6% engaged users.



Engaging with our global teams through town halls

Recognising and celebrating high performance

The Godrej Way Awards

To recognise people for behaviours in line with our values—Trust, Be Bold, Show Respect, Own It, Be Humble, and Create Delight—we organise the Godrej Way Awards every quarter.

Superstar Awards

The most prestigious awards at GCPL, the Superstar Awards, recognise the excellence of our team members across all business functions.

Challenger Club Spot Recognition

To motivate our team members in India amidst a highly challenging environment, we selected the theme 'unleash the challenger' and defined five challenger behaviours, namely (1) Overcoming fear, (2) Possibility thinking, (3) Hyper agile execution, (4) Leading from the front, and (5) Thriving in beautiful constraints. This programme helped us set the tone for the year and ensure a clear sense of direction within teams. We also launched the Challenger Club Spot Recognition, as a part of this programme, to recognise employees displaying these challenger behaviours.

The Godrej Awards 2022

The Godrej Awards, organised across the Godrej Group, is dedicated to recognising outstanding performers. After 2 years of the pandemic, we brought back our in-person celebration and facilitated our winning team members at a special event at our headquarters Godrej One in Mumbai.

Recognising talent and performance at the Godrej Awards 2022

The Godrej Leadership Forum

The Godrej Leadership Forum is our annual leadership conclave that brings together senior leaders from across Godrej businesses for a day of learning, sharing, and reflections.

Themed around 'Back to the Future', this was our first in-person GLF since 2019 where our leaders came together to not only reflect on the year that was, but also collectively reinforce our ambitions for the future, including our commitment towards becoming more sustainable and inclusive.

The Godrej Leadership Forum is our annual conclave that brings together senior leaders from across the Godrej Group for a day of learning, sharing, and reflection

Volunteering, the socially distanced way

For the second consecutive year, we conducted our annual Godrej Global Volunteering Week online. Our week-long initiative encouraged teams across Godrej to participate in small, sustainable living tasks that could be performed from anywhere and at any time.

Being among the best companies to work for

We have been among the best companies to work for. We were recognised on Great Place to Work® Institute's (India) Best Workplaces in Manufacturing (2022) for creating a high-trust, high-performance culture. Our Godrej Indonesia business was awarded the 2022 Indonesian Best Employer Brand Award by the Employer Branding Institute, World HRD Congress, for the third consecutive year.

Godrej Indonesia won the 2022 Indonesian Best Employer Brand Award

Human rights in the workplace

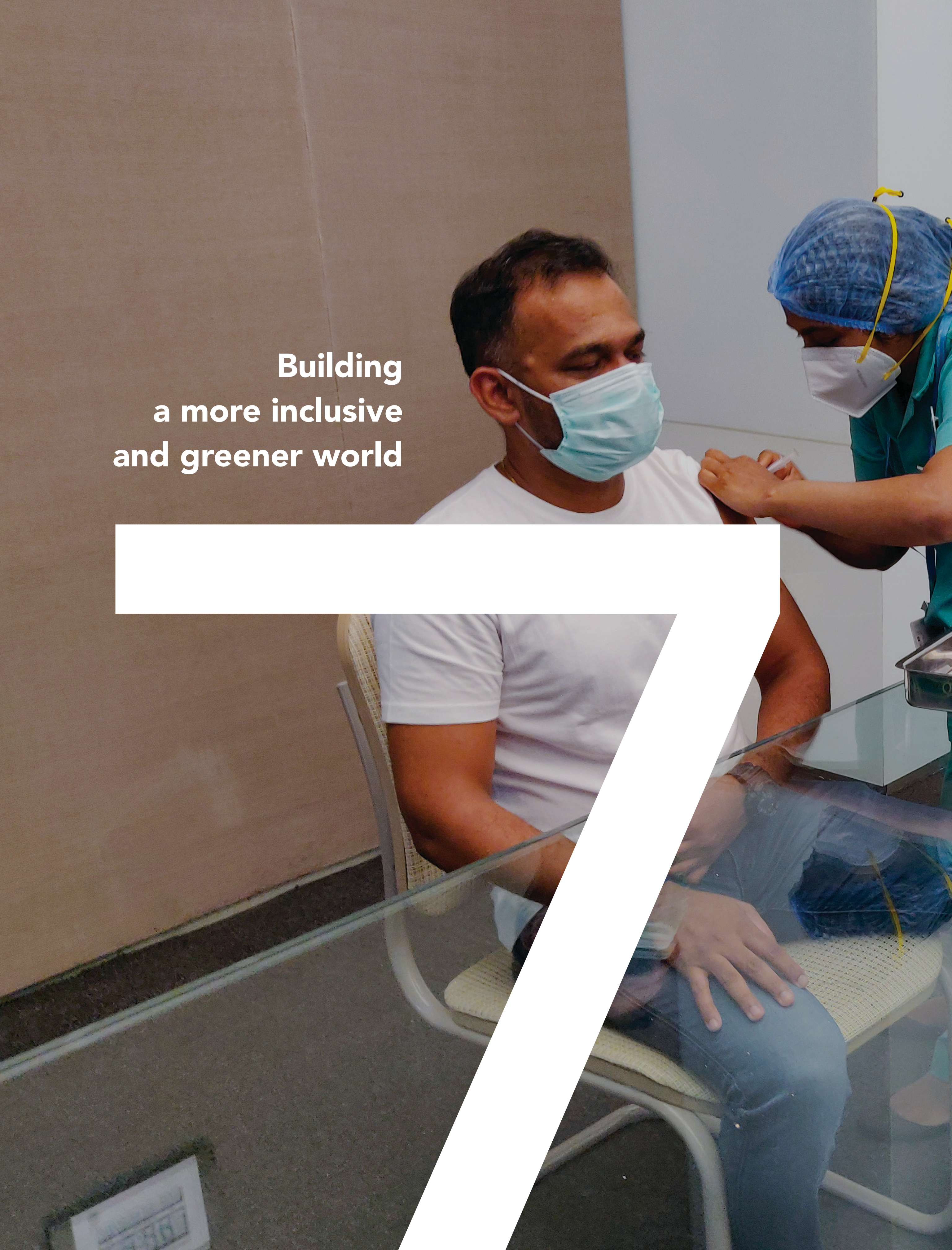
GCPL is committed to ensuring that human rights are core to our vision of helping build a more equitable, inclusive, and greener world. Our respect for and commitment to human rights is central to our values. We believe our primary human rights responsibilities are to our employees, the communities where we operate in, our suppliers and business partners, and customers and consumers. Our commitment to human rights are reflected in our Human Rights Policy; Sustainable Supply Chain Policy; Anti-sexual Harassment Policy; and Code of Conduct for Employees, Senior Managers, and Directors, all of which are available on our website. We adopted the Human Rights Policy in 2017, and have since then focused on the following aspects:

- Ensuring that all new recruits certify that they understand and accept the GCPL Code of Conduct, which includes our human rights commitment.
- Conducting a self-assessment across our plants and locations in India to ensure compliance with the policy.
- Conducting a self-assessment across our plants and location in our GAUM cluster covering 7 countries.
- Our Sustainable Supply Chain Policy focuses on responsible conduct with all stakeholders and ensures employee health and safety, local community development, business integrity and ethics, and human rights. In India, we have conducted third-party audits comprising 135 suppliers thus far (accounting for around 72% of our procurement spends), and none of our suppliers were non-compliant. Please refer to the Making our supply chain best-in-class section.

Going forward, we aim to work on some of our salient human rights with the support of our stakeholders. In fiscal year 2022-23, we commit to:

1. Carrying out self-assessments to identify and resolve critical issues across our remaining clusters
2. Articulate our ambition to work on select salient aspects from stakeholders by 2030
3. Create an action plan to help us achieve the stated ambition

Visit our website to view our Codes and Policies



7 Building a more inclusive and greener world


OPD

Strategic Priority

Building an inclusive and greener world

Capitals Impacted

Intellectual Capital

Manufactured Capital

Human Capital

Natural Capital

Social and Relationship Capital

Risks

- Disruptions due to outbreaks of infectious diseases
- Regulatory compliance
- Social licence to operate
- Community unrest

Material Issues Impacted

- Building inclusive and prosperous communities

Enablers

- Good & Green vision
- Godrej values
- Godrej purpose
- Godrej's legacy of philanthropy

Key Focus Areas

- Establishing COVID-19 recovery initiatives to revive livelihoods and spread COVID-19 vaccination awareness
- Ensuring judicious use of natural resources
- Enhancing employability of beauty professionals
- Protecting people from vector-borne diseases
- Enabling sustainable communities
- Fostering volunteerism

Value Created

We channelled one-third of our resources to support livelihood recovery from the pandemic for nano and micro entrepreneurs and communities working in the informal sector. We also took on the responsibility of vaccination awareness drives that helped reach out to low-income and underserved communities around our manufacturing locations, offices, and warehouses. This directly impacted our **Social** and **Relationship Capital.**

Meanwhile, we continued to remain committed to innovating and exploring new technologies and improving our processes to become more sustainable through enhanced **Manufactured Capital** and **Intellectual Capital.**

We continued to focus on and invest in social programmes that align with our CSR and sustainability goals. We continued to leverage our **Human Capital** through volunteering efforts to maximise **Natural Capital** and **Social** and **Relationship Capital.**

United Nations' Sustainable Development Goals

For more details, refer to the sustainable development goal mapping on our website

Godrej Trusts

Approximately 23% of the promoter holding of the Godrej Group is held in trusts that invest in the environment, healthcare, and education.

Environment

We are proud to protect, develop, and maintain the largest privately managed belt of mangrove forests in Mumbai since the 1940s.

Education

The Godrej Udayachal pre-primary and primary schools focus on the all-round development of children. The Udayachal high school has been accredited with the International School Award in recognition of its global education curriculum and innovation in classroom teaching.

We also support Teach For India, a nationwide movement involving outstanding college graduates and young professionals who commit 2 years to full-time teaching in under-resourced schools and become lifelong leaders working towards the pursuit of equity in education. In fiscal year 2021-22, the movement covered 250 under-resourced schools in India, with over 900 fellows impacting over 28,000 children. Teach For India has a strong network of over 6,200 alumni, serving over 33 million children. A recent study also revealed that the alumni community has founded over 150 organisations.

Healthcare

The Godrej Memorial Hospital aims to provide high-quality healthcare at affordable costs. One such initiative is our partnership with Smile Train, a USA-based NGO, which helps in performing corrective cleft lip and palate surgery in children from low-income families. We offer surgery and hospitalisation to these children free of cost.

The Godrej Udayachal school focuses on the holistic development of its students

We own and care for mangrove forests around our headquarters Godrej One in Mumbai

Good
& Green

Sustainability at GCPL is guided by our Group's Good & Green Vision 2025 that aims to create a more inclusive, equitable, and greener world. As a part of this, we will work with over 33 million people in the regions where we operate.

We have a comprehensive CSR Policy that outlines programmes and projects to create a positive impact on our stakeholders. Our CSR Committee reviews, monitors, and provides strategic inputs on our sustainability efforts.

We have aligned our initiatives with the United Nations' Sustainable Development Goals, the Government of India's social development priorities, and the needs of our local communities to deliver high-impact programmes.

In fiscal year 2021-22, we continued to support COVID-19 recovery programmes for livelihood revival and added vaccination awareness drives.

Know more about our CSR Policy

Our key focus areas and corresponding initiatives

COVID-19 recovery initiatives to revive livelihoods and COVID-19 vaccination awareness

- Ensuring food relief to the most vulnerable communities during the second wave in India
- Supporting livelihood recovery and revival programmes
- Raising vaccination awareness among the most vulnerable people in our ecosystem
- Enabling economic relief by enabling unlocking of government entitlements for underserved communities around our manufacturing plants, offices, and warehouses

Ensuring judicious use of natural resources

- Green projects to conserve energy, water, and materials and improve environmental sustainability at our manufacturing plants
- Sustainable supply chain initiatives
- Product sustainability through LCAs
- EPR compliance and exploring circular economy
- Innovation for sustainable packaging

Enhancing employability of beauty professionals

- Building resilience and providing support to micro and nano beauty entrepreneurs
- Enabling economic empowerment

Protecting people from vector-borne diseases

- Through our Elimination of Mosquito Borne Endemic Diseases (EMBED) project, we support the Government's initiatives to eradicate mosquito-borne diseases
- Strengthen public healthcare systems in 3 states of India

Enabling sustainable communities

- Implementing a range of environmental sustainability and community development initiatives

Fostering volunteerism

- Initiatives to get our team members to connect more meaningfully with our communities

I. COVID-19 recovery initiatives to revive livelihoods and COVID-19 vaccination awareness

The impact of COVID-19 has been felt as a public health crisis of unprecedented proportions. It is also a long-term economic disaster impacting the lives and livelihoods of billions of people worldwide. Even when vaccinations began, people from low-income and underserved communities were left behind. In emerging markets where GCPL operates, this is further complicated by pre-existing inequalities.

Livelihood recovery and revival programmes

We provided need-based food relief kits to the most vulnerable in the geographies of key interest, such as around our manufacturing units, offices, and warehousing facilities. Furthermore, we provided support such as livelihood recovery training, access to returnable grants, training on business recovery, and handholding nano and micro entrepreneurs to ensure they were able to successfully emerge from the second and third COVID-19 waves in India.

Responding to the need of the most vulnerable communities such as informal sector workers, domestic help, and other such communities, we provided 6,365 food kits to people across Goa, Gujarat, Jammu & Kashmir, Karnataka, Kerala, Maharashtra, Rajasthan, Uttar Pradesh, Uttarakhand, and West Bengal. Moreover, we donated medical equipment (such as ventilators, oxygen concentrators, hospital beds, and intensive-care-unit monitors) and consumables worth ₹2.5 crore to 20 hospitals in key locations for GCPL pan-India. Finally, 4.94 lakh units of masks, sanitisers, and soaps were distributed during the second wave to frontline workers and the most vulnerable communities.

Donating food supplies among local communities in India

In Kolkata and Guwahati, we provided livelihood recovery training and support to 7,166 street vendors—one of the most vulnerable and at-risk occupation groups within the informal sector workers. We trained them on health, hygiene, safe product handling, proper waste disposal, business and financial literacy, and digital payment methods. We also raised awareness on various social entitlements and social protection schemes available to them, and over 1,600 people applied for various schemes and entitlements.

In Thane and Palghar, we mobilised 90 entrepreneurs to establish micro enterprises in rural areas that will positively impact over 600 people and help them set up market platforms. The project has a special focus on women and returned migrant worker-led enterprises. We developed enterprises in farm produce value addition, aggregation, and trading. We are also creating marketplaces for rural entrepreneurs by setting up farmer markets. These pop-up marketplaces will help connect buyers (urban India) and sellers (from rural India), leading to responsible consumption and production. Close to 75% of the entrepreneurs are active, and we are enabling their access to finance and government schemes.

In Baddi, Jammu, Pune, and Lucknow, we helped provide formal sector jobs to 3,353 out-of-work adults and enabled 1,575 adolescents to stay in school. We placed 3,228 people in the formal sector with an average salary of ₹11,367. We engaged with adolescents and provided learning opportunities, enhancing their life skills, and building their resilience

We provided relief packages and hygiene essentials to people from vulnerable communities

We donated critical medical equipment to hospitals across India

Enabling access to entitlements

National and state governments have announced various welfare schemes for those who have been hit the hardest by the pandemic, and we are working with our non-profit partners to unlock these funds.

In Mumbai, we provided support to 4,993 individuals to get government identity documents (IDs) and avail access to entitlements. This has unlocked over ₹34 lakhs for the people and their families.

In Malanpur, we set up an entitlement facilitation centre to ensure people get access to and avail their basic entitlements of various state and central government welfare schemes. The project identified individuals and capacitated, trained, and handheld them to avail entitlements. We helped submit over 700 applications, which unlocked close to ₹1.3 lakhs in provident fund claims, savings of ₹2.5 lakhs, and insurance cover of ₹2.45 crore.

Raising vaccination awareness

As vaccines are our best bet to fight COVID-19, we started vaccination awareness drives in communities around several of our manufacturing plants and warehousing facilities across 6 states of India.

In Andhra Pradesh, Karnataka, Puducherry, Telangana, Tamil Nadu, and Assam, we partnered with NGOs and local government healthcare workers to raise awareness and enable door-to-door vaccination services to low-income and underserved communities that have so far been left out. We have reached out to over 1,05,000 people and helped them get vaccinated.

Building vaccine awareness among underserved and vulnerable communities

Strengthening business outcomes

Ensuring vaccination for all

The need

Vaccination is our best defence against severe symptoms and implications of COVID-19. The Government of India's campaign to drive vaccination was massive, but there were significant delays in reaching the most vulnerable people such as those with disabilities, transgenders, fisherfolk communities, migrants, street vendors, construction workers, daily wagers, and domestic help, among others, who have specific requirements and beliefs, and therefore get underserved. At GCPL, we fully appreciated the fact that without accelerated vaccination, we wouldn't be able to fight the pandemic, and the vaccination process might have kept rolling on for years.

The solution

To support vulnerable communities around our factories and warehouses, we partnered with Swasti Health Catalyst to help vaccinate over 1,05,000 vulnerable people. This includes 30,000 people in Cuddalore and Karaikal blocks of Puducherry who faced barriers to access the vaccine and were at higher risk of contracting COVID-19.

We adopted an agile, inclusive, and community-centric approach and engaged local community champions, leaders, and influencers (including faith-based organisations) to effectively facilitate end-to-end vaccination by mobilising people to vaccination sites and camps, providing logistic support for organising the camps, navigation support to members to reach the vaccine sites, and enrolling/registration assistance for people.

The programme aimed to bridge the gap by catering to the needs of individuals and tailored the interventions to suit their requirements, including completing necessary documentations such as enrollment/registration assistance for visually impaired people, enabling infrastructure (wheelchair-friendly centers) and doorstep vaccination, and facilitating the entire vaccination process with empathy by putting not just individuals but entire communities at the forefront.

Partnering with local healthcare workers to offer door-to-door vaccination services

II. Ensuring judicious use of natural resources

As part of our Good & Green vision, we have identified environmental sustainability goals to be achieved by fiscal year 2025-26. We will ensure one-third of all our products are greener than they were in 2020. We aim to be neutral on Scopes 1 and 2 carbon emissions, source at least 35% of our energy mix from renewable sources, improve energy efficiency by 100% in line with our EP100 commitment, and maintain our water positivity and zero waste to landfill status. Most significantly, we will also announce our commitment to the global science-based targets initiative and publish our roadmap and targets for emission reduction in line with the globally agreed 1.5-degree reduction scenario.

We track energy, emissions, water, waste, and renewable data for all the locations where we have 100% operational control. We are in the process of validating and imbibing carbon and water pricing to capture the financial implications of our emissions and water use and build sustainability into decision-making at every point in the value chain.

At the product level, we have started monitoring green parameters and are working on LCAs for products comprising 50% of our India revenue. Our teams are working on implementing opportunities identified in these LCA reports.

We have also extended our ESG parameters to our supply chain and are working closely with around 135 of our suppliers (covering 72% of our procurement spends) on improving their sustainability performance..

For more information on initiatives, please refer to the following:

Making our supply chain best-in-class > Sustainability of the process

Our goals and performance

1. Energy

- Reduce specific energy consumption by 40% (vs 2011 baseline)
- Increase renewable energy portfolio to 35% (vs 2011 baseline)

Approach

- Improve processes and increase the efficiency of systems
- Adopt green energy sources, such as solar and biomass
- Technology upgradation

Performance*#

- Reduced our specific energy consumption by 33%
- Increased our renewable energy portfolio to 29.4%

2. Water

Reduce water intensity by 40% (vs 2011 baseline) while maintaining water positivity

Approach

- Innovative water management systems, technological improvements, and integrated watershed management programme

Performance**#

- Reduced water intensity by 38% and achieved water positivity (we are conserving three times more water than we use in our operations through rainwater harvesting within our facilities and our community watershed programme).

3. Waste

Maintain zero waste to landfill and achieve zero liquid discharge

Approach

- Judicious and innovative use of materials, including reuse and recycle and greater circularity

Performance***#

- Reduced our specific waste to landfill by 100% (diverted 100% waste from landfill and have assessed the quantity of liquid discharge and developed a plan to achieve zero liquid discharge)

4. Emission

Reduce GHG emission intensity by 45% (vs 2011 baseline) and carbon neutrality for Scope 1 and 2 emissions

Approach

- Adopt cleaner fuels such as biomass and continually increase process efficiencies

Performance****#

- Reduced our GHG emissions intensity by 42%

5. Greener products

Ensure one-third of all our products are greener than they were in 2020

Approach

- Perform LCAs for products covering 80% of revenue
- Implement findings from LCA to reduce the environmental impact of our products, thus making them greener

Performance*****

- LCA conducted for products covering 50% of revenue

#Performance as on March 2022 against fiscal year 2010-11 baseline

*Energy use is calculated by specific energy consumption per tonne of production

**Water usage is calculated by specific water consumption per tonne of production

***Waste generated is calculated by specific waste to landfill per tonne of production

****Emissions are tracked for Scopes 1 and 2 and calculated by specific GHG emissions per tonne of production

*****LCAs for products covered by India revenue

III. Enhancing employability for beauty professionals

Our livelihood programmes focus on economic empowerment and are a part of our CSR initiatives. They are guided by our Good & Green vision and our CSR policy and are reported under Schedule VII, Section 135 of the Companies Act, 2013 in the Directors' Report. We follow a shared value approach that addresses the critical economic needs of marginalised and underprivileged sections of society by leveraging our expertise. By fiscal year 2025-26, we aim to empower another 2,00,000 women with beauty skills in emerging economies.

Salon-i and Beautypreneur in India

Salon-i and Beautypreneur are our flagship programmes that train and work with women in the beauty industry.

Salon-i is a vocational training programme for women. It is designed entirely in-house to train young women in basic skills of beauty, skin, hair care, and mehendi application. In addition, life skills and entrepreneurship development modules enable women to take up jobs or pursue self-employment depending on their unique skillsets and circumstances. Though Salon-i's employability goal is small compared with the country's overall need, the programme is unique as it specifically aims at employability, entrepreneurship, and empowerment of women. From 2012-13, we have trained over 2,27,300 young women. During fiscal year 2021-22, we restarted Salon-i after 18 months due to the impact of COVID-19 on the beauty sector. We trained a small batch of over 588 young girls this year.

A third-party impact assessment of Salon-i showed a three-fold increase in our trainees participating in paid work, from 14% to 45%, of which 78% were first-time entrants in the workforce.

As an extension of Salon-i, we support women micro entrepreneurs in the beauty and wellness sector in various parts of the country to grow their businesses. The Beautypreneur project aims to handhold nano entrepreneurs to help them stabilise and expand their enterprises. Since fiscal year 2016-17, we have supported over 4,910 women entrepreneurs and in 2021-22 we welcomed 750 new entrepreneurs to the cohort. In addition, we have expanded our work with barbers and have trained and supported over 130 young men in advanced hair styling skills and enterprise development.

A third-party impact assessment undertaken this year found that despite the pandemic, our programme saw a return of ₹7.75 for every rupee invested. Further, the study found:

- The median peak season monthly income of the entrepreneurs went up from ₹11,857 to ₹18,780 post the programme.

- Their average annual savings also rose over 40%, from ₹16,022 before the training to ₹22,683.
- Several Beautypreneurs stated that their technical skills have improved post training. Additionally, 83% rated their technical skills between 8 and 10 post training in comparison to pre-training, which was 24%.
- The average number of services a customer availed per visit before attending the training was 5.55, while the average number of services a customer availed after receiving the training was 6.90.
- 91% of Beautypreneurs stated that their business management skills have improved post training in comparison to 30% before training.

These results were achieved by introducing them to a package of practices to rationalise their service rates, personal care and hygiene standards, share ideas on how to attract and retain a client base, and train them on record keeping.

As part of our Beautypreneur and Barber programme, we have trained and supported hundreds of small-scale entrepreneurs

COVID-19 pivot

Our partner—Samhita Social Ventures—in their study revealed that the income of small beauty parlours led by women was down by 50% at 6 months after the first lockdown. These micro businesses are dependent on daily cash inflow to run their business. Moreover, their savings were exhausted during the first lockdown, and many reported job loss of their spouses, leaving them cash crunched. The second wave in India further compounded the scenario with many losing family members and/or having to deal with high medical bills.

In continuation of our partnership with Samhita's Revive initiative—a returnable grant model that provides access to timely grants and technical assistance to people and small businesses—we supported 681 Beautypreneurs in fiscal year 2021-22. The financial assistance, ranging between ₹5,000 and ₹20,000 with a repayment period of 12 months, was used to buy safety equipment and salon consumables and, in some cases, to diversify into a new income stream, such as tailoring or catering.

Through this process, the women have also learned important digital and financial skills. More than 75% of the Beautypreneurs have repaid the returnable grants they have availed. After the devastating second wave of COVID-19, we issued a moratorium to ease the burden of repayment.

Supporting small beauty parlours through COVID-19 with returnable grants assistance

Training programmes in Africa

Our Darling Academy (hairstyling skills training for youth) programme is aimed at youth empowerment through employability to tackle unemployment and poverty in Africa. The programme originally began in Kenya, and this year, it has expanded to Nigeria and the Republic of South Africa.

The Darling Stylists' Academy focuses on skilling youth from poor socio-economic backgrounds. To have a uniform transformative experience for all trainees, the GCPL GAUM CSR and brand teams have crafted and standardised training manuals for trainee experience, training centre operation, and governance. In addition to training, the trainees are provided start-up kits and avenues for placement within our salon network. Across the cluster, we are aiming to train 20,000 new stylists by 2025.

In Kenya, the programme is a way of providing support to young mothers and girls from poor backgrounds who dropped out of school with no formal skills or stable income sources. The programme runs 27 centres, and over the years, it has helped over 5,350 women start working at a job or build their own salon. In fiscal year 2021-22, we trained 1,050 young women. In addition to our own centres and partnerships with county government vocational training centres, the team set up a knowledge partnership with a local NGO, and this year, it trained 27 students of whom 10 have been placed in salons.

In Nigeria, we have trained 128 women, and a survey of 30 alumni revealed that 97% of alumni experienced an increase in their income and attributed it to the Darling Academy training.

In South Africa, the team started its first batch with 20 young women from weak socio-economic backgrounds. In total, 18 trainees completed the 3-month intense programme after successfully meeting the training outcomes. Most of the women are looking to set up their own hairstyling businesses. Our South Africa brand team has provided them with a start-up kit and will continue to support them by exploring avenues of placement in our salon network.

The Darling Stylists' Academy focuses on skilling of youth from poor socio-economic backgrounds in Africa

IV. Protecting people from vector-borne diseases

Overview

Project EMBED started in 2015 in Madhya Pradesh in partnership with the Ministry of Health & Family Welfare's National Centre for Vector Borne Diseases Control (erstwhile NVBDCP) focusing on malaria elimination in line with the Government of India's mission. Over the past 6 years, we extended our initiative to Uttar Pradesh and Chhattisgarh, and in the fiscal year 2020-21, we also focused on dengue and chikungunya prevention in urban areas. We collaborate with NGOs and state governments to run intensive behaviour change programmes in regions with a high annual parasite index, where the case burden is the highest. We work in each location for 3 years, spreading awareness among households and people at the bottom of the pyramid and those from vulnerable and marginalised groups.

Our urban dengue and chikungunya project in four cities focuses on increasing the awareness of urban poor communities regarding the spread of mosquito-borne diseases and educating them regarding how to keep their families and communities safe. The project currently runs in Bhopal and Gwalior in Madhya Pradesh and Lucknow and Kanpur in Uttar Pradesh. It aims to reduce dengue and chikungunya cases and associated mortality.

The interventions under this project cover:

- Home visits to provide education and awareness on the diseases and prevention
- Community campaigns for mass awareness
- Digital outreach with SMS, WhatsApp, interactive voice response, and community radio
- Training public healthcare providers
- Engaging with private healthcare practitioners
- Engaging with local public health authorities, schools and colleges, resident welfare associations, and professional associations

Our third project under EMBED focused on providing technical support to the Government of India and Government of Uttar Pradesh to help develop an integrated vector management protocol and support the roll out of the same in endemic states. This project aims to:

- Develop integrated vector management (IVM) protocols for short and long-term interventions
- Information, education, and communication of and behaviour change communication activities for at-risk communities by using an IVM approach to vector-borne disease control
- Strengthen existing health systems and providers through capacity building on case identification, treatment, and referral and providing technical support
- Foster sustainable partnerships across multi-sectoral stakeholders to employ a collaborative approach
- Built the capacity of the state and district for outbreak investigation and management

In 2015, Madhya Pradesh was a Category 3 state with high malaria incidence. In 2021, it has been declared a Category 1 state and is well on its way to eliminate malaria. Our EMBED programme has been the only private-funded malaria elimination programme running in Madhya Pradesh since 2015 in partnership with the Government of Madhya Pradesh. Between 2015 and 2020, the malaria caseload in the state has reduced by 93.28%, with malaria deaths reducing by 95.83%. This is the highest percentage drop in malaria cases in a state in India during this time period.

Through the successful implementation of all three projects, by the fiscal year 2025-26, we aim to protect 30 million people against vector-borne diseases.

COVID-19 pivot

During the second wave of COVID-19 from April to June 2021, we distributed hand sanitizers to frontline workers, healthcare providers, and community members. We raised awareness and mobilised communities for COVID-19 vaccination and following COVID-19-appropriate behaviour. Numerous people were vaccinated due to the mobilisation carried out by our programme team. Additionally, we supported fever screening along with healthcare providers, linking fever cases for testing and treatment services and following up home isolation cases with local healthcare (Accredited Social Health Activist, ASHA) workers.

We conducted a third-party impact assessment of the rural malaria intervention in 4 districts of Madhya Pradesh, namely Shivpuri, Sheopur, Alirajpur, and Jhabua—one and a half years post completion of project from December 2021 to February 2022. The study revealed that community awareness about malaria symptoms remains high at 98%, and testing for malaria when people have fever is at 70% among the respondents.

This has led to frequent testing, timely treatment, and faster recovery. Of the households that participated in the study, 92% are actively taking measures to keep their house and surroundings clean to ensure there are no mosquito-breeding spaces in the community.

The SROI value for the overall programme is ₹12.57, that is, for every rupee invested, the programme provides a value of ₹12.57.

Outreach

- In fiscal year 2021-22, our rural malaria programmes reached out to 1,32,759 households in 778 villages in 7 districts across Madhya Pradesh, Uttar Pradesh, and Chattisgarh.
- Our urban dengue programme reached out to 71,199 households in 406 urban settlements and 4 cities in Uttar Pradesh and Madhya Pradesh.
- Through technical support we offered to the Government of India and Government of Uttar Pradesh on the integrated vector management project, we reached out to 7 million people.
- In total, 1,083 ASHA workers were trained in the prevention and control methods of vector-borne diseases.
- In total, 522 participants attended training on entomological surveillance, clinical management of malaria, and outbreak investigation.
- We carried out 10 outbreak surveillance visits with the NVBDCP and the Government of Uttar Pradesh to manage dengue and Zika outbreaks.

Impact

- In our rural malaria project, while we have met the target of zero malaria cases in 2 of 7 districts (Shivpuri and Sheopur). Additionally, all districts have shown a remarkable drop in the number of positive malaria cases (between 12% and 95% across districts). Similarly, the slide positivity rate has also reduced in all intervention districts (56%-98%) and testing rates have increased by anywhere between 8% and 510% across the districts.
- In our urban dengue project, dengue outbreaks occured across all intervention geographies, with Zika occuring in a couple of locations. Changing rainfall patterns and intermittent preventive measures due to focus on COVID-19 created perfect conditions for mosquitoes to thrive. Our implementation partners worked in tandem with the local government to carry out outbreak surveillance and management, identify and implement strategies for source reduction, and train local teams including domestic breeder checkers, ASHA workers, and community volunteers to help contain the outbreaks and limit damage.

Creating awareness around vector-borne diseases through Project EMBED

V. Enabling sustainable communities

A significant focus of our CSR programmes is to work towards the sustainable development of communities to ensure that current needs are met without compromising future requirements. Our programmes look to address the challenges of climate change, urbanisation, and economic growth.

Waste management

Overview

Our efforts towards solid waste management extend beyond our manufacturing plants and immediate areas of operations. As part of our CSR efforts, we support community waste management projects, in partnership with local civic authorities, by using circular economy principles.

Since fiscal year 2020-21, we have partnered with the Puducherry Municipal Corporation to implement a community waste management project. We have reached out to 16 wards in 3 zones of Puducherry covering over 35,000 people. We are digitally tracking the waste management process and raising awareness on door-to-door collection and source segregation.

We have diverted over 7,300 kg of waste from landfills through clean-up drives and have established a sanitation park. We provided 204 waste workers with occupational ID cards, and 26 workers enrolled on the PMJAY welfare scheme, which has unlocked a cover of ₹5 lakhs per family per year.

Under the project, we have established a sanitation park or advanced segregation centre, in partnership with the Municipal Corporation. Through this centre, we aim to scientifically manage 140 metric tonnes of waste per day from Puducherry to work towards a circular economy ecosystem for the city.

We are also working with a social enterprise in Guwahati to recycle forest and agri residue into briquettes for use as biofuel, and in another project to convert plastic waste into fuel. Through this project, we aim to divert 50 metric tonnes of waste per day from landfills by 2023. The facility is currently under construction and will be operational in fiscal year 2022-23.

Strengthening business outcomes

Scientific waste management

The need

Puducherry generates close to 170 MT of waste per day. The region is known for tourism and, as a result, experiences severe issues with littering. No waste was being segregated and everything ended up in landfills. There have been reports of fire outbreaks in the landfills, and residents often complain of constant filth, stench, and serious health issues they face due to their proximity to the landfill.

Before we initiated the waste management programme in partnership with the Puducherry Municipal Corporation and Recity (our implementation partner), the unsegregated waste was collected by the appointed Collection and Transportation Concessionaire, M/s Swachatha Corporation, and was deposited at the landfill. From the waste, the recyclable material was salvaged by waste collectors and sold to vendors in the informal market for recycling. Due to this, the remainder material was often of low value and, therefore, left behind, further increasing the burden of waste and disease.

The solution

Our integrated waste management programme approach is three-fold. It aims to divert waste from landfills, professionalise waste workers, and ensure a sustainable waste management business model. To divert the waste from landfill, we built a sanitation park with our partner, Recity.

This sanitation park has been scientifically planned and ensures that the segregated waste is sorted into different material types, baled to ensure optimal logistics, and sent to appropriate end-of-life solutions through various partnerships. The Facility Management Solutions helps keep record of material movement offering insights on eliminating redundancies and deriving maximum visibility of snags, if any. By July 2022, the sanitation park will process 4 MT waste/day.

Sanitation Park at Puducherry

Watershed management

Overview

Our integrated watershed development project is helping restore the ecological balance in the drought-prone district of Siddipet in Telangana. Currently, groundwater levels are lower than 400 ft in many areas, and as a result, farmers are under acute pressure. We are partnering with NABARD and a local NGO to rejuvenate the land, recharge groundwater levels, facilitate necessary irrigation, increase cropping cycles, improve the quality and quantity of produce, enhance livelihoods, and ensure sustainable agriculture practices.

Output

We have completed treating 1,486 hectares of land covering 46% of the total area under the project. To date, we have provided over 6 lakh saplings for direct and seed dibbling.

We brought 150 acres of barren land into cultivation through water table improvement by approximately 15 ft. Vegetable cultivation also increased from 5 acres of land to 23 acres. To diversify their income, we enabled 40 women farmers to avail livelihood loans between ₹20,000 and ₹50,000 for dairy farming, setting up general stores, etc.

We also captured 1.5 million KL of water in fiscal year 2021-22, which has helped GCPL become a water-positive company.

By fiscal year 2023-24, we aim to treat 3,234 hectares of land, conserve 3.5 million KL of water per year, sink 30,000 tCO_2 per annum, as well as build the capacity of the whole community on water management and sustainable agriculture.

Watershed structures in Siddipet, Telengana

Community initiatives

Overview

Another focus of our CSR programme is working closely in communities around our manufacturing plants.

Around our flagship plant in Malanpur, we rolled out a WASH initiative led by youth called 'Youth ki Awaaz'. The project aims to bring about behavioural change regarding hygiene, sanitation, and waste management. It is led by young people to bring about change in overall public health parameters in the three villages around our plant.

In response to the second wave of COVID-19, the project pivoted to a local response initiative led by 81 young people to mobilise and raise awareness on vaccinations by reaching out to over 2,000 people in intervention villages. The project team was issued identity cards from the health department and has been working closely with Gram Panchayats, Panchayat Secretaries, Public Distribution Shops, and ASHA and Anganwadi workers.

Youth from the local villages participated in water and sanitation activities such as repairing handpumps, cleaning drainage, cleaning garbage dumps, and engaging school children to reduce single-use plastic. The programme also organised adolescent health and menstrual hygiene awareness camps. Over 300 girls were trained, and sanitary napkins were made available to them. The youth also raised community awareness on single-use plastic and reached out to over 1,100 households. In addition, we engaged school children on various WASH activities and awareness drives.

Around our Baddi plant in our North Cluster, we recently built a public toilet and washroom facility for the community centre around our plant. The community centre caters to the people of Baddi and neighbouring villages and can accommodate close to 450 people. The maintenance of public toilets is usually a concern as the structures depreciate quickly because of the lack of water, proper drainage, and/or regular maintenance.

We're working closely with the local community to put in place systems for maintenance of the community centre, as well as the toilet facility. We've ensured adequate water and sewage connections for ease of use. This is a permanent structure and our team on ground will make periodic visits and volunteer to ensure the facilities are maintained properly.

(Top) Training young community volunteers as part of our YUVA initiative
(Bottom) Community toilet constructed in Baddi

VI. Fostering volunteerism

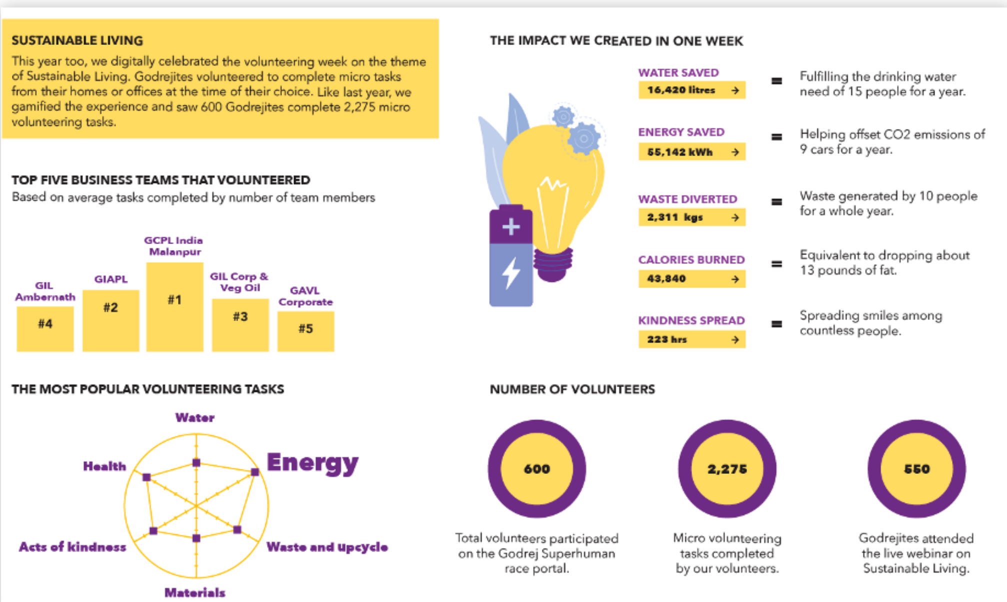
Our multi-faceted volunteering platform provides a range of opportunities for Godrejites to contribute their time and skills in community activities. Like the last year, we had limited our volunteering opportunities to the digital medium.

Godrej Global Volunteering Day

This is our annual day of community service across the Godrej Industries Group. Since 2020, we have moved the activities online to adhere to COVID-19 safety protocols and to keep our teams and communities safe. Our theme for the past 2 years has been sustainable living in line with our 2025 Good & Green goals, and we ran the challenge across 1 week in December. In 2021, over 220 of our team members across the globe volunteered from their homes. Our volunteering week focused on tiny tasks on sustainable living that could be done from anywhere and at any time.

We hosted 60 tasks on the portal, and across the Group, we had over 1,800 volunteers that helped save 16,420 litres of water, 55,142 kWh of electricity, and 2,311 kg of waste. We also got healthier, as we burned 43,840 calories and took time off for self-care.

Impact we created through our virtual Godrej Global Volunteering Week 2021



Brighter Giving

These are one-time volunteering opportunities to help make a meaningful impact with your skills. Our volunteers provided career counselling, academic mentoring, and online fitness or a creative class, among other activities. In fiscal year 2021-22, 55 of our team members across our teams volunteered for a range of virtual volunteering activities.

World Environment Day

We celebrated World Environment Week online during the week of June 5, 2021 and explored the theme of biodiversity. We hosted a webinar on how individuals can connect with nature around them and hosted a photography and quiz contest. Over 200 of our team members participated over the week.

Daan Utsav and Payroll Giving

In total, 87 of our GCPL team members participated in Daan Utsav through one-time donations, buying hand-made products from our NGO partner, participating in awareness session webinars, volunteering and signing up for Workplace Giving, and supporting our NGO partners with a fixed monthly donation.

Awards

- Awarded ESG India Leadership Award 2021 for Leadership in Governance Issues by ESG Risk Assessments & Insights.
- Ranked #1 in CSR Journal's annual ranking of companies for CSR and Sustainability
- Ranked India's top Company for Sustainability and CSR 2021 by Futurescape
- One of BW Businessworld India's Most Sustainable Companies 2022

We were one of BW Businessworld India's Most Sustainable Companies 2022

Board's Report

Dear Members,

Your Directors, with great pleasure, present the Annual and Integrated Report for the year ended March 31, 2022.

1. Results of Our Operations

The financial performance of your company for the fiscal year under review is given below.

An overview of the performance of the company's subsidiaries in various geographies is given separately in the Board's Report.

The shareholders may also refer to the Management Discussion and Analysis section, which gives more details on the functioning of the company.

₹ (Crore)

Financials: Abridged Profit and Loss Statement	**Consolidated**		**Standalone**	
	March 31, 2022	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
Total revenue from operations	**12,276.50**	11,028.62	**6,951.56**	6,254.33
Other income	**89.71**	67.07	**69.18**	64.74
Total income	**12,366.21**	11,095.69	**7,020.74**	6,319.07
Total expenses, including depreciation and finance costs	**10,201.48**	8,970.85	**5,316.50**	4,709.77
Profit/loss before exceptional items, share of profit of equity accounted investees, and tax	**2,164.73**	2,124.84	**1,704.24**	1,609.30
Exceptional items	**(9.75)**	(44.47)	**(58.21)**	(15.38)
Share of profit of equity accounted investees (net of income tax)	**0.28**	(0.01)	**-**	-
Profit/loss before tax	**2,155.26**	2,080.36	**1,762.45**	1,593.92
Tax expense	**371.87**	359.54	**283.30**	369.58
Profit/loss after tax	**1,783.39**	1,720.82	**1,479.15**	1,224.34
Other comprehensive income	**376.56**	(163.63)	**0.82**	1.11
Total comprehensive income attributable to owners of the company	**2,159.95**	1,557.19	**1,479.97**	1,225.45

2. Dividend

A. Dividend Declared

The board did not declare any Interim Dividends during the fiscal year 2021-22 and also has not recommended any final dividend for the fiscal year.

B. Dividend Distribution Policy

The Board of Directors adopted the Dividend Distribution Policy pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), which requires the top 1,000 listed companies (by market capitalisation) to formulate the same. The company's Dividend Distribution Policy may also be accessed through the following link [1].

3. Board of Directors

A. Number of Meetings

Four board meetings were held during the year. The details of the meetings and the attendance record of the directors are given in the Corporate Governance section of the Annual Report.

B. Changes in the Board of Directors

During the financial year, the Board at its meeting held on May 11, 2021, appointed Mr. Sudhir Sitapati as the Managing Director & CEO of the Company with effect from October 18, 2021, and the shareholder's approval for the same was received at the Annual General meeting held on August 4, 2021. At the same meeting, the Board also approved the continuation of Ms. Nisaba Godrej as Whole-time Director of the Company for the reminder of her term i.e. till September 30, 2022. Ms. Nisaba Godrej continues to be the Executive Chairperson of the Company as per the prevailing regulations. Since the term of Ms. Nisaba Godrej as Whole time Director is ending on September 30, 2022, the notice of the Annual General Meeting contains a resolution for her reappointment for a further period of five years with effect from October 1, 2022, for the approval of shareholders.

Mr. Adi Godrej stepped down from the Board of Directors of the Company with effect from September 30, 2021. He continues to be the Chairman Emeritus of the Company. The Board of Directors places on record their sincere appreciation for his vision and guidance that has helped shape and transform our company.

Mr. Aman Mehta's second term as Independent Director ended on August 31, 2021. The Board of Directors places on record their sincere appreciation of the contribution made by Mr. Mehta during his tenure on the Board.

In the forthcoming AGM, Mr. Jamshyd Godrej and Ms. Tanya Dubash will retire by rotation, and being eligible, they will be considered for reappointment as per the provisions of Companies Act, 2013, Listing Regulations and Articles of Association of the Company.

C. Audit Committee of the Board of Directors

Your Company has an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The tenure of Mr. Aman Mehta completed on August 31, 2021, and subsequently Mr. Sumeet Narang has been appointed as the Chairman of the Committee with effect from September 1, 2021. The Committee now consists of following Directors, viz., Mr. Sumeet Narang, Chairman of the Committee, and, Mr. Narendra Ambwani, Dr. Omkar Goswami, Ms. Ireena Vittal, Ms. Ndidi Nwuneli, Ms. Pippa Armerding, Mr. Pirojsha Godrej, all being members of the Committee.

---

[1] https://godrejcp.com/sustainability/codes-and-policies

D. Declaration from Independent Directors

All the Independent Directors have given their declaration confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 and the Listing Regulations, and the same has been noted by the Board of Directors. The Independent Directors also confirmed the compliance with the code of conduct for directors and senior management.

E. Familiarisation Programmes

During the year, the Independent Directors were familiarised with the Annual Operating Plan for the fiscal year 2021-22. Additionally, at all the Board meetings, detailed presentations covering business performance and financial updates were made. The programmes were conducted by the members of the company management. The details of the same are available on the website of the company and can be accessed through the following link[2].

F. Board Diversity Policy

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

G. Remuneration Policy

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

H. Remuneration to Directors

The remuneration of Directors is in accordance with the Remuneration Policy formulated in accordance with various rules and regulations for the time being in force. The disclosure on the details of remuneration to Directors and other employees pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given under **Annexure 'C'**. With respect to the information under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, members may request the same by sending an email to the company at investor.relations@godrejcp.com from their registered email address, quoting their name and folio number.

I. Performance Evaluation of the Board of Directors, its Individual Members, and its Committees

We conducted a formal Board effectiveness review, as part of our efforts to evaluate the performance of our Board and identify areas that need improvement to enhance the effectiveness of the Board, its Committees, and Individual Directors. This was in line with the requirements of the Companies Act, 2013 and the Listing Regulations.

The Corporate Human Resources team of Godrej Industries Limited and Associate Companies 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

[2] https://godrejcp.com/public/uploads/compliance_other_updates/FamiliarisationProgrammeforIDs202122.pdf

be improved. This survey included four sections on the basis of which feedback and suggestions were compiled:

- Board Processes
- Individual Committees
- Individual Board Members
- Chairperson

The criteria for Board processes included Board composition, strategic orientation, and team dynamics. Evaluation of each of the Board Committees covered whether they have well-defined objectives and 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 discussions, 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 performance evaluation criteria for Independent Directors included a check on their fulfilment of the independence criteria and their independence from the management.

The following reports were created as part of the evaluation:

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

The overall board feedback was facilitated by Ms. Ireena Vittal with the Independent Directors. The Directors put forth their views regarding the Board functioning effectively and identified areas that showed scope for improvement. Feedback from the Committees and Individual Board Members was shared with the Chairperson. Following her evaluation, a Chairperson's Feedback Report was compiled.

J Directors' Responsibility Statement

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

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

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

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

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

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

f) They have devised a proper system to ensure compliance with the provisions of all applicable laws, and this system is adequate and operating effectively.

4. Transfer to Investor Education and Protection Fund

In accordance with the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules), all unclaimed dividends are required to be transferred by the company to the IEPF after completion of 7 years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for 7 consecutive years or more shall be transferred to the demat account of the IEPF authority. Accordingly, ₹ 1,25,06,051 unpaid/unclaimed dividends were transferred during the financial year 2021-22 to IEPF. No shares were required to be transferred during the current year.

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

The company has uploaded the details of unpaid and unclaimed amounts lying with the company as on March 31, 2021, on the company website, which can be accessed through the following link[4]. The details of unpaid and unclaimed amounts lying with the company as on March 31, 2022, will be available on the same link within 60 days of the AGM.

5. Finance

A. Loans, Guarantees, and Investments

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

B. Related Party Transactions

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

Apart from the Related Party Transactions in the ordinary course of business and on arm's length basis, the details of which are given in the Notes to Financial Statements, no other Related Party Transactions require disclosure in the Board's Report for complying with Section 134(3)(h) of the Companies Act, 2013. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

6. Subsidiaries, Associates, and Joint Venture

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

- Style Industries Uganda Limited on account of its voluntary dissolution with effect from August 3, 2021.
- Indovest Capital on account of its voluntary dissolution with effect from December 27, 2021.

During the year, Bhabani Blunt Hair Dressing Private Limited has ceased to be an associate of your company with effect from February 14, 2022.

Furthermore, Godrej Consumer Care Limited was incorporated as a wholly owned subsidiary of your company on January 4, 2022.

A. Report on the Performance of Subsidiaries and Associates

The details of the cluster-wise performance are given below:

Indonesia

The fiscal year 2022 was a challenging one for Indonesia, with the Covid-19 pandemic challenging the business environment through the year. The overall business top line declined at 4 percent in INR

[3] https://godrejcp.com/investors

[4] https://godrejcp.com/investors/unclaimed-dividend

[5] https://godrejcp.com/sustainability/codes-and-policies

terms (5 percent decline in constant currency), but flat over a 2 year period. Despite a challenging year with tough macros in Indonesia, we focused on strengthening the fundamentals for the future. Saniter continued to make strong forays with Saniter Aerosol becoming the product of choice during the Covid waves. HIT had muted growth as the category slowdown continued. Air Fresheners showed strong growth with the Home care segment showing a strong recovery. We faced strong headwinds in our Baby wipes segment, with significantly heightened competitive intensity from new / smaller players, however, have started to clawback share. We also significantly accelerated our Go-To-Market efforts with strong distribution expansion in General Trade, continued to strengthen our in-store execution in Modern Trade and also doubled down into ecommerce.

We also continued our focus on cost savings to fuel our growth investments, field macro environment & also strengthen profitability. We will continue to focus sharply on category development with breakthrough innovation, strong brand building and strengthening GTM.

Africa, the Middle East, and the USA

The fiscal year 2022 witnessed continued strong growth for our Africa, Middle East, and US business cluster. The overall business top line grew by 22 per cent in constant currency terms. West and South clusters grew strongly at a break-out pace of 36 and 17 per cent in constant currency terms. US market also delivered 8 per cent growth in constant currency terms, though over a small base, despite various macro challenges. We faced significant cost headwinds across markets - input cost increases, adverse forex movement, & continued tendency of consumers to shift away from value-added products resulting in adverse portfolio mix. However, our robust cost optimization programs and timely price increases helped in maintaining EBITDA margins in line with previous year. Overall, despite a challenging year, we focused on strengthening the fundamentals for future. We witnessed continued momentum on braid premiumization in South Africa. We grew strongly in the newly launched HI category in Nigeria and strengthened our US ethnic hair fashion portfolio by expanding our partnership to Target in addition to Walmart. We also significantly accelerated our GTM efforts in Nigeria, particularly last mile distribution through van model. Going forward, our focus would be to strengthen last mile distribution across markets (including the salon channel), continue improving margins by driving operational excellence, strengthening our portfolio, investing in the consumer, & accelerating Wet Hair / FMCG growth. We will maintain laser sharp focus on strong governance controls and maintain an unrelenting focus on employee / consumer safety.

Latin America

Our Latin America cluster closed a strong year in a challenging environment. Net Sales (INR) grew 15 percent while EBITDA grew at 33 percent versus last year.

Argentina business closed another year of profitable growth. In a context of COVID restrictions and lockdowns, the team delivered a Top Line growth of 45 percent in constant currency (21 percent in INR), driven by Go-To-Market Improvements, COMEX expansion and Innovation. EBITDA grew 50 percent in constant currency (24 percent in INR) achieving an EBITDA margin of 15 percent in constant currency. Profit improvements were also driven by a healthy NWC reduction.

Our Chile business grew Net Sales at 5 percent CC (4 percent in INR) driven by a strong performance of Hair Color, Hair Removal and Traditional Channel. EBITDA grew by 50 percent in CC (49 percent in INR) driven by efficiencies and better absorption of fixed costs.

Looking ahead, we will continue focusing on profitable growth and working capital management to strengthen our Latin America businesses.

B. Policy on Material Subsidiaries

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

C. Financial Performance

A statement containing the salient features of the financial statements of subsidiary/joint venture/associate companies, of the company in the prescribed Form AOC-1, a part of consolidated financial statements (CFSs) in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014.

The said form also highlights the financial performance of each of the subsidiaries and joint venture companies included in the CFS of the company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

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

Your company has complied with the provisions relating to the constitution of the Internal Committee in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, to consider and resolve all sexual harassment complaints reported by women. During the year, awareness regarding sexual harassment among employees was created through emails to employees. There were two complaints reported during the calendar year 2021, and accordingly, the committee has filed the complaint report with the concerned authorities in accordance with Section 22 of the aforementioned Act.

8. Talent Management and Succession Planning

Your company has the talent management process in place with the objective of developing a robust talent pipeline for the organisation, which includes the senior leadership team. As part of the talent process, 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 organisation's talent objectives. We continue to deploy leadership development initiatives to build succession for key roles.

9. Annual Return

In compliance with the provisions Section 134(3)(a) of the Companies Act, 2013, the Annual Return as per Section 93(3) of the Companies Act, 2013, is available on the company website, which can be accessed through the following link[7].

10. Risk Management

The company has a well-defined process in place to ensure appropriate identification and mitigation of risks. The Risk Management Committee of the company has been entrusted by the Board with the responsibility of identification and mitigation plans for the 'Risks that Matter'.

Elements of risks to the company are listed in the Management Discussion and Analysis section of the Annual and Integrated Report.

11. Vigil Mechanism

Your company has adopted a Whistle Blower Policy as a part of its vigil mechanism.

The purpose of the policy is to enable any person (employees, customers, or vendors) to raise concerns regarding unacceptable improper practices and/or any unethical practices in the organisation without the knowledge of the management. All employees shall be protected from any adverse action for reporting

[6] https://godrejcp.com/sustainability/codes-and-policies

[7] https://www.godrejcp.com/investors/annual-reports

any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation. This policy is also applicable to the directors of the company.

Mr. V Swaminathan, Head Corporate Audit and Assurance, has been appointed as the Whistle Blowing Officer, and his contact details have been mentioned in the policy. Furthermore, employees are free to communicate their complaints directly to the Chairman/Member of the Audit Committee, as stated in the policy. The policy is available on the internal employee portal, and the company website and can be accessed through the following link[8]. The Audit Committee reviews reports made under this policy and implements corrective actions, wherever necessary.

12. Annexures

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

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

B. Corporate Social Responsibility

The corporate social responsibility (CSR) Policy is available on the company website under the following link[9]. The CSR Report, along with details of CSR projects, are provided in **Annexure 'E'** of this report.

C. Employee Stock Option Scheme

The company has a stock option scheme named as 'Employee Stock Grant Scheme, 2011'. The number and the resulting value of stock grants to be given to eligible employees are decided by the Nomination and Remuneration Committee, which are based on the closing market price on the date of the grants.

The grants vest in one or more tranches as per the decision of the Nomination and Remuneration Committee with a minimum vesting period of 1 year from the grant date. Upon vesting, the eligible employee can exercise the grants and acquire equivalent shares of the face value of 1. The difference between the market price at the time of grants and that on the date of exercise is the gross gain/loss to the employee. The details of the grants allotted under the Godrej Consumer Products Limited Employee Stock Grant Scheme, 2011 and the disclosures in compliance with Share Based Employee Benefits (SEBI) Regulations, 2014 and Section 62 1 (b) read with Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 are set out in **Annexure 'F'**. Your company has not given a loan to any person under any scheme for or in connection with the subscription or purchase of shares in the company or the holding company. Hence, there are no disclosures on voting rights not directly exercised by the employees.

13. Listing

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

14. Business Responsibility Report

Pursuant to Regulation 34 of the Listing Regulations, the Business Responsibility Report highlighting the initiatives taken by the company in the areas of environment, social, economics, and governance is available on the website of the company and can be accessed through the following link[10].

---

[8] https://godrejcp.com/sustainability/codes-and-policies

[9] https://godrejcp.com/sustainability/codes-and-policies

[10] https://www.godrejcp.com/investors/annual-reports

15. Auditors and Auditors' Report

A. Statutory Auditors

In accordance with Section 139 of the Companies Act, 2013 and the rules made thereunder, M/s. B S R and Co. LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022) have been appointed as the statutory auditor to hold the office from the conclusion of the 17th AGM on July 31, 2017, until the conclusion of the 22nd AGM in the year 2022 at a remuneration as may be approved by the Board. As the first 5-year term of the statutory auditors will be completed at this AGM, and the company has received an eligibility letter for their appointment for the second term of 5 years, a resolution for their reappointment for the second term has been included in the Notice of AGM for the approval of shareholders.

B. Cost Auditors

The company is maintaining requisite cost records for its applicable products. Pursuant to directions from the Department of Company Affairs, M/s. P. M. Nanabhoy and Co., Cost Accountants, were appointed as cost auditors for the applicable products of the company for the fiscal year 2021-22. They are required to submit the report to the Central Government within 180 days of the end of the accounting year.

C. Secretarial Auditors

The Board had appointed M/s. A. N. Ramani and Co. Company Secretaries, to conduct a secretarial audit for the fiscal year 2021-22. The Secretarial Audit Report for the fiscal year that ended on March 31, 2022, is attached herewith as **Annexure 'G'**. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

16. Corporate Governance

Pursuant to the Listing Regulations, the Report on Corporate Governance is included in the Annual and Integrated Report. The Practising Company Secretary's Certificate certifying the company's compliance with the requirements of corporate governance, in terms of the Listing Regulations, is attached as **Annexure 'H'**.

17. Management Discussion and Analysis

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming a part of this Annual and Integrated Report. The details pertaining to the internal financial control and its adequacy are also a part of the Annual and Integrated Report.

18. Confirmations

a. Your company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

b. There have been no material changes and commitments affecting the financial position of the company that have occurred between March 31, 2022, and the date of this Board's Report.

c. There have been no instances of fraud 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.

d. The company has not accepted any deposits from the public, and as such, no amount on the account of principal or interest on deposits from the public was outstanding as on the date of the balance sheet.

e. During the financial year 2021-22, there were no significant and material orders passed by the regulators or courts or tribunals that can adversely impact the going concern status of the company and its operations in the future.

19. Appreciation

Your Directors wish to extend their sincere thanks to the employees of the company, central and state governments, as well as government agencies, banks, customers, shareholders, vendors, and other related organisations that have helped in your company's progress, as partners, through their continued support and co-operation.

For and on behalf of the Board of Directors

Nisaba Godrej
Executive Chairperson

Mumbai, May 19, 2022

ANNEXURE 'A'

BOARD DIVERSITY POLICY

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

The company believes that for an effective corporate governance, the Board should have the appropriate balance of skills, experience, and diversity of perspectives. Board appointments will be made on a merit basis, and candidates will be considered on the basis of objective criteria, with due regard for the benefits of diversity on the Board. The Board believes that such merit-based appointments will best enable the company to serve its stakeholders. The Board will regularly review this policy to ensure its effectiveness.

ANNEXURE 'B'

GCPL TOTAL REWARDS POLICY

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

Highlights

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

The total compensation for a given position is influenced by three factors: position, performance, and potential. As a broad principle, for high performers and potential employees, GCPL strives to deliver the total compensation at the 75th percentile of the market.

Total Cash Compensation

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

1. 'Fixed Compensation' comprising the basic salary, HRA, and retirement benefits, such as the provident fund and gratuity.

2. 'Flexible Compensation' comprising a fixed predetermined component of employees' compensation. The employees can allocate this amount to different components, as per their grade eligibility, defined at the start of each fiscal year.

3. 'Variable Compensation (Performance-Linked Variable Remuneration)' comprising employee rewards for delivering superior business results and individual performance. It is designed to provide a significant upside earning potential for overachieving business results. It has a 'Collective' component, linked to the achievement of specified business results, relative to the target set for a given fiscal year, and an 'Individual' component, based on an employee's performance, as measured by the performance management process.

Long-Term Incentives (Employee Stock Grant Scheme)

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

ANNEXURE 'C'

INFORMATION PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The details are as hereunder -

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

Sr. No.	Name of the KMP	Designation	Per Cent Increase/ (Decrease) In Remuneration in the Fiscal Year 2021-22	Ratio of Median Remuneration of Each Director to the Median Remuneration Paid to all Employees for the Fiscal Year 2021-22
1	Nisaba Godrej	Executive Chairperson	NA	92.38

Note:

1. Ms. Nisaba Godrej had voluntarily waived off the remuneration for FY 2020-21 due to COVID, due to which her current year's remuneration is not comparable with the previous year.

2. Mr. Sudhir Sitapati, Managing Director & CEO, Mr. Sameer Shah, Chief Financial Officer and Mr. Rahul Botadara, Company Secretary & Compliance Officer were appointed during the course of the year and Mr. Adi Godrej ceased to be a Board Member during the year and Mr. V Srinivasan served as Chief Financial Officer & Company Secretary only for part of the year due to which their current year's remuneration is not comparable with the previous year and hence data is not provided in the above table.

Sr. No.	Name of Director	Percent Increase/(Decrease) in Remuneration in the Fiscal Year 2021-22	Ratio of Remuneration of Each Director to the Median Remuneration Paid to all Employees for the Fiscal Year 2021-22
1	Jamshyd Godrej	(8.00)	4.36
2	Nadir Godrej	(3.85)	4.73
3	Tanya Dubash	(8.00)	4.36
4	Pirojsha Godrej	(0.00)	4.73
5	Narendra Ambwani	(2.38)	7.77
6	Pippa Armerding	(4.76)	7.58
7	Omkar Goswami	(4.76)	7.58
8	Aman Mehta	Not Applicable**	Not Applicable**
9	Ndidi Nwuneli	(4.76)	7.58
10	Ireena Vittal	(4.76)	7.58
11	Sumeet Narang*	-	-

*Mr. Sumeet Narang has voluntarily waived the remuneration receivable from the company.

** Mr. Aman Mehta served as Independent Director only for part of the year due to which his current year's remuneration is not comparable with the previous year and hence data is not provided in the above table.

Note:

(i) The median remuneration of all the employees of the company for the fiscal year 2021-22: 5.28 lakhs

(ii) The percentage increase in the median remuneration of employees in the fiscal year 2021-22: 7.76%

(iii) The number of permanent employees on the payrolls of the company as on March 31, 2022: 2601

(iv) The average percentile increases already made in the salaries of the employees, other than the Managerial Personnel, in the last fiscal year and its comparison with the percentile increase in the managerial remuneration and justification thereof:

Total managerial remuneration comprises the remuneration of the Whole-Time Directors and commission paid to Non-Executive Directors. The Whole-Time Directors' remuneration is as per the resolution approved by the shareholders and will not exceed 10% of the company's net profits as permitted by the Companies Act, 2013. The Non-Executive Directors are also eligible for a sitting fee of ₹ 1 lakh per Board meeting attended and ₹ 20,000 per committee meeting attended. The shareholders at the AGM held on July 30, 2018, has authorised the payment of commissions on profits to the Non-Executive Directors at the rate not exceeding 1% of net profits of the company with authority to the Board to determine the manner and proportion in which the amount be distributed among the Non-Executive Directors. The Board has authorised a base commission of ₹ 20 lakhs per annum to each Non-Executive Director. All the Independent Directors are paid an additional commission linked to their attendance at various committee meetings and Independent Directors' meetings. There is no change in the base amount of the commission on profits or sitting fees payable to Non-Executive Directors for attending meetings of the Board/Committee thereof. The percent change in remuneration represents a change in the pay-out based on actual attendance at meetings of the Board or Committee thereof for each of the Non-Executive Directors, compared with that in the previous year.

The average change in the salary of employees other than the Managerial Personnel is a decrease of 17 per cent whereas that in salary of the Managerial Personnel is decrease of 4 per cent. The difference is mainly due to payment of higher performance linked variable remuneration to employees last year. Two of the promoter directors had voluntarily waived their remuneration last year.

(v) The remuneration is as per the Remuneration Policy of the company.

ANNEXURE 'D'

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

A. Conservation of Energy

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

I. North East Cluster

The major energy conservation initiatives are as follows:

- Optimisation of LLP FW connected load (from 5 to 3 KW); annual energy savings—12,000 KWh
- Recovery of cooling water from the distillation unit; annual energy savings—1,080 KWh
- All admin block, QC lab, and lighting connected to solar panels in the Sikkim unit; annual energy savings—2,700 KWh
- Validation of temperature ranges in shrink tunnels; annual energy savings—85,363 KWh

- Timer-based Arduino system installed for ETP blower; annual energy savings—12,960 KWh

Awards

- GCPL Kalapahar AER unit has won the National Safety Award 2018 in 'Winner category', organised by the Directorate General Factory Advice Service and Labour Institute, Ministry of Labour & Employment, Government of India.
- Our factories have won the NSCI Safety Award 2021 (Manufacturing Sector) organised by the National Safety Council. Meghalaya Coil received the 4th level award PRASHANSA PATRA, and the Sikkim unit received a 'Certificate of Appreciation'.
- ICC Safety Award 2021, organised by the Indian Chamber of Commerce—Kalapahar. AER received the award in the Gold category, and New Conso, Lokhra II, and Meghalaya Coil received awards in the silver category.
- Five teams from AER, New Conso, Lokhra II, KP Coil, & Meghalaya unit of North East cluster participated in 'National Convention on Quality Circles (NCQC)' and received three Par Excellence awards & two Excellence awards.

II. North Cluster

Energy Conservation

The total capital investment on energy saving initiatives is ₹ 144 lakhs, and the saving in energy consumption is ₹ 9.16 lakh KWh per annum, which is equivalent to ₹ 103 lakhs per annum. Some of the energy conservation initiatives are as follows:

- Installation of EMS & UMS in the plant.
- Installation of independent 11 KV feeder to eliminate DG operations because of power failure due to neighboring factories.
- Installation of 625 and 400 KVA rooftop solar systems.
- Speed synchronisation of all soap line machines.
- Common banding for two wrapping outputs with servo conveyor.
- Interlocking of intermediate conveyors with machines to eliminate idle running.
- Elimination of four BOPP taping machines with the merging of two wrapping outputs.
- Replacement of corroded bore well pipelines & motors.
- Replacement of old small motors of the soap plant with energy-efficient motors.
- VFD installation of water chiller in NPF.
- Replacement of the existing cooling fan with E glass fan in the cooling tower.
- Timer installation for the HVAC system to reduce power consumption.
- Replacement of old small motors of Soap Plant with energy efficient motors Pump house replaced old normal motors with IE3 motors (5hp - 2nos 3 HP = 4 no's).
- Maximum demand reduction from 450 to 400 KW.
- 50-HP motor with a 40-HP IE4 motor on Plodder.
- Replacement of the ordinary common AC with five individual 5-star-rating ACs.
- Installation of low compressor CFM 30 kw.
- Reduction in the number of lights inside the plant, as well as replacement of regular lights with LED lights.
- HVAC optimisation (highly efficient blowers provided).
- Installation of a motion sensor in RM/PM storage

areas & offices.

- Interlocking of offtake conveyor of flow wraps.
- Replacement of vacuum pumps with venturi arrangement.
- Reciprocating compressor provided at N2 of 40 cfm.
- Replacement of motor of HBP with energy-efficient motors.
- Stamping infeed motor 2 HP to 0.5 HP on line 3.
- Replacement of line 3 MPC ordinary motors with IE4 motors.
- Installation of the servo system for mould punching & pushing.
- Direct water filling from bore well—saving on 7.5-HP pump.
- Replacement of the belt conveyor with roller conveyor in premix bag transfer in the Kneading section.

Water Conservation

The total capital investment in water conservation initiatives is ₹ 17.5 lakhs, and savings in water consumption is 1,895 KL per annum. The water conservation initiatives are as follows:

- Use of ETP water for toilet flushing & gardening purposes.
- Water management by level sensors for water storage tanks.
- Plan to use this rejected softener water in admin toilet water tank.
- Provided overflow control system on cooling tower.
- Replacement of corroded bore well pipeline to eliminate leakages.
- Reuse of RO water for gardening purposes.
- Installation of sensor-based water taps in all the washrooms and canteen areas.

Awards Won

- Gold Award in Renovative & Restorative Category at 40th CII National Kaizen Competition 2021.
- 02 Star Challenger Award in Restorative Kaizen at CII Challengers trophy 2021.
- Eight Par Excellence & three Excellence awards in NCQC.
- Twelve Gold awards & 4 Silver awards in BCQC.

III. South Cluster

Energy Conservation

- The total CAPEX utilised for energy conservation measures in the fiscal year 2021-22 was ₹ 180.2 lakhs.
- Reduction in energy consumption through the installation of energy-efficient motors, VFDs, solar-based lightings, BLDC fans, installation of servo-based coil punching cylinders and mould bed pushers, and rooftop solar panels have all resulted in savings of 9,94,340 KWh/year covering all units.
- In order to reduce Carbon Footprint, use of Bio waste fuels, instead of Furnace oil, in our hot air generators in our Pondicherry Coil Factory, to the extent of 4,114 MT.
- Rooftop solar panel is installed in the CONSO unit with the capacity of 99.6 kWp.
- Pneumatic cylinders in coil manufacturing—the replacement of punching and bed pushing with servo-based cylinders have resulted in 2,45,000 KWh units being saved per annum from Nallur Coil-9 Factory.
- Diesel-operated forklift has been swapped with battery-operated forklift at Conso Factory as a part of Green Project.

Awards

- CII-EHS: MMN unit received the Bronze award in the CII-EHS Excellence Award 2021.
- National Safety Councils Safety Awards—CONSO unit, Coil 6 unit, and MMN unit received 'Certificate of

Appreciation' towards NSCI Safety Award 2021.

Audits

- Integrated Management Systems (IMS): South Units have successfully completed IMS Recertification and first IMS surveillance audits without any NCs (ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018).

- 5S Award: 5S Award from QCFI and Union of Japanese Scientist Engineers (JUSE), received by the CONSO and MMN units in 2018 and 2019, respectively. On completion of 3 years, the Conso unit has been re-certified after a stringent audit by the QCFI/JUSE committee.

Events

- For COVID-19 control, 4-day vaccination camps were conducted in June 2021 (first dose) and September 2021 (second dose) at CONSO and MMN units—750 persons including employees and their families and workers benefited.

- We donated four sets of ventilators with trolleys and oxygen concentrators to the Puducherry Government both at Pondy & Karaikal Units in June 2021.

- As a COVID-19 control measure, we have used disinfectant sprays to disinfect local villages near our factory in collaboration with the Bahour commune panchayat.

- We donated approximately 1,000 hand sanitisers and 1,000 masks to Bahour Commune Panchayat & Madagadipet Commune Panchayat, Pondicherry, each to help frontline workers protect themselves.

- As a part of our Community Development Programme, the company in collaboration with an NGO Recity and Pondicherry Municipality is running a 'Keep Pondicherry Clean' Project—training, educating, and hand-holding with sorting and disposal of wastes in a segregated manner throughout the Municipality is being done. A Sanitary Park has been developed and commissioned for carrying out the segregation of dry wastes, baling, and generating revenue.

- To create awareness among the public, we collaborated with the Puducherry Pollution Control Committee. Puducherry Government sponsored the stall to promote cloth bag awareness to eliminate single-use plastics.

- To create awareness regarding the use of cloth bags instead of single-use plastics, we sponsored cloth bags to the Puducherry Government (approximately 1000 nos), Bahour Commune Panchayat at Pondicherry, and Nedungadu Commune Panchayat at Karaikal (500 nos).

- Safety theme-based monthly celebrations have been organised in all units for the past 7 years.

- Safety infrastructures provided in the units are ambulance, horizontal and vertical life-lines, boom lift, aluminium scaffolding, machine guarding, LOTO, visitor safety training KIOSK and electrical safety, etc.

- 'World Environment Day' was celebrated based on the theme 'Ecosystem Restoration' across the South Cluster, and tree saplings were planted in all the units.

- The 33rd National Road Safety was celebrated across the South Cluster.

- The 51st National Safety Week was celebrated across the South Cluster based on the theme Nurture Young Minds to Develop Safety Culture.

- To commemorate Breast Feeding Week during August 2021, we organised a Breast Feeding Awareness Session for contract female workers through Venkateswara Medical College.

- Cancer Awareness Programme was organised for contract female workers in February 2022 in collaboration with Venkateswara Medial College Doctors.

- To ensure a safe working space for women in our factories across the South Cluster, we have initiated a mega drive on Prevention of Sexual Harassment (POSH) awareness. This drive is specifically aimed at covering all our workforce including casual and contractual labourers. In this fiscal year, we have covered 545 participants with over 1,600 manhours of classroom training through this drive; this turns out to be approximately 40% of our total workforce.

- To establish an early warning system with a view to prevent incidents pertaining to sexual harassments, we have established a POSH Employee Resource Group with specific all-women participation from the contract labours. This Employee Resource Group meets every quarter and discusses possible areas of concern, which are then addressed by the POSH committee.

- We celebrated Women's Day across the South Cluster where various competitions were conducted for contract workers and prizes were distributed to the winners.

IV. Central West Cluster

The total CAPEX used for energy conservation measures during the year is ₹400 lakhs. The various energy conservation initiatives undertaken during the year are as follows:

Under the Renewable & GHG head, the following initiatives were implemented:

- Installation of 204-kWp rooftop solar lights, which reduced the load on electricity board and reduced GHG emissions, leading to the saving of 3 lakhs unit per annum.

- Installation of 75 solar street lights, reducing GHG emissions.

- Maximisation of the usage of briquette consumption. The briquette consumption increased by 14% with respect to the fiscal year 2020-21.

Under Specific Energy Consumption head, the following initiatives were implemented:

- Commissioning of Mechanical Vapour Compressor in chemical plants, which resulted in saving energy consumption by ₹ 93 lakhs (265 MT of furnace oil).

- Installation of E glass energy-efficient fans in cooling towers, resulting in potential saving of power consumption by 1.7 lakh units/annum.

- Installation of the auto control system in RO storage tanks for controlling temperature through a PLC-based control system to reduce steam consumption, resulting in energy saving by 20 MT of furnace oil.

- Modification of chilling pipelines to cater to the supply to all lines from a single point during the winter season, thus resulting in a reduction in power consumption by 28,000 units annually.

- Installation of energy-efficient & new technology-based aeration in ETP, resulting in potential saving of power consumption by ₹ 1 lakh units per annum.

- Installation of energy-efficient vacuum pump of Atlas make in the soap finishing line, replacing water ring pumps, resulting in saving of power consumption by ₹ 1 lakh units per annum.

- Installation of evaporative condenser in water chilling units, resulting in saving of ₹ 1.2 lakh units per annum.
- Installation of an APFC control system to control the harmonics in electricity, resulting in a potential saving of ₹ 60 lakhs per annum.
- Replacement of low-efficiency conventional motors with high energy-saving IE3/4-rated motors, resulted in 4-6 percent saving in power consumption.
- Installation of a CFA preheater in CP3 for improvement in temperature, thereby improving productivity.
- Replacement of six-pass heat exchanger in FADP1.

Under Waste Reduction head, the following initiatives were taken:

- Use of biomass ash for developing pathways in an eco-friendly manner instead of disposal to co-processor.

Under Water Consumption Reduction head, the following initiatives were taken:

- Timely attendance of all leakages of fire hydrant systems.
- Usage of ETP-treated water in cooling towers.

In addition, the Malanpur team improved productivity of soap noodle and feed rates of chemical plants, which contributed towards the reduction of specific energy consumption.

- Increase in noodle output from 438 to 456 MT/ day, resulting in energy-efficient plant operations.
- Increase in FADP feed rates from 476 to 481.2 MT/day.
- Increase in FSP feed rates from 484 to 492 MT/day.

Awards won by the Malanpur unit

(a) GCPL Malanpur received the following awards in Coimbatore, Tamil Nadu, in NCQC 2021

- Nine Par Excellence
- Two Excellence
- Four awards quiz

(b) GCPL Malanpur received the following awards in the International Convention on Quality Control Circles November 2021 held in Hyderabad.

- Three Par Excellence

(c) GCPL Malanpur also bagged a total of 21 awards in case study presentation at INSAAN, New Delhi, in various categories such as poem/poster/slogan competition.

B. Technology Absorption

The Research and Development function of your organisation played a key role in ensuring the successful launches of the following products during the financial year 2021-22:

1. Jumbo Fast Card
2. HIT one push aerosol in Indonesia
3. Roll on
4. AER Power Pocket Range
5. Godrej Professional new shades
6. E-commerce-led products—Good Knight mosquito repellent cream/Good Knight anti-mosquito skin spray, Goodness.me range, etc.
7. Hair colours with colorplex with strong bond
8. Inecto hair colour clay
9. NYU shampoo hair colour
10. Sanitor handwash
11. Stella aerosol
12. Mega growth anti-dandruff range in Nigeria

The current year, like previous

years, also saw a sharp focus on consumer-centric and relevant design-led innovation. The company focuses extensively on innovation in new technologies, which gives value for money to the consumer.

I. R&D Product Categories Initiated by the company

1. Home Care, which includes household insecticides, air fresheners, and fabric care.
2. Personal Care, which includes soaps & toiletries and hygiene range.
3. Hair care and hair colours
4. Wet hair & dry hair.

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

R&D has played pivotal role in developing new technologies in AER, Hair Colours, Personal Wash and HI areas. Strong R&D led initiatives with innovative projects have led to successful launches of several new products in the marketplace in the current financial year. The company has launched range of health & hygiene products under different brands and has shown strong agility in development & technology commercialisation. R&D is continuously protecting its innovations through Design and Product patents. The company has filed several patents both in India and abroad. R&D has played a pivotal role in improving cost optimization across product categories by contributing through both product and process related innovations and improvements.

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

Future Plan of Action:

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

1. Ensuring successful commercial launches within Hair Care, Household Insecticides, Room Freshener, and Personal Care categories for the coming year.
2. Engaging in providing support on global innovation strategies for various product categories within our international businesses and extending support on relevant product development for international markets.
3. Focusing on newer consumer-relevant product experiences within all categories such as Household Insecticides, Hair Care, AER, Fabric Care, and Health & Hygiene.
4. Maintaining a strong focus on R&D training needs and people development.
5. Partnering collaborations with external stakeholders and leading institutions.

C. Expenditure on R&D

₹ Crore

	Fiscal Year 2021-22	Fiscal Year 2020-21
Capital	0.08	0.72
Recurring	20.57	22.68
Total	20.66	23.40
Total R&D expenditure as a percentage of total sales turnover	0.30%	0.38%

D. Foreign Exchange Earnings and Outgo

₹ Crore

		Fiscal Year 2021-22	Fiscal Year 2020-21
I.	Foreign exchange used	**737.10**	**487.16**
II.	Foreign exchange earned	**264.49**	**232.93**

ANNEXURE 'E'

CSR REPORT

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

GCPL is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. The GCPL CSR policy focuses on addressing the critical social, environmental, and economic needs of the marginalised and less privileged sections of society. We adopt an approach that integrates the solutions to these problems into the strategy of the Company to benefit communities at large and deliver social and environmental impacts. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. The policy as well as projects and programmes under the CSR Policy are available on the Company website and can be accessed through the following link.[11]

An overview of the projects or programmes undertaken during the fiscal year 2021-22 is given below. We have aligned our programmes to national priorities and missions, and they are categorised as follows.

A. Covid Relief and Community Development

The impact of COVID-19 has been felt as a public health crisis of unprecedented proportions. It is also a long-term economic disaster impacting the lives and livelihoods of billions of people worldwide. Even when vaccinations began, people from low-income and underserved communities were left behind. In emerging markets where GCPL operates, this is further complicated by pre-existing inequalities.

Livelihood recovery and revival programmes

We provided need-based food relief kits to the most vulnerable in the geographies of key interest, such as around our manufacturing units, offices, and warehousing facilities. Furthermore, we provided support such as livelihood recovery training, access to returnable grants, training on business recovery, and handholding nano and micro entrepreneurs to ensure they were able to successfully emerge from the second and third COVID-19 waves in India.

Responding to the need of the most vulnerable communities such as informal sector workers, domestic help, and other such communities, we provided 6,365 food kits to people across Goa, Gujarat, Jammu & Kashmir, Karnataka, Kerala, Maharashtra, Rajasthan, Uttar Pradesh, Uttarakhand, and West Bengal. Moreover, we donated medical equipment (such as ventilators, oxygen concentrators, hospital beds, and intensive-care-unit monitors) and consumables worth ₹ 2.5 crore to 20 hospitals in key locations for GCPL pan-India. Finally, 4.94 lakh units of masks, sanitisers, and soaps were distributed during the second wave to frontline workers and the most vulnerable communities.

In Kolkata and Guwahati, we provided livelihood recovery training and support to 7,166 street vendors—one of the most vulnerable and at-risk occupation groups within the informal sector workers. We trained them on health, hygiene, safe product handling, proper waste disposal, business and financial literacy, and digital payment methods. We also raised awareness on various social entitlements and social protection schemes available to them, and over 1,600 people applied

[11] https://godrejcp.com/sustainability/codes-and-policies

for various schemes and entitlements.

In Thane and Palghar, we mobilised 90 entrepreneurs to establish micro-enterprises in rural areas that will positively impact over 600 people and help them set up market platforms. The project has a special focus on women and returned migrant worker–led enterprises. We developed enterprises in farm produce value addition, aggregation, and trading. We are also creating marketplaces for rural entrepreneurs by setting up farmer markets. These pop-up marketplaces will help connect buyers (urban India) and sellers (from rural India), leading to responsible consumption and production. Close to 75% of the entrepreneurs are active, and we are enabling their access to finance and government schemes.

In Baddi, Jammu, Pune, and Lucknow, we helped provide formal-sector jobs to 3,353 out-of-work adults and enabled 1,575 adolescents to stay in school. We placed 3,228 people in the formal sector with an average salary of ₹ 11,367. We engaged with adolescents and provided learning opportunities, enhancing their life skills and building their resilience.

Enabling access to entitlements

National and state governments have announced various welfare schemes for those who have been hit the hardest by the pandemic, and we are working with our non-profit partners to unlock these funds.

In Mumbai, we provided support to 4,993 individuals to get government identity documents (IDs) and avail access to entitlements. This has unlocked over ₹ 34 lakhs for the people and their families.

In Malanpur, we set up an entitlement facilitation centre to ensure people get access to and avail their basic entitlements of various state and central government welfare schemes. The project identified individuals and capacitated, trained, and handheld them to avail entitlements. We helped submit over 700 applications, which unlocked close to ₹ 1.3 lakhs in provident fund claims, savings of ₹ 2.5 lakhs, and insurance cover of ₹ 2.45 crore.

Enabling last mile vaccine access

As vaccines are our best bet to fight against COVID-19, we started vaccination awareness drives in communities around several of our manufacturing plants and warehousing facilities across six states of India.

In Andhra Pradesh, Karnataka, Puducherry, Telangana, Tamil Nadu, and Assam, we partnered with NGOs and local government healthcare workers to raise awareness and enable door-to-door vaccination services to low-income and underserved communities that have so far been left out. We have reached out to over 105,000 people and helped them get vaccinated.

B. Employability and Livelihoods

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

As of March 2022, we have trained over 4,40,981 young people in skills that will enhance their earning potential. Our projects are:

- Salon-i-our beauty and hair care training
- Beauty-preneur (BP), Home-preneur (HP) and Barber-preneur platform for nano and micro entrepreneurs in beauty industry

In FY22, we continued to provide returnable grants to our beautypreneurs (between ₹ 5,000 to 20,000). We supported 681 of our entrepreneurs to buy safety equipment and salon consumables and, in some cases, to diversify into a new income stream, such as tailoring or catering. Through this process, the women have also learned important digital and financial skills. More than 75% of the beautypreneurs have repaid the returnable grants they have availed. After the devastating second wave of COVID-19, we issued a moratorium to ease the burden of repayment.

We restarted Salon-i after 18 months due to COVID-19 impact on the beauty sector. We trained a small batch of over 588 young girls this year. As an extension of Salon-i, we support women micro entrepreneurs in the beauty and wellness sector in various parts of the country to grow their businesses. The Beautypreneur project aims to handhold nano entrepreneurs to help them stabilise and expand their enterprises. Since the fiscal year 2016-17, we have supported over 4,910 women entrepreneurs and in FY22 we welcomed 750 new entrepreneurs to the cohort. In addition, we have expanded our work with barbers and have trained and supported over 130 young men to on advanced hair styling skills and enterprise development.

A third-party impact assessment undertaken this year found that despite the pandemic, our programme saw a return of ₹ 7.75 for every rupee invested in the FY21 cohort. Further, the study found Their average annual savings also rose over 40 per cent, from ₹ 16,022 before the training to ₹ 22,683. The average number of services a customer availed per visit before attending the training was 5.55, while the average number of services a customer availed after receiving the training was 6.90. These results were achieved by introducing them to a package of practices to rationalise their service rates, personal care and hygiene standards, ideas on how to attract and retain a client base, and record keeping.

C. Elimination of Vector-Borne Endemic Diseases

Project EMBED (Elimination of Vector-Borne Endemic Diseases) started in 2015 in Madhya Pradesh in partnership with the Ministry of Health & Family Welfare's National Centre for Vector Borne Diseases Control (erstwhile NVBDCP) focusing on malaria elimination in line with the Government of India's mission. Over the past 6 years, we extended our initiative to Uttar Pradesh and Chhattisgarh, and in FY 21, we also focused on dengue and chikungunya prevention in urban areas. We collaborate with NGOs and state governments to run intensive behaviour change programmes in regions with a high annual parasite index, where the case burden is the highest. We work in each location for 3 years, spreading awareness among households and people at the bottom of the pyramid and vulnerable and marginalised groups.

Our urban dengue and chikungunya project in four cities focuses on increasing the awareness of urban poor communities regarding the spread of mosquito-borne diseases and educating them regarding how to keep their families and communities safe. The project currently runs in Bhopal and Gwalior in Madhya Pradesh and Lucknow and Kanpur in Uttar Pradesh. It aims to reduce dengue and chikungunya cases and associated mortality. Our third project under EMBED focused on providing technical support to the Government of India and Government of Uttar Pradesh to help develop an integrated vector management protocol and support the roll out of the same in endemic states.

Through the successful implementation of all three projects, by the fiscal year 2025-26, we aim to protect 30 million people against vector-borne diseases.

During the second wave of COVID-19 from April to June 2021, we distributed hand sanitizers to frontline workers, healthcare providers, and community members. We raised awareness and mobilised communities for COVID-19 vaccination and following COVID-19-appropriate behaviour. Numerous people were vaccinated due to the mobilisation carried out by our programme team. Additionally, we supported fever screening along with healthcare providers, linking fever cases for testing and treatment services and following up home isolation cases with local healthcare (Accredited Social

Health Activist, ASHA) workers.

Impact:

We conducted a third-party impact assessment of the rural malaria intervention in 4 districts of MP – namely Shivpuri, Sheopur, Alirajpur and Jhabua – one and a half years post completion of project and exit from December 2021 to February 2022. The study revealed that community awareness about malaria symptoms remains high at 98%), and testing for malaria when people have fever is at 70% among the respondents. This has led to frequent testing, timely treatment and faster recovery. 92% of the households that participated in the study are actively taking measures to keep their house and surroundings clean to ensure there are no mosquito breeding spaces in the community. The SROI value for the overall program is ₹ 12.57, i.e. for every rupee invested, the programme provides a value of ₹ 12.57.

In 2015, Madhya Pradesh was a category-3 state with high malaria incidence and in 2021, it has been declared a category-1 state and is well on its way to eliminate malaria. GCPL's EMBED programme is the only private-funded malaria elimination programme running in Madhya Pradesh since 2015 in partnership with Govt. of Madhya Pradesh. Between 2015–2020 malaria caseload in the state has reduced by 93.28% and malaria deaths have been reduced by 95.83%. This is the highest % drop in malaria cases in a state in India in this time period.

D. Waste Management

We have initiated various community waste management projects across India. In the past, we have collaborated with Hyderabad and Kalyan-Dombivali municipal corporations for urban waste management. We are also working with a social enterprise in Guwahati to recycle forest and agri residue into briquettes for use as biofuel and another project to convert plastic waste into fuel. Through this project, we aim to divert 50 metric tons of waste per day from landfills by 2023. The facility is currently under construction and will be operational in FY23.

Since FY 21, we have partnered with the Puducherry Municipal Corporation to implement a community waste management project. We have reached out to 16 wards in 3 zones of Puducherry covering over 35,000 people. We are digitally tracking the waste management process and raising awareness on door-to-door collection and source segregation. In FY 22, we have diverted over 7,300 kg of waste from landfills through clean-up drives and have set up a sanitation park. We provided 204 waste workers with occupational ID cards, and 26 workers enrolled on the PMJAY welfare scheme, which has unlocked a cover of ₹ 5 lakhs per family per year. Under the project we have set up a sanitation park or advanced segregation centre, in partnership with the Municipal Corporation. Through this centre, we aim to scientifically manage 140 metric tons of waste per day from Pondicherry to work towards a circular economy ecosystem for the city.

E. Community development initiatives

We are committed to ensuring that communities around our offices and manufacturing locations are inclusive and prosperous. In line with this, we support a number of initiatives with organisations that create long term value and impact in these communities.

Around our factories in Bhind district of Madhya Pradesh and Solan in Himachal Pradesh, we supported water and sanitation projects (WASH) to enable local communities to have a better quality of life and prosper. We support MSWC Asha Sadan to ensure that girls rescued from human trafficking rackets and orphans have a good quality of life and education in Mumbai, our headquarters. With a view to ensuring that institutes of higher education focus on sustainable technologies, we support the Institute of Chemical Technology, Mumbai. And finally, we provide support to Foundation for Sports and Games to support Indian athletes aspiring to prepare and participate in international games and tournaments by funding their training and sport equipment purchase as well as by providing them medical support.

ANNEXURE - II FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. **Brief outline on CSR Policy of the Company.**

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

2. **Composition of CSR Committee:**

Sr. No.	DIN	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
1	00591503	Nisaba Godrej	Chairperson and Managing Director	2	2
2	00066195	Nadir Godrej	Non-Executive Director	2	2
3	00026028	Tanya Dubash	Non-Executive Director	2	1
4	00236658	Narendra Ambwani	Independent Director	2	2
5	09197063	Sudhir Sitapati	Managing Director & CEO	2	1

3. **Provide the 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.godrejcp.com/sustainability/codes-and-policies

   https://www.godrejcp.com/sustainability

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

   Saloni / Beautypreneur impact assessment link - https://www.godrejcp.com/public/pdfs/salon-i-and-beautypreneur-sroi-and-impact-assessment-report-2022.pdf

   EMBED link - https://www.godrejcp.com/public/pdfs/embed-impact-assessment-and-sroi-report-2022.pdf

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1		NIL	

6. **Average net profit of the company as per section 135(5).**

   ₹ 1523.09 Crore

7. (a) **Two percent of average net profit of the company as per section 135(5)**

   ₹ 30.46 Crore

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

   NA

   (c) Amount required to be set off for the financial year, if any

   NA

   (d) Total CSR obligation for the financial year (7a+7b+7c).

   ₹ 30.46 Crore

8. (a) **CSR amount spent or unspent for the financial year:**

(₹ Crore)

Total Amount Spent for the Financial Year	Amount Unspent - 6.19				
	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	Date of transfer	Name of the Fund	Amount	Date of transfer
30.46	6.23	27 April 2022	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(₹ Lakhs)

1	2	3	4	5		6	7	8	9	10	11	
Sr. No	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	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem -entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts						CSR Registration no	Name
1	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Maharashtra	Mumbai	14 months	40.57	40.57	-	No	Yuva Urban Initiatives	CSR00004731
2	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Maharashtra	Mumbai	18 months	25.56	25.56	-	No	Apnalaya	CSR00003515
3	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Maharashtra	Mumbai	18 months	4.60	4.60	-	No	Vipla Foundation (erstwhile Save the Children India)	CSR00000158
4	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Maharashtra	Mumbai	9 months	30.00	30.00	-	No	Vipla Foundation (erstwhile Save the Children India)	CSR00000158
5	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	J&K, HP, UP, Maharashtra	Jammu, Solan, Lucknow, Pune	20 months	75.73	57.90	17.83	No	Magic Bus	CSR00001330
6	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Assam, West Bengal	Kamrup, Kolkata	14 months	44.50	43.03	1.47	No	Access Development	CSR00002703
7	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Madhya Pradesh	Bhind	15 months	9.11	9.11	-	No	Jan Vikas	CSR00002913
8	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	No	Pan India	Pan India	24 months	41.30	20.65	20.65	Yes	N/A	N/A

(₹ Lakhs)

1	2	3	4	5		6	7	8	9	10	11	
Sr. No	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	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem -entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts						CSR Registration no	Name
9	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Assam	Kamrup	14 months	13.08	6.54	6.54	No	Sevamob	CSR00001153
10	Covid 19 recovery	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	AP, Karnataka, Pondicherry, TN, Telangana	Pan states	14 months	104.81	94.12	10.69	No	Swasti	CSR00000549
11	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Gujarat, Rajasthan, UP	Ahmedabad, Baroda, Jaipur Varanasi,	14 months	118.30	118.30	-	No	Saath	CSR00000021
12	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Karnataka	Kolar, Hoskote, Chitradurga, Davangere, Chikkamagaluru, Hassan, Mysore and Mandya.	14 months	40.77	24.60	16.17	No	Vrutti	CSR00000538
13	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Maharashtra	Mumbai	14 months	37.14	16.24	20.90	No	Vipla Foundation	CSR00000158
14	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Delhi	Delhi NCR	14 months	23.23	16.11	7.12	No	Dhriiti	CSR00001800
15	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Assam	Guwahati, Sonapur, Jagiroad, Chaigaon, Boko	14 months	25.46	15.88	9.58	No	Access Development	CSR00002703
16	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Gujarat	Ahmedabad, Mehsana, Gandhinagar, Kheda	14 months	13.57	9.68	3.89	No	Friends of Womens World Banking	CSR00000871

(₹ Lakhs)

1	2	3	4	5		6	7	8	9	10	11	
Sr. No	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	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem -entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts						CSR Registration no	Name
17	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Delhi	Delhi NCR	14 months	2.59	2.59	-	No	Delhi Council for Child Welfare	CSR00005527
18	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Chhattisgarh Rajasthan, Uttar Pradesh, Himachal Pradesh, Gujarat, Rajasthan, West Bengal, Madhya Pradesh, Rajasthan	Bhatapara, Jhunjhunu, Mathura, Gautam Budh Nagar, Solan, Gandhinagar, Jaitaran, Howrah, Chhindwara, Nagaur	14 months	20.73	20.59	0.14	No	Ambuja Cement Foundation	CSR00006913
19	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Pan India	Pan India	14 months	13.39	4.01	9.38	Yes		
20	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Pan India	Pan India	14 months	57.30	57.30	-	Yes		
21	EMBED	Schedule VII (i) promoting preventive healthcare	No	MP, UP, Chhattisgarh	Shivpuri, Sheopur and Balaghat, Bareilly Budaun, Bastar, Kondagaon	14 months	309.41	255.22	54.19	No	Family Health India	CSR00001169
22	EMBED	Schedule VII (i) promoting preventive healthcare	No	MP, UP,	Bhopal, Gwalior, Lucknow, Kanpur	14 months	178.02	121.82	56.25	No	Family Health India	CSR00001169
23	EMBED	Schedule VII (i) promoting preventive healthcare	No	UP	Pan state	24 months	235.46	165.150	70.31	No	Center for Health Research & Innovation	CSR00004757
24	EMBED	Schedule VII (i) promoting preventive healthcare	No	Pan-India	Pan-India	14 months	35.67	35.67	-	Yes		

(₹ Lakhs)

1	2	3	4	5		6	7	8	9	10	11	
Sr. No	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	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem -entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts						CSR Registration no	Name
25	EMBED	Schedule VII (i) promoting preventive healthcare	No	Pan-India	Pan-India	14 months	22.92	22.92	-	Yes		
26	EMBED	Schedule VII (i) promoting preventive healthcare	No	MP	Alirajpur, Jhabua, Shivpuri, Sheopur	14 months	21.83	16.13	5.70	Yes		
27	Green initiatives	Schedule VII (iv) environment sustainability	Yes	Pondicherry	Pondicherry Municipality	36 months	359.00	151.12	207.88	Yes		
28	Green initiatives	Schedule VII (iv) environment sustainability	Yes	Assam	Kamrup	36 months	226.29	134.29	92.00	Yes		
29	Green initiatives	Schedule VII (iv) environment sustainability	Yes	Maharashtra	Kalyan	14 months	2.50	2.50	-	Yes		
30	Community development initiatives	"Schedule VII (i) Promoting preventive healthcare (x) Rural Development Projects"	Yes	Madhya Pradesh	Bhind	36 months	17.67	8.87	8.80	No	Family Health India	CSR00001169
31	Community development initiatives	Schedule VII (ii) Promoting Education	Yes	Maharashtra	Mumbai	48 months	40.00	40.00	-	No	Institute of Chemical Technology	CSR00006632
32	Community development initiatives	Schedule VII (vii) Promoting nationally recognised sports	No	Pan India	Pan India	14 months	35.00	35.00	-	No	Olympic Gold Quest	CSR00001100
33	Community development initiatives	Schedule VII (i) (ii) Promoting education	Yes	Maharashtra	Mumbai	24 months	50.00	50.00	-	No	MSWC Asha Sadan	CSR00002137
	TOTAL						**2275.52**	**1656.07**	**619.31**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(₹ Lakhs)

1	2	3	4	5		6	7	8	9	10	11	
Sr. No	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	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem -entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts						CSR Registration no	Name
1	Covid 19 second wave relief	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	J&K, HP, MP, Assam, Sikkim, Meghalaya, TN, Pondicherry Kerala	Jammu, Solan, Bhind, Kamrup, Mamring, Chennai, Karaikal, Kattukuppam, Cochin	6 months	577.00	584.30	-	Yes	N/A	N/A
2	Covid 19 second wave relief	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Gujarat	Ahmedabad	3 months	8.00	8.00	-	No	Saath	CSR00000021
3	Covid 19 second wave relief	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Maharashtra, Rajasthan, Uttarakhand, J&K	Bhiwandi, Kota, Udham Singh Nagar, Pulwama	3 months	20.03	20.03	-	No	Samarpann	CSR00004052
4	Covid 19 second wave relief	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Maharashtra, West Bengal, Goa, Meghalaya	Mumbai, Pune, Aurangabad, Nagpur, Kolkata, Shillong North Goa, South Goa	9 months	17.60	17.60	-	No	Vikalp Foundation	CSR00003592

(₹ Lakhs)

1	2	3	4		5	6	7	8	9	10	11	
5	Covid 19 second wave relief	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Karnataka	Kolar, Hoskote, Chitradurga, Davangere, Chikkamagaluru, Hassan, Mysore and Mandya.	3 months	2.46	2.46	-	No	Vrutti	CSR00000538
6	Community development initiatives	"Schedule VII (i) Promoting sanitation	Yes	Himachal Pradesh	Solan	6 months	4.14	4.14	-	Yes	Multiple	
7	Community support	Schedule VII (i) Poverty eradication	No	Pan India		12 months	56.42	56.42	-	Yes	Multiple	
	TOTAL						**685.65**	**692.95**	**-**			

(d) Amount spent in Administrative Overheads

₹ 76.31 lakhs

(e) Amount spent on Impact Assessment, if applicable.

₹ 20.15 lakhs

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

₹ 24.27 Crore

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 30.46 Crore
(ii)	Total amount spent for the Financial Year	₹ 24.27 Crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(₹ Lakhs)

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount	Date of Transfer	
	FY20-21	51.00	-	-	-	-	51.00
	FY19-20	N/A					
	FY18-19	N/A					
	TOTAL	51.00					51.00

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(₹ Crore)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year.	Status of the project – Completed / Ongoing.
				NIL				

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 (asset-wise details).

(₹ Lakhs)

Sr. No.	Date of creation or acquisition of the capital asset(s).	Amount of CSR spent for creation or acquisition of capital asset.	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
1	30-03-2022	51.98	Recity Network Pvt Ltd	Sanitation Park in partnership with Puducherry Municipal Corporation, Puducherry
2	22-10-2021	3.24	Recity Network Pvt Ltd	Sanitation Park in partnership with Puducherry Municipal Corporation, Puducherry

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).

N/A

Sd/-
Sudhir Sitapati
Managing Director & CEO

Sd/-
Nadir Godrej
Chairman of CSR Committee

ANNEXURE 'F'

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

Sr. No.		Particulars	Godrej Consumer Products Limited Employee Stock Grant Scheme
1		Date of shareholders' approval for the options granted under the scheme	March 18, 2011
2		Total number of options approved for grants under the Scheme	25,00,000
3		Vesting requirements	As specified by the Nomination and Remuneration Committee, subject to minimum 1 year from the date of grant
4		Exercise price or pricing formula	₹ 1 per share
5		Maximum term of options granted	As may be decided by the Nomination and Remuneration Committee as per the prevalent regulatory provisions
6		Source of shares	Direct allotment
7		Variation of terms of options	None
8		Number of options outstanding as on April 1, 2021	1,87,421
9		Number of fresh options granted during the year	5,78,514
10		Number of options lapsed during the year	55,027
11		Number of options vested during the year	95,181
12		Number of options exercised during the year	94,806
13		Number of shares arising as a result of exercise of options	94,806
14		Money realised by exercise of options	94,806
15		Number of options outstanding and exercisable at the end of the year	6,16,102
16		Method used to account for the options	The company has calculated the employee compensation cost using the fair value of stock options, in accordance with IND AS
17		Weighted-average exercise prices and weighted-average fair values of options (shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock)	Exercise price: ₹ 1.00 per share Fair value: ₹ 958.87
18		Employee-wise details of options granted to —	
	i)	Senior Managerial Personnel	
	ii)	Any other employee who receives a grant in any one year of option amounting to 5 per cent or more of the option granted during that year	As per Note 1 below
	iii)	Identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil
19		Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'EPS'	₹ 14.46 per share (standalone) ₹ 17.44 per share (consolidated)
20		Description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	The fair value of the options granted has been calculated using the Black–Scholes Options pricing formula, and the significant assumptions made in this regard are as follows:
	i)	Risk-free interest rate	5.34 per cent
	ii)	Expected life	3.64years
	iii)	Expected volatility	34.73 per cent
	iv)	Expected dividends	NIL
	v)	The price of the underlying share in the market at the time of option grant	₹ 977.30

Note 1: Employee-wise details of options granted to Senior Managerial Personnel and details of options granted more than 5 per cent in 1 year

	Granted in fiscal year 2019-20 and outstanding as at March 31, 2022	Granted in fiscal year 2020-21 and outstanding as at March 31, 2022	Granted in fiscal year 2021-22 and outstanding as at March 31, 2022	Total outstanding options as at March 31, 2022
Akhil Chandra, Business Head-ASEAN	2,529	5,001	5,319	12,849
Venkateswara Yadlapalli, Head-R&D	607	1,200	1,277	3,084
Omar Momin, Head-M&A	1,012	2,000	2,128	5,140
Rahul Gama, Head - Human Resources	1,700	3,361	3,574	8,635
Robert Menzies, Head-Category & Innovation	1,265	2,500	2,659	6,424
Sameer Shah-Chief Financial Officer	607	1,200	1,277	3,084
Sudhir Sitapati*- Managing Director & CEO	-	-	499,826	499,826

*Option granted was more than 5 per cent of the options granted in 1 year

The above disclosures can also be accessed through the Company website— https://godrejcp.com/investors/annual-reports

ANNEXURE 'G'

Form No MR – 3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

The Members,
Godrej Consumer Products Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company as well as the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner reported and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by company for the financial year ended on March 31, 2022 according to the provisions of:

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

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

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

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

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

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

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

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable)

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

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

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / the Listing Agreements entered into by the Company with the BSE Limited and The National Stock Exchange of India Limited - Except for Prior approval for certain related party transactions with 2 listed group companies were not obtained, however, the same was ratified by audit committee in subsequent meeting. As per the management representation, the transactions were routine business transactions in an ordinary course and at arms length and are not material in relation to the turnover or net profit or net worth of the Company.

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

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

a. Insecticide Act, 1968 and rules made thereunder.

b. Legal Metrology Act and rules made thereunder.

c. Drugs & Cosmetics Act, 1940.

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the 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. Further, since all the Board and committee meetings were held virtually, attendance for all the meetings were recorded in the minutes itself as physical signatures could not be obtained. Also, signed minutes could not be circulated to the Board members as Board has signed the minutes at a future date. Circular resolutions passed by committee/s were not presented before the next committee meeting, but presented before the Board on quarterly basis. Furthermore, a system for seeking and obtaining further information and clarifications on the agenda items before the meeting exists for meaningful participation at the meeting.

All the decisions were passed 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 and listed Commercial papers with National Stock Exchange of India Limited

2. Issued shares on exercise of options under the Employee Stock Grant Scheme.

3. Appointed Mr. Sudhir Sitapati as Managing Director & CEO.

For A. N. Ramani & Co.
Company Secretaries
Unique Code - P2003MH000900

Bhavana Shewakramani
Partner
FCS - 8636, COP – 9577
UDIN - F008636D000349669

Place: Thane
Date : 19th May, 2022

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'

The Members,
Godrej Consumer Products Limited

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

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

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

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

4. In view of work from home policy continued by the organisation, we have conducted our audit on the basis of details / documents provided by company through email and/or other digital mode.

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

Bhavana Shewakramani
Partner
FCS - 8636, COP – 9577

Place: Thane
Date : 19th May, 2022

ANNEXURE 'H'

Practising Company Secretary's Certificate on Corporate Governance

The Members,
Godrej Consumer Products Limited

We have examined the compliance of conditions of corporate governance by Godrej Consumer Products Limited ('the company') for the year ended on March 31st 2022, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 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 year ended March 31, 2022.

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

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

For A. N. Ramani & Co.
Company Secretaries
Unique Code - P2003MH000900

Bhavana Shewakramani
Partner
FCS -8636, COP –9577
UDIN:- F008636D000349559

Place: Thane
Date : 19th May, 2022

Report on Corporate Governance

Company's Philosophy On Corporate Governance

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

The Company is a part of the 125-year young Godrej Group, which has established a reputation for honesty, integrity, and sound governance. Its philosophy on corporate governance envisages attaining the highest levels of transparency, accountability, and equity in all facets of its operations and interactions – whether it is with shareholders, employees, lenders, or the government. The Company is committed to achieve and maintain the highest standards of corporate governance. It believes that all its actions must serve the underlying goal of enhancing the overall stakeholder value over a sustained period.

1. BOARD OF DIRECTORS

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

A. Board procedures

GCPL currently has a 12-member Board, with 6 Independent Directors who are eminent professionals from diverse fields, with expertise in finance, information systems, marketing, and corporate strategy. None of the Independent Directors have had any material association with the Godrej Group in the past. The Board of Directors also confirms that Independent Directors fulfil conditions specified in Listing Regulations and are independent of management. In line with the accepted best practices, to strengthen the focus and quality of discussion at the Board, GCPL's Board has Ms. Ireena Vittal as the lead Independent Director.

The Board meets at least once in a quarter to review the Company's quarterly performance and financial results. The Board meetings are governed with a structured agenda. The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company.

Before the commencement of the Audit Committee meeting, the Independent Directors are given an opportunity to have a discussion with Statutory Auditors without the presence of the management team. For all major items, comprehensive background information is provided to the Board members to enable them to take an informed decision.

Once a year, the Board members participate in a strategy meeting, in which they also interact with the management team of the Company. The Independent

Directors also have a meeting among themselves, after which they provide their insights to the entire Board and the management team.

Familiarisation programmes for the Independent Directors covered topics such as the Annual Operating Plan for the fiscal year 2021-22, performance and financial updates by Chief Financial Officer. The details of the same are available on the website of the Company and can be accessed through the following link[1]

B. Matrix on skill sets possessed by the Board of Directors

At GCPL, we recognise the importance of having a Board comprising of directors who have a range of experiences, capabilities, and diverse viewpoints. This helps us create an effective and well-rounded board. The capabilities and experiences sought in our Directors are outlined here:

- **Strategy and Business–** Is or has been the Chief Executive Officer (CEO) or Chief Operating Officer, or has held any other leadership position in an organisation, leading to significant experience in strategy or business management. Brings the ability to identify and assess strategic opportunities and threats in the context of the business.
- **Industry Expertise**– Has expertise with respect to the sector the organisation operates in. Has an understanding of the 'big picture' in the given industry and recognises the development of industry segments, trends, emerging issues, and opportunities.
- **Market Expertise**– Has expertise with respect to the geography the organisation operates in. Understands the macroeconomic environment, nuances of the business, consumers and trade in the geography. Has the knowledge of the regulations and legislations of the market/(s) the business operates in.
- **Technology Perspective** – Has expertise with respect to business-specific technologies such as in the field of research and development and manufacturing. Has experience and adds perspective on the future-ready skills required by the organisation such as e-commerce, digital, and sustainability.
- **People and Talent Understanding** – Has experience in human resource management such that they bring in a considered approach to the effective management of people in an organisation.
- **Governance, Finance, and Risk** – Has an understanding of the law and application of corporate governance

[1] https://godrejcp.com/investors/stock-exchange-filings

principles in a commercial enterprise of a 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.

- **Diversity of Perspective –** Provides diverse views to the Board that is valuable for managing our customers, consumers, employees, key stakeholders, and shareholders.

C. Process and criteria used for appointing new directors

The Nomination and Remuneration Committee evaluates the candidature of a new director in line with the Board Diversity Policy and the aforementioned skill sets and makes suitable recommendation to the Board for final approval. The appointment of all Directors is also subject to shareholders' approval.

Names of Directors/Skills	Age (Years)	Appointment Year	Gender	Committee Membership as on March 31, 2022	Strategy and Business	Industry Expertise	Market Expertise	Tech and Future Perspective	People and Talent Understanding	Governance, Finance, and Risk	Diversity of Perspective
Ms. Nisaba Godrej	44	May 2011	F	CSR, RMC, SC	√	√	√		√	√	
Mr. Jamshyd Godrej	73	Mar 2001	M	-	√		√			√	√
Mr. Nadir B. Godrej	70	Nov 2000	M	CSR, RMC, SC	√		√	√		√	√
Ms. Tanya Dubash	53	May 2011	F	CSR, SRC, SC	√		√			√	√
Mr. Pirojsha Godrej	41	Apr 2017	M	AC, SRC	√		√			√	√
Mr. Sudhir Sitapati	46	Oct 2021	M	CSR, RMC, SC	√	√	√		√	√	
Mr. Narendra Ambwani	73	May 2011	M	AC, NRC, CSR, SRC, SC	√	√	√		√	√	
Mr. Sumeet Narang	46	Apr 2019	M	AC, NRC	√		√	√		√	√
Mr. Omkar Goswami	65	Jun 2008	M	AC, RMC			√			√	√
Ms. Ireena Vittal	53	Apr 2013	F	AC, NRC	√	√	√		√	√	
Ms. Ndidi Nwuneli	47	Apr 2017	F	AC, SC	√		√		√	√	√
Ms. Pippa Armerding	53	Jan 2018	F	AC, NRC	√		√		√	√	√

CSR-Corporate Social Responsibility Committee; NRC-Nomination & Remuneration Committee; RMC-Risk Management Committee; SRC- Stakeholders Relationship Committee; AC- Audit Committee; SC- Sustainability Committee

D. Detailed reasons for resignation of Independent Director, if any

Upon completion of his second term, Mr. Aman Mehta ceased to be the Independent Director of the Company with effect from close of business hours of August 31, 2021. Apart from this, there were no changes in Independent Directors during the financial year.

(i) Composition of the Board

The Board composition is as follows:

Category		Number of Directors as on March 31, 2022
i)	**Non-Independent Directors**	
	Executive Chairperson	1
	Managing Director	1
	Non-Executive Promoter Directors	4
	Subtotal	6
ii)	**Independent Directors**	6
Total Strength (i + ii)		**12**

(ii) Other relevant details of the Directors as on March 31, 2022

Name of Directors	Date of Original Appointment	Relationship With other Directors	Category	Number of Directorships Held in Indian Public Limited Companies (including GCPL)*	Committee Positions including GCPL		Shares Held
					Committee Member**	Committee Chairperson **	
Nisaba Godrej	May 02, 2011	Sister of Tanya Dubash and Pirojsha Godrej	Promoter/ Executive Chairperson	6 (5)	0	0	3,70,087#
Jamshyd Godrej	March 01, 2001	None	Promoter/ Non-Executive	5 (4)	0	0	Nil#
Nadir Godrej	November 29, 2000	None	Promoter/ Non-Executive	8 (5)	2	1	63#
Tanya Dubash	May 02, 2011	Sister of Nisaba Godrej and Pirojsha Godrej	Promoter/ Non-Executive	8 (5)	2	0	66#
Pirojsha Godrej	April 01, 2017	Brother of Tanya Dubash and Nisaba Godrej	Promoter/ Non-Executive	6 (3)	4	1	3,70,129#
Sudhir Sitapati	October 18, 2021	None	Managing Director & CEO	1 (1)	0	0	Nil
Narendra Ambwani	May 02, 2011	None	Non-Executive/ Independent	4 (4)	7	1	3,000
Pippa Armerding	January 30, 2018	None	Non-Executive/ Independent	1 (1)	1	0	Nil
Sumeet Narang	April 01, 2019	None	Non-Executive/ Independent	2 (2)	1	1	Nil
Omkar Goswami	June 18, 2008	None	Non-Executive/ Independent	2 (2)	3	0	Nil
Ndidi Nwuneli	April 01, 2017	None	Non-Executive/ Independent	1 (1)	1	0	Nil
Ireena Vittal	April 30, 2013	None	Non-Executive/ Independent	3 (3)	3	0	Nil

#This shareholding reflects holding in their own name and does not include shares held as one of the trustee of family trusts.

*Does not include directorships in private companies, Section 8 companies, and foreign companies. Figures in brackets denote directorships in listed companies.

**Does not include chairmanship/membership in Board Committees other than the Audit Committee and Stakeholders' Relationship Committee and chairmanship/membership in board committees in companies other than public limited companies registered in India.

(iii) Details of directorship in other listed companies including category of their directorship as on March 31, 2022

Names of Directors		Directorship in Other Listed Companies	Category of Directorship
Nisaba Godrej	1.	Godrej Agrovet Limited	Director
	2.	VIP Industries Limited	Independent Director
	3.	Mahindra and Mahindra Limited	Independent Director
	4.	Bharti Airtel Limited	Independent Director
Jamshyd Godrej	1.	Godrej Industries Limited	Director
	2.	Godrej Agrovet Limited	Director
	3.	Godrej Properties Limited	Director
Nadir Godrej	1.	Godrej Industries Limited	Chairman & Managing Director
	2.	Astec Lifesciences Limited	Chairman
	3.	Godrej Agrovet Limited	Chairman
	4.	Godrej Properties Limited	Director
Tanya Dubash	1.	Godrej Industries Limited	Director
	2.	Godrej Agrovet Limited	Director
	3.	Britannia Industries Ltd	Independent Director
	4.	Escorts Limited	Independent Director
Pirojsha Godrej	1.	Godrej Agrovet Limited	Director
	2.	Godrej Properties Limited	Chairman
Sudhir Sitapati		NIL	-
Narendra Ambwani	1.	Parag Milk Foods Limited	Independent Director
	2.	Agro Tech Foods Limited	Independent Director
	3.	RPG Life Sciences Limited	Independent Director
Pippa Tubman Armerding		NIL	-
Sumeet Narang	1.	Sapphire Foods India Limited	Director
Ndidi Nwuneli		NIL	-
Omkar Goswami	1.	Ambuja Cements Limited	Independent Director
Ireena Vittal	1.	Housing Development Finance Corporation Limited	Independent Director
	2.	Wipro Limited	Independent Director

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

Names of Meetings	Board	Audit Committee	Nomination and Remuneration Committee	Corporate Social Responsibility	Stakeholders' Relationship Committee	Risk Management Committee	Sustainability Committee	Independent Directors' Meeting	AGM August 4, 2021
Number of Meetings held	4	4	3	2	1	2	2	3	1
Attendance of Directors									
Adi Godrej*	2	NA	NA	NA	NA	NA	NA	NA	Yes
Jamshyd Godrej	3	NA	NA	NA	NA	NA	NA	NA	Yes
Nadir Godrej	4	NA	NA	2	NA	2	2	NA	Yes
Tanya Dubash	3	NA	NA	1	0	NA	2	NA	Yes
Nisaba Godrej	4	NA	NA	2	NA	2	2	NA	Yes
Pirojsha Godrej	4	2	NA	NA	1	NA	NA	NA	Yes
Narendra Ambwani	4	3	2	2	1	NA	2	3	Yes

Names of Meetings	Board	Audit Committee	Nomination and Remuneration Committee	Corporate Social Responsibility	Stakeholders' Relationship Committee	Risk Management Committee	Sustainability Committee	Independent Directors' Meeting	AGM August 4, 2021
Pippa Armerding	4	3	3	NA	NA	NA	NA	3	Yes
Sumeet Narang	4	4	3	NA	NA	NA	NA	3	Yes
Omkar Goswami	4	4	NA	NA	NA	2	NA	3	Yes
Aman Mehta*	2	2	2	NA	NA	NA	NA	1	Yes
Ndidi Nwuneli	4	4	NA	NA	NA	NA	2	3	Yes
Ireena Vittal	4	4	3	NA	NA	NA	NA	3	Yes
Sudhir Sitapati#	2	2	NA	1	NA	1	1	NA	-

*Mr. Adi Godrej ceased to be Director with effect from September 30, 2021 and Mr. Aman Mehta ceased to be Independent Director with effect from August 31, 2021.

#Mr. Sudhir Sitapati was appointed as Managing Director and CEO with effect from October 18, 2021. He became member of Risk Management Committee and CSR Committee with effect from October 18, 2021.

Notes:

- 'NA' indicates not a member of the committee.
- The maximum gap between any two board meetings did not exceed 120 days during the year.
- Leave of absence was granted to the Directors whenever they could not be present for the Board/ Committee meeting.
- Board meetings were held on May 11, 2021, Aug 4, 2021, Nov 11, 2021 and Feb 8, 2022.
- Audit Committee meetings were held on May 11, 2021, Aug 4, 2021, Nov 11, 2021 and Feb 8, 2022.
- Nomination and Remuneration Committee meetings were held on May 11, 2021, Aug 4, 2021 and Feb 8, 2022.
- The Independent Directors meeting was held on May 11, 2021, Nov 11, 2021 and Feb 8, 2022.
- The Stakeholders' Relationship Committee meeting was held on Aug 4, 2021.
- Risk Management Committee meetings were held on Sept 7, 2021 and Jan 27, 2022.
- Corporate Social Responsibility and Sustainability Committee meetings were held on May 11, 2021 and Nov 11, 2021.

(i) Reappointment of Directors liable to retire by rotation

The Board has five Directors whose period of office is liable to be determined for retirement by rotation, and out of these, one-third, i.e. two Directors, shall retire at the Annual General Meeting. Thus, Mr. Jamshyd Godrej and Ms. Tanya Dubash will retire at the ensuing Annual General Meeting of the Company and, being eligible, will be considered for reappointment as per the provisions of Companies Act, 2013, Listing Regulations and Articles of Association of the Company. Their brief resume is annexed to the notice of the Annual General Meeting.

F. Committees of the Board

The Company has constituted an Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Stakeholders' Relationship Committee formed in accordance with Regulation 20 of the Listing Regulations and Section 178 of the Companies Act, 2013 inter alia looks into investor grievances. The Company has also formed a Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, which looks after the appointment, remuneration, and performance evaluation of Directors. The Company also has a Risk Management Committee in accordance with Regulation 21 of the Listing Regulations & CSR Committee in compliance with Section 135 of the Companies Act 2013.

GCPL has also formed a new Committee called 'Sustainability Committee' with effect from April 1, 2021 in order to strengthen oversight and governance of Sustainability risks, opportunities and progress against goals. The Sustainability Committee consist of Ms. Nisaba Godrej, Mr. Sudhir Sitapati, Ms. Tanya Dubash, Mr. Nadir Godrej, Mr. Narendra Ambwani and Ms. Ndidi Nwuneli as Members. The Committee will meet at least twice in a year.

Composition of the Committees as on March 31, 2022

Names of Directors	Position in the Committee						
	Category	**Audit Committee**	**Nomination & Remuneration Committee**	**Stakeholders' Relationship Committee**	**Risk Management Committee**	**CSR Committee**	**Sustainability Committee**
Nisaba Godrej	Promoter and Executive Chairperson	None	None	None	Member	Member	Chairperson
Jamshyd Godrej	Promoter and Non-Executive	None	None	None	None	None	None
Nadir Godrej	Promoter and Non-Executive	None	None	None	Member	Chairman	Member
Tanya Dubash	Promoter and Non-Executive	None	None	Member	None	Member	Member
Pirojsha Godrej	Promoter and Non-Executive	Member	None	Chairman	None	None	None
Sudhir Sitapati	Managing Director and CEO	None	None	None	Member*	Member*	Member*
Narendra Ambwani	Independent	Member	Chairman	Member	None	Member	Member
Pippa Armerding	Independent	Member	Member	None	None	None	None
Sumeet Narang	Independent	Chairman#	Member	None	None	None	None
Omkar Goswami	Independent	Member	None	None	Chairman	None	None
Ndidi Nwuneli	Independent	Member	None	None	None	None	Member
Ireena Vittal	Independent	Member	Member	None	None	None	None
Total Strength of the Committee		7	4	3	5	5	6
Number of Independent Directors in the Committee		6	4	1	1	1	2

Names of Directors	Position in the Committee						
	Category	**Audit Committee**	**Nomination & Remuneration Committee**	**Stakeholders' Relationship Committee**	**Risk Management Committee**	**CSR Committee**	**Sustainability Committee**
Number of Non-Independent Directors in the Committee		1	-	2	3	4	4
Members of Senior Management in the Committee		-	-	-	1	-	-

*Mr. Sudhir Sitapati became member of Risk Management Committee, CSR and Sustainability Committee with effect from October 18, 2021.

#Mr. Sumeet Narang became chairman of Audit Committee with effect from September 1, 2021.

Mr. Rahul Botadara, Company Secretary & Compliance Officer, is the Secretary of all the Board Committees. He is also responsible for redressing investor grievances.

G. Terms of reference of Board Committees

(i) Audit Committee

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

Financial Statements

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.

- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(a) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013.

(b) Changes, if any, in accounting policies and practices and reasons for the same.

(c) Major accounting entries involving estimates based on the exercise of judgment by the management.

(d) Significant adjustments made in the financial statements arising out of audit findings.

(e) Compliance with listing and other legal requirements relating to financial statements.

(f) Disclosure of any related party transactions.

(g) Modified opinion(s) in the draft audit report.

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

- Scrutiny of intercorporate loans and investments.

Review of Information

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

- Reviewing the management discussion and analysis of financial condition and results of operations.

- Statement of deviations:

- quarterly statement of deviation(s) including the report of the monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

- annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

Internal Control

- Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems.

- Evaluation of internal financial controls and risk management systems.

- 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.

External and Internal Audit

- Recommendation for appointment, remuneration, and terms of appointment of auditors of the Company.

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

- Reviewing of management letters/ letters of internal control weakness issued by the statutory auditors.

- Reviewing the appointment, removal, and terms of remuneration of the chief internal auditor.

- Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage, and frequency of internal audit.

- Reviewing internal audit reports relating to internal control weakness.

- Discussion with internal auditors of any significant findings and follow-up thereon.

- 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.

- Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process.

- Periodical discussions with the auditors about internal control systems and the scope of audit including the observations of the auditors and review of the quarterly, half yearly, and annual financial statements before submission to the Board. Overseeing compliance of internal control systems.

Subsidiary Companies

- The Committee shall have access to the Audit Committee minutes of the subsidiary companies.

- Reviewing the financial statements, in particular the investments made by the subsidiary companies.

- Recommending the revision in the Policy for determining Material Subsidiaries to align it with the extant applicable provisions.
- Reviewing the utilisation of loans and/or advances from/ investment in the subsidiary exceeding ₹ 100 crore or 10 per cent of the asset size of the subsidiary, whichever is lower, including existing loans and advances.

Related Party Transactions

- Approval or any subsequent modification of transactions of the Company with related parties.
- Formal approval or omnibus approval of transactions with related parties or any subsequent modification of transactions of the Company with related parties including their basis.
- Laying down criteria for granting omnibus approval to related party transactions.
- Satisfy itself of the need for omnibus approval of related party transactions so that that the approval is in the interest of the Company.
- Granting omnibus approval for related party transactions not exceeding ₹ 1 crore per transaction in a financial year.
- Reviewing on a quarterly basis, the statement of such significant related party transactions as may be specified by the Committee and the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given.
- Recommending the revision in the Policy on Material-Related Party Transactions and on dealing with Related Party Transactions to align it with the extant applicable provisions.

Compliance

- Looking 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, if any.
- Reviewing the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non- compliance.
- Reviewing the findings of any examinations by regulatory agencies and any auditor observations.
- Reviewing the process for communicating the Code of Conduct to Company personnel and for monitoring compliance therewith.
- Reviewing compliance with respect to the provisions of Insider Trading Regulations at least once in a financial year and verifying that the systems for internal control for compliance with these regulations are adequate and operating effectively.
- Obtaining regular updates from the management regarding compliance matters.

Other Responsibilities

- Reviewing the functioning and compliances as regards the Company's Whistle Blower Policy.
- Approval of the appointment of the Chief Financial Officer after assessing the qualifications, experience, and background of the candidate.
- Valuation of undertakings or assets of the Company, wherever it is necessary by appointing

a Registered Valuer in terms of Section 247 of the Companies Act, 2013.

- Instituting and overseeing special investigations as needed.
- Performing any other functions and activities related to this terms of reference as requested by the Board of Directors.
- Performing any other functions as required to be done by the Audit Committee as per the provisions of the Companies Act, 2013, the Listing Regulations, and any other laws or regulations from time to time.

(ii) Nomination and Remuneration Committee

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

- Formulation of the criteria for determining qualifications, positive attributes, and independence of a Director and recommendation to the Board of Directors a policy relating to the remuneration of the Directors, key managerial personnel, and other employees.
- Formulation of criteria for the evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on the diversity of Board of Directors.
- Identifying individuals who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board of Directors their appointment and removal.
- Deciding whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.
- Recommending to the Board, all remuneration, in whatever form, payable to senior management.
- Administering the Employee Stock Grant Scheme of the Company and render all such functions required to be done under the SEBI (Share-Based Employee Benefit) Regulations, 2015.
- Performing any other functions and activities related to the terms of reference as requested by the Board of Directors.
- Performing any other functions as required to be done by the Nomination and Remuneration Committee as per the provisions of the Companies Act, 2013, the Listing Regulations, and any other laws or regulations from time to time..

(iii) Stakeholders' Relationship Committee

- Resolving the grievances of the security holders of the Company, including complaints relating to transfer/transmission of shares, non-receipt of Annual Report, and non-receipt of declared dividends; issue of new/duplicate certificates; and general meetings.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of 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.

- Performing any other functions and activities related to the terms of reference as requested by the Board of Directors.

- Performing any other functions as required to be done by the Stakeholders' Relationship Committee as per the provisions of the Companies Act, 2013, the Listing Regulations, and any other laws or regulations from time to time..

(iv) Risk Management Committee

- To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, 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

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

- Performing any other functions and activities related to this terms of reference as requested by the Board of Directors or any of its Committees or the Company management.

- Performing any other functions as required to be done by the Risk Management Committee as per the provisions of the Companies Act, 2013, the Listing Regulations and any other laws or regulations from time to time.

(v) Corporate Social Responsibility Committee

- Formulate and recommend to the Board a Corporate Social Responsibility Policy that shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013.

- Recommend the amount of expenditure to be incurred on the activities referred above.

- Monitor the Corporate Social Responsibility Policy of the Company from time to time;

- Perform any other functions and activities related to the terms of reference as requested by the Board of Directors.

- Perform any other functions as required to be done by the Corporate Social Responsibility Committee as per the provisions of the Companies Act, 2013, the Listing Regulations, and any other laws or regulations from time to time.

(vi) Sustainability Committee

- Spearhead GCPL's overall Sustainability ambition, strategy and long-term thinking.

- Review progress against Sustainability goals across the company.

- Review key Sustainability risks for GCPL, set standards for monitoring, and sign off mitigation measures.
- Frame key long-term Sustainability opportunities for GCPL and align Board of Directors as required
- Formulate and recommend to the Board of Directors, key Sustainability policies, as required.
- Performing any other functions and activities related to these terms of reference as requested by the Board of Directors.

2. REMUNERATION POLICY

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

Remuneration to Directors:

Details of the remuneration to Directors are as follows:

Amount (₹) crore

Names of Directors	Sitting Fees	Commission on Profits	Salary, Allowances and Other Benefits	Company's Contribution to PF	Monetary Value of Perquisites	Total
Whole-Time Directors						
Adi Godrej	-	-	9.38	0.10	0.87	10.35
Nisaba Godrej	-	-	3.99	0.18	0.70	4.88
Sudhir Sitapati	-	-	2.33	0.11	0.21	2.66
Subtotal	**-**	**-**	15.70	0.39	1.78	17.89
Non-Executive Directors						
Jamshyd Godrej	0.03	0.20	-	-	-	0.23
Nadir Godrej	0.05	0.20	-	-	-	0.25
Tanya Dubash	0.03	0.20	-	-	-	0.23
Pirojsha Godrej	0.05	0.20	-	-	-	0.25
Narendra Ambwani	0.06	0.35	-	-	-	0.41
Pippa Armerding	0.05	0.35	-	-	-	0.40
Omkar Goswami	0.05	0.35	-	-	-	0.40
Ndidi Nwuneli	0.05	0.35	-	-	-	0.40
Aman Mehta	0.05	0.15	-	-	-	0.20
Sumeet Narang	0.00	0.00	-	-	-	0.00
Ireena Vittal	0.05	0.35	-	-	-	0.40
Subtotal	0.47	2.70	0.00	0.00	0.00	3.17
Total	0.47	2.70	15.70	0.39	1.78	21.06

Notes:

- Mr. Adi Godrej ceased to be a Board Member w.e.f. September 30, 2021. In the case of Mr. Adi Godrej, salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites includes maintenance of accommodation, car, electricity expenses, reimbursement of medical/ hospitalisation expenses, perquisites for employer's provident fund contribution and medical insurance premium paid by the Company till September 30, 2021.

- In the case of Ms. Nisaba Godrej, salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites includes accommodation and electricity expenses, reimbursement of medical/ hospitalisation expenses, perquisites for employer's provident fund contribution.

- Mr. Sudhir Sitapai has been appointed as the Managing Director & CEO w.e.f. October 18, 2021. In his case, salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites includes perquisites for car, perquisites for employer's provident fund contribution.

- Ms. Nisaba Godrej and Mr. Sudhir Sitapati are eligible for Performance Linked Variable Remuneration (PLVR) based on the delta improvement in Economic Value Added that reflects profitability and optimum utilisation of capital employed, components of revenue growth and innovation rate. PLVR payable to Ms. Nisaba Godrej and Mr. Sudhir Sitapati for FY 2021-22 will be paid in FY 2022-23, and hence will be reflected in 2022-23 Annual Report. Mr. Adi Godrej and Ms. Nisaba Godrej had waived the remuneration including PLVR for FY 2020-21 and hence no payment reflected in the above table.

- Mr Aman Mehta ceased to be Independent Director with effect from August 31, 2021.

- The shareholders have authorised the payment of commissions on profits to Non-Executive Directors at a rate not exceeding 1 per cent of net profits of the Company with authority to the Board to determine the manner and proportion in which the amount is distributed among the Non-Executive Directors. The Board has authorised a base commission of ₹ 20 lakhs per annum to each Non-Executive Director. All the Independent Directors are paid an additional commission linked to their attendance in various Committee meetings. In addition, all the Non-Executive Directors are paid sitting fees for attending the meetings of the Board or Committees thereof.

- Mr Sumeet Narang has voluntarily waived the remuneration receivable from the Company.

- All the Independent Directors except Ms Ndidi Nwuneli, Ms Pippa Armerding, and Mr Sumeet Narang were originally appointed in terms of the erstwhile Listing Agreement (refer to the table containing other relevant details of the Directors under Para 1 of Board of Directors for the original date of appointment). After the notification of Companies Act, 2013, these Independent Directors have been appointed for a period of 5 years.

3. DETAILS OF STAKEHOLDER COMPLAINTS

Sr. No.	Nature of Complaint/Query	Total Complaints Pending at the Beginning of the Year	Total Complaints Received During the Year	Total Complaints Replied During the Year	Total Complaints Pending at the End of the Year	Complaints Not Resolved to the Satisfaction of Shareholders
1.	Non-receipt of dividend	Nil	55	55	0	0
2.	Non-receipt of shares lodged for transfer/exchange	Nil	20	20	0	0
3.	Non-receipt of the Annual Report	Nil	0	0	0	0
4.	Others	Nil	41	41	0	0
	Total	Nil	116	116	0	0

4. GENERAL BODY MEETINGS

A. Annual General Meeting

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

Date	Time	Venue	Details of Special Resolutions Passed
August 1, 2019	1.30 p.m.	Godrej One, 1st Floor Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079	Reappointment of Mr. Narendra Ambwani, Mr. Aman Mehta, Dr. Omkar Goswami, and Ms. Ireena Vittal as Independent Directors for a second term of 5 years.
August 4, 2020	04:00 p.m.	Video conferencing	NIL
August 4, 2021	04:00 p.m.	Video conferencing	NIL

No postal ballot was conducted during the FY 2021-2022.

5. MEANS OF COMMUNICATION

GCPL sends quarterly newsletters to the registered email addresses of the investors. Moreover, all vital information related to the Company and its performance, including quarterly results, press releases, and performance updates/ corporate presentations, and the information required by the Listing Regulations are posted on the Company's website– www.godrejcp.com. The quarterly, half yearly, and annual results of the Company's performance are generally published in Business Line as well as in the Marathi newspaper Lokmat. Members of the management team holds conference calls/ meetings with financial analysts once in a quarter, and their transcripts are posted on the website. With effect from April 1, 2022, the transcripts and link for audio recordings are filed with the Stock Exchange. The same is also available on the investors page of the Company's website. The presentations made to financial analysts and institutional investors are shared with the Stock Exchanges and uploaded on the Company's website. The same may be accessed through the link given below[2]. The Company files its quarterly results on the electronic filing system of the Bombay Stock Exchange (BSE) Limited and National Stock Exchange of India Limited (NSE). The same are also available on the websites of the BSE Limited and NSE, namely https://www.bseindia.com and www.nseindia.com, respectively.

Reminders to Investors

Shareholders who are holding shares in a physical form have to comply with SEBI Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has already sent requisite KYC forms to shareholders via ordinary posts to update their details as required by RTA. If the shareholders don't submit those documents then his/ her folio will get freezed from April 1, 2023. The shareholder shall not be eligible to lodge grievance or avail service request /dividend payment against the folio till such time the documents are submitted. The circular can be accessed through link given below[3] The KYC forms can be downloaded through the link below[4].

[2] https://godrejcp.com/investors

[3] https://www.sebi.gov.in/legal/circulars/nov-2021/common-and-simplified-norms-for-processing-investor-s-service-request-by-rtas-and-norms-for-furnishing-pan-kyc-details-and-nomination_53787.html

[4] https://web.linkintime.co.in/KYC-downloads.html

6. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting

Date and Time:	Wednesday, August 3, 2022, 5.45 p.m. (IST)
Venue:	Video Conferencing/ Other audio visual means

B. Financial Calendar

Financial Year:	April 1, 2021 to March 31, 2022

C. The Board did not declare any Interim Dividends during Fiscal Year 2021-22, and also has not recommended any final dividend for the fiscal year.

D. Listing

The Company's shares are listed and traded on the following stock exchanges:

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

The applicable listing fees has been paid to the stock exchanges before the due date.

E. Market Price Data

The monthly high and low prices of GCPL at the BSE Limited and the NSE in Equity series for the year ended March 31, 2022, are as follows:

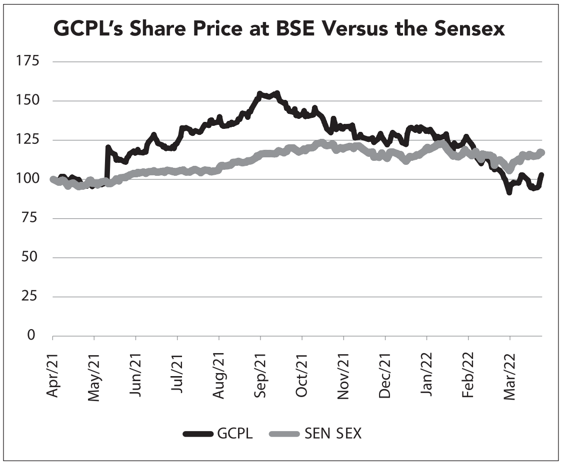
Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-21	747.85	687.75	748.00	687.50
May-21	894.90	685.00	892.00	687.60
Jun-21	941.00	836.45	942.35	836.45
Jul-21	1009.95	869.35	1010.00	869.00
Aug-21	1100.00	957.80	1100.00	957.05
Sep-21	1138.50	1011.40	1138.00	1010.95
Oct-21	1073.00	930.20	1072.20	930.00
Nov-21	985.00	876.75	985.25	877.05
Dec-21	976.00	871.40	976.00	871.20
Jan-22	975.40	849.40	976.00	848.75
Feb-22	929.70	742.45	929.50	742.05
Mar-22	765.30	660.20	764.90	660.05

Source: Websites of the respective stock exchanges

Note: High and low are in rupees per traded share

F. GCPL's Share Price at BSE Versus the Sensex

GCPL's share performance compared with the BSE Sensex for fiscal year 2020-21 is as follows:



Note:

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

G. Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd, 147, Unit: Godrej Consumer Products Limited,
C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083
Tel. No.: 022-49186270
Email ID: rnt.helpdesk@linkintime.co.in
Website: https://linkintime.co.in/

Note: As per the announcement made by the Company on stock exchanges on October 1, 2021. The Company has changed its RTA from Computech Sharecap Limited to Link Intime India Pvt Ltd. with effect from October 1, 2021. All the future correspondence regarding the securities of the Company may be addressed to Link Intime India Pvt. Ltd.

H. Share Transfer

In terms of amendments to Regulation 40 of Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form has been stopped by SEBI.

SEBI has given the following clarifications:

1. The above decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after April 01, 2019.

2. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized.

The above decision by SEBI is not applicable for demat of shares, transmission (i.e. transfer of title of shares by way of inheritance / succession) and transposition (i.e. re-arrangement / interchanging of the order of name of shareholders) cases.

I. Distribution of Shareholding

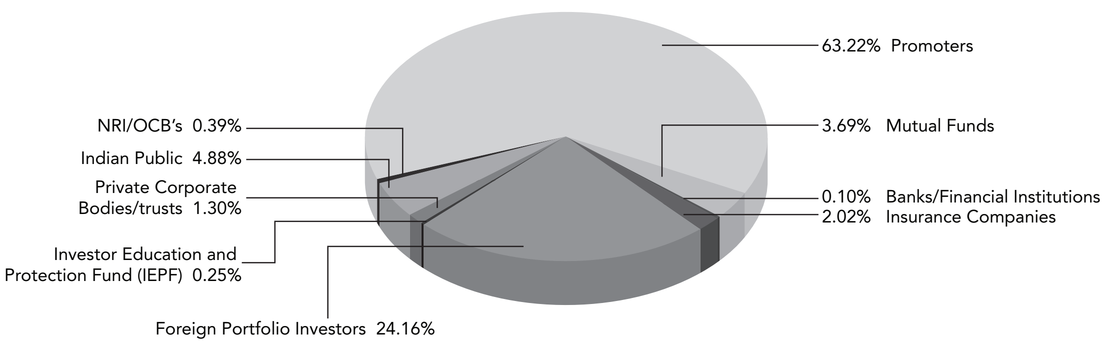
Distribution of shareholding by size class as on March 31, 2022

Number of Shares	Number of Shareholders	Shareholders %	Number of shares held	Shareholding %
1-500	2,31,291	91.10	1,54,87,659	1.51
501-1,000	11,766	4.63	82,06,736	0.80
1,001-2,000	6,332	2.49	91,47,939	0.89
2,001-3,000	1,624	0.64	39,80,942	0.39
3,001-4,000	736	0.29	25,88,244	0.25
4,001-5,000	372	0.15	16,64,133	0.16
5,001-10,000	703	0.28	48,07,828	0.47
10,001 and above	1072	0.42	97,66,97,598	95.51
Total	**2,53,896**	**100.00%**	**1,02,25,81,079**	**100.00%**

Distribution of shareholding by ownership as on March 31, 2022:

Category	Shares Held (Number)	Per Cent of Holding
Promoter's Holding:		
Promoters	64,64,88,267	63.22%
Institutional Investors:		
Mutual Funds	3,77,06,859	3.69%
Banks/Financial Institutions	10,21,083	0.10%
Insurance Companies	2,06,84,432	2.02%
Foreign Portfolio Investors	24,70,28,926	24.16%
Others:		
Investor Education and Protection Fund (IEPF)	25,10,905	0.25%
Private Corporate Bodies/trusts	1,32,95,160	1.30%
Indian Public	4,99,04,360	4.88%
NRI/OCB's	39,41,087	0.39%
Total	**1,02,25,81,079**	**100.00%**

Shares held (Nos.)



J. Shares Held in Physical and Dematerialised Forms

Breakup of physical and dematerialised shares as on March 31, 2022:

	Number of Shares	Per Cent	Number of Folios	Per Cent
Physical	77,40,306	0.76	16,214	6.39
Demat	1,01,48,40,773	99.24	2,37,682	93.61
Total	**1,02,25,81,079**	**100.00**	**253,896**	**100.00**

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

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

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

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

GCPL is exposed to commodity risks mainly due to imported palm oil derivatives. We enter into fixed price contracts with overseas suppliers in order to hedge price volatility.

Regarding commodities that 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 the Financial Statement of the Annual Report.

Details of the exposure of the Company to palm oil derivatives are given below:

Commodity Name	Exposure in ₹ (Purchase orders raised during the year)	Exposure in Qty	% of such exposure hedged through commodity derivatives				
			Domestic market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Palm Oil Derivatives	1465.95 crore	1.48 Lac MT	Nil	Nil	Nil	Nil	Nil

M. Plant Locations

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

Names of States /Union Territory	Location of Plants
Jammu & Kashmir	SICOP Industrial Estate-Kathua, Hatli Moth-Kathua, Industrial Area Phase III Lane 2, Bari Brahmana- Distt Sambha
Himachal Pradesh	Thana-Baddi, Katha-Baddi
Sikkim	Mamring, South Sikkim
Assam	Kalapahar-Guwahati, Lalung gaon-lokhra, Brahamputra industrial park-village silla, Sarusajai-lokhra
Meghalaya	Byrnihat, Rebhoi District
Madhya Pradesh	Malanpur Industrial Area, District Bhind
Pondicherry	Kattukuppam-Manpet Post, Nallur Village-Mannadipet Commune, Nedungadu Commune-Karaikal, Thirunallar Commune-Karaikal
Tamil Nadu	Maraimalai nagar-Chengalpattu District

N. Address for Correspondence relating to queries of GCPL shares

Shareholders can contact us at our Registered Office: The Secretarial Department, Godrej Consumer Products Limited, 4th Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079

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

Website: www.godrejcp.com

CIN: L24246MH2000PLC129806

Investor correspondence should be addressed to M/s. Link Intime India Pvt. Ltd, 147, Unit: Godrej Consumer Products Limited,
C-101, 247 Park, L B S Marg, Vikhroli West,
Mumbai – 400 083
Tel. No.: 022-49186270
Email ID: rnt.helpdesk@linkintime.co.in

Website: https://linkintime.co.in/

O. List of Credit Ratings Obtained during the Year

During the year, rating agencies have reaffirmed the following existing credit ratings of the Company.

[ICRA] A1+ (pronounced as ICRA A one plus) for ₹ 750 crore Commercial paper

Crisil A1+ for ₹ 750 crore for Commercial paper

Long-term rating at [ICRA] AAA for fund based and non-fund based facilities for ₹ 800 Crore and short-term rating at [ICRA] A1+ ₹ 800 crore.

P. Consolidation of Shares under One Folio

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

7. OTHER DISCLOSURES

A. Materially Significant Related Party Transactions That May Potentially Conflict with the Company's Interest

During fiscal year 2021-22, there were no materially significant related party transactions; that is, transactions of the Company of material nature with bodies including its subsidiaries, promoters, directors, management, and relatives, which may have potential conflict with the interests of the Company at large. Attention of members is drawn to disclosures of transactions with related parties, as set out in Notes to Accounts.

B. Details of Non-Compliance

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

C. Vigil Mechanism/ Whistle Blower Policy

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

D. Web Link for Policies

The Whistle Blower Policy, the Policy for determining Material Subsidiaries, and the Policy on dealing with Related Party Transactions are available on the link given below[5]

E. Utilisation of Funds

There were no funds raised through preferential allotment or qualified institutions' placement as specified under Regulation 32 (7A) during this financial year.

F. Unclaimed Suspense Account

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

[5] https://godrejcp.com/sustainability/codes-and-policies

Particulars	No. of Shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year (April 1, 2021)	1,513	864,429
Number of shareholders and aggregate shares transferred to the Unclaimed Suspense Account during the year	0	0
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year and aggregate shares transferred	20	12,960
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year and the aggregate shares transferred	20	12,960
Number of shareholders to whose shares were transferred from the Unclaimed Suspense Account to the IEPF Account during the year and the aggregate shares transferred	0	0
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year (March 31, 2022)	1,493	8,51,469

G. Certificate from Practicing Company Secretary on Director's Eligibility

The Company has received a certificate from a company secretary in practice 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 the Companies by the SEBI, Ministry of Corporate Affairs, or any such other statutory authority. The certificate is enclosed with this section as Annexure A.

H. Details of Total Fees Paid to Statutory Auditors

Details of total fees for all the services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in network firms/ network entity of which the statutory auditor is a part are as follows:

Amount ₹ crore

Type of Services	2021-22	2020-21
Audit Fees	6.88	6.75
Tax Fees	0.11	0.20
Others	0.49	0.45
Total	7.48	7.40

I. Disclosures in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013:

	Received during calendar year 2021	Disposed during Financial year 2021	Pending at the end of Financial year 2021
Number of Complaints	2	2	0

J. Disclosure by listed entity and its subsidiaries of 'Loans and advances in nature of loans to firms/companies in which directors are interested by name and amount: NIL

K. Details of Compliance with Corporate Governance Requirements

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

L. Recommendation by the Board Committees

There have been no instances of rejection by the Board for any recommendations by the Board Committees during this financial year.

8. PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

As stipulated in Para E of Schedule V of the Listing Regulations, the practicing Company Secretary's certificate regarding the compliance of conditions of corporate governance is attached to the Board's Report.

DECLARATION BY THE MANAGING DIRECTOR

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

The Board of Directors of GCPL has laid down a Code of Conduct for all the Board members and senior management of the Company. The said Code of Conduct has also been posted on the Investors page of the Company website www.godrejcp.com

All the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the year ended March 31, 2022.

For Godrej Consumer Products Ltd.

sd/-
Sudhir Sitapati
Managing Director & CEO
Mumbai, May 19, 2022

ANNEXURE A:

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
Godrej Consumer Products Limited
4th Floor, 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 Consumer Products Limited having CIN - L24246MH2000PLC129806 and having a registered office at Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079 (hereinafter referred to as 'the Company'), produced before us (including soft copies in some cases due to work from home policy continued) by the Company for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para C Subclause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion, to the best of our knowledge, and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and 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 March 31, 2022 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.	Names of Directors	DIN	Date of Appointment in Company
1	Tanya Dubash	00026028	May 2, 2011
2	Nadir Godrej	00066195	November 29, 2000
3	Jamshyd Godrej	00076250	March 1, 2001
4	Pirojsha Godrej	00432983	April 1, 2017
5	Nisaba Godrej	00591503	May 2, 2011
6	Sudhir Sitapati	09197063	October 18, 2021
7	Narendra Ambwani	00236658	May 2, 2011
8	Sumeet Narang	01874599	April 1, 2019
9	Omkar Goswami	00004258	June 18, 2008
10	Ireena Vittal	05195656	April 30, 2013
11	Ndidi Okonkwo Nwuneli	07738574	April 1, 2017
12	Pippa Fametta Tubman Amerding	08054033	January 30, 2018

Ensuring the eligibility 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 A. N. Ramani & Co.,
Company Secretaries
UNIQUE CODE-P2003MH000900
Bhavana Shewakramani
Partner
FCS-8636, COP-9577
UDIN :- F0086336D000349460

Date : May 19, 2022
Place : Thane

Independent Auditors' Report

To the Members of
Godrej Consumer Products Limited

Report on the Audit of the Standalone Financial Statements

Opinion
We have audited the standalone financial statements of Godrej Consumer Products Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone 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 (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, 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, 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 Auditor's 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 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 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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue recognition	Our audit procedures included:
(Refer note 30 to the standalone financial statements) Revenue is measured net of any discounts and rebates. Recognition and measurement of discounts and rebates accruals, involves judgement and estimates. This leads to a risk of revenue being misstated due to inaccurate estimation over discounts and volume rebates.	Assessing the compliance of revenue recognition accounting policies, including those relating to discounts and rebates, with reference to Ind AS 115 Revenue from contracts with customers (applicable accounting standard);

Revenue is recognised when the control of the products being sold has transferred to the customer. There is a risk of revenue being overstated on account of manipulation in the timing of transfer of control, due to the pressure on the Company to achieve performance targets for the year. Accordingly, revenue recognition is considered to be a key audit matter.	Testing the design, implementation and operating effectiveness of the Company's general IT controls and key IT application / manual controls over the Company's systems, with the assistance of our IT specialists. These IT systems enable recording of revenue and computing discounts and volume rebates in the general ledger accounting system; Performing substantive testing (including for period end cut-off) by selecting statistical samples of revenue transactions recorded for the year and agreeing to the underlying documents, which included sales invoices and shipping documents; Performing substantive testing by agreeing statistical samples of discounts and rebate accruals and disbursements to underlying documents; Performing a retrospective assessment of discounts and rebate accruals with prior period to evaluate the historical accuracy; and Assessing manual journals posted to revenue to identify unusual items.
Intangible Assets -impairment assessment (Refer note 4 to the standalone financial statements). The carrying amount of brands (indefinite life intangible assets) represent 9% of the Company's total assets. The annual impairment testing of these intangible assets by the Company involves significant estimates and judgment due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, impairment assessment of intangible assets is considered to be a key audit matter.	Our audit procedures included: Evaluating design and implementation and testing operating effectiveness of controls over the Company's process of impairment assessment and approval of forecasts; Assessing the valuation methodology and challenging the assumptions used, in particular those relating to forecast revenue growth and earnings, weighted average cost of capital and royalty rates, with the assistance of our valuation specialists; Assessing the reliability of the financial projections prepared by the Company by comparing projections for previous financial years with actual results realized and analysis of significant variances; Performing sensitivity analysis on the assumptions noted above; and Evaluating the adequacy of disclosures in respect of the intangible assets in the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, 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 in the 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.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements
The Company's Management and 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 state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Management and 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 is 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 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 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 and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors 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.

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.

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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 42 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 31 March 2022.

c) There has been no delay in transferring 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, as disclosed in Note 51 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, 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 ("Ultimate Beneficiaries") by or on behalf of the Company 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, as disclosed in Note 52 to the standalone financial statements, 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Vijay Mathur
Partner
Membership No: 046476
UDIN: 22046476AJFSBE3398

Mumbai: 19 May 2022

Annexure A to the Independent Auditor's Report - 31 March 2022

(Referred to in our report of even date)

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a)(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 by which all property, plant and equipment 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 discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable 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 on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has 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 more than 10% 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 not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a)(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 made investments in and provided guarantees to companies and other parties during the year, in respect of which the requisite information is as below. The Company has not made any investments in or provided guarantees to firms and limited liability partnership during the year. The Company has not provided any security or granted loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year.

(a)(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided guarantees to companies as below:

Particulars	**Guarantees (₹ in Crores)**
Aggregate Amount during the year	
- Subsidiaries	278.54
Balance outstanding as at the balance sheet date	
- Subsidiaries	1,220.51

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and guarantees provided, and the terms and conditions of the guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(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, provisions of clauses 3(iii) (c) to (f) of the Order are 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 provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act"). In respect of the investments made and guarantees given 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, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Provident Fund, Employee's State Insurance and Profession Tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Profession Tax, Cess and other statutory dues were in arrears as at 31 March 2022 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, Goods and Services Tax ('GST'), Excise duty and Income-Tax which have not been deposited on account of any dispute are as stated in Annexure 1.

(viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (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 defaulted in repayment of borrowings or in the payment of interest thereon to financial institutions during the year. Further, the Company did not have any outstanding loans or borrowings from any other lender during the year.

(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 not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet 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 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 Companies Act, 2013.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(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 not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of clauses 3(xii)(a) to 3(xii)(c) of the Order are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, 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 till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

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

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

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as part of the Group.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 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 realisation 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 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 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) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

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

Vijay Mathur
Partner
Membership No: 046476
UDIN: 22046476AJFSBE3398

Mumbai: 19 May 2022

Annexure I

Name of the Statute	Nature of dues	Amount under Dispute (₹ in crores	Amount paid under protest (₹ crores)	Period to which amount relates	Forum where dispute is pending
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	**28.28**	**12.16**	2002-03 to 2014-15, 2016-17 to 2017-18	Supreme Court
		10.32	**4.73**	1999-00 to 2006-07, 2012-13 to 2016-17	High court
		30.36	**12.57**	2000-03, 2004-2018	Tribunal
		2.54	**0.70**	2007-10, 2012-13, 2016-17	Joint Commissioner
		0.34	**0.13**	1998-99, 2005-06, 2014-15	Deputy Commissioner
		8.32	**3.97**	1996-99, 2000-01, 2002-12, 2013-17	Assistant Commissioner
Goods and Service Tax Act	Goods and Service Tax	**0.61**	**0.61**	2019 to 2021	Tribunal
		0.85	**0.72**	2017 to 2022	Assistant Commissioner
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	**4.06**	**0.04**	2003-04 to 2011 & 2017-18	Commissioner (Appeals)
		38.79	**0.54**	2007-08 to 2011-12 & 2013-14	Commissioner of Central Excise
		61.89	**2.17**	2008 to 2017	Customs, Excise and Service Tax Appellate Tribunal of various states
Income tax Act, 1961	Income tax (including interest and penalty, if applicable)	**6.51**	**-**	2005-06, to 2007-08, 2008-09	High court
		6.27	**-**	2005-06 to 2011-12, 2013-14, 2015-16	Income tax Appellate Tribunal

Annexure B to the Independent Auditors' report on the standalone financial statements of Godrej Consumer Products Limited for the year ended 31 March 2022

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

(Referred to in paragraph 2 (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Godrej Consumer Products Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Company's internal financial controls with reference to standalone 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 standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 judgement, 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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.

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

Vijay Mathur
Partner
Membership No: 046476
UDIN: 22046476AJFSBE3398

Mumbai: 19 May 2022

Standalone Balance Sheet as at March 31, 2022

₹ Crore

	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	**558.21**	543.59
(b) Capital work-in-progress	3A	**76.62**	32.96
(c) Right-of-use assets	3B	**29.84**	41.85
(d) Goodwill	4	**2.48**	2.48
(e) Other intangible assets	4	**801.27**	802.21
(f) Intangible assets under development	4A	**1.69**	4.46
(g) Financial assets			
(i) Investments in subsidiaries and associates	5	**4,409.40**	3,923.76
(ii) Other Investments*	6	**25.20**	-
(iii) Loans	7	**0.03**	0.04
(iv) Others	8	**23.42**	26.35
(h) Deferred tax assets (Net)	9	**349.91**	327.21
(i) Other non-current assets	10	**77.86**	47.10
(j) Non-current Tax assets (Net)	11	**45.96**	40.68
Total Non-current assets		**6,401.89**	**5,792.69**
2. Current assets			
(a) Inventories	12	**790.84**	702.83
(b) Financial assets			
(i) Investments	13	**766.40**	644.42
(ii) Trade receivables	14	**336.92**	247.46
(iii) Cash and cash equivalents	15 A	**35.23**	62.78
(iv) Bank balances other than (iii) above	15 B	**309.74**	20.93
(v) Loans	16	**0.05**	0.06
(vi) Others	17	**38.15**	75.43
(c) Other current assets	18	**203.85**	148.99
Total Current assets		**2,481.18**	**1,902.90**
TOTAL ASSETS		**8,883.07**	**7,695.59**
II. EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share capital	19	**102.26**	102.25
(b) Other Equity	20	**7,748.86**	6,256.93
Total Equity		**7,851.12**	**6,359.18**
2. LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(ia) Lease liabilities	21	**20.42**	31.44
(b) Provisions	22	**57.43**	63.52
(c) Other non-current liabilities	23	**6.93**	14.85
Total Non current liabilities		**84.78**	**109.81**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	**-**	0.14
(ia) Lease liabilities	25	**11.03**	11.98
(ii) Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	26	**23.24**	24.86
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	26	**602.06**	777.50
(iii) Other financial liabilities	27	**89.34**	160.25
(b) Other current liabilities	28	**155.46**	188.20
(c) Provisions	29	**65.08**	62.71
(d) Current tax liabilities (Net)	9	**0.96**	0.96
Total Current liabilities		**947.17**	**1,226.60**
TOTAL EQUITY AND LIABILITIES		**8,883.07**	**7,695.59**

* amounts less than ₹ 0.01 crore

The accompanying notes 1 to 56 are an integral part of the Standalone Financial Statements.

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

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN : 00591503

Sudhir Sitapati
Managing Director & CEO
DIN: 09197063

Vijay Mathur
Partner
M. No. 046476

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and Compliance-Officer

Mumbai: May 19, 2022

Standalone Statement of Profit and Loss for the year ended March 31, 2022

₹ Crore

		Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue				
I	Revenue from Operations	30	**6,951.56**	6,254.33
II	Other Income	31	**69.18**	64.74
III	**Total Income (I + II)**		**7,020.74**	**6,319.07**
IV	**Expenses**			
	Cost of Materials Consumed	32	**3,063.93**	2,394.30
	Purchases of Stock-in-Trade		**325.54**	356.31
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	33	**2.98**	(41.20)
	Employee Benefits Expense	34	**347.52**	417.09
	Finance Costs	35	**7.87**	24.81
	Depreciation and Amortization Expense	36	**85.61**	83.38
	Other Expenses	37	**1,483.05**	1,475.08
	Total Expenses		**5,316.50**	**4,709.77**
V	**Profit Before Exceptional Items and Tax (III-IV)**		**1,704.24**	**1609.30**
VI	**Exceptional Items (net)**	38	**(58.21)**	15.38
VII	**Profit Before Tax (V-VI)**		**1,762.45**	**1,593.92**
VIII	**Tax Expense**			
	(1) Current Tax (Refer Note 9)		**306.44**	293.31
	(2) Deferred Tax (Refer Note 9)		**(23.14)**	76.27
	Total Tax Expense		**283.30**	**369.58**
IX	**Profit for the Year (VII-VIII)**		**1,479.15**	**1,224.34**
X	**Other Comprehensive Income**			
A	**(i) Items that will not be reclassified to profit or loss**			
	Remeasurements of defined benefit plans		**1.26**	1.71
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of defined benefit plans		**(0.44)**	(0.60)
	Other Comprehensive Income for the year		**0.82**	**1.11**
	Total Comprehensive Income for the year (IX+X)		**1,479.97**	**1,225.45**
IX	**Earnings per Equity Share (Face Value ₹ 1)**	39		
	(1) Basic (₹)		**14.47**	11.97
	(2) Diluted (₹)		**14.46**	11.97

The accompanying notes 1 to 56 are an integral part of the Standalone Financial Statements.

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

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN : 00591503

Sudhir Sitapati
Managing Director & CEO
DIN: 09197063

Vijay Mathur
Partner
M. No. 046476

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and Compliance-Officer

Mumbai: May 19, 2022

Standalone Statement of Cash Flows for the year ended March 31, 2022

₹ Crore

		Year ended March 31, 2022	Year ended March 31, 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	**1,762.45**	**1,593.92**
	Adjustment for:		
	Non-Cash Items		
	Depreciation and amortisation	**85.61**	83.38
	Unrealised Foreign Exchange Loss / (Gain)	**0.41**	(5.57)
	(Write-back) / Provision for Doubtful Debts / Advances	**0.79**	10.32
	(Write-back) / Provision for Non Moving Inventory	**(13.58)**	19.84
	Write off / (Write-back) of Old Balances	**0.06**	(0.72)
	Expenses on Employee Stock Grant Scheme (ESGS)	**11.96**	6.09
	(Reversal) /Provision for diminution in the value of investments	**(15.38)**	15.38
	Finance Costs	**7.87**	24.81
	Loss on Fixed Assets Sold / Discarded (Net)	**3.36**	9.09
	Profit on divestment of Associate (Net)	**(42.83)**	-
	Profit on Sale of Investments (Net)	**(10.90)**	(14.02)
	Fair value Loss / (Gain)on financial assets measured at FVTPL	**(0.62)**	(0.53)
	Corporate Guarantee Commission	**(0.08)**	(2.82)
	Interest income	**(36.38)**	(21.99)
	Operating Cash Flows Before Working Capital Changes	**1,752.74**	1,717.18
	Adjustments for:		
	Increase in inventories	**(78.21)**	(64.95)
	(Increase) / Decrease in trade receivables	**(86.46)**	43.46
	Decrease / (Increase) in loans	**0.02**	-
	Decrease in other financial assets	**37.72**	93.70
	(Increase) / Decrease in other non-financial assets	**(56.84)**	66.04
	Decrease in trade payables, Current liabilities and other financial liabilities	**(284.89)**	(199.86)
	(Decrease) / Increase in non - financial liabilities and provisions	**(11.08)**	16.22
		(479.74)	(45.39)
	Cash Generated from Operating Activities	**1,273.00**	1,671.79
	Adjustment for:		
	Income taxes paid (Net)	**(311.72)**	(297.77)
	Net Cash Flow from Operating Activities (A)	**961.28**	**1,374.02**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant & Equipment and Intangible assets (Net)	**(161.35)**	(65.91)
	Proceeds from Sale of Property, Plant & Equipment and Intangibles	**4.64**	0.79
	Investments in Mutual Funds (Net)	**(177.14)**	(125.11)
	Investment in Deposits with NBFCs	**(351.64)**	(514.80)
	Redemption in Deposits with NBFCs	**509.80**	587.06
	(Investment in) / Proceeds from sale of NCDs with NBFCs (Net)	**(65.36)**	34.95
	Investment in commercial Papers (Net)	**(49.98)**	-
	Investments in Fixed Deposits having maturities greater than 3 months (Net)	**(281.75)**	(0.13)
	Investments in Subsidiaries	**(502.30)**	(981.36)
	Proceeds from divestment of Associate (Net)	**78.65**	-
	Interest Received	**28.01**	45.41
	Net Cash Flow used in Investing Activities (B)	**(968.44)**	**(1,019.10)**

Standalone Statement of Cash Flows for the year ended March 31, 2022

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Allotment of Equity Shares under ESGS	**0.01**	0.02
Proceeds / (Repayments) from Commercial Paper	**-**	(247.33)
Repayment of Short-term loans	**(0.14)**	(69.86)
Loan given to subsidiaries	**-**	(29.42)
Loan repaid by subsidiaries	**-**	29.42
Finance costs paid	**(5.89)**	(24.72)
Principal payment of Lease liabilities	**(11.98)**	(11.18)
Finance cost paid towards Lease liabilities	**(2.37)**	(2.79)
Net Cash Flow from/(used in) Financing Activities (C)	**(20.37)**	**(355.86)**
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(27.53)**	**(0.94)**
CASH AND CASH EQUIVALENTS:		
As at the beginning of the year (Refer Note 15 A)	**62.78**	63.76
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	**(0.02)**	(0.04)
As at the end of the year (Refer Note 15 A)	**35.23**	**62.78**
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(27.53)**	**(0.94)**

Movement of borrowings:	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	**0.14**	317.33
Cashflows (net)	**(0.14)**	(317.19)
Closing balance	**0.00**	0.14

Notes:

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows.'

2 The accompanying notes 1 to 56 are an integral part of the Standalone Financial Statements.

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

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN : 00591503

Sudhir Sitapati
Managing Director & CEO
DIN: 09197063

Vijay Mathur
Partner
M. No. 046476

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and Compliance-Officer

Mumbai: May 19, 2022

Standalone Statement of Changes in Equity for the year ended March 31, 2022

(a) Equity share capital

	Note No.	₹ Crore
As at April 1, 2020		102.23
Changes in equity share capital during the year		0.02
As at March 31, 2021		**102.25**
Changes in equity share capital during the year	19	0.01
As at March 31, 2022		**102.26**

(b) Other equity (Refer Note 20)

₹ Crore

	Reserves & Surplus				Other Comprehensive Income	Total
	Securities Premium	General Reserve	Other reserves	Retained Earnings	Effective portion of Cash Flow Hedges	
Balance at April 1, 2021	**1,418.61**	**154.05**	**9.14**	**4,675.88**	**(0.75)**	**6,256.93**
Profit for the year	-	-	-	1,479.15	-	1,479.15
Remeasurements of defined benefit plans (net of tax)	-	-	-	0.82	-	0.82
Total comprehensive income for the year	**-**	**-**	**-**	**1,479.97**	**-**	**1,479.97**
Premium Received on Allotment of Shares / Exercise of Share options	6.32	-	(6.32)	-	-	-
Deferred employee compensation expense	-	-	11.96	-	-	11.96
Balance at March 31, 2022	**1,424.93**	**154.05**	**14.78**	**6,155.85**	**(0.75)**	**7,748.86**

	Reserves & Surplus				Other Comprehensive Income	Total
	Securities Premium	General Reserve	Other reserves	Retained Earnings	Effective portion of Cash Flow Hedges	
Balance at April 1, 2020	**1,407.36**	**154.05**	**14.30**	**3,450.43**	**(0.75)**	**5,025.39**
Profit for the year	-	-	-	1,224.34	-	1,224.34
Remeasurements of defined benefit plans (net of tax)	-	-	-	1.11	-	1.11
Total comprehensive income for the year	**-**	**-**	**-**	**1,225.45**	**-**	**1,225.45**
Premium Received on Allotment of Shares / Exercise of Share options	11.25	-	(11.25)	-	-	-
Deferred employee compensation expense	-	-	6.09	-	-	6.09
Balance at March 31, 2021	**1,418.61**	**154.05**	**9.14**	**4,675.88**	**(0.75)**	**6,256.93**

The accompanying notes 1 to 56 are an integral part of the Standalone Financial Statements.

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

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN : 00591503

Sudhir Sitapati
Managing Director & CEO
DIN: 09197063

Vijay Mathur
Partner
M. No. 046476

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and Compliance-Officer

Mumbai: May 19, 2022

1. Corporate Information

Godrej Consumer Products Limited (the Company) was incorporated on November 29, 2000, to take over the consumer products business of Godrej Soaps Limited (subsequently renamed as Godrej Industries Limited), pursuant to a Scheme of Arrangement as approved by the High Court, Mumbai. The Company is a fast moving consumer goods Company, manufacturing and marketing Household and Personal Care products. The Company is a public Company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company's registered office is at 4th Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079.

2. Basis of preparation, Measurement and Significant Accounting Policies

2.1 Basis of Preparation and measurement

a) Basis of Preparation

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

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

Current versus non-current classification

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

The standalone financial statements of the Company for the year ended March 31, 2022 were approved for issue in accordance with the resolution of the Board of Directors on May 19, 2022.

b) Basis of Measurement

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

- Certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy regarding financial instruments -2.4.f),
- Defined benefit plans – plan assets/(liability) and share-based payments measured at fair value (Note 45 & 46).

2.2 Key judgements, estimates and assumptions

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

The areas involving critical estimates or judgements are:

i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized; (Note 2.4 (a))

ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.4 (b))

iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 45)

iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.4 (j))

v. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; (Note 2.4 (l)(ii)) and note 46

vi. Fair values of financial instruments (Note 2.3)

vii. Impairment of financial and Non- Financial assets (Note 2.4.(d) and (f))

viii. Recognition of deferred tax assets – availability of future taxable profits against which deferred tax assets (e.g. MAT) can be used (Note 9)

2.3 Measurement of fair values

The Company's accounting policies and disclosures require financial instruments to be measured at fair values.

The Company has an established control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair value is included in the Note 2.4.(f).

2.4 Significant Accounting Policies

a) Property, Plant and Equipment

Recognition and measurement

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

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

Subsequent expenditure

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

Depreciation

Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except for the following items where useful lives estimated by the management based on internal technical assessment, past trends and expected operational lives differ from those provided in Schedule II of the Companies Act 2013:

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

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

b) Goodwill and other Intangible Assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

Goodwill

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

Other intangible assets

Intangible assets with finite

lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization method and period are reviewed at least at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the assets are considered to modify amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Amortisation

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

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

Software licences	6 years
Trademarks	10 years
Technical knowhow	10 years

Goodknight and Hit (Brands) are assessed as intangibles having indefinite useful life and are not amortised in the standalone financial statements. Residual value, is estimated to be immaterial by management and hence has been considered at ₹ 1.

c) Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are recognised as an expense in the period in which they are incurred.

d) Impairment of non-financial assets

An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events and changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss recognized for goodwill is not reversed in a subsequent period.

e) Assets held for sale

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

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

f) Financial Instruments

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

(i) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Financial assets at amortised cost,
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

- A financial asset is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 49 (B).

Financial assets at fair value through other comprehensive income (FVTOCI)
A debt instrument is measured at FVOCI if it means both of the following conditions and is not designated as at FVTPL

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

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

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

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

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. This includes all derivative financial assets.

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

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

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

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

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

- The contractual rights to receive cash flows from the financial asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

  Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its financial assets that are debt instruments and are carried

at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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

(ii) Financial liabilities

Initial recognition and measurement

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

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

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

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

Derecognition

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

Financial guarantee contracts

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

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

Offsetting of financial instruments

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

g) Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Any changes therein are generally recognised in the statement of profit and loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

Cash flow hedges

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

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for a cash flow hedge is discontinued, the amount that has been accumulated in other equity remains there until it is reclassified to the statement of profit and loss account in the same period or periods as the hedged expected future cash flows affect the statement of profit and loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately re-classified to the statement of profit and loss.

h) Inventories

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

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

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

Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

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

i) Cash and Cash Equivalents

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

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

j) Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

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

k) Revenue Recognition

Revenue is recognized upon transfer of control of promised goods to customers for an amount that reflects the consideration expected to be received in exchange for those goods. Revenue excludes taxes or duties collected on behalf of the government.

Sale of goods

Revenue from sale of goods is recognized when control of goods are transferred to the buyer which is generally on delivery for domestic sales and on dispatch/delivery for export sales.

The Company recognizes revenues on the sale of products, net of returns, discounts (sales incentives/ rebates), amounts collected on behalf of third parties (such as GST) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognised where payments are received from customers before transferring control of the goods being sold.

Royalty & Technical Fees

Royalty and Technical fees are recognized on accrual basis in accordance with the substance of their relevant agreements.

Interest income

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

Dividend income

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

l) Employee Benefits

i) Short-term Employee benefits

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

ii) Share-based payments

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

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

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

iii) Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

Gratuity Fund

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

Provident Fund

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

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

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

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

Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in the 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 recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other Long Term Employee Benefits

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

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

m) 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.

- Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- If the supplier has a substantive substitution right, then the asset is not identified.
- Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.
- Company has the right to direct the use of the asset.
- 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:

The 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.

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 company at the end of the lease term or the cost of the right-of-use asset reflects company will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

Lease liability:
Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that rate cannot be readily determined, then using 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 and lease liabilities are presented separately 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, 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.

n) Income Tax

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

Current Tax

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

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

Deferred Tax

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

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

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

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

Deferred tax assets and liabilities are offset only if:

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

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

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

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

o) Foreign Currency Transactions

i) Functional and Presentation currency

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

ii) Transactions and balances

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which they arise except for the qualifying cash flow hedge, which are recognised in OCI to the extent that the hedges are effective.

p) Government grants

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

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

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

q) Dividend

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

r) Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s) Segment Reporting

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

t) Business Combination

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 Company. 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 Company recognises any non-controlling interest in the acquired entity on an acquisition-by acquisition basis either at fair value or at the noncontrolling interest’s proportionate share of the acquired entity’s net identifiable assets. Consideration transferred does not include amounts related to settlement of preexisting 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.

u) Recent accounting pronouncements which are not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable to the Company from 1 April, 2022.

Note 3 : Property, Plant and Equipment

₹ Crore

Particulars	Owned Assets									Assets given on lease	Total
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	
Year ended March 31, 2022											
Gross Carrying Amount											
Opening Gross Carrying Amount	0.51	14.42	187.70	34.66	462.89	14.55	11.52	19.09	32.53	90.26	868.13
Additions	-	-	1.81	1.57	73.98	0.65	3.03	1.60	6.07	-	88.71
(Disposals)	-	-	(1.49)	(0.49)	(13.52)	(0.09)	(3.45)	(0.22)	(4.42)	-	(23.68)
Other adjustments	-	-	(0.10)	0.10	(0.04)	0.01	-	0.03	-	-	-
Closing Gross Carrying Amount	**0.51**	**14.42**	**187.92**	**35.84**	**523.31**	**15.12**	**11.10**	**20.50**	**34.18**	**90.26**	**933.16**
Accumulated Depreciation											
Opening Accumulated Depreciation	-	3.79	25.55	20.97	216.34	7.18	6.66	10.10	25.10	8.85	324.54
Depreciation charge during the year	-	0.16	5.15	4.31	46.22	1.43	1.99	2.40	4.98	1.50	68.14
(Disposals)	-	-	(0.42)	(0.49)	(8.42)	(0.08)	(2.74)	(0.25)	(4.39)	-	(16.79)
Other adjustments	-	-	(1.13)	0.02	0.05	0.02	-	0.10	-	-	(0.94)
Closing Accumulated Depreciation	**-**	**3.95**	**29.15**	**24.81**	**254.19**	**8.55**	**5.91**	**12.35**	**25.69**	**10.35**	**374.95**
Net Carrying Amount	**0.51**	**10.47**	**158.77**	**11.03**	**269.12**	**6.57**	**5.19**	**8.15**	**8.49**	**79.91**	**558.21**
Year ended March 31, 2021											
Gross Carrying Amount											
Opening Gross Carrying Amount	0.51	14.42	185.55	31.54	407.97	14.27	11.90	16.89	30.68	90.26	803.99
Additions	-	-	2.15	3.12	56.00	0.28	1.28	2.21	3.94	-	68.98
(Disposals)	-	-	-	-	(1.08)	-	(1.66)	(0.01)	(2.09)	-	(4.84)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	**0.51**	**14.42**	**187.70**	**34.66**	**462.89**	**14.55**	**11.52**	**19.09**	**32.53**	**90.26**	**868.13**
Accumulated Depreciation											
Opening Accumulated Depreciation	-	3.63	19.39	17.06	166.20	5.89	5.83	7.84	21.45	7.35	254.64
Depreciation charge during the year	-	0.16	5.07	3.93	43.58	1.40	1.98	2.31	5.56	1.50	65.49
(Disposals)	-	-	-	-	-0.84	-	-1.15	-	-1.91	-	-3.90
Other adjustments	-	-	1.09	-0.02	7.40	-0.11	-	-0.05	-	-	8.31
Closing Accumulated Depreciation	**0.00**	**3.79**	**25.55**	**20.97**	**216.34**	**7.18**	**6.66**	**10.10**	**25.10**	**8.85**	**324.54**
Net Carrying Amount	**0.51**	**10.63**	**162.15**	**13.69**	**246.55**	**7.37**	**4.86**	**8.99**	**7.43**	**81.41**	**543.59**

Note 3A : Capital Work-In-Progress

Capital work-in-Progress ageing schedule

As At March 31, 2022

₹ Crore

Capital work in progress ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	48.79	-	-	-	48.79
Projects temporarily suspended	-	-	-	-	-
CWIP -assets not categorised as projects	-	-	-	-	27.83
Total	**48.79**	**-**	**-**	**-**	**76.62**

As At March 31, 2021

₹ Crore

Capital work in progress ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	18.46	-	-	-	18.46
Projects temporarily suspended	-	-	-	-	-
CWIP -assets not categorised as projects	-	-	-	-	14.50
Total	**18.46**	**-**	**-**	**-**	**32.96**

NOTE :

a) There are no projects whose completion is overdue or exceeded the cost as compared to its original plan.

b) There are no suspended projects.

Note 3B : Leases

Leases in which the company is a Lessee

Office Building

The Company has leasing arrangements for its head office and other office buildings. Non-cancellable period for those lease arrangements vary. The Company pays lease charges as fixed amount as per the respective lease agreements. Right-of-use asset is measured, on a lease by lease basis, at carrying amount. Discounting to arrive the value of asset is done based on the incremental borrowing rate at the date of initial application.

Factories, Godowns and office buildings

The Company has leasing arrangements for its various factories, godowns and office buildings (other than mentioned above). Non-cancellable period for those leasing arrangements are less than 12 months and the Company elected to apply the recognition exemption for short term leases to these leases. The lease amount is charged as rent. The Total lease payments accounted for the year ended March 31, 2022 is ₹ 45.89 crore (previous year ₹ 43.33 crore).

Leases in which the company is a Lessor:

The Company has entered into an agreement to give one of its office building on operating lease effective May 2020. The Company has also taken office building on operating lease for similar premises in the same building.

A] As a lessee:

(a) Right of use assets - Buildings

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Gross carrying amount		
Opening Gross carrying amount	**55.32**	17.54
Additions	**0.00**	46.18
(Disposals)	**-**	(8.40)
Closing Gross carrying amount	**55.32**	**55.32**
Accumulated Depreciation		
Opening Accumulated Depreciation	**13.47**	10.09
Depreciation charge during the year	**12.01**	11.78
(Disposals)	**-**	(8.40)
Closing Accumulated Depreciation	**25.48**	**13.47**
Net Carrying Amount	**29.84**	**41.85**

(b) Lease liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Less than one year	**12.61**	14.34
One to three years	**22.64**	34.34
Three years to five years	**0.00**	0.91
More than five years	**0.23**	0.24
Total undiscounted lease liabilities as at 31 March	**35.48**	**49.83**

₹ Crore

Lease liabilities (discounted)	As at March 31, 2022	As at March 31, 2021
Non-current	**20.42**	31.44
Current	**11.03**	11.98
TOTAL	**31.45**	**43.42**

(c) **Amounts recognized in statement of profit and loss**

₹ Crore

Short-term leases	Year ended March 31, 2022	Year ended March 31, 2021
Expenses relating to short-term leases	45.89	43.33
TOTAL	**45.89**	**43.33**

(d) **Cash outflow for leases**

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Total cash outflow for leases	14.35	13.97
TOTAL	**14.35**	**13.97**

B] As a lessor:

(a) **Amounts recognized in statement of profit and loss**

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Operating lease income	10.97	10.77

(b) **Undiscounted lease payments to be received after**

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Less than one year	10.86	10.86
One to three years	22.63	32.59
Three years to five years	0.00	0.91
Total undiscounted lease payments	**33.49**	**44.36**

Note 4 : Intangible Assets

₹ Crore

	Goodwill	Other Intangible assets				
		Trademarks and Brands *	Computer Software	Technical Knowhow	Product registrations	Total Other Intangible assets
Year ended March 31, 2022						
Gross Carrying Amount						
Opening Gross Carrying Amount	2.48	791.56	57.62	0.10	0.33	849.61
Additions	-	-	5.08	-	-	5.08
Disposals	-	-	(0.01)	-	-	(0.01)
Closing Gross Carrying Amount	**2.48**	**791.56**	**62.69**	**0.10**	**0.33**	**854.68**
Opening Accumulated Amortisation	-	0.30	46.95	0.10	0.05	47.40
Amortisation recognised for the year	-	0.01	5.94	-	0.07	6.02
Disposals	-	-	(0.01)	-	-	(0.01)
Closing Accumulated Amortisation	**-**	**0.31**	**52.88**	**0.10**	**0.12**	**53.41**
Closing Net Carrying Amount	**2.48**	**791.25**	**9.81**	**-**	**0.21**	**801.27**
Year ended March 31, 2021						
Gross Carrying Amount						
Opening Gross Carrying Amount	2.48	791.56	55.62	0.10	-	847.28
Additions	-	-	2.00	-	0.33	2.33
Disposals	-	-	-	-	-	-
Closing Gross Carrying Amount	**2.48**	**791.56**	**57.62**	**0.10**	**0.33**	**849.61**
Accumulated Amortisation						
Opening Accumulated Amortisation	-	0.29	40.90	0.10	-	41.29
Amortisation recognised for the year	-	0.01	6.05	-	0.05	6.11
Disposals	-	-	-	-	-	-
Closing Accumulated Amortisation	**-**	**0.30**	**46.95**	**0.10**	**0.05**	**47.40**
Closing Net Carrying Amount	**2.48**	**791.26**	**10.67**	**-**	**0.28**	**802.21**

Note :

* Includes brands amounting to ₹ 791.25 crore (31-Mar-21 ₹ 791.25 crore) that have an indefinite life and are tested for impairment at every year end. Based on analysis of all relevant factors (brand establishment, stability, types of obsolescence etc.), there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Company.

The recoverable amount of the brands are based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. The measurement using discounted cash flow is level 3 fair value based on inputs to the valuation technique used. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre tax discount rate.

Operating margins and growth rates for the five years cash flow projections have been estimated based on past experience and after considering the financial budgets / forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Following key assumptions were considered while performing Impairment testing:

	As at January 31, 2022	As at January 31, 2021
Annual growth rate	**5-6%**	6-9%
Terminal Growth Rate	**5%**	5%
Royalty relief rate	**12%**	12%
Pre- tax discount rate	**10.70%**	11.00%

The pre-tax discount rate is based on risk free rate, beta variant adjusted for market premium and company specific risk factors.

According to Ind AS 36 "Impairment of Assets", the annual impairment test for intangible assets with indefinite useful life may be performed at any time during an annual period, provided the test is performed at the same time every year. The Company has decided to perform impairment test for goodwill and other intangible assets with indefinite useful life at January 31 and same is being followed for future years.

With regard to the assessment of value in use, no reasonably possible change in any of the above key assumptions would cause the carrying amount of the Brands to exceed their recoverable amount.

No impairment has been charged to the Statement of Profit and Loss account during the financial year 31 March 2022 (31 March 2021: Nil)

Note 4A : Intangible Assets Under Development

Intangible assets under development ageing schedule

As At March 31, 2022

₹ Crore

Intangible assets under development ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
CWIP -assets not categorised as projects	-	-	-	-	1.69
Total	**-**	**-**	**-**	**-**	**1.69**

As At March 31, 2021

₹ Crore

Intangible assets under development ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
CWIP -assets not categorised as projects	-	-	-	-	4.46
Total	**-**	**-**	**-**	**-**	**4.46**

NOTE :

a) There are no projects whose completion is overdue or exceeded the cost as compared to its original plan.

b) There are no suspended projects.

Note 5 : Investments In Subsidiaries And Associates

₹ Crore

	Face Value	Numbers		Amounts	
		As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Unquoted, fully paid up:					
Carried at cost					
(a) Investments in Equity Instruments					
(i) Subsidiary Companies					
Godrej Netherlands B.V.	EUR 100	200	200	140.93	140.93
Godrej South Africa (Pty) Ltd.	ZAR 1	1,80,50,000	1,80,50,000	12.67	12.67
Godrej Consumer Products Holding (Mauritius) Ltd.	USD 1	18,59,44,409	18,59,44,409	982.14	982.14
Godrej Household Products Lanka (Pvt) Ltd.	LKR 10	7,02,58,457	7,02,58,457	47.65	47.65
Godrej Consumer Products (Bangladesh) Ltd.	BDT 100	4,999	4,999	0.04	0.04
Godrej Mauritius Africa Holdings Ltd.	USD 1	15,51,90,990	13,62,40,553	1,357.80	865.50
Godrej East Africa Holdings Ltd.	USD 1	10,94,50,001	10,94,50,001	808.25	808.25
Godrej Tanzania Holdings Ltd.	USD 1	1,78,50,001	1,78,50,001	121.29	121.29
Godrej SON Holdings INC.	USD 1	13,56,00,000	13,56,00,000	928.63	928.63
Godrej Consumer Care Ltd.	₹ 10	1,00,00,000	-	10.00	-
Godrej Consumer Products Limited Employees' Stock Option Trust*	-	-	-	-	-
(ii) Associate Company					
Bhabhani Blunt Hairdressing Pvt Ltd. (Refer Note 38)	₹ 10	-	4,967	-	20.04
Less : Provision for Diminution in the Value of Investments				-	(9.61)
				4,409.40	**3,917.53**
(b) Investments in Compulsorily Convertible Debentures of Associate Company					
Bhabhani Blunt Hairdressing Pvt Ltd. (Refer Note 38)	₹ 10	-	3,060	-	12.00
Less : Provision for Diminution in the Value of Investments				-	(5.77)
			TOTAL	**4,409.40**	**3,923.76**
Aggregate Amount of Unquoted Investments				4,409.40	3,923.76
Aggregate Provision for Impairment in the Value of Investments				-	(15.38)

Refer note 43 for percentage holding of the Company in subsidiaries and associates

* Amounts less than 0.01 crores

Note:

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

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Godrej Netherlands B.V.	**4.52**	4.52
Godrej Consumer Products Holding (Mauritius) Ltd.	**11.95**	11.95
Godrej Mauritius Africa Holdings Ltd.	**29.02**	29.02
Godrej East Africa Holdings Ltd.	**19.62**	19.62
Godrej Tanzania Holdings Ltd.	**3.07**	3.07
TOTAL	**68.18**	**68.18**

Note 6 : Other Investments (Non-Current)

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unquoted, fully paid up		
At amortised cost		
Investments in Deposits with Non-Banking Financial Companies	**25.20**	-
At Fair Value through Profit or Loss		-
Investment in Equity Instruments*	**-**	-
Godrej One Premises Management Pvt Ltd.* (1400 equity shares of ₹ 10 each)		
TOTAL	**25.20**	**-**
Aggregate Amount of Unquoted Investments	**25.20**	-
Aggregate Amount of Quoted Investments	**-**	-
Aggregate Market Value of Quoted Investments	**-**	-
Aggregate Provision for Impairment in the Value of Investments	**-**	-

* Amounts less than 0.01 crores

Note 7 : Non-Current Loans

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	**0.03**	0.04
TOTAL	**0.03**	**0.04**

Note 8 : Other Non-Current Financial Assets

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Financial Guarantee Fee Receivables	**4.78**	8.12
Security Deposits	**18.64**	18.23
TOTAL	**23.42**	**26.35**

Note 9 : Tax Reconciliations

Tax expense recognised in the Statement of Profit and Loss

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax		
Current tax on profits for the year	**306.44**	293.31
Deferred tax (Net) Others	**11.45**	(14.88)
MAT Credit Recognised (adjustment on account of previous period audit)	**(37.23)**	(2.89)
MAT credit utilised	**2.64**	94.04
Total income tax expense	**283.30**	**369.58**

Deferred tax is in respect of origination and reversal of temporary differences.

Current Tax and Deferred Tax related to items recognised in Other Comprehensive Income during in the year :

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
On remeasurements of defined benefit plans		
Current tax	-	-
Deferred tax	(0.44)	(0.60)
Total	**(0.44)**	**(0.60)**

Reconciliation of tax expense and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate to income tax expense reported in Statement of Profit & Loss is given below:

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income taxes	1,762.45	1,593.92
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expense	615.87	556.98
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Deduction under Sec 80IC and 80IE	(290.67)	(200.51)
Effect of other tax offsets	4.16	4.77
Tax effects of amounts which are not deductible for taxable income	7.71	11.23
Tax effect on divestment of investment in associate	(16.54)	-
Adjustments for current tax of prior periods (Excess MAT utilised) (Refer note (e))	(37.23)	(2.89)
Total income tax expense	**283.30**	**369.58**

The Company benefits from the tax holiday available to units set up under section 80-IC and 80-IE of Income Tax Act, 1961. These tax holidays are available for a period of ten years from the date of commencement of operations.

Deferred Tax (Liabilities):

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Property, Plant and Equipment	(22.67)	(22.41)
Intangible assets	(193.27)	(189.38)
Total deferred tax liabilities	**(215.94)**	**(211.79)**

Deferred Tax Assets:

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Defined benefit obligations	17.53	20.72
Provisions	38.15	41.68
Others	0.71	1.73
MAT credit	509.46	474.87
Total deferred tax assets	**565.85**	**539.00**
Net Deferred tax (Liabilities) / Assets	**349.91**	**327.21**

Movement in Deferred tax Liabilities / Asset

₹ Crore

	Property, plant and equipment	Intangible assets	Defined benefit obligations	Provisions	Other Deferred Tax Asset	Mat Credit (Refer note)	Deferred Tax Liabilities / Asset (Net)
As at 31st March 2020	(24.24)	(184.19)	20.76	24.20	1.53	566.02	404.08
(Charged)/Credited :							
- to profit or loss	1.83	(5.19)	0.56	17.48	0.20	(91.15)	(76.27)
- to other comprehensive income	-	-	0.60	-	-	-	0.60
At 1st April 2021	**(22.41)**	**(189.38)**	**20.72**	**41.68**	**1.73**	**474.87**	**327.21**
(Charged)/Credited :							
- to profit or loss	(0.26)	(3.89)	(2.75)	(3.53)	(1.02)	34.59	23.14
- to other comprehensive income	-	-	0.44	-	-	-	0.44
As at 31st March 2022	**(22.67)**	**(193.27)**	**17.53**	**38.15**	**0.71**	**509.46**	**349.91**

Liabilities for Current Tax (Net)

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Liabilities for Current Tax (Net)	**0.96**	0.96
[Net of advance tax of ₹ 128.87 crore (31-Mar-21 ₹ 128.87 crore)]		
TOTAL	**0.96**	**0.96**

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

(b) Significant management judgment is required in determining provision for income tax, deferred income tax assets (including MAT credit) and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

(c) As on March 31, 2022 the tax liability with respect to the dividends proposed is Nil (31-Mar-21 : Nil)

(d) MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

During the year the Company has recognised MAT credit of ₹ 34.59 crore (31-Mar-21 : ₹ (91.15) crore). Company has re-assessed its utilization of MAT credit, considering business projections, benefits available from tax holiday, remaining period for such benefits etc based on which there is reasonable certainty of utilizing the balance credit of ₹ 509.46 crore (31-Mar-21 : ₹ 474.87 crore) in future years against the normal tax expected to be paid in those years.

(e) During the year ended March 31, 2022, the Company has reassessed tax benefits under section 80IE of the Income tax Act for financial year 2020-21 based on which incremental Minimum alternate tax credit of ₹ 33.2 crore has been recognised in the Standalone Financial Statements.

(f) New provision inserted in the income tax act (Sept 2019) with effect from fiscal year 2019-20, allows any domestic company to pay income tax at the rate of 25.17% subject to condition they will not avail any incentive or exemptions. The lower rate is an option and companies can continue to account based on the old rates. The Company has plants located in North-east region enjoying income tax exemption, and the effective rate based on the tax exemption plants is lower than 25.17%, so company decided to not opt for lower rate in FY 2021-22.

(g) Based on internal projections the company plans to opt for the lower tax rate in FY 2024-25 and onwards. Accordingly company has reversed deferred tax assets/liabilities recognised in earlier years at the tax rates enacted during the period, to the extent they are likely to reverse after 31st March 2024. The impact of such reversal during the year was ₹ 1.11 crore (31-Mar-21 : ₹ 0.42 crore).

Note 10 : Other Non-Current Assets

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Capital Advances (Refer Note below)		
Considered Good	**37.11**	8.66
Considered Doubtful	**1.00**	1.00
Less: Provision for Doubtful Advances	**(1.00)**	(1.00)
Advances other than capital advances		
Balances with Government Authorities (deposits paid under protest)	**39.86**	37.90
Other non-current assets (includes prepaid expenses)		
Considered Good	**0.89**	0.54
TOTAL	**77.86**	**47.10**

Note:

Capital Advances include ₹ 0.05 crore (31-Mar-2021 ₹ 0.05 crore) paid to Related Parties.

Note 11 : Non-Current Tax Assets (Net)

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Advance Tax	**45.96**	40.68
[Net of Provision for taxation - ₹ 2582.84 crore (31-Mar-21 ₹ 2278.21 crore)]		
TOTAL	**45.96**	**40.68**

(Refer Note 9 for tax reconciliations)

Note 12 : Inventories

₹ Crore

	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realizable value)		
Raw Materials (Including Packing Materials)	**354.54**	263.47
Goods-in Transit	**22.01**	24.48
	376.55	287.95
Work-in-Progress	**57.02**	49.34
Finished Goods	**305.01**	292.49
Stock-in-Trade	**38.62**	61.80
Stores and Spares	**13.64**	11.25
TOTAL	**790.84**	**702.83**

NOTE :

During the year ended March 31, 2022 an amount of ₹ 10.99 crore (31-Mar-21 ₹ 22.40 crore) was charged to the statement of Profit and Loss on account of write-down of inventories including damaged and slow moving inventory. The reversal on account of above during the year is Nil (31-Mar-21 Nil)

Note 13 : Investments (Current)

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unquoted, fully paid up		
At Fair Value through Profit or Loss		
Investments in Mutual Funds	**311.60**	129.47
At amortised cost		
Investments in Deposits with Non-Banking Financial Companies	**277.63**	459.65
Investments in Commercial Papers with Non-Banking Financial Companies	**49.98**	-
Quoted, fully paid up		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**127.19**	55.30
	766.40	**644.42**
Aggregate Amount of Unquoted Investments	**639.21**	589.12
Aggregate Amount of Quoted Investments	**127.19**	55.30
Aggregate Market Value of Quoted Investments	**127.19**	55.30

Note 14 : Trade Receivables

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Secured		
Considered Good - Secured	**0.48**	0.65
	0.48	0.65
Unsecured		
Trade receivables- considered good	**336.44**	246.81
Trade receivables- credit impaired	**12.45**	14.46
Less: Allowance for Bad and Doubtful Debts	**(12.45)**	(14.46)
TOTAL	**336.92**	**247.46**

Refer note 43 & 49B

Note :

There are no outstanding trade receivables which resulted into significant increase in credit risk apart from receivables which are impaired and provided.

Trade receivables ageing schedule

As At March 31, 2022

₹ Crore

Trade receivables outstanding from Due date	Not due	Upto 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables- considered good	214.00	106.23	6.38	6.73	3.57	0.01	336.92
Undisputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	5.34	1.91	1.17	2.15	10.57
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	0.01	0.01	0.08	0.18	0.17	1.43	1.88
Provision for bad and doubtful debts	-	-		-	-	-	(12.45)
Total	**214.01**	**106.24**	**11.80**	**8.82**	**4.91**	**3.59**	**336.92**

As At March 31, 2021

₹ Crore

Trade receivables outstanding from Due date	Not due	Upto 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables- considered good	199.96	36.42	4.58	3.79	2.32	0.38	247.45
Undisputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	0.01	5.36	3.69	0.98	2.03	12.07
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	0.77	0.05	0.20	0.16	1.22	2.40
Provision for bad and doubtful debts							(14.46)
Total	**199.96**	**37.20**	**9.99**	**7.68**	**3.46**	**3.63**	**247.46**

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Note 15 A : Cash and Cash Equivalents

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Balances with Banks		
- In Current Accounts	**33.52**	18.46
- Deposits with less than 3 months original maturity	**-**	42.02
	33.52	60.48
Cheques, Drafts on Hand	**1.62**	2.21
Cash on Hand	**0.09**	0.09
TOTAL	**35.23**	**62.78**

Note :

a) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Note 15 B : Other Bank Balances

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Deposits with maturities more than 3 months but less than 12 months (Refer Note below)	**294.56**	4.41
In Unpaid Dividend Accounts	**15.18**	16.52
TOTAL	**309.74**	**20.93**

Note:

(a) The fixed deposits include deposits under lien against bank guarantees ₹ 4.23 crore (31-Mar-21 ₹ 4.22 crore).

Note 16 : Current Loans

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	**0.05**	0.06
TOTAL	**0.05**	**0.06**

Note 17 : Other Current Financial Assets

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Financial guarantee fee receivable	**4.97**	8.33
Refunds/Incentives receivables from Govt. Authorities (Excise duty/GST)		
Considered Good	**29.84**	55.50
Considered Doubtful	**22.56**	20.07
Less: Provision for Doubtful Advances	**(22.56)**	(20.07)
	29.84	55.50
Derivative assets - forward exchange contracts	**0.11**	0.27
Others (includes receivables of insurance claims, exports incentives)	**2.55**	10.17
Security Deposits	**0.68**	1.16
TOTAL	**38.15**	**75.43**

Note 18 : Other Current Assets

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Balances with Government Authorities (GST)	**145.02**	115.81
Contract assets (Right to receive inventory)	**9.82**	7.37
Other Advances (includes prepaid expenses, vendor advances)		
Considered Good	**49.01**	25.81
Considered Doubtful	**0.32**	0.65
Less: Provision for Doubtful Advances	**(0.32)**	(0.65)
TOTAL	**203.85**	**148.99**

Note 19 : Equity Share Capital

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Authorised		
1,030,000,000 Equity Shares (31-Mar-21: 1,030,000,000) of ₹ 1 each	**103.00**	103.00
10,000,000 Preference Shares (31-Mar-21: 10,000,000) of ₹ 1 each	**1.00**	1.00
Issued		
1,022,612,203 Equity Shares (31-Mar-21: 1,022,517,397) of ₹ 1 each	**102.26**	102.25
Subscribed and Fully Paid up		
1,022,581,079 Equity Shares (31-Mar-21: 1,022,486,273) of ₹ 1 each fully paid up	**102.26**	102.25
TOTAL	**102.26**	**102.25**

Notes:

a) During the year, the Company has issued 94,806 equity shares (31-Mar-21 : 1,69,921) under the Employee Stock Grant Scheme.

b) 31,124 Rights Issue equity shares (31-Mar-21 : 31,124 equity shares) are kept in abeyance due to various suits filed in courts / forums by third parties. No claims in respect of these shares have been received by the company.

c) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
Shares outstanding at the beginning of the year	**1,02,24,86,273**	**102.25**	1,02,23,16,352	102.23
Add : Shares Issued on exercise of employee stock grant scheme	**94,806**	**0.01**	1,69,921	0.02
Shares outstanding at the end of the year	**1,02,25,81,079**	**102.26**	**1,02,24,86,273**	**102.25**

d) **Terms / rights attached to equity shares**

The Company has issued only one class of equity shares having a par value of ₹ 1 each. Each equity shareholder is entitled to one vote per share.

During the year ended March 31, 2022 the amount of per share dividend recognised as distribution to equity shareholders was Nil (31-Mar-21 ₹ Nil).

e) Details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Co Ltd	**7,50,11,445**	**7.34%**	7,50,11,445	7.34%
Godrej Industries Limited	**24,28,12,860**	**23.75%**	24,28,12,860	23.75%
Godrej Seeds & Genetics Limited	**28,05,00,000**	**27.43%**	28,05,00,000	27.43%

f) **Shares Reserved for issue under options**

The Company has 6,16,102 (31-Mar-21 year 1,87,421) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2022. (As detailed in Note 46)

g) Information regarding aggregate number of equity shares issued during the five years immediately preceding the date of Balance Sheet:

During the year 2018-19, pursuant to the approval of Shareholders, Company has allotted 340,722,032 number of fully paid Bonus shares on Sep 17,2018 in the ratio of one equity share of ₹1 each fully paid up for every two existing equity shares of ₹1 each fully paid up.

During the year 2017-18, pursuant to the approval of Shareholders, Company has allotted 340,600,816 number of fully paid Bonus shares on June 27,2017 in the ratio of one equity share of ₹1 each fully paid up for every one existing equity shares of ₹1 each fully paid up.

The Company has not issued shares for consideration other than cash and has not bought back any shares during the past five years other than as reported above.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

h) There are no calls unpaid on equity shares, other than shares kept in abeyance as mentioned in Note (b) above.

i) No equity shares have been forfeited.

j) **Capital Management**

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Company makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Company may make adjustments to dividend paid to its shareholders or issue new shares.

The Company monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments. As on balance sheet date there are no net debt.

k) **Details of shares held by promoters**

As At March 31, 2022

₹ Crore

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Godrej Seeds & Genetics Limited	Equity shares of INR 1 each fully paid	28,05,00,000	28,05,00,000	-	-
Godrej Industries Limited		24,28,12,860	24,28,12,860	-	-
Godrej & Boyce Manufacturing Co. Ltd.		7,50,11,445	7,50,11,445	-	-
Rishad Kaikhushru Naoroji & Others (Partners Of Rkn Enterprises)		1,34,38,500	1,34,38,500	-	-
Pheroza Jamshyd Godrej		96,40,700	96,40,700	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Family Trust)		29,01,200	29,01,200	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Family Trust)		29,01,200	29,01,200	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Family Trust)		28,43,100	28,43,100	-	-
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Family Trust)		28,43,100	28,43,100	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Family Trust)		28,43,100	28,43,100	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Hng Family Trust)		27,52,299	27,52,299	-	-
Sohrab Nadir Godrej		19,01,184	19,01,184	-	-
Burjis Nadir Godrej		19,01,172	19,01,172	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Successor Trust)		13,12,441	13,12,441	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Successor Trust)		13,12,429	13,12,429	-	-
Hormazd Nadir Godrej		4,61,314	4,61,314	-	-
Pirojsha Adi Godrej		3,70,129	3,70,129	-	-
Nisaba Godrej		3,70,087	3,70,087	-	-
Azaar Arvind Dubash		3,70,000	3,70,000	-	-
Adi Barjorji Godrej		1,500	1,500	-	-
Navroze Jamshyd Godrej		77	77	-	-
Rishad Kaikhushru Naoroji		72	72	-	-
Freyan Crishna Bieri		70	70	-	-
Tanya Arvind Dubash		66	66	-	-
Nyrika Holkar		64	64	-	-
Nadir Barjorji Godrej		63	63	-	-
Raika Jamshyd Godrej		50	50	-	-
Jamshyd Godrej And Others (Trustees Of The Raika Godrej Family Trust)		24	24	-	-
Adi Godrej, Tanya Dubash, Nisaba Godrej And Pirojsha Godrej (Trustees Of Abg Family Trust)		1	1	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Children Trust)		1	1	-	-

₹ Crore

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Children Trust)	Equity shares of INR 1 each fully paid	1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Children Trust)		1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Nbg Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Rng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Burjis Godrej (Trustees Of Bng Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Sohrab Godrej (Trustees Of Sng Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Jng Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Pjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Rjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Raika Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Njg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Navroze Lineage Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Sgc Family Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Vmc Family Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Children Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Children Trust)		1	1	-	-

As At March 31, 2021

₹ Crore

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Godrej Seeds & Genetics Limited	**Equity shares of INR 1 each fully paid**	28,05,00,000	28,05,00,000	-	-
Godrej Industries Limited		24,28,12,860	24,28,12,860	-	-
Godrej & Boyce Manufacturing Co. Ltd.		7,50,11,445	7,50,11,445	-	-
Rishad Kaikhushru Naoroji & Others (Partners Of Rkn Enterprises)		1,34,38,500	1,34,38,500	-	-
Pheroza Jamshyd Godrej		96,40,700	96,40,700	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Family Trust)		29,01,200	29,01,200	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Family Trust)		29,01,200	29,01,200	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Family Trust)		28,43,100	28,43,100	-	-
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Family Trust)		28,43,100	28,43,100	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Family Trust)		28,43,100	28,43,100	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Hng Family Trust)		27,52,299	27,52,299	-	-
Sohrab Nadir Godrej		19,01,184	19,01,184	-	-
Burjis Nadir Godrej		19,01,172	19,01,172	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Successor Trust)		13,12,441	13,12,441	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Successor Trust)		13,12,429	13,12,429	-	-
Hormazd Nadir Godrej		4,61,314	4,61,314	-	-
Pirojsha Adi Godrej		3,70,129	3,70,125	4.00	0.00%
Nisaba Godrej		3,70,087	3,70,083	4.00	0.00%
Azaar Arvind Dubash		3,70,000	3,70,000	-	-
Adi Barjorji Godrej		1,500	1,512	(12.00)	-0.79%
Navroze Jamshyd Godrej		77	77	-	-
Rishad Kaikhushru Naoroji		72	72	-	-
Freyan Crishna Bieri		70	70	-	-
Tanya Arvind Dubash		66	62	4.00	6.45%
Nyrika Holkar		64	64	-	-
Nadir Barjorji Godrej		63	63	-	-
Raika Jamshyd Godrej		50	50	-	-
Jamshyd Godrej And Others (Trustees Of The Raika Godrej Family Trust)		24	24	-	-
Adi Godrej, Tanya Dubash, Nisaba Godrej And Pirojsha Godrej (Trustees Of Abg Family Trust)		1	1	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Children Trust)		1	1	-	-

₹ Crore

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Children Trust)	Equity shares of INR 1 each fully paid	1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Children Trust)		1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Nbg Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Rng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Burjis Godrej (Trustees Of Bng Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Sohrab Godrej (Trustees Of Sng Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Jng Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Pjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Rjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Raika Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Njg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Navroze Lineage Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Sgc Family Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Vmc Family Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Children Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Children Trust)		1	1	-	-

Note 20 : Other Equity

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Securities Premium	**1,424.93**	1,418.61
General Reserve	**154.05**	154.05
Other Reserves		
Capital Investment Subsidy Reserve	**0.15**	0.15
Capital Redemption Reserve	**1.46**	1.46
Employee Stock Options Outstanding	**13.17**	7.53
	14.78	9.14
Retained Earnings	**6,155.85**	4,675.88
Other Comprehensive Income (Effective portion of cash flow hedges)	**(0.75)**	(0.75)
TOTAL	**7,748.86**	**6,256.93**

Other Reserves Movement

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Capital Investment Subsidy Reserve		
Balance as per last financial statements	**0.15**	0.15
Closing Balance	**0.15**	**0.15**
Capital Redemption Reserve		
Balance as per last financial statements	**1.46**	1.46
Closing Balance	**1.46**	**1.46**
Employee Stock Options Outstanding		
Gross Employee Compensation for Options granted	**7.53**	12.69
(-) Exercise of Share options	**(6.32)**	(11.25)
(+) Deferred Employee Compensation Expense (Refer Note 34)	**11.96**	6.09
Closing Balance	**13.17**	**7.53**
TOTAL	**14.78**	**9.14**

Nature and purpose of reserves

1) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

2) General reserve

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

3) Capital Investment Subsidy Reserve

Capital Investment Subsidy Reserve represents subsidy received from the government for commissioning of Malanpur plant in the nature of capital investment.

4) Capital redemption reserve

Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

5) Employee Stock Options Outstanding

The shares option outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Grant Scheme which are unvested as on the reporting date and is net of the deferred employee compensation expense.

Refer note 46 for details on ESGS Plans.

6) Effective portion of Cash Flow Hedges

The cash flow hedging reserve represents the cumulative portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non financial hedged item.

Note 21 : Non-Current Financial Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Lease liabilities (refer note 3B)	**20.42**	31.44
TOTAL	**20.42**	**31.44**

Note 22 : Provisions (Non-Current)

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity (Refer Note 45)	**51.67**	57.42
Compensated Absences	**5.76**	6.10
TOTAL	**57.43**	**63.52**

Note 23 : Other Non-Current Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unearned premium on guarantees given to subsidiaries	**4.64**	7.96
Others (includes deferred grants, sundry deposits)	**2.29**	6.89
TOTAL	**6.93**	**14.85**

Note 24 : Borrowings

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unsecured, Working Capital Loan Repayable on Maturity		
From Banks (Refer Note (a) below)	-	0.14
Other Loans		
Commercial Papers (Refer Note (b) below)	-	-
TOTAL	**-**	**0.14**

Notes:

a) Short term working capital loan from Bank carries an interest rate of 7.5% (Mar-21: 6.6%) and has been fully paid.

b) Commercial Paper were listed on the Stock exchange and carried an average interest rate of 3.6%

Note 25 : Current - Lease Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Lease liabilities (refer note 3B)	**11.03**	11.98
TOTAL	**11.03**	**11.98**

Note 26 : Trade Payables

₹ Crore

		As at March 31, 2022	As at March 31, 2021
i)	MSME	**23.24**	24.86
ii)	Other than MSME (Refer Note 43)	**602.06**	777.50
TOTAL		**625.30**	**802.36**

* Trade Payables includes invoices discounted by Vendors with banks.

(Refer Note 49C)

Disclosures pursuant to Micro, Small and Medium Enterprises Development Act, 2006 (""MSMED Act"") are as follows:

		As at March 31, 2022	As at March 31, 2021
I	The principal amount remaining unpaid to any supplier at the end of the accounting year included in trade payables	**23.24**	24.86
II	Interest due thereon	**-**	-
Trade payable dues to Micro and small enterprises		**-**	-
(a)	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
(b)	The amount of interest due and payable for the period (where the principal has been unpaid but interest under the MSMED Act, 2006 not paid)	**-**	-
(c)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**-**	-
(d)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	**-**	-

Trade payables ageing schedule

As At March 31, 2022

₹ Crore

Particulars		Outstanding for following periods from due date of payment						Total
		Unbilled	Not due	Less than 1year	1-2 years	2-3 years	More than 3years	
i)	MSME	-	23.07	0.17	-	-	-	23.24
ii)	Other than MSME	250.03	228.16	119.31	1.23	1.27	1.30	601.30
iii)	Disputed dues -MSME	-	-	-	-	-	-	-
iv)	Disputed dues -Others	-	-	-	-	-	0.76	0.76
Total		**250.03**	**251.23**	**119.48**	**1.23**	**1.27**	**2.06**	**625.30**

As At March 31, 2021

₹ Crore

Particulars		Outstanding for following periods from due date of payment						Total
		Unbilled	Not due	Less than 1year	1-2 years	2-3 years	More than 3years	
i)	MSME	-	24.86	-	-	-	-	24.86
ii)	Other than MSME	321.79	281.53	169.46	2.05	1.44	1.23	777.50
iii)	Disputed dues -MSME	-	-	-	-	-	-	-
iv)	Disputed dues -Others	-	-	0.00	-	0.00	-	0.00
Total		**321.79**	**306.39**	**169.46**	**2.05**	**1.44**	**1.23**	**802.36**

Note 27 : Other Current Financial Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Security Deposit Received	**4.36**	4.06
Employee Benefits Payable	**57.93**	129.42
Unclaimed Dividends (Refer Note below)	**15.18**	16.52
Capital creditors and other payables	**11.87**	10.25
TOTAL	**89.34**	**160.25**

(Refer Note 49C)

Note:

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

Note 28 : Other Current Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Statutory Dues (TDS, Octroi etc)	**8.13**	8.33
Advance from customers	**19.82**	23.10
Contractual and constructive obligation	**117.89**	145.64
Unearned premium on guarantees given to subsidiaries	**4.76**	8.12
Others (includes PF, deferred revenue)	**4.86**	3.01
TOTAL	**155.46**	**188.20**

Note 29 : Provisions (Current)

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity (Refer Note 45)	**8.38**	8.28
Compensated Absences	**1.41**	3.25
Other provisions		
Provision for Sales Returns	**36.07**	32.36
Provision towards Litigations	**19.22**	18.82
TOTAL	**65.08**	**62.71**

Movements in each class of other provisions during the financial year are set out below:

₹ Crore

	Sales Returns	Provision towards Litigation
As at April 1, 2020	**21.85**	**12.58**
Provisions made during the year	10.51	6.24
Provisions reversed during the year	-	-
As at April 1, 2021	32.36	18.82
Provisions made during the year	3.71	0.40
As at March 31, 2022	**36.07**	**19.22**

Sales Returns:

When a customer has a right to return the product within a given period, the Company recognises a provision for sales return. This is measured on the basis of average past trend of sales return as a percentage of sales. Revenue is adjusted for the expected value of the returns and cost of sales are adjusted for the value of the corresponding goods to be returned.

Legal Claims:

The provisions for indirect taxes and legal matters comprises numerous separate cases that arise in the ordinary course of business. A provision is recognised for legal cases if the company assesses that it is probable that an outflow of economic resources will be required. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Note 30 : Revenue From Operations

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers		
Sale of Products	**6,819.32**	6,133.44
Other Operating Revenues		
a) Royalty & Technical Fees	**22.46**	20.10
b) Miscellaneous Income (includes Refunds/Incentives from Govt. Authorities)	**109.78**	100.79
TOTAL	**6,951.56**	**6,254.33**

Notes :

a) Revenue Information

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue by product categories		
Home care	**3,383.99**	3,141.61
Personal care	**2,682.87**	2,310.22
Hair care	**752.46**	681.61
TOTAL	**6,819.32**	**6,133.44**

b) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per contracted price	**7,100.63**	6,415.03
Sales returns	**(3.71)**	(10.51)
Rebates/Discounts	**(277.60)**	(271.08)
Revenue from contract with customers	**6,819.32**	**6,133.44**

c) Contract Balances

₹ Crore

	March 31, 2022	March 31, 2021
Trade receivables (Note 14)	**336.92**	247.46
Contract assets (Note 18)	**9.82**	7.37
Contract liabilities (Note 28)	**19.82**	23.10

Note:

Contract assets represents right to receive the inventory (on estimated sales returns) and contract liabilities represents advances received from customers for sale of goods at the reporting date.

d) Significant changes in contract assets and liabilities during the period

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue recognised that was included in the contract liability balance at the beginning of the period	**23.10**	20.59

Note 31 : Other Income

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income on:		
Fixed deposits with Non-Banking Financial Companies at amortised cost	**26.48**	19.43
Deposits with banks	**8.92**	2.12
Commercial Papers	**0.81**	-
On Others	**0.17**	0.44
Net Gain on Sale of Investments (Mutual Funds/ Non-convertible debentures)	**10.90**	14.02
Fair Value Gain/(Loss) on financial assets measured at fair value through profit or loss	**0.62**	0.53
Other Non-Operating Income		
Net Gain on Foreign Currency Transactions and Translations	**0.87**	-
Guarantee Commission income	**8.17**	17.32
Rental Income	**10.97**	10.77
Miscellaneous Non-operating Income	**1.27**	0.11
TOTAL	**69.18**	**64.74**

Note 32 : Cost Of Materials Consumed

₹ Crore

		Year ended March 31, 2022	Year ended March 31, 2021
Raw material and packing material			
Opening Inventory		**287.95**	284.97
Add : Purchases (Net)		**3,152.53**	2,397.28
		3,440.48	2,682.25
Less: Closing Inventory		**(376.55)**	(287.95)
Cost of Materials Consumed	**TOTAL**	**3,063.93**	**2,394.30**

Note 33 : Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress

₹ Crore

		Year ended March 31, 2022	Year ended March 31, 2021
Opening Inventory			
Finished Goods		**292.49**	273.06
Stock-in-Trade		**61.80**	33.82
Work-in-Progress		**49.34**	55.55
		403.63	**362.43**
Less: Closing Inventory			
Finished Goods		**305.01**	292.49
Stock-in-Trade		**38.62**	61.80
Work-in-Progress		**57.02**	49.34
		400.65	**403.63**
(Increase)/Decrease in Inventories	**TOTAL**	**2.98**	**(41.20)**

Note 34 : Employee Benefits Expense

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	**302.59**	380.27
Compensated Absences	**1.05**	1.84
Contribution to Provident and Other Funds (Refer Note 45)	**21.75**	22.45
Share based payments to Employees (Employee Stock Grant Scheme) (Refer Note 46)	**11.96**	6.09
Staff Welfare Expenses	**10.17**	6.44
TOTAL	**347.52**	**417.09**

Note 35 : Finance Costs

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expense		
Unwinding of interest on liabilities	**-**	2.29
Interest on lease liabilities	**2.37**	2.79
Others (mainly includes interest on Short-term borrowings)	**5.39**	9.86
Other borrowing costs		
Bill discounting Charges	**0.11**	9.87
TOTAL	**7.87**	**24.81**

Note 36 : Depreciation and Amortisation Expenses

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	**68.14**	65.49
Depreciation on Right of use assets - buildings	**12.01**	11.78
Amortisation on intangible assets	**5.46**	6.11
TOTAL	**85.61**	**83.38**

Note 37 : Other Expenses

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores and Spare Parts	**13.11**	15.24
Power and Fuel	**100.67**	80.47
Rent (Net) (Refer Note 3B)	**45.89**	43.33
Repairs and Maintenance		
Plant and Equipment	**6.80**	5.36
Buildings	**4.96**	4.87
Others (Net)	**31.48**	29.28
	43.24	39.51
Insurance	**7.19**	6.44
Rates and Taxes	**10.41**	13.96
Processing and Other Manufacturing Charges	**188.56**	179.62
Travelling and Conveyance	**21.36**	15.07
Auditors' Remuneration		
As Statutory Auditor	**1.86**	1.80
For Other audit related services	**0.36**	0.19
Reimbursement of Expenses	**0.03**	0.01
	2.25	2.00
Legal and Professional Charges	**36.93**	35.19
Donations	**0.38**	1.52
Sales Promotion	**63.22**	55.58
Advertising and Publicity	**501.13**	543.52
Selling and Distribution Expenses	**78.73**	76.58
Freight	**276.55**	261.48
Net Loss on Sale/ write off of Fixed Assets	**3.36**	9.09
Net Loss on Foreign Currency Transactions and Translations	**-**	1.57
Provision for Doubtful Debts / Advances	**-**	10.32
CSR expenditure (Note 47)	**30.49**	34.08
Miscellaneous Expenses (Net) (Refer Note (a) below)	**59.58**	50.51
TOTAL	**1,483.05**	**1,475.08**

Note :

Miscellaneous Expenses include the Company's share of various expenses incurred by group companies for sharing of services and use of common facilities.

Note 38 : Exceptional Items

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Impairment (reversal) / provision	**(15.38)**	15.38
Net gain on sale of investment in Associate	**(42.83)**	-
TOTAL	**(58.21)**	**15.38**

Note :

The Company divested its entire stake in Bhabani Blunt Hair Dressing Private Limited on March 16th,2022, and the right to use the BBLUNT" brand name to manufacture and sell BBLUNT branded products business during the year in line with the overall strategy of sharpening the strategic focus on the core business portfolio. Total consideration received by GCPL on closing of the transaction is ₹ 78.65 crore (Net)

Note 39 : Earnings Per Share

	Year ended March 31, 2022	Year ended March 31, 2021
Net Profit After Tax (₹ Crore)	**1,479.15**	**1,224.34**
Number of Shares outstanding at the beginning of the year	**1,02,24,86,273**	1,02,23,16,352
Add : Shares Issued during the year	**94,806**	1,69,921
Number of Shares outstanding at the end of the year	**1,02,25,81,079**	1,02,24,86,273
Weighted Average Number of Equity Shares		
For calculating Basic EPS	**1,02,25,45,027**	1,02,24,35,634
Effect of dilution:		
Shared based payments	**1,19,419**	1,17,084
For calculating Diluted EPS	**1,02,26,64,446**	1,02,25,52,718
Earnings Per Share		
(Face Value ₹ 1)		
Basic (₹)	**14.47**	11.97
Diluted (₹)	**14.46**	11.97

Note 40 : Commitments

Estimated value of contracts remaining to be executed on capital account to the extent not provided for : ₹ 40.97 crore (31-Mar-21 ₹ 45.66 crore), net of advances there against of ₹ 37.11 crore (31-Mar-21 ₹ 8.66 crore)

Note 41 : Dividend

During the year 2021-22, no interim dividend has been paid.

Note 42 : Contingent Liabilities

₹ Crore

			As at March 31, 2022	As at March 31, 2021
a)	**CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS**			
	i)	Excise duty and service tax matters	**56.73**	51.06
	ii)	Sales tax and VAT matters	**65.07**	62.28
	iii)	Income-tax matters	**12.78**	12.78
	iv)	Other matters	**3.00**	3.00
b)	**GUARANTEES GIVEN ON BEHALF OF SUBSIDIARIES**			
	i)	Guarantee amounting to Nil (31-Mar-21 USD 14.30 million) given by the Company to DBS Bank Ltd (Singapore) & Sumitomo Mitsui Banking Corporation (Singapore) against loan provided to Godrej Consumer Products Holdings Mauritius Ltd.	**-**	104.55
	ii)	Guarantee amounting to Nil (31-Mar-21 USD 39.59 million) given by the Company to Bank of Tokyo Mitsubishi UFJ Ltd (London) against loan provided to Godrej SON Holdings, Inc.	**-**	289.45
	iii)	Guarantee amounting to USD 50.50 million (31-Mar-21 USD 50.50 million) given by the Company to Standard Chartered Bank Mauritius towards SBLC line given to Godrej Tanzania Holdings Limited	**382.75**	369.21
	iv)	Guarantee amounting to Nil (31-Mar-21 USD 1.20 million) given by the Company to DBS Bank Limited towards IRS taken by Godrej Consumer Products Holdings Mauritius Ltd.	**-**	8.77
	v)	Guarantee amounting to USD 36.75 million (31-Mar-21 Nil) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards Banking facility taken by Godrej SON Holdings, Inc.	**278.54**	-
	vi)	Guarantee amounting to USD 49.58 million (31-Mar-21 USD 148.72 million) given by the Company to HSBC (Singapore) against loan provided to Godrej Mauritius Africa Holdings Ltd.	**375.80**	1,087.29
	vii)	Guarantee amounting to Nil (31-Mar-21 3.50 million) given by the Company to DBS Bank Limited towards IRS taken by Godrej Mauritius Africa Holdings Ltd.	**-**	25.59
	viii)	Guarantee amounting to USD 24.20 million (31-Mar-21 USD 24.20 million) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards Banking facility taken by Godrej Mauritius Africa Holdings Ltd.	**183.42**	176.93
	ix)	Guarantee amounting to Nil (31-Mar-21 USD 0.75 million) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards IRS taken by Godrej Mauritius Africa Holdings Ltd.	**-**	5.48
			1,220.51	**2,067.27**
c)	**OTHER GUARANTEES**			
	i)	Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 4.23 crore	**37.92**	13.39
	ii)	Guarantee given by the Company to Yes Bank for credit facilities extended to M/s. Broadcast Audience Research Council	**-**	0.80
	iii)	Guarantee given by the Company to Kotak Mahindra Bank for credit facilities extended to M/s. Broadcast Audience Research Council	**0.30**	0.30
			38.22	**14.49**

₹ Crore

		As at March 31, 2022	As at March 31, 2021
d)	**CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:**		
i)	Claims by various parties on account of unauthorized, illegal and fraudulent acts by an employee.	**32.22**	32.22
ii)	Others	**0.06**	0.06

e) OTHER MATTERS

The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. Additionally, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

Note 43 : Related Party Disclosures

A) Related Parties and their Relationship

a) Holding Company:

None

b) Subsidiaries:

Name of the Subsidiary	Country	% Holding as at March 31, 2022	% Holding as at March 31, 2021
Belaza Mozambique LDA	Mozambique	**100%**	100%
Canon Chemicals Limited	Kenya	**100%**	100%
Charm Industries Limited	Kenya	**100%**	100%
Consell (under voluntary Liquidation)	Argentina	**100%**	100%
Cosmetica National	Chile	**100%**	100%
Darling Trading Company Mauritius Limited	Mauritius	**100%**	95%
Deciral S.A.	Uruguay	**100%**	100%
DGH Phase Two Mauritius	Mauritius	**100%**	90%
DGH Tanzania Limited	Mauritius	**100%**	100%
DGH Uganda (under voluntary liquidation)	Mauritius	**51%**	51%
Frika Weave (Pty) Ltd	South Africa	**100%**	100%
Godrej (UK) Ltd	UK	**100%**	100%
Godrej Africa Holdings Limited	Mauritius	**100%**	100%
Godrej Consumer Care Limited (w.e.f. January 4, 2022)	India	**100%**	0%
Godrej Consumer Products Limited Employees' Stock Option Trust	India	**100%**	100%
Godrej Consumer Holdings (Netherlands) B.V.	Netherlands	**100%**	100%
Godrej Consumer Investments (Chile) Spa	Chile	**100%**	100%
Godrej Consumer Products (Netherlands) B.V.	Netherlands	**100%**	100%
Godrej Consumer Products Bangladesh Limited	Bangladesh	**100%**	100%
Godrej Consumer Products Dutch Cooperatief UA	Netherlands	**100%**	100%
Godrej Consumer Products Holding (Mauritius) Limited	Mauritius	**100%**	100%

Name of the Subsidiary	Country	% Holding as at March 31, 2022	% Holding as at March 31, 2021
Godrej Consumer Products International FZCO	Dubai,UAE	**100%**	95%
Godrej CP Malaysia SDN BHD	Malaysia	**100%**	100%
Godrej East Africa Holdings Limited	Mauritius	**100%**	100%
Godrej Global Mideast FZE	Sharjah,UAE	**100%**	100%
Godrej Holdings (Chile) Limitada	Chile	**100%**	100%
Godrej Household Products (Bangladesh) Pvt. Ltd.	Bangladesh	**100%**	100%
Godrej Household Products Lanka (Pvt). Ltd.	Sri Lanka	**100%**	100%
Godrej Indonesia IP Holdings Ltd	Mauritius	**100%**	100%
Godrej Mauritius Africa Holdings Limited	Mauritius	**100%**	100%
Godrej Mid East Holding Limited	Dubai,UAE	**100%**	100%
Godrej Netherland B.V.	Netherlands	**100%**	100%
Godrej Nigeria Limited	Nigeria	**100%**	100%
Godrej Peru SAC (under voluntary liquidation)	Peru	**100%**	100%
Godrej SON Holdings Inc.	USA	**100%**	100%
Godrej South Africa Proprietary Limited	South Africa	**100%**	100%
Godrej Tanzania Holdings Limited	Mauritius	**100%**	100%
Godrej West Africa Holdings Limited	Mauritius	**100%**	95%
Hair Credentials Zambia Limited	Zambia	**100%**	100%
Hair Trading (Offshore) S.A.L.	Lebanon	**51%**	51%
Indovest Capital (Ceased on December 27, 2021)	Labuan	**100%**	100%
Issue Group Brazil LTDA	Brazil	**100%**	100%
Kinky Group (Proprietary) Limited	South Africa	**100%**	100%
Laboratorio Cuenca S.A	Argentina	**100%**	100%
Lorna Nigeria Limited	Nigeria	**100%**	100%
Old Pro International, Inc.	USA	**100%**	100%
Panamar Producciones SA (under voluntary liquidation)	Argentina	**100%**	100%
PT Ekamas Sarijaya	Indonesia	**100%**	100%
PT Indomas Susemi Jaya	Indonesia	**100%**	100%
PT. Godrej distribution Indonesia	Indonesia	**100%**	100%
PT Sarico Indah	Indonesia	**100%**	100%
PT Megasari Makmur	Indonesia	**100%**	100%
Sigma Hair Industries Ltd.	Tanzania	**100%**	100%
Strength of Nature LLC	USA	**100%**	100%
Style Industries Ltd	Kenya	**100%**	90%
Style Industries Uganda Limited (Ceased on August 3, 2021)	Uganda	**51%**	51%
Subinite (Pty) Ltd	South Africa	**100%**	95%
Weave Ghana	Ghana	**100%**	100%
Weave IP Holdings Mauritius Pvt. Ltd.	Mauritius	**100%**	95%
Weave Mozambique Limitada	Mozambique	**100%**	95%
Weave Senegal	Senegal	**100%**	100%
Weave Trading Mauritius Pvt. Ltd.	Mauritius	**51%**	51%

c) Associate Company:

Name of the Associate Company	Country	% Holding as at March 31, 2022	% Holding as at March 31, 2021
Bhabani Blunt Hairdressing Pvt Limited (Note 38)	India	0%	28%

d) Investing Entity in which the reporting entity is an Associate

i) Godrej Industries Limited

ii) Godrej Seeds & Genetics Limited

e) Companies under common Control with whom transactions have taken place during the year

i) Godrej & Boyce Mfg. Co. Limited

ii) Godrej Agrovet Limited

iii) Godrej Tyson Foods Limited

iv) Godrej Properties Limited

v) Godrej Projects Development Private Limited

vi) Godrej One Premises Management Private Limited

f) Key Management Personnel and Relatives

i)	Mr. Adi Godrej	Chairman Emeritus (till September 30,2021)
ii)	Ms. Nisaba Godrej	Executive Chairperson (Chairperson & Managing director from October 18,2021) / Daughter of Mr. Adi Godrej / Sister of Mr. Pirojsha Godrej and Ms. Tanya Dubash
iii)	Mr. Vivek Gambhir	Managing Director & CEO (From April 1, 2020 to June 30, 2020), Whole-time Director from July 1, 2020 to September 30, 2020)
iv)	Mr. Sudhir Sitapati	Managing Director & CEO (From October 18, 2021)
v)	Mr. V. Srinivasan	Chief Financial Officer and Company Secretary (till August 31, 2021)
vi)	Mr. Sameer Shah	Chief Financial Officer (From September 1, 2021)
vii)	Mr. Rahul Botadara	Company Secretary and Compliance Officer(From September 1, 2021)
viii)	Mr. Pirojsha Godrej	Non-Executive Director / Son of Mr. Adi Godrej / Brother of Ms. Nisaba Godrej and Ms. Tanya Dubash
ix)	Mr. Nadir Godrej	Non-Executive Director/ Brother of Mr. Adi Godrej
x)	Ms. Tanya Dubash	Non-Executive Director/ Daughter of Mr. Adi Godrej /Sister of Mr. Pirojsha Godrej and Ms. Nisaba Godrej
xi)	Mr. Jamshyd Godrej	Non Executive Director
xii)	Mr. Aman Mehta	Independent Director (Up to August 31, 2021)
xiii)	Mr. Omkar Goswami	Independent Director
xiv)	Ms. Ireena Vittal	Independent Director
xv)	Mr. Narendra Ambwani	Independent Director
xvi)	Ms. Ndidi Nwuneli	Independent Director
xvii)	Ms. Pippa Armerding	Independent Director
xviii)	Mr. Sumeet Narang	Independent Director

xix)	Mr. Burjis Godrej	Son of Mr. Nadir Godrej
xx)	Ms. Rati Godrej	Wife of Mr. Nadir Godrej
xxi)	Mr. Sohrab Godrej	Son of Mr. Nadir Godrej
xxii)	Mr. Hormazd Godrej	Son of Mr. Nadir Godrej
xxiii)	Mr.Navroze Godrej	Son of Mr. Jamshyd Godrej
xxiv)	Mr. Azaar Arvind Dubash	Son of Ms. Tanya Dubash

g) Post employment Benefit Trust where the reporting entity exercises significant influence

i) Godrej Consumer Products Employees' Provident Fund

B) The Related Party Transactions are as under :

₹ Crore

	Subsidiary Companies		Associate Company		Investing Entity in which the reporting entity is an associate		Companies Under Common Control		Key Management Personnel and Relatives		Post employment benefit trust		Total	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Goods	114.20	96.03	0.13	0.08	33.47	12.25	1.49	1.02	-	-	-	-	**149.29**	**109.38**
Sale of Capital Asset	-	-	-	-	0.01	-	-	-	-	-	-	-	**0.01**	**-**
Purchase of Materials and Spares	3.53	4.77	-	-	81.57	65.54	7.04	3.82	-	-	-	-	**92.14**	**74.13**
Purchase of Fixed Asset including Assets under Construction	-	-	-	-	-	-	0.24	-	-	-	-	-	**0.24**	**-**
Advance Paid	-	-	-	-	-	-	-	-	-	-	9.50	-	**9.50**	**-**
Advance received back	-	-	-	-	-	-	-	-	-	-	9.50	-	**9.50**	**-**
Royalty and Technical Fees Received	22.46	20.10	-	-	-	-	-	-	-	-	-	-	**22.46**	**20.10**
Royalty and Technical Fees Paid	0.13	0.15	0.55	0.41	-	-	-	-	-	-	-	-	**0.68**	**0.56**
Establishment & Other Expenses Paid (Including provision for doubtful debts if any)	2.75	2.05	0.10	0.12	23.40	21.49	5.71	6.03	-	-	-	-	**31.96**	**29.69**
Expenses Recovered	18.43	18.04	0.00	-	1.24	1.33	0.01	0.07	-	-	-	-	**19.68**	**19.44**
Investments Made	502.30	981.36	-	-	-	-	-	-	-	-	-	-	**502.30**	**981.36**
Investments Sold / Redeemed	-	-	32.04	-	-	-	-	-	-	-	-	-	**32.04**	**-**
Guarantees Given / (Cancelled)	278.54	374.69	-	-	-	-	-	-	-	-	-	-	**278.54**	**374.69**
Guarantee Commission Income	8.17	17.32	-	-	-	-	-	-	-	-	-	-	**8.17**	**17.32**
Income from Business Support Services	12.45	10.16	-	-	-	-	-	-	-	-	-	-	**12.45**	**10.16**
Commission on Profits and Sitting Fees	-	-	-	-	-	-	-	-	3.17	3.51	-	-	**3.17**	**3.51**
Lease Rentals Received	-	-	-	-	11.03	10.98	-	-	-	-	-	-	**11.03**	**10.98**
Lease Rentals Paid	-	-	-	-	18.73	17.89	-	-	-	-	-	-	**18.73**	**17.89**
Loans given	-	29.42	-	-	-	-	-	-	-	-	-	-	**-**	**29.42**
Loans repaid	-	29.42	-	-	-	-	-	-	-	-	-	-	**-**	**29.42**
Contribution during the year (Including Employees' Share)	-	-	-	-	-	-	-	-	-	-	17.39	15.76	**17.39**	**15.76**
Short Term Employment Benefits	-	-	-	-	-	-	-	-	13.31	18.05	-	-	**13.31**	**18.05**
Post Employment Benefits	-	-	-	-	-	-	-	-	0.49	1.64	-	-	**0.49**	**1.64**
Other Long Term Benefits	-	-	-	-	-	-	-	-	0.03	-	-	-	**0.03**	**-**
Share Based Payment	-	-	-	-	-	-	-	-	1.16	5.17	-	-	**1.16**	**5.17**
TOTAL	**962.96**	**1,583.51**	**32.82**	**0.61**	**169.45**	**129.48**	**14.49**	**10.94**	**18.16**	**28.37**	**36.39**	**15.76**	**1,234.27**	**1,768.67**

Outstanding Balances

₹ Crore

	Receivables		Payables		Guarantees Outstanding - Given / (Taken)		Commitments	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Subsidiary Companies	**96.13**	75.04	**1.30**	1.41	**1,220.51**	2,067.27	**-**	-
Associate Company	**0.00**	0.03	**-**	0.14	**-**	-	**-**	-
Investing Entity in which the reporting entity is an associate	**3.06**	1.37	**10.09**	5.74	**(26.88)**	(26.88)	**-**	-
Common Control	**0.66**	0.40	**0.49**	0.41	**(1.21)**	(1.21)	**0.24**	0.53
Key Management Personnel and Relatives	**-**	-	**2.36**	2.58	**-**	-	**-**	-
TOTAL	**99.85**	**76.84**	**14.24**	**10.28**	**1,192.42**	**2,039.18**	**0.24**	**0.53**

Note: Refer note 5 for investments in subsidiaries and associates and note 42 for Guarantees given on behalf of subsidiaries

Note 44 : Forward Contracts

The Company uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitments in accordance with its forex policy as determined by its Forex Committee. The Company does not use foreign exchange forward contracts for trading or speculation purposes.

Forward / Spot Contracts outstanding are as follows:

	As at March 31, 2022		As at March 31, 2021	
	In Million	INR crores	In Million	INR crores
Forward Contracts to Purchase (USD) - nominal amounts	**$-**	**0.00**	$1.95	14.27
[0 contract (31-Mar-21: 3 contracts]				
Forward Contracts to Sales (USD) - nominal amounts	**$7.50**	**56.84**	$-	-
[2 contracts (31-Mar-21: 0 contract]				
Forward Contracts to Sales (EURO) - nominal amounts	**€ 2.00**	**16.84**	€ 1.00	8.58
[4 contracts (31-Mar-21: 1 contract]				

Note 45 : Employee Benefits

a) DEFINED CONTRIBUTION PLAN

Provident Fund / Super annuation fund:

The contributions to the Provident Fund of certain employees (including some employees of the erstwhile Godrej Household Products Ltd) are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Superannuation Fund constitutes an insured benefit, which is classified as a defined contribution plan as the Company contributes to an Insurance Company and has no further obligation beyond making payment to the insurance company.

b) DEFINED BENEFIT PLAN

Gratuity:

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

The Gratuity scheme of the erstwhile Godrej Household Products Ltd., which was obtained pursuant to the Scheme of Amalgamation, is funded through Unit Linked Gratuity Plan with HDFC Standard Life Insurance Company Limited.

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

The Company has a gratuity trust. However, the Company funds its gratuity payouts from its cash flows. Accordingly, the Company creates adequate provision in its books every year based on actuarial valuation.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

Provident Fund:

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

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2022.

₹ Crore

	As at March 31, 2022	**As at March 31, 2021**
Plan assets at period end, at fair value	**170.68**	175.93
Provident Fund Corpus	**168.26**	174.09
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	**8.45%**	8.44%
Weighted Average Yield to Maturity	**8.57%**	8.61%
Guaranteed Rate of Interest	**8.10%**	8.50%

c) **Amounts Recognised as Expense:**

i) **Defined Contribution Plan**

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 12.72 crore (previous year ₹ 13.13 crore) has been included in Note 34 under Contribution to Provident and Other Funds.

ii) **Defined Benefit Plan**

Gratuity cost amounting to ₹ 8.60 crore (previous year ₹ 8.83 crore) has been included in Note 34 under Contribution to Provident and Other Funds.

d) The amounts recognised in the Company's financial statements as at year end are as under:

₹ Crore

		As at March 31, 2022	As at March 31, 2021
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	**66.33**	65.91
	Current Service Cost	**4.49**	4.62
	Interest Cost	**4.15**	4.24
	Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions	**(1.42)**	-
	Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions	**(0.39)**	0.53
	Actuarial (Gain) / Loss on Obligation- Due to Experience	**0.54**	(2.24)
	Benefits Paid	**(11.66)**	(6.73)
	Present value of the obligation at the end of the year	**62.04**	**66.33**
ii)	**Change in Plan Assets**		
	Fair value of Plan Assets at the beginning of the year	**0.61**	0.52
	Interest Income	**0.04**	0.03
	Return on plan assets excluding interest income	**(0.01)**	(0.01)
	Contributions by the Employer	**13.00**	6.80
	Benefits Paid	**(11.66)**	(6.73)
	Fair value of Plan Assets at the end of the year	**1.99**	**0.61**
iii)	**Amounts Recognised in the Balance Sheet:**		
	Present value of Obligation at the end of the year	**62.04**	66.33
	Fair value of Plan Assets at the end of the year	**1.99**	0.61
	Net Liability recognised in the Balance Sheet	**60.05**	**65.72**
iv)	**Amounts Recognised in the Statement of Profit and Loss:**		
	Current Service Cost	**4.49**	4.62
	Interest Cost/Income on Obligation/ Plan assets (Net)	**4.11**	4.21
	Net Cost Included in Personnel Expenses	**8.60**	**8.83**
v)	**Recognised in other comprehensive income for the year**		
	Actuarial (Gain) / Loss on Obligation	**(1.27)**	(1.72)
	Return on plan assets excluding interest income	**0.01**	0.01
	Recognised in other comprehensive income	**(1.26)**	**(1.71)**
vi)	**Weighted average duration of Present Benefit Obligation**	**5 years**	**6 years**
vii)	**Estimated contribution to be made in next financial year**	**8.38**	**8.28**
viii)	**Major categories of Plan Assets as a % of total Plan Assets**		
	Insurer Managed Funds	**100%**	100%
ix)	**Actuarial Assumptions**		
	i) Discount Rate	**6.41% P.A.**	6.26% P.A.
	ii) Salary Escalation Rate	**9.00% P.A.**	9.00% P.A.
	iii) Mortality	**Indian Assured Lives Mortality (2006-08) Ultimate**	
	The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		

x) Maturity Analysis of Projected Benefit Obligation: From the Fund

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Projected Benefits Payable in Future Years From the Date of Reporting		
Within the next 12 months	**10.56**	13.31
2nd Following Year	**8.84**	6.71
3rd Following Year	**8.14**	7.96
4th Following Year	**7.95**	6.60
5th Following Year	**6.58**	7.68
Sum of Years 6 To 10	**25.34**	25.77

xi) Sensitivity analysis

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

	March 31, 2022		March 31, 2021	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**(2.47)**	**2.70**	(2.96)	3.29
Future salary growth (1% movement)	**2.61**	**(2.43)**	3.17	(2.91)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Other details

Methodology Adopted for ALM	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity analysis	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Comment on Quality of Assets	Since investment is with insurance company, Assets are considered to be secured.

Note 46 : Employee Stock Benefit Plans

I. EMPLOYEE STOCK GRANT SCHEME

a) The Company set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders on March 18, 2011.

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

c) The Scheme applies to the Eligible Employees of the Company or its Subsidiaries. The entitlement of each employee will be decided by the Compensation Committee of the Company based on the employee's performance, level, grade, etc.

d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 2,500,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 500,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

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

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

g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The fair value is treated as Employee Compensation Expenses and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

h) The details of the scheme are as below:

Scheme	Grant Date	No. of Options	Vesting Condition	Exercise Price (₹) per share	Weighted average Exercise Price (₹) per share	Exercise period
Employees Stock Grant Scheme 2011	From 2011 to 2021	15,72,851	Vested in the proportion of 1/3rd at the end of each year	1.00	1.00	within 1 month from the date of vesting

Movement in the number of share options during the year:

	As at March 31, 2022	As at March 31, 2021
Outstanding at the beginning of the year	**1,87,421**	**2,90,133**
Add: Granted during the year	**5,78,514**	97,653
Less: Exercised during the year	**94,806**	1,69,921
Less: Forfeited/ lapsed during the year	**55,027**	30,444
Outstanding at the end of the year	**6,16,102**	**1,87,421**

Weighted average remaining contractual life of options as at 31st March, 2022 was ₹ 2.97 years (31-Mar-21 ₹ 0.94 years).

Weighted average equity share price at the date of exercise of options during the year was ₹ 958.87 (previous year ₹ 654.46).

The fair value of the employee share options has been measured using the Black-Scholes formula. The following assumptions were used for calculation of fair value of grants:

	As at March 31, 2022	As at March 31, 2021
Risk-free interest rate (%)	**5.34%**	4.12%
Expected life of options (years)	**3.65**	2.00
Expected volatility (%)	**34.73%**	38.12%
Dividend yield	**0.00%**	1.20%
The price of the underlying share in market at the time of option grant (₹)	**977.30**	666.58

II. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.

Note 47 : Corporate Social Responsibility (CSR) Expenditure

Expenditure related to CSR as per section 135 of the Companies Act, 2013 read with Schedule VII thereof, against the mandatory spend of ₹ 30.46 crore (previous year ₹ 28.04 crore):

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent by the company during the year	**30.46**	28.04
Amount of expenditure incurred on CSR activities	**24.25**	34.08
Shortfall at the end of the year	**6.21**	-
Movement of provision		
Opening	**-**	-
Add Provision during the year	**6.24**	-
Closing	**6.24**	-

Reason for Shortfall

i) The MoUs for projects such as Salon-I and EMBED were from June 2021 to May 2022 in line with MCA's direction in January 2021 (that CSR Committees must approve new projects annually) and hence the project period is yet to be completed and the funds were therefore not disbursed.

ii) Pondicherry waste management project and the horticulture to briquette project in Assam were delayed due to Covid19 related issues and local government alignment and permissions.

Nature of CSR Activities

i) COVID 19 second wave - disaster management, including relief, rehabilitation and reconstruction activities for various states

ii) Community development initiatives like providing clean water and improving sanitation; promoting education; promoting rural development

iii) Livelihood enhancement projects, women's empowerment

iv) environment sustainability etc

v) Promoting public health

GCPL has deposited the unspent CSR amount of ₹ 6.24 crore to the specified bank account post year end and before April 30, 2022

Note 48 : Financial Instruments

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ Crore

As at March 31, 2022	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Deposits with Non-Banking Financial Companies	-	-	25.20	25.20	-	25.20	-	25.20
Loans	-	-	0.03	0.03	-	-	-	-
Other non-current financial assets	-	-	23.42	23.42	-	-	-	-
Current								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	127.19	127.19	127.19	-	-	127.19
Mutual Funds	311.60	-	-	311.60	-	311.60	-	311.60
Commercial papers	-	-	49.98	49.98	-	49.98	-	49.98
Deposits with Non-Banking Financial Companies			277.63	277.63	-	277.63	-	277.63
Trade receivables	-	-	336.92	336.92	-	-	-	-
Cash and cash equivalents	-	-	35.23	35.23	-	-	-	-
Other bank balances	-	-	309.74	309.74	-	-	-	-
Loans	-	-	0.05	0.05	-	-	-	-
Refunds/Incentives receivables from government authorities	-	-	29.84	29.84	-	-	-	-
Derivative assets - forward exchange contracts	0.11	-	-	0.11	-	0.11	-	0.11
Other current financial assets	-	-	8.20	8.20	-	-	-	-
TOTAL	**311.71**	**-**	**1,223.43**	**1,535.14**	**127.19**	**664.52**	**-**	**791.71**
Financial liabilities								
Non Current								
Lease liabilities	-	-	20.42	20.42	-	-	-	-
Current								
Lease liabilities			11.03	11.03		-		
Trade and other payables	-	-	625.30	625.30	-	-	-	-
Other Current Financial Liabilities	-	-	89.34	89.34	-	-	-	-
TOTAL	**-**	**-**	**746.09**	**746.09**	**-**	**-**	**-**	**-**

There are no transfers between levels 1 and 2 during the year

₹ Crore

As at March 31, 2021	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Loans	-	-	0.04	0.04	-	-	-	-
Other Non-Current Financial Assets	-	-	26.35	26.35	-	-	-	-
Current				-				-
Non-convertible Debentures with Non-Banking Financial Companies	-	-	55.30	55.30	55.30	-	-	55.30

₹ Crore

As at March 31, 2021	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Mutual Funds	129.47			129.47	-	129.47	-	129.47
Commercial papers	-	-	-	-	-	-	-	-
Deposits with Non-Banking Financial Companies	-	-	459.65	459.65	-	459.65	-	459.65
Trade receivables	-	-	247.46	247.46	-	-	-	-
Cash and cash equivalents	-	-	62.78	62.78	-	-	-	-
Other Bank balances	-	-	20.93	20.93	-	-	-	-
Loans	-	-	0.06	0.06	-	-	-	-
Refunds/Incentives receivables from Govt. Authorities	-	-	55.50	55.50	-	-	-	-
Derivative assets - forward exchange contracts	0.27	-	-	0.27	-	0.27	-	0.27
Other Current Financial Assets	-	-	19.66	19.66	-	-	-	-
TOTAL	**129.74**	**-**	**947.73**	**1,077.47**	**55.30**	**589.39**	**-**	**644.69**
Financial liabilities								
Non Current								
Lease liabilities	-	-	31.44	31.44	-	-	-	-
Current								
Borrowings	-	-	0.14	0.14	-	-	-	-
Lease liabilities	-	-	11.98	11.98	-	-		-
Trade and other payables	-	-	802.36	802.36	-	-	-	-
Other current financial liabilities	-	-	160.25	160.25	-	-	-	-
TOTAL	**-**	**-**	**1,006.17**	**1,006.17**	**-**	**-**	**-**	**-**

There are no transfers between levels 1 and 2 during the year

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

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

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund Investments	NAV quoted by the Mutual Fund	NA	NA
Investments in Non Convertible Debenture/ Commercial papers with Non-Banking Financial Companies	Broker Quote	NA	NA
Deposits with Non-Banking Financial Companies	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Commercial Paper issued by the Company	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Derivative Financial Instruments	MTM from Banks	NA	NA

Note 49 : Financial Risk Management

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company has constituted a Risk Management Committee and risk management policies which are approved by the Board to identify and analyze the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings, foreign currency receivables/payables, EEFC bank account balances, investments and derivative financial instruments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

(ii) Management of price risk:

The Company invests its surplus funds in various debt instruments including liquid and short term schemes of debt mutual funds, deposits with banks and financial institutions, commercial papers and non-convertible debentures (NCD's). Investments in mutual funds, deposits and NCD's are susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments. This risk is mitigated by the Company by investing the funds in various tenors depending on the liquidity needs of the Company.

(iii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at March 31, 2022 is as below:

₹ Crore

	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
	GBP	USD	EURO	AED
Financial assets				
Cash and cash equivalents	-	1.04	-	-
Trade and other receivables	-	97.49	31.52	-
Less: Forward contracts for trade receivables	-	(56.84)	(16.84)	-
Other Non-Current Financial Assets	-	4.78	-	-
Other Current Financial Assets	-	4.97	-	-
	-	**51.44**	**14.68**	**-**
Financial liabilities				
Trade and other payables	(0.16)	4.54	27.44	-
Less: Forward contracts for trade payables	-	-	-	-
Other Non-current financial liabilities	-	-	-	-
Other Current Financial Liabilities	-	-	-	-
	(0.16)	**4.54**	**27.44**	-
Net exposure	**0.16**	**46.90**	**(12.76)**	**-**

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at March 31, 2021 is as below:

₹ Crore

	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
	GBP	USD	EURO	AED
Financial assets				
Cash and cash equivalents	-	8.77	-	-
Trade and other receivables	-	72.35	25.53	-
Less: Forward contracts for trade receivables	-	-	(8.58)	-
Other Non-Current Financial Assets	-	8.12	-	-
Other Current Financial Assets	-	8.33	-	-
	-	**97.57**	**16.95**	**-**
Financial liabilities				
Trade and other payables	(0.10)	110.44	0.87	-
Less: Forward contracts for trade payables	-	(14.27)	-	-
Other Non-current financial liabilities	-	-	-	-
Other Current Financial Liabilities	-	-	-	-
	(0.10)	**96.17**	**0.87**	**-**
Net exposure	**0.10**	**1.40**	**16.08**	**-**

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

	Year-end spot rate as at	
INR	**March 31, 2022**	**March 31, 2021**
GBP INR	**99.55**	100.95
USD INR	**75.81**	73.50
EUR INR	**84.66**	86.10
ZAR INR	**-**	4.94
AED INR	**-**	19.91
JPY INR	**0.62**	0.66

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of GBP/USD/EURO/AED against the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in GBP/USD/EURO/AED and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ Crore

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2022		
5% movement		
GBP	0.01	(0.01)
USD	2.34	(2.34)
EUR	(0.64)	0.64
	1.71	**(1.71)**

₹ Crore

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2021		
5% movement		
USD	0.07	(0.07)
EUR	0.80	(0.80)
	0.87	**(0.87)**

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and from its investing activities including investments in mutual funds, commercial papers, deposits with banks and financial institutions and Non-convertible debentures, foreign exchange transactions (including derivatives) and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

Credit risk from investments of surplus funds is managed by the Company's treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements prescribed by the Board. The Company monitors the credit ratings and financial strength of its counter parties and adjusts its exposure accordingly. Derivatives are entered into with banks as counter parties, which have high credit ratings assigned by rating agencies.

Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available. The Company uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers which comprise of large number of small balances.

The movement in the allowance for impairment in respect of trade receivables is as follows

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Opening balance	**14.46**	5.49
Impairment loss (released) /recognised during the year	**(2.01)**	8.97
Closing balance	**12.45**	14.46

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a robust cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

₹ Crore

March 31, 2022	Contractual cash flows			
	Total	**Less than 1 Year**	**1-3 years**	**More than 3 years**
Non-derivative financial liabilities				
Lease liabilities	35.48	12.61	22.64	0.23
Borrowings	-	-	-	-
Trade payables	625.30	625.30	-	-
Other Financial Liabilities	89.34	89.34	-	-
Total	**750.12**	**727.25**	**22.64**	**0.23**
Derivative financial liabilities				
Forward exchange contracts				
- Outflow	-	-	-	-
- Inflow	73.68	73.68	-	-

₹ Crore

March 31, 2021	Contractual cash flows			
	Total	Less than 1 Year	1-3 years	More than 3 years
Non-derivative financial liabilities				
Lease liabilities	49.83	14.34	34.34	1.15
Borrowings	0.14	0.14	-	-
Trade payables	802.36	802.36	-	-
Other Financial Liabilities	160.25	160.25	-	-
Total	**1,012.58**	**977.09**	**34.34**	**1.15**
Derivative financial liabilities				
Forward exchange contracts				
- Outflow	14.27	14.27	-	-
- Inflow	8.58	8.58	-	-

Note 50 : Ratio Analysis And Its Elements

	As At March 31, 2022	As At March 31, 2021
Current ratio (Current Assets/ Current Liabilities)	**2.62**	1.55
Debt-Equity ratio (Non-Current + Current Borrowings)/ Total Equity)	**-**	0.00
Debt service coverage ratio (PAT + Finance Cost + Depreciation and Amortization expense + Profit/Loss on sale of Fixed assets) / (Finance Cost +Repayment Lease liabilities + Repayment of Long Term borrowings))	**79.43**	37.28
Return on Equity Ratio (Net Profits after taxes – Preference Dividend)/Average Share holder's Equity	**0.21**	0.21
Inventory turnover (in times) -(Net Sale of products/ Average Inventory)	**9.13**	9.02
Trade Receivables Turnover ratio (in times)-(Net Sale of products/ Average trade receivables)	**23.34**	22.18
Trade Payables turnover Ratio (Total Purchases / Avg. Trade payables)	**4.87**	2.69
Net working Capital turnover Ratio (Net Sales / Working Capital)	**4.45**	9.07
Net Profit Ratio (Net Profit After Taxes /Net Sale of products)	**0.22**	0.20
Return on Capital Employed (Earnings Before interest and Taxes / Capital Employed)	**18.1%**	28.3%
Return on Investment :-		
Fixed Deposits with Banks	**4.78%**	3.59%
Fixed Deposits with NBFCs	**5.04%**	5.83%
Non - Convertible Debentures	**4.44%**	6.81%
Mutual Funds	**3.59%**	3.15%
Commercial Papers	**4.72%**	-

Reasons for Change in Ratios :

i) Change in Return on investment on Fixed Deposits with Banks is due to lower average holding period in 2020-2021.

ii) Change in Return on investment on Non-convertible debentures is due to falling interest rates in 2021-2022.

iii) Current Ratio - Current assets have increased due to increase in Deposits with Bank & NBFCs in the current year (₹ 309.74 crore in CY vs ₹ 20.93 crore in PY).

iv) Return on Capital employed - Tangible Networth is increased due to Investment in Subsidiaries in Current year by ₹ 502 crore.

v) Total payables Turnover Ratio - Average Trade Payables decreased in current year (₹ 714 crore in CY vs ₹ 1023 crore in PY).

vi) Net working Capital Turnover Ratio - Current assets have increased due to increase in Deposits with Bank & NBFCs in the current year (₹ 309.74 crore in CY vs ₹ 20.93 crore in PY).

vii) Debt service Coverage Ratio - Due to decrease in Finance Cost in current year (₹ 19.84 crore in CY vs ₹ 35.99 crore in PY).

Note 51 : Utilisation Of Borrowed Funds And Share Premium

To the best of our knowledge and belief, 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 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 ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note 52 : Utilisation Of Borrowed Funds

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 ("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 53 : Struck Off Companies

Name of struck off company	Nature of transactions	Transactions during the year March 31, 2022	Balance outstanding as at March 31, 2022	Relationship with the Struck off company
3H Health And Hygiene Pvt. Ltd	Payables	0.02	-	Vendor

Name of struck off company	Nature of transactions	Transactions during the year March 31, 2021	Balance outstanding as at March 31, 2021	Relationship with the Struck off company
3H Health And Hygiene Pvt. Ltd	Payables	0.05	-	Vendor

Note 54 : Disclosure U/S 186 (4) Of The Companies Act, 2013

Details of Investments made are disclosed under Note 5 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 42.

Note 55 : Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 56 : General

Previous period figures have been regrouped / reclassified whever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III of the Companies Act, 2013.

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

For and on behalf of the Board

Nisaba Godrej
Executive Chairperson
DIN : 00591503

Sudhir Sitapati
Managing Director & CEO
DIN: 09197063

Vijay Mathur
Partner
M. No. 046476

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and Compliance-Officer

Mumbai: May 19, 2022

Independent Auditor’s Report

To the Members of
Godrej Consumer Products Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Godrej Consumer Products Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associate 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 other auditors referred to in paragraph (a) 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 separate/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.

Description of Key Audit Matters

The key audit matter	How the matter was addressed in our audit
Revenue recognition (Refer note 29 to the consolidated financial statements) Revenue is measured net of any discounts and rebates. Recognition and measurement of discounts and rebates accruals involves judgement and estimates. This leads to a risk of revenue being misstated due to inaccurate estimation over discounts and volume rebates. Revenue is recognised when the control of the products being sold has transferred to the customer. There is a risk of revenue being overstated on account of manipulation in the timing of transfer of control, due to the pressure on the Group to achieve performance targets for the year. Accordingly, revenue recognition is considered to be a key audit matter.	**Our audit procedures included:** • Assessing the Group's compliance of revenue recognition accounting policies, including those relating to discounts and rebates, with reference to Ind AS 115 'Revenue from contracts with customers' (applicable accounting standard); • Testing the design, implementation and operating effectiveness of the Group's general IT controls and key IT application/ manual controls over the Group's systems, with the assistance of our IT specialists. These IT systems enable recording of revenue and computing discounts and volume rebates in the general ledger accounting system; • Performing substantive testing (including for period end cut-off) by selecting statistical samples of revenue transactions recorded for the year and agreeing to the underlying documents, which included sales invoices and shipping documents; • Performing substantive testing by agreeing statistical samples of discounts and rebate accruals and disbursements to underlying documents; • Performing a retrospective assessment of discounts and rebate accruals with prior period to evaluate the historical accuracy; and • Assessing manual journals posted to revenue to identify unusual items.
Impairment evaluation of Goodwill (Refer note 52 to the consolidated financial statements) The carrying amount of Goodwill represents 33% of the Group's total assets. The identification of relevant Cash Generating Units (CGUs) for the annual impairment evaluation of Goodwill by the Group involves significant judgement. The impairment testing of Goodwill by the Group involves significant estimates and judgement due to the inherent uncertainty involved in forecasting, discounting future cash flows, and determining the recoverable amount. Accordingly, impairment assessment of goodwill is considered to be a key audit matter.	Our audit procedures included: • Evaluating design and implementation and testing operating effectiveness of controls over the Group's process of impairment assessment and approval of forecasts; • Evaluating Group's basis to identify relevant CGUs; • Assessing Group's valuation methodology and challenging the assumptions used relating to weighted-average cost of capital, revenue, earnings and long-term growth rates, by involving our valuation specialists. • Comparing the weighted-average cost of capital with sector averages for the relevant markets in which the CGUs operate; • Performing sensitivity analysis by assessing the effect of possible reductions in the above assumptions on the recoverable amount; • Assessing the reliability of the financial projections prepared by the Group by comparing projections for previous financial years with actual results realized and analysis of significant variances; and • Evaluating the adequacy of disclosures in respect of impairment evaluation of Goodwill in the consolidated financial statements.

Key Audit Matters

Description of Key Audit Matters (Continued)

The key audit matter	How the matter was addressed in our audit
Intangible Assets- impairment assessment (Refer note 52 to the consolidated financial statements) The carrying amount of trademarks / brands (indefinite life intangible assets) represent 15% of the Group's total assets. The annual impairment testing of these intangible assets by the Group involves significant estimates and judgment due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, impairment assessment of intangible assets is considered to be a key audit matter. Accordingly, impairment assessment of goodwill is considered to be a key audit matter.	**Our audit procedures included:** • Evaluating design and implementation and testing operating effectiveness of controls over the Group's process of impairment assessment and approval of forecasts; • Assessing the valuation methodology and challenging the assumptions used, in particular those relating to forecast revenue growth and earnings, weighted average cost of capital and royalty rates, with the assistance of our valuation specialists; • Assessing the reliability of the financial projections prepared by the Group by comparing projections for previous financial years with actual results realized and analysis of significant variances; • Performing sensitivity analysis on the assumptions noted above; and • Evaluating the adequacy of disclosures in respect of intangible assets in the consolidated financial statements.

Other Information

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

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

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

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

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

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

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

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

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

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

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

- 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 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 and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate 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 associate 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 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 paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company 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 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

(a) We did not audit the financial statements/financial information of 31 subsidiaries, whose financial statements/financial information reflect total assets of ₹ 6,467.38 crores as at 31 March 2022, total revenues of ₹ 8,147.81 crores, net profit after tax of ₹ 352.86 crores and net cash inflows amounting to ₹ 259.69 crores for the year ended on that date, before giving effect to consolidation adjustments, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The financial statements/ financial information of 3 subsidiaries, whose financial statements/financial information reflect total assets of ₹ 48.45 crores as at 31 March 2022, total revenues of ₹ 5.14 crores, net profit after tax of ₹ 0.88 crores and net cash inflows amounting to ₹ 0.32 crores for the year ended on that date, before giving effect to consolidation adjustments, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit after tax of ₹ 0.28 crores for the year ended 31 March 2022 as considered in the consolidated financial statements, in respect of one associate whose financial statements/financial information have not been audited by us or by other auditors. These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 separate/consolidated financial statements of such subsidiaries as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

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

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

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/consolidated financial statements of the subsidiaries as noted in the "Other Matters" paragraph:

a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group. Refer Note 41 to the consolidated financial statements.

b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.

c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India.

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 56(a) 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 company 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 ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary company incorporated in India 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, as disclosed in Note 56(b) to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary company 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 company 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 Parties 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The Holding Company and its subsidiary company incorporated in India have neither declared nor paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company 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 to its directors 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. In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of a subsidiary company incorporated in India, the subsidiary company has not paid / provided managerial remuneration which would require requisite approvals mandated by the provisions of Section 197 of the Act.

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

Vijay Mathur
Partner
Membership No.:046476
UDIN: 22046476AJFSRP8302

Mumbai, 19 May 2022

Annexure A to the Independent Auditor's Report - 31 March 2022

(Referred to in our report of even date)

As per clause (xxi) of Companies (Auditor's Report) Order, 2020 in our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

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

Vijay Mathur
Partner
Membership No.:046476
UDIN: 22046476AJFSRP8302

Mumbai, 19 May 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Godrej Consumer Products Limited for the year ended 31 March 2022

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

(Referred to in paragraph 2 (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Godrej Consumer Products Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such company incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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. 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 auditor of the relevant subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to consolidated financial statements

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

Inherent Limitations of Internal Financial controls with reference to consolidated financial statements

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 1 subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

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

Vijay Mathur
Partner
Membership No.:046476
UDIN: 22046476AJFSRP8302

Mumbai : 19 May 2022

Consolidated Balance Sheet As at March 31, 2022

₹ Crore

			Note No.	As at March 31, 2022	As at March 31, 2021
I.	**ASSETS**				
	1.	**Non-current assets**			
	(a)	Property, Plant and Equipment	3	**1,274.91**	1,210.22
	(b)	Capital work-in-progress	4	**114.75**	52.97
	(c)	Right-of-use assets	5	**98.45**	91.13
	(d)	Goodwill	6	**5,376.79**	5,129.85
	(e)	Other Intangible assets	6	**2,469.15**	2,473.57
	(f)	Intangible assets under development	6A	**1.69**	4.46
	(g)	Investments in associate	7	**-**	19.42
	(h)	Financial Assets			
		(i) Other Investments	7A	**171.12**	2.51
		(ii) Loans	8	**0.03**	0.04
		(iii) Others	9	**25.09**	25.10
	(i)	Deferred tax assets (net)	10D	**731.51**	676.79
	(j)	Other non-current assets	11	**93.67**	55.03
	(k)	Non-Current Tax Assets (net)	10C	**89.63**	69.32
		Total Non Current Assets		**10,446.79**	**9,810.41**
	2.	**Current assets**			
	(a)	Inventories	12	**2,129.85**	1,716.25
	(b)	Financial Assets			
		(i) Investments	13	**844.31**	657.17
		(ii) Trade receivables	14	**1,116.32**	1,004.50
		(iii) Cash and cash equivalents	15A	**750.92**	524.13
		(iv) Bank balances other than (iii) above	15B	**356.85**	148.08
		(v) Loans	16	**0.05**	0.06
		(vi) Others	17	**41.83**	75.22
	(c)	Other current assets	18	**447.14**	347.00
		Total Current Assets		**5,687.27**	**4,472.41**
		TOTAL ASSETS		**16,134.06**	**14,282.82**
II.	**EQUITY AND LIABILITIES**				
	1.	**EQUITY**			
	(a)	Equity Share capital	19	**102.26**	102.25
	(b)	Other equity	20	**11,453.67**	9,336.65
		Total Equity		**11,555.93**	**9,438.90**
	2.	**LIABILITIES**			
		Non-current liabilities			
	(a)	Financial liabilities			
		(i) Borrowings	21	**380.85**	480.11
		(ii) Lease liabilities	5	**64.44**	67.49
	(b)	Provisions	22	**107.00**	114.72
	(c)	Deferred tax liabilities (net)	10E	**51.94**	39.03
	(d)	Other non-current liabilities	23	**2.29**	6.88
		Total Non Current liabilities		**606.52**	**708.23**
		Current liabilities			
	(a)	Financial liabilities			
		(i) Borrowings	24	**1,226.81**	1,288.21
		(ii) Lease liabilities	5	**32.24**	28.16
		(iii) Trade payables			
		(a) Total outstanding dues of Micro and Small Enterprises	25	**23.24**	24.86
		(b) Total outstanding dues of creditors other than Micro and Small Enterprises	25	**2,139.82**	1,987.54
		(iv) Other financial liabilities	26	**227.23**	455.03
	(b)	Other current liabilities	27	**223.84**	226.19
	(c)	Provisions	28	**76.21**	72.40
	(d)	Current tax liabilities (Net)	10C	**22.22**	53.30
		Total Current Liabilities		**3,971.61**	**4,135.69**
		TOTAL EQUITY AND LIABILITIES		**16,134.06**	**14,282.82**

The accompanying notes 1 to 59 are an integral part of the Consolidated Financial Statements.

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

Vijay Mathur
Partner
M.No. 046476
Mumbai: May 19, 2022

For and on behalf of the Board of Directors

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Sudhir Sitapati
Managing Director and CEO
DIN : 09197063

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and
Compliance Officer

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

₹ Crore

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
	Revenue			
I.	Revenue from Operations	29	**12,276.50**	11,028.62
II.	Other income	30	**89.71**	67.07
III.	**Total Income (I + II)**		**12,366.21**	**11,095.69**
IV.	**Expenses**			
	Cost of Materials Consumed	31	**5,782.98**	4,606.76
	Purchases of Stock-in-Trade		**353.65**	365.01
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	**(61.54)**	(42.35)
	Employee Benefits Expense	33	**1,104.14**	1,123.34
	Finance costs	34	**110.16**	126.63
	Depreciation and Amortization Expenses	35	**209.93**	203.85
	Other Expenses	36	**2,702.16**	2,587.61
	Total Expenses		**10,201.48**	**8,970.85**
V.	**Profit before Exceptional Items, Share of Net Profit/ (loss) of equity accounted investees and Tax (III-IV)**		**2,164.73**	**2,124.84**
VI.	Share of net profit/ (loss) of equity accounted investees (net of income tax)		**0.28**	(0.01)
VII.	**Profit before Exceptional Items and Tax (V+VI)**		**2,165.01**	**2,124.83**
VIII.	Exceptional Items (Net)	37	**(9.75)**	(44.47)
IX.	**Profit before Tax (VII+VIII)**		**2,155.26**	**2,080.36**
X.	**Tax expense:**			
	(1) Current Tax	10A	**397.31**	408.14
	(2) Deferred Tax	10A	**(25.44)**	(48.60)
	Total Tax Expense		**371.87**	**359.54**
XI.	**Profit for the Year (IX-X)**		**1,783.39**	**1,720.82**
XII.	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurements of defined benefit plans		**7.47**	5.69
	(ii) Income tax related to items that will not be reclassifed to profit or loss	10A	**(1.76)**	(1.35)
			5.71	**4.34**
	B (i) Items that will be reclassified to profit or loss			
	a) Exchange differences in translating financial statements of foreign operations		**368.01**	(188.96)
	b) Effective portion of gains and loss on hedging instruments in a cash flow hedge		**2.84**	20.99
			370.85	**(167.97)**
	Other Comprehensive Income (net of income tax) (A+B)		**376.56**	**(163.63)**
XIII.	**Total Comprehensive Income for the Year (XI+XII)**		**2,159.95**	**1,557.19**
	Profit attributable to:			
	Owners of the Company		**1,783.39**	**1,720.82**
	Non-controlling interests		**-**	-
	Other Comprehensive Income attributable to:			
	Owners of the Company		**376.56**	**(163.63)**
	Non-controlling interests		**-**	**-**
	Total comprehensive income attributable to:			
	Owners of the Company		**2,159.95**	**1,557.19**
	Non-controlling interests		**-**	**-**
XIV.	**Earnings per equity share (₹)**			
	1. Basic	38	**17.44**	**16.83**
	2. Diluted		**17.44**	**16.83**

The accompanying notes 1 to 59 are an integral part of the Consolidated Financial Statements.

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

For and on behalf of the Board of Directors

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Sudhir Sitapati
Managing Director and CEO
DIN : 09197063

Vijay Mathur
Partner
M.No. 046476
Mumbai: May 19, 2022

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and
Compliance Officer

Consolidated Statement of Cash Flows for the year ended March 31, 2022

₹ Crore

		Year ended March 31, 2022	Year ended March 31, 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	**2,155.26**	2,080.36
	Adjustments for :		
	Non-Cash Items		
	Depreciation and amortization expenses	**209.93**	203.85
	Unrealised Foreign Exchange (Gain) / Loss	**(10.17)**	9.75
	Bad Debts Written off	**3.20**	4.27
	Provision / Write off for Doubtful Debts / Advances	**2.28**	19.79
	(Release)/ Provision/ write off for Non Moving Inventory	**(5.48)**	17.00
	Write off /(write back) of Old Balances	**0.06**	(0.72)
	Expenses on Employee Stock Grant Scheme (ESGS)	**11.96**	6.09
	Provision for diminution in the value of investments/intangible assets	**60.19**	61.68
	Finance cost	**110.16**	126.63
	Loss on sale of Property, Plant & Equipment and Intangible assets (net)	**1.97**	7.63
	(Profit) on Sale of Investments (net)	**(10.90)**	(14.02)
	Profit on divestment of Associate (Net)	**(39.79)**	-
	(Reversal) /Provision for diminution in the value of investments	**(15.38)**	15.38
	Fair value (Gain) on financial assets measured at FVTPL (net)	**(0.62)**	(0.53)
	Interest Income	**(59.58)**	(35.05)
	Share of profit in associate	**(0.28)**	0.01
	Gain on reversal of earnout liability	**-**	(42.09)
	Adjustment due to hyperinflation	**21.47**	11.96
		279.02	**391.63**
	Operating Cash Flows Before Working Capital Changes	**2,434.28**	2,471.99
	Adjustments for :		
	(Increase) in inventories	**(384.17)**	(70.35)
	(Increase) / Decrease in trade receivables	**(88.89)**	81.44
	Decrease in loans	**0.02**	0.58
	Decrease in other financial assets	**30.69**	113.43
	(Increase) / Decrease in other non-current assets	**(1.70)**	2.09
	(Increase) / Decrease in other current assets	**(96.97)**	22.53
	Increase/ (Decrease) in trade and other payables	**83.21**	(473.07)
	(Decrease)/ Increase in other financial liabilities	**(74.98)**	117.07
	(Decrease)/ Increase in other liabilities and provisions	**(3.38)**	161.07
		(536.17)	**(45.21)**
	Cash Generated from Operating Activities	**1,898.11**	**2,426.78**
	Adjustment for :		
	Income Taxes paid (net)	**(447.54)**	(397.15)
	Net Cash Flow from Operating Activities (A)	**1,450.57**	**2,029.63**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant & equipment and intangible assets (net)	**(276.52)**	(163.86)
	Investment in Mutual Fund (Net)	**(242.30)**	(136.08)
	Investment in Deposits with NBFCs	**(351.65)**	(514.80)
	Redemption in Deposits with NBFCs	**509.80**	587.06
	(Investments)/ Redemption of non convertible debentures with NBFCs (net)	**(65.36)**	34.95
	Investment in commercial papers	**(49.98)**	-
	(Investments in) /Proceeds from fixed deposits having maturities greater than 3 months (net)	**(210.11)**	18.08
	Proceeds from divestment of Associate (Net)	**78.65**	-
	Payment of liabilities for Business Acquisitions	**(172.36)**	(197.65)
	(Investments) in Non Current Investments	**(143.41)**	(2.51)
	Interest Received	**59.01**	59.31
	Net Cash Flow (used in) in Investing Activities (B)	**(864.23)**	**(315.50)**

Consolidated Statement of Cash Flows for the year ended March 31, 2022

₹ Crore

		Year ended March 31, 2022	Year ended March 31, 2021
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Allotment of Equity Shares under Employee Stock Grant Scheme	**0.01**	0.02
	(Repayments) of Commercial Paper	**-**	(247.33)
	Proceeds from short term and long term borrowings	**1,277.52**	737.46
	Repayments of short term and long term borrowings	**(1,497.36)**	(2,109.49)
	Finance Cost paid	**(112.30)**	(158.87)
	Principal Payment of lease liabilities	**(40.65)**	(31.31)
	Finance cost paid towards Lease liabilities	**(6.74)**	(6.70)
	Net Cash Flow (used in) Financing Activities (C)	**(379.52)**	**(1,816.22)**
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**206.82**	(102.09)
	CASH AND CASH EQUIVALENTS:		
	As at the beginning of the year ** (Refer Note 15A)	**524.13**	602.87
	Less: Cash credit	**(0.36)**	(1.91)
	Effect of exchange difference on translation of cash and cash equivalents on consolidation	**20.27**	24.90
	As at the end of the year ** (Refer Note 15A)	**750.92**	524.13
	Less: Cash credit	**(0.06)**	(0.36)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**206.82**	**(102.09)**

* Cash and Cash equivalents includes cash credits, that are repayable on demand and form an integral part of Group's cash management.

₹ Crore

Movement of loans and borrowings:	Year ended March 31, 2022	Year ended March 31, 2021
Opening Balance	**1,767.96**	**3,516.44**
Cash Flows (net)	**(219.84)**	(1,619.36)
Add/(Less): Exchange difference	**59.48**	(129.12)
Closing Balance	**1,607.60**	**1,767.96**

Note:

1 The above consolidated statement of cash flows has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows'.

2 The accompanying notes 1 to 59 are an integral part of the Consolidated Financial Statements.

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

For and on behalf of the Board of Directors

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Sudhir Sitapati
Managing Director and CEO
DIN : 09197063

Vijay Mathur
Partner
M.No. 046476
Mumbai: May 19, 2022

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and
Compliance Officer

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

(a) Equity Share Capital

	Note No.	₹ Crore
As at April 1, 2020		102.22
Changes in equity share capital during the year		0.02
As at March 31, 2021		**102.25**
As at April 1, 2021		102.25
Changes in equity share capital during the year	19	0.01
As at March 31, 2022		**102.26**

(b) Other Equity (Refer Note 19)

₹ Crore

Particulars	Reserves & Surplus				Other Comprehensive Income		Total	Total Equity
	Securities Premium	General Reserve	Other Reserves	Retained Earnings	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operations		
Balance as at April 1, 2020	1,407.36	154.05	14.30	5,989.53	(24.45)	255.34	7,796.13	7,796.13
Profit for the year			-	1,720.82	-	-	1,720.82	1,720.82
Remeasurements of defined benefit plans (net of tax)	-	-	-	4.34	-	-	4.34	4.34
Other comprehensive income for the year (Net)	-	-	-	-	20.99	(188.96)	(167.97)	(167.97)
Total comprehensive income for the year	-	-	-	**1,725.16**	**20.99**	**(188.96)**	**1,557.19**	**1,557.19**
Premium received on allotment of shares / Exercise of Share Options	11.25	-	(11.25)	-	-	-	-	-
Deferred employee compensation expense	-	-	6.09	-	-	-	6.09	6.09
Revaluation of put option liability	-	-	-	(22.76)	-	-	(22.76)	(22.76)
Balance as at March 31, 2021	**1,418.61**	**154.05**	**9.14**	**7,691.93**	**(3.46)**	**66.38**	**9,336.65**	**9,336.65**
Balance as at April 1, 2021	1,418.61	154.05	9.14	7,691.93	(3.46)	66.38	9,336.65	9,336.65
Profit for the year			-	1,783.39	-	-	1,783.39	1,783.39
Remeasurements of defined benefit plans (net of tax)	-	-	-	5.71	-	-	5.71	5.71
Other comprehensive income for the year (Net)	-	-	-	-	2.84	368.01	370.85	370.85
Total comprehensive income for the year	-	-	-	**1,789.10**	**2.84**	**368.01**	**2,159.95**	**2,159.95**
Premium received on allotment of shares / Exercise of Share Options	6.32	-	(6.32)	-	-	-	-	-
Deferred employee compensation expense	-	-	11.96	-	-	-	11.96	**11.96**
Revaluation of put option liability	-	-	-	(54.89)	-	-	(54.89)	(54.89)
Balance as at March 31, 2022	**1,424.93**	**154.05**	**14.78**	**9,426.14**	**(0.62)**	**434.39**	**11,453.67**	**11,453.67**

The accompanying notes 1 to 59 are an integral part of the Consolidated Financial Statements.

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

Vijay Mathur
Partner
M.No. 046476
Mumbai: May 19, 2022

For and on behalf of the Board of Directors

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Sudhir Sitapati
Managing Director and CEO
DIN : 09197063

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and
Compliance Officer

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

1) Corporate Information

Godrej Consumer Products Limited (the Company) was incorporated on November 29, 2000, to take over the consumer products business of Godrej Soaps Limited (subsequently renamed as Godrej Industries Limited), pursuant to a Scheme of Arrangement as approved by the High Court, Mumbai. The Company is a fast moving Consumer Goods company, manufacturing and marketing Household and Personal Care products. The Company along with its subsidiaries and associate is a public company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company's registered office is at 4th Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (east), Mumbai – 400 079. These Consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in an associate.

2) Basis of preparation, Measurement and Significant Accounting Policies

2.1 Basis of preparation and measurement

a. Basis of preparation

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

The Consolidated financial statements were authorized for issue by the Company's Board of Directors on May 19, 2022.

Current versus non-current classification

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

b. Basis of measurement

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

- Certain financial assets and liabilities (including derivative instruments) measured at fair value [refer accounting policy regarding financial instruments Note 2.4 (f)]
- Defined benefit plans – plan assets and share based payments measured at fair value [Note 2.4 (l)]

c. Principles of consolidation

The Company consolidates all the entities which are controlled by it.

The Company establishes control when, it has the power over the entity, is exposed or has rights to variable return from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interest and non-controlling interest are adjusted to reflect the change in their relative interest in the subsidiaries. Any difference between the amount at which the non- controlling interest are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Company.

Investments in associate is accounted using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements includes Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

d. Business combination and goodwill

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognized in the Consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair value at the acquisition date.

Purchase consideration paid in excess of the fair value of the net assets acquired is recognized as goodwill. Where the fair value of the identifiable assets and liabilities exceeds the cost of acquisition after reassessing sale values of the net assets and contingent liabilities, the excess is recognized as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at non- controlling interest's proportionate share of acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfer of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve.

e. Classification of Argentina as a hyperinflationary economy

The Argentinian economy was designated as hyperinflationary from 1 July 2018. As a result, application of Ind AS 29 'Financial Reporting in Hyperinflationary Economies' has been applied to the Group's subsidiaries whose functional currency is the Argentinian Peso. Ind AS 29 requires that adjustments are applicable from the start of the group's reporting period i.e. from 1st April 2018. The effect of retranslation of Equity share capital, securities premium and other reserves due to hyperinflation has been recorded in the Foreign currency translation reserve.

The application of Ind AS 29 includes:

- Adjustment of historical cost non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the balance sheet date;
- Adjustment of the income statement for inflation during the reporting period;
- Translation of the income statement at the closing rate instead of an average rate; and

- Adjustment of the income statement to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.

  The main effects on the Group Consolidated financial statements for the year ended March 31, 2022 are:

- Net assets increased by ₹ 24.85 crore (Mar-31-2021: ₹ 21.29 crore) mainly due to restatement of property, plant and equipment, intangible assets, deferred tax assets and inventories with corresponding increase in Total equity as at March 31, 2022;

- Total Revenue from operation is increased by ₹ 43.40 crore (Mar-31-2021: ₹ 5.29 crore);

- Profit after tax is reduced by ₹ 50.48 crore (Mar-31-2021: ₹ 18.09 crore) and

- A net monetary loss of ₹ 18.68 crore (Mar-31-2021: loss of ₹ 1.25 crore) (grouped under Finance cost / Other income) is recognised from the inflation and exchange rate movements in the year on the net monetary items held in Argentinian Peso and adjustment to income statement. The Argentina hyperinflation index is computed basis the periodic inflation index. Below are the indexes used for calculation of hyperinflation impact in Argentina Peso. These are for directional purpose as computation is done basis monthly index.

As at	Index*
31st Mar'22	8975.04
31st Mar'21	5785.99
31st Mar'20	4056.11

*Source - National Institute of Statistics and Censuses of the Argentine Republic.

2.2 Key estimates and assumptions

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

The areas involving critical estimates or judgements are:

i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized; [Note 2.4 (a)]

ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; [Note 2.4 (b)]

iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; [Note 44]

iv. Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward and MAT credit can be used; [Note 2.4 (n)]

v. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; [Note 2.4(j)]

vi. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; [Note 2.4(I)]

vii. Rebates and sales incentives accruals [Note 2.4 (k)]

viii. Fair value of financial instruments [Note 2.3]

ix. Impairment of Goodwill [Note 2.4 (b)]

x. Impairment of financial and non-financial assets [Note 2.4 (d) and (f)]

2.3 Measurement of fair values

The Group's accounting policies and disclosures require certain financial and non-financial assets and liabilities to be measured at fair values.

The Group has an established control framework with respect to the measurement of fair values. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair value is included in the Note 2.4.(f).

2.4 Significant Accounting Policies

a. Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment, other than Freehold Land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at cost.

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

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

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

Subsequent expenditure

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

Depreciation

Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013, except the following items where useful lives estimated by the management based on internal technical assessment, past trends and expected operational lives differ from those provided in Schedule II of the Companies Act 2013:

- Leasehold land is amortised equally over the lease period.
- Leasehold Improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.
- Office Equipments are depreciated over 5 to 10 years.
- Tools are depreciated over a period of 9 years, and dies and moulds over 3 years.
- Vehicles are depreciated over a period ranging from 5 years to 8 years depending on the use of vehicles.
- In some of the subsidiaries, useful lives are estimated to be lower or higher as compared to useful lives defined in Schedule II of the Companies Act 2013 for certain class of assets due to different geographical environment.

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

b. *Goodwill and other Intangible Assets*

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization (where applicable) and accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized, and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Goodwill

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

Other intangible assets

Intangible assets with definite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization method and period are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the assets are considered to modify amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Amortization of other intangible assets

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

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

Software licenses	6 years
Trademarks	10 years
Technical knowhow	10 years

Trademarks acquired are amortised equally over the best estimate of their useful life not exceeding a period of 10 years, except in the case of Soft & Gentle, Non-Valon brands like Pride, Climax, Odonil, Supalite, Twilite, Lavik, Peurex, Corawwi and Simba brands where the brands are amortised equally over a period of 20 years.

Brands like Goodknight, Hit, SON and Millefiori are assessed as intangibles having indefinite useful life and are not amortised in the Consolidated financial statements, but are tested for impairment annually.

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

c. Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are recognised as an expense in the period in which they are incurred. .

d. Impairment of Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial (except for inventories and deferred tax assets) assets are assessed at the end of each reporting date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Consolidated Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro-rata based on the carrying amount of each asset in the unit.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

e. Assets held for sale

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

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

f. Financial Instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Financial assets at amortised cost,
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- On the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

- A financial asset is measured at the amortised cost if both the following conditions are met. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through other comprehensive income (FVTOCI)

A debt instrument is measured at FVOCI if it means both of the following conditions and is not designated as at FVTPL

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

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

A financial asset, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL. This includes all derivative financial assets.

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

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

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

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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

Derecognition

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

- The contractual rights to receive cash flows from the financial asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

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

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

Financial liabilities

Initial recognition and measurement

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

In the case of loans and borrowings and payables, these are measured at amortised cost and recorded, net of directly attributable and incremental transaction cost. Gains and losses are recognised in Consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

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

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

Derecognition

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

Financial guarantee contracts

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

Offsetting of financial instruments

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

g. Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts, futures and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and later reclassified to profit and loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

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

Cash flow hedges

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

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, the hedge accounting is discontinued prospectively. When hedge accounting for a cash flow hedge is discontinued, the amount that has been accumulated in other equity remains there until is reclassified to profit and loss account in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

h. Inventories

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

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

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

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

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

i. Cash and Cash Equivalents

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

For the purpose of the consolidated statement of cash flows, cash and cash equivalents as defined above is net of outstanding cash credits repayable on demand, as they are considered an integral part of the Group's cash management.

j. Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

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

k. Revenue Recognition

Revenue is recognized upon transfer of control of promised goods to customers for an amount that reflects the consideration expected to be received in exchange for those goods. Revenue excludes taxes or duties collected on behalf of the government.

Sale of goods
Revenue from sale of goods is recognized when control of goods are transferred to the buyer which is generally on delivery for domestic sales and on dispatch/delivery for export sales.

The Group recognizes revenues on the sale of products, net of returns, discounts (sales incentives/rebates), amounts collected on behalf of third parties (such as GST) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognised where payments are received from customers before transferring control of the goods being sold.

Royalty & Technical Fees
Royalty is recognized on accrual basis in accordance with the substance of the relevant agreement.

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

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

l. Employee Benefit

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

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

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

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

iii. Post-Employment Benefits
Defined Contribution Plans
Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Consolidated Statement of Profit and Loss as they fall due.

Defined Benefit Plans
Gratuity Fund
The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/

termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

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

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

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

Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other Long Term Employee Benefits

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

Actuarial gains and losses in respect of such benefits are charged to the Consolidated Statement Profit or Loss account in the period in which they arise.

m. 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, the Group assesses whether the contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

- Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- If the supplier has a substantive substitution right, then the asset is not identified.
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset.
- 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, the Group allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices. For leases of property, it is elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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

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

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

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

Lease liability:
Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that

rate cannot be readily determined, then using the 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 and lease liabilities are presented separately in the balance sheet.

The 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, the Group allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices.

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

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

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

n. Income Tax

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

Current Tax

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

- Current tax assets and liabilities are offset only if, the Group has a legally enforceable right to set off the recognised amounts; and

- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

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

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

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

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax base of investments in subsidiaries, branches, associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset only if:

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

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

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

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

o. Foreign Currency Transactions and Translation

i. Functional and Presentation currency

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

ii. Transactions and balances

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the year in which they arise except for the qualifying cash flow hedge, which are recognized in other comprehensive income to the extent that the hedges are effective.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income, qualifying cash flow hedge to the extent that the hedges are effective.

In respect of non-monetary items, where a gain or loss is recognized in other comprehensive income as required by other Ind AS, the exchange component of that gain or loss is also recognized in other comprehensive income.

Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognized in other comprehensive income.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operations recognized in OCI is reclassified to Consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amount of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate of exchange at the reporting date.

p. Government grants

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

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

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

q. Dividend

The Group recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Group on or before the end of the reporting period. A corresponding amount is recognized directly in equity.

r. Earnings Per Share

Basic Earnings per share is calculated by dividing the profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

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

s. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined in Ind AS-108 'Operating Segments' for allocating resources and assessing performance.
The Group has identified geographical segments as its reporting segments based on the CODM approach.

t. Exceptional Items

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

2.5 Standards issued but not yet effective

Ministry of Corporate affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable to the Group from April 1, 2022.

Note 3: Property, Plant and Equipment

₹ Crore

PARTICULARS	Owned Assets									Assets given on lease		Total
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	Vehicles	
Year ended March 31, 2022												
Gross carrying amount												
Opening gross carrying amount	59.02	85.25	526.53	52.30	806.74	36.97	58.27	36.12	63.65	90.26	1.83	1,816.94
Additions	-	0.02	20.08	6.92	122.62	3.41	10.05	3.40	14.52	-	-	181.02
Disposals	-	-	(1.49)	(0.49)	(15.38)	(6.62)	(6.02)	(0.42)	(7.55)	-	(0.40)	(38.37)
Hyperinflationary adjustment #	0.04	-	6.96	-	7.47	1.61	0.14	2.31	3.35	-	-	21.88
Other Adjustments (consist of exchange difference on translation of foreign operations)	2.27	0.35	19.01	(2.00)	17.67	0.42	1.24	(0.02)	0.65	-	0.10	39.69
Closing Gross Carrying Amount	**61.33**	**85.62**	**571.09**	**56.73**	**939.12**	**35.79**	**63.68**	**41.39**	**74.62**	**90.26**	**1.53**	**2,021.16**
Accumulated Depreciation												
Opening Accumulated Depreciation	-	7.66	83.63	35.98	360.77	16.79	25.82	18.11	48.80	7.33	1.83	606.72
Depreciation charge during the year	-	1.11	20.77	6.42	83.41	3.48	11.13	4.29	10.47	-	-	141.08
Additional depreciation due to hyperinflation #	-	-	0.77	-	1.32	0.33	(0.11)	0.54	(0.09)	-	-	2.76
Disposals	-	-	(0.42)	(0.49)	(10.18)	(6.57)	(5.11)	(0.42)	(7.39)	-	(0.40)	(30.98)
Hyperinflationary adjustment #	-	-	1.41	-	5.71	1.01	0.26	1.30	2.33	-	-	12.02
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	0.06	2.54	1.86	8.01	0.49	0.95	0.03	0.61	-	0.10	14.65
Closing Accumulated Depreciation	**-**	**8.83**	**108.70**	**43.77**	**449.04**	**15.53**	**32.94**	**23.85**	**54.73**	**7.33**	**1.53**	**746.25**
Net Carrying Amount	**61.33**	**76.79**	**462.39**	**12.96**	**490.08**	**20.26**	**30.74**	**17.54**	**19.89**	**82.93**	**-**	**1,274.91**

₹ Crore

PARTICULARS	Owned Assets									Assets given on lease		
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Building	Vehicles	Total
Year ended March 31, 2021												
Gross carrying amount												
Opening gross carrying amount	56.03	90.08	512.18	47.48	710.40	34.70	42.50	33.09	59.41	90.26	1.81	1,677.95
Additions	-	-	9.84	5.11	104.20	2.23	18.00	3.68	6.99	-	-	150.05
Disposals	(0.11)	-	(1.67)	-	(11.81)	(0.70)	(2.97)	(0.15)	(2.63)	-	(0.15)	(20.19)
Hyperinflationary Adjustments #	-	-	1.15	-	0.43	0.20	0.11	0.33	(0.39)	-	-	1.83
Other Adjustments (consist of exchange difference on translation of foreign operations)	3.10	(4.83)	5.03	(0.29)	3.52	0.54	0.63	(0.83)	0.27	-	0.17	7.31
Closing Gross Carrying Amount	**59.02**	**85.25**	**526.53**	**52.30**	**806.74**	**36.97**	**58.27**	**36.12**	**63.65**	**90.26**	**1.83**	**1,816.94**
Accumulated Depreciation												
Opening Accumulated Depreciation	-	7.12	61.45	28.99	279.58	13.22	18.27	14.01	41.14	7.33	1.81	472.92
Depreciation charge during the year	-	0.88	19.70	7.14	78.89	3.34	9.68	4.09	10.02	-	-	133.74
Additional depreciation due to hyperinflation #	-	-	0.74	-	1.41	0.22	0.10	0.38	0.41	-	-	3.26
Disposals	-	-	(0.46)	-	(11.56)	(0.42)	(2.33)	(0.15)	(2.34)	-	(0.15)	(17.41)
Hyperinflationary Adjustments#	-	-	(0.11)	-	0.11	0.04	0.04	0.08	(0.55)	-	-	(0.39)
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	(0.34)	2.31	(0.15)	12.34	0.39	0.06	(0.30)	0.12	-	0.17	14.60
Closing Accumulated Depreciation	**-**	**7.66**	**83.63**	**35.98**	**360.77**	**16.79**	**25.82**	**18.11**	**48.80**	**7.33**	**1.83**	**606.72**
Net Carrying Amount	**59.02**	**77.59**	**442.90**	**16.32**	**445.97**	**20.18**	**32.45**	**18.01**	**14.85**	**82.93**	**-**	**1,210.22**

Refer Note 54 for property, plant and equipment pledged as security against borrowings.

Ind AS 29 "Financial Reporting in Hyperinflationary Economies" has been applied to the Group's entities with a functional currency of Argentina Peso. Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" has been applied to translate the financial statements of such entities for consolidation.

Note 4 : Capital Work-In-Progress

₹ Crore

Ageing as at March 31, 2022			Amount		
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	67.91	2.07	0.40	0.52	70.89
Projects temporarily suspended	-	-	-	-	-
CWIP - assets not categorised as projects					43.86
Total	**67.91**	**2.07**	**0.40**	**0.52**	**114.75**
Ageing as at March 31, 2021				**Amount**	
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	29.22	1.98	0.52	-	31.72
Projects temporarily suspended	-	-	-	-	-
CWIP - assets not categorised as projects	-	-	-	-	21.25
Total	**29.22**	**1.98**	**0.52**	**-**	**52.97**

₹ Crore

Overdue CWIP projects- expected period of completion as at March 31, 2022	To be completed in			
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**
Project 1	0.86			
Project 2	7.73			

₹ Crore

Overdue CWIP projects- expected period of completion as at March 31, 2021	To be completed in			
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**
Project 1	0.40		-	-
Project 2		1.56	-	-
Project 3		0.38	-	-
Project 4	0.04	-	-	-
Project 5	0.07	-	-	-
Project 6	0.04	-	-	-

Note :

There are no suspended projects

Note 5 : Leases

As a lessee:

Right-of-Use assets

₹ Crore

	Building	Plant and Equipment	Vehicles	Others	Total
Recognised at April 1, 2021	**88.04**	**2.03**	**1.06**	**-**	**91.13**
Additions/ (deletions) during the year	38.38	1.68	1.08	-	**41.14**
Depreciation charge for the year	(32.97)	(0.94)	(0.45)	-	**(34.36)**
Exchange difference	0.29	0.11	0.14	-	**0.54**
Balance as at March 31, 2022	**93.74**	**2.88**	**1.83**	**-**	**98.45**
Recognised at April 1, 2020	**49.15**	**2.15**	**0.35**	**0.25**	**51.90**
Additions/ (deletions) during the year	69.15	0.87	1.05	(0.25)	**70.82**
Depreciation charge for the year	(29.89)	(0.91)	(0.31)	-	**(31.11)**
Exchange difference	(0.37)	(0.08)	(0.03)	-	**(0.48)**
Balance as at March 31, 2021	**88.04**	**2.03**	**1.06**	**-**	**91.13**

Maturity analysis - contractual undiscounted cash flows:

₹ Crore

Lease liabilities	**As at March 31, 2022**	**As at March 31, 2021**
Less than one year	**37.30**	32.79
One to three years	**62.18**	63.53
Three to five years	**7.36**	10.29
More than five years	**1.05**	0.24
Total undiscounted lease liabilities	**107.89**	**106.85**

₹ Crore

Lease liabilities (discounted value)	**As at March 31, 2022**	**As at March 31, 2021**
Non-current	**64.44**	67.49
Current	**32.24**	28.16
Total	**96.68**	**95.65**

Amounts recognized in statement of profit and loss:

₹ Crore

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Expenses relating to short-term leases	**65.35**	63.29
Expenses relating to low value leases	**1.37**	1.08
Total	**66.72**	**64.37**

As a lessor:

Amounts recognized in statement of profit and loss:

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Operating lease income	**10.97**	10.77

₹ Crore

Undiscounted lease payments to be received after	March 31, 2022	March 31, 2021
Less than one year	**10.86**	10.86
One to three years	**22.63**	32.59
Three years to five years	**-**	0.91
Total undiscounted lease payments	**33.49**	**44.36**

Note 6 : Intangible Assets

₹ Crore

PARTICULARS	Goodwill (Refer note 52)	Other Intangible assets			Total Other Intangible assets
		Trademarks and Brands *	Computer Software	Technical Knowhow	
Year ended March 31, 2021					
Opening Gross carrying amount	5,160.54	2,592.26	129.80	0.10	2,722.16
Additions	-	0.15	8.80	-	8.95
Disposals	-	(9.32)	(1.01)	-	(10.33)
Hyperinflationary adjustment #	-	3.42	4.37	-	7.79
Other Adjustments (consist of exchange difference on translation of foreign operations)	247.88	87.96	2.18	-	90.14
Closing Gross Carrying Amount	**5,408.42**	**2,674.47**	**144.14**	**0.10**	**2,818.71**
Accumulated Amortisation/ Impairment					
Opening Accumulated Amortisation/ Impairment	30.69	153.67	94.82	0.10	248.59
Amortization recognised for the year	-	15.10	14.86	-	29.96
Additional amortisation due to hyperinflation #	-	0.36	1.41		1.77
Disposals	-	(2.77)	(0.88)	-	(3.65)
Impairment (Refer Note 52)	-	53.64	-	-	53.64
Hyperinflationary adjustment #	-	3.03	3.51	-	6.54
Other Adjustments (consist of exchange difference on translation of foreign operations)	0.94	10.80	1.91	-	12.71
Closing Accumulated Amortisation/ Impairment	**31.63**	**233.83**	**115.63**	**0.10**	**349.56**
Net Carrying Amount	**5,376.79**	**2,440.64**	**28.51**	**-**	**2,469.15**

₹ Crore

PARTICULARS	Goodwill (Refer note 52)	Other Intangible assets			Total Other Intangible assets
		Trademarks and Brands *	Computer Software	Technical Knowhow	
Year ended March 31, 2020					
Opening Gross carrying amount	5,369.32	2,667.04	125.90	0.10	2,793.04
Additions	-	1.70	5.70	-	7.40
Disposals	-	(0.13)	(0.40)	-	(0.53)
Hyperinflationary adjustment #	-	(2.40)	(0.10)	-	(2.50)
Other Adjustments (consist of exchange difference on translation of foreign operations)	(208.78)	(73.95)	(1.30)	-	(75.25)
Closing Gross Carrying Amount	**5,160.54**	**2,592.26**	**129.80**	**0.10**	**2,722.16**
Accumulated Amortisation/ Impairment					
Opening Accumulated Amortisation	30.00	77.58	80.20	0.10	157.88
Amortisation recognised for the year	-	18.65	15.26	-	33.91
Additional amortisation due to hyperinflation #	-	0.90	0.93	-	1.83
Disposals	-	(0.01)	(0.36)	-	(0.37)
Impairment (Refer Note 52)	-	61.68	-	-	61.68
Hyperinflationary adjustment #	-	(2.28)	(0.65)	-	(2.93)
Other Adjustments (consist of exchange difference on translation of foreign operations)	0.69	(2.85)	(0.56)	-	(3.41)
Closing Accumulated Amortisation/ Impairment	**30.69**	**153.67**	**94.82**	**0.10**	**248.59**
Net Carrying Amount	**5,129.85**	**2,438.59**	**34.98**	**-**	**2,473.57**

NOTE :

* Includes trademarks / brands amounting to Rs. 2,219.18 crore (Mar-31-2021 : Rs. 2,213.26 crore) that have an indefinite life and are tested for impairment at every year end. Based on analysis of all relevant factors (brand establishment, stability, types of obsolescence etc.), there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Company. Refer Note 52 for details of impairment for trademarks / brands with indefinite useful life.

Ind AS 29 "Financial Reporting in Hyperinflationary Economies" has been applied to the Group's entities with a functional currency of Argentina Peso . Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" has been applied to translate the financial statements of such entities for consolidation. Refer Note 2.1 (e) for impact of these standards.

Note 6A : Intangible Assets under Development

₹ Crore

As at March 31, 2022

Intangible Assets under Development ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
CWIP - assets not categorised as projects	-	-	-	-	1.69
Total	**-**	**-**	**-**	**-**	**1.69**

As at March 31, 2021

Intangible Assets under Development ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
CWIP - assets not categorised as projects	-	-	-	-	4.46
Total	**-**	**-**	**-**	**-**	**4.46**

Note :

There are no projects whose completion is overdue or exceeded the cost as compared to its original plan.

There are no suspended projects.

Note 7: Investments in Associate

₹ Crore

	Face Value	Numbers		Amounts	
		As at March 31, 2022	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**
Unquoted, fully paid up:					
(a) Investments in Equity Instruments of Associate Company					
Bhabhani Blunt Hairdressing Pvt. Ltd.	₹ 10	-	4,967	-	22.80
Less: Provision for diminution for value of investments (Refer Note 51)		-	-	-	(9.61)
(b) Investments in Compulsorily Convertible Debentures of Associate Company					
Bhabhani Blunt Hairdressing Pvt. Ltd.	₹ 10	-	3,060	-	12.00
Less: Provision for diminution for value of investments (Refer Note 51)		-	-	-	(5.77)
TOTAL				-	19.42

Note:

The Group's interest in associate is accounted for using the equity method in the Consolidated financial statements.

The Group divested its entire stake in Bhabani Blunt Hairdressing Private Limited on March 16th,2022 (Refer note 51).

Note 7A: Other Investments (Non-Current)

₹ Crore

	Amounts	
	As at March 31, 2022	**As at March 31, 2021**
Quoted, fully paid up:		
At Amortised Cost		
Investments in Government Bonds	**145.92**	2.51
Unquoted, fully paid up:		
At amortised cost		
Investments in Deposits with Non-Banking Financial Companies	**25.20**	-
Total	**171.12**	**2.51**
Aggregate Amount of Unquoted Investments	**25.20**	-
Aggregate Amount of Quoted Investments	**145.92**	2.51
Aggregate Market Value of Quoted Investments	**145.92**	2.51
Aggregate Provision for Impairment in the Value of Investments	**-**	-

Note 8: Loans (Non-Current)

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	0.03	0.04
Total	**0.03**	**0.04**

Note 9: Other Non-Current Financial Assets

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good, Unless Otherwise Stated		
Security Deposits	**23.74**	21.74
Others	**1.35**	3.36
TOTAL	**25.09**	**25.10**

Note 10: Income Taxes

A Income tax expense consists of the following:

i Tax expense recognised in the Statement of Profit and Loss

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax:		
Current tax on profits for the year	**397.31**	408.14
Deferred tax (net)	**9.15**	(139.75)
MAT Credit Recognised (adjustment on account of previous period audit)	**(37.23)**	-
MAT credit utilised	**2.64**	91.15
Total income tax expense	**371.87**	**359.54**

Deferred tax is in respect of origination and reversal of temporary differences.

ii Current Tax and Deferred Tax related to items recognised in Other Comprehensive Income during the year :

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
On remeasurements of defined benefit plans		
Current tax	**-**	-
Deferred tax	**(1.76)**	(1.35)
TOTAL	**(1.76)**	**(1.35)**

B Reconciliation of tax expense and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate and income tax expense reported in Consolidated Statement of Profit and Loss is given below:

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Profit Before Tax	**2,155.26**	2,080.36
Statutory Income tax rate	**31.94%**	31.03%
Expected income tax expense	**688.35**	645.61
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Deduction under Sec 80IC & 80IE of Indian Income Tax Act, 1961	**(290.67)**	(200.51)
Effect of other tax offsets	**4.16**	4.36
Tax impact of income not subject to tax	**(3.36)**	(11.32)
Tax effects of amounts which are not deductible for taxable income	**10.91**	15.43
Tax effect on divestment of investment in associate	**(16.54)**	-
Tax benefit in respect of intangible assets (refer note (d) below)	**-**	(117.86)
Reversal of DTA due to rate change (refer note (i) below)	**(25.54)**	14.57
Adjustments for current tax of prior periods (Excess MAT utilised) (refer note (f) below)	**(37.23)**	(2.89)
Deferred Tax Asset not recognised on losses	**42.49**	28.20
Others	**(0.70)**	(16.05)
Total income tax expense	**371.87**	**359.54**

The Company benefits from the tax holiday available to units set up under section 80-IC and 80-IE of Income Tax Act, 1961. These tax holidays are available for a period of ten years from the date of commencement of operations.

C Tax Assets And Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Non-Current Tax Assets (net)	**89.63**	69.32
Current Tax Liabilities (net)	**22.22**	53.30

D Deferred Tax Assets (Net Of Liabilities):

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Property, Plant and Equipment	**(41.61)**	(35.45)
Intangible assets	**(193.27)**	(213.88)
Others	**(1.16)**	-
Deferred Tax Asset on account of :		
Defined benefit obligations	**21.08**	50.79
Intangible assets	**336.72**	290.79
Provisions	**72.69**	81.11
MAT credit	**509.46**	474.87
Others (includes hyperinflation)	**27.60**	28.56
Total Deferred Tax Assets	**731.51**	676.79

E Deferred Tax Liabilities (Net Of Assets):

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liability on account of :		
Property, Plant and Equipment	**(19.65)**	(25.54)
Intangible assets	**(175.11)**	(112.44)
Others	**-**	(0.10)
Deferred Tax Asset on account of :		
Defined benefit obligations	**6.23**	0.42
Provisions	**21.69**	4.49
Tax losses	**101.39**	74.82
Others	**13.51**	19.32
Total Deferred Tax (Liabilities)	**(51.94)**	**(39.03)**
Net Deferred Tax (Liabilities) / Assets	**679.57**	**637.76**

F Movement in Deferred Tax (Liabilities) / Asset

₹ Crore

	Property, plant and equipment	Intangible assets	Other Deferred Tax Liability	Defined benefit obligations	Provisions	MAT Credit	Other Deferred Tax Asset	Deferred Tax Liability / Asset (net)
As at April 1, 2020	(54.56)	(143.85)	(1.29)	31.15	73.86	566.02	98.73	570.06
Charged/(credited) :								
- to profit or loss	(6.43)	89.25	1.19	21.41	11.74	(91.15)	22.59	48.60
- foreign currency translation	-	19.07	-	-	-	-	-	19.07
- to other comprehensive income	-	-	-	(1.35)	-	-	-	(1.35)
-to reserves	-	-	-	-	-	-	1.38	1.38
As at March 31, 2021	**(60.99)**	**(35.53)**	**(0.10)**	**51.21**	**85.60**	**474.87**	**122.70**	**637.76**
Charged/(credited) :								
- to profit or loss	(0.27)	(13.01)	(1.06)	(22.14)	8.78	34.59	18.55	25.44
- foreign currency translation	-	16.88	-	-	-	-	-	16.88
- to other comprehensive income	-	-	-	(1.76)	-	-	-	(1.76)
-to reserves	-	-	-	-	-	-	1.25	1.25
As at March 31, 2022	**(61.26)**	**(31.66)**	**(1.16)**	**27.31**	**94.38**	**509.46**	**142.50**	**679.57**

(a) 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.

(b) Significant management judgment is required in determining provision for income tax, deferred tax assets (including MAT credit) and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

(c) The Group has not recognized deferred tax liability on undistributed profits of its subsidiaries and associates amounting to ₹ 1,110.82 crores (March-31-2021 : ₹ 967.62 crores) because it is able to control the timing of the reversal of temporary differences associated with such undistributed profits and it is probable that such differences will not reverse in the foreseeable future.

(d) During the year ended March 31, 2021, there has been sale of certain brands within the Group's entities that shall derive benefits of future tax deductions for the Group. Consequently, a deferred tax asset amounting to ₹ 117.86 crore has been recognised in the Consolidated Financial Statements.

(e) MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

During the year the Company has recognised MAT credit of ₹ 34.59 crores (March-31-2021 : ₹ 91.15 crores). Company has re-assessed its utilization of MAT credit, considering business projections, benefits available from tax holiday, remaining period for such benefits etc based on which there is reasonable certainty of utilizing the balance credit of ₹ 509.46 crores (March-31-2021 : ₹ 474.87 crores) in future years against the normal tax expected to be paid in those years.

(f) During the year ended March 31, 2022, the Company has reassessed tax benefits under section 80IE of the Income tax Act for financial year 2020-21 based on which incremental Minimum alternate tax credit of ₹ 33.2 crore has been recognised.

(g) New provision inserted in the income tax act (Sept 2019) with effect from fiscal year 2019-20, allows any domestic company to pay income tax in India at the rate of 25.17% subject to condition they will not avail any incentive or exemptions. The lower rate is an option and companies can continue to account based on the old rates. The Company has plants located in North-east region enjoying income tax exemption, and the effective rate based on the tax exemption plants is lower than 25.17%, so company decided to not opt for lower rate in FY 2021-22.

(h) Based on internal projections the Company plans to opt for the lower tax rate in FY 2024-25 and remeasured the deferred taxes at the lower tax rate expected to be availed in the future. Accordingly, the Company has reversed deferred tax assets/liabilities recognised in earlier years at the tax rates enacted during those years, to the extent they are likely to reverse after March 31, 2024. The impact of such reversal was ₹ 1.11 crore for the year ended March 31, 2022 (Year ended March 31, 2021: ₹ 0.42 crore).

(i) Further the Group expects to utilise the deferred tax balances over subsequent periods which have been re-measured using the tax rate expected to be prevalent in the period in which the deferred tax balances are expected to reverse. Consequently, during the year ended March 31, 2022 the Group has recognised/(reversed) deferred tax assets of ₹ 25.54 crore (Year ended March 31, 2021 reversal of: ₹ 14.57 crore).

Note 11: Other Non-Current Assets

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Capital Advances	**54.09**	17.15
Balances with Government Authorities	**38.69**	37.34
Other non-current assets		
Considered Good-Unsecured	**0.89**	0.54
	0.89	0.54
TOTAL	**93.67**	**55.03**

Note 12: Inventories

₹ Crore

	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realizable value)		
Raw Materials (Including Packing Materials)	**1,269.76**	916.64
Goods-in Transit	**22.01**	24.48
	1,291.77	**941.12**
Work-in-Progress	**90.51**	77.31
Finished goods	**654.79**	587.86
Stock-in-Trade	**67.83**	86.42
Stores and Spares	**24.95**	23.54
TOTAL	**2,129.85**	**1,716.25**

Refer Note 54 for Assets pledged as security

During the year ended March 31, 2022 an amount of ₹ 5.48 crore (March 31, 2021 ₹ 17 crore) was credited to the statement of Profit and Loss on account of write back of inventories (net) including damaged and slow moving inventory.

Note 13: Investments (Current)

₹ Crore

	Amounts	
	As at March 31, 2022	As at March 31, 2021
Unquoted, fully paid up:		
At Fair Value through Profit or Loss		
Investments in Mutual Funds	**389.51**	142.22
At Amortised Cost		
Investments in Deposits with Non-Banking Financial Companies	**277.63**	459.65
Investments in Commercial Papers with Non-Banking Financial Companies	**49.98**	-
Quoted, fully paid up:		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	**127.19**	55.30
TOTAL	**844.31**	**657.17**
Aggregate amount of unquoted investments	**717.12**	601.87
Aggregate amount of quoted investments	**127.19**	55.30
Aggregate Market Value of quoted Investments	**127.19**	55.30

Note 14: Trade Receivables

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Considered Good- Secured	**0.68**	0.65
Considered Good - Unsecured	**1,115.64**	1,003.85
Trade Receivables which have significant increase in Credit Risk	**-**	-
Trade Receivables - credit impaired	**59.79**	56.79
Less: Impairment allowance for Doubtful Debts	**(59.79)**	(56.79)
TOTAL	**1,116.32**	**1,004.50**

Refer credit risk in note 49 (B)

Refer Note 54 for Assets pledged as security

Note:

There are no outstanding trade receivables which resulted into significant increase in credit risk apart from receivables which are impaired and provided.

Trade Receivables ageing schedule

₹ Crore

As on March 31, 2022	**Outstanding for following periods from due date of payment**						**Total**
	Not due	**Up to 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed trade receivables- considered good	791.21	315.27	7.26	2.30	0.19	0.09	1,116.32
Undisputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	0.37	10.43	10.74	26.31	3.87	51.72
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	0.01	0.26	0.90	0.61	4.38	1.91	8.07
Provision for bad and doubtful debts							(59.79)
Total	**791.22**	**315.90**	**18.59**	**13.65**	**30.88**	**5.87**	**1,116.32**

₹ Crore

As on March 31, 2021	**Outstanding for following periods from due date of payment**						**Total**
	Not due	**Up to 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed trade receivables- considered good	739.87	241.82	19.59	2.21	0.63	0.38	1,004.50
Undisputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	0.69	0.50	9.60	20.38	13.66	3.39	48.22
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	1.10	0.53	1.37	3.74	1.83	8.57
Provision for bad and doubtful debts							(56.79)
Total	**740.56**	**243.42**	**29.72**	**23.96**	**18.03**	**5.60**	**1,004.50**

Note 15A: Cash and Cash Equivalents

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Balances with Banks		
- In Current Accounts	**672.50**	425.07
- Deposits with less than 3 months original maturity	**74.63**	81.16
	747.13	**506.23**
Cheques, Drafts on Hand	**1.62**	2.21
Cash on hand	**2.17**	15.69
TOTAL	**750.92**	**524.13**

Note 15B: Other Bank Balances

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Deposits with maturities more than 3 months but less than 12 months (Refer Note below)	**341.67**	131.56
In Unpaid Dividend Accounts	**15.18**	16.52
TOTAL	**356.85**	**148.08**

NOTES:

The fixed deposits include deposits under lien against bank guarantees ₹ 4.23 crore (Mar-31-2021 : ₹ 4.22 crore)

Note 16: Loans (Current)

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	**0.05**	0.06
TOTAL	**0.05**	**0.06**

Note 17: Other Current Financial Assets

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Others		
Security Deposits	4.15	4.58
Derivatives		
Interest rate swaps	**0.26**	0.32
Foreign-exchange forward contracts	**0.11**	0.27
Refunds/Incentives receivables from Govt. Authorities		
Considered Good	**29.84**	55.50
Considered Doubtful	**22.56**	20.07
Less: Impairment allowance for doubtful advances	**(22.56)**	(20.07)
	29.84	**55.50**
Others (includes insurance claim receivables & export incentive receivables)	**7.47**	14.55
TOTAL	**41.83**	**75.22**

Note 18: Other Current Assets

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Balances with Government Authorities	**180.58**	143.80
Contract Assets (right to receive inventory)	**12.42**	9.96
Other Advances (includes vendor advances & prepaid expenses)		
Considered Good	**254.14**	189.35
Considered Doubtful	**1.00**	1.56
Less: Provision for Doubtful Advances	**(1.00)**	(1.56)
	254.14	**189.35**
Other assets	**-**	3.89
TOTAL	**447.14**	**347.00**

Note 19: Share Capital

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Authorised		
1,030,000,000 Equity Shares *(31-Mar-2021 : 1,030,000,000)* of ₹ 1 each	**103.00**	103.00
10,000,000 Preference Shares *(31-Mar-2021 : 10,000,000)* of ₹ 1 each	**1.00**	1.00
Issued		
1,022,612,203 Equity Shares *(31-Mar-2021 : 1,022,517,397)* of ₹ 1 each	**102.26**	102.25
Subscribed and Fully Paid up		
1,022,581,079 Equity Shares *(31-Mar-2021 : 1,022,486,273)* of ₹ 1 each fully paid up	**102.26**	102.25
TOTAL	**102.26**	**102.25**

NOTES:

a) During the year, the Company has issued 94,806 equity shares (March 31, 2021: 1,69,921) under the Employee Stock Grant Scheme.

b) 31,124 Right Issue equity shares (March 31, 2021 : 31,124 equity shares) are kept in abeyance due to various suits filed in courts / forums by third parties for which final order from courts/claim is awaited.

c) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
Shares outstanding at the beginning of the year	1,022,486,273	102.25	1,022,316,352	102.23
Add : Shares Issued on exercise of employee stock grant scheme	94,806	0.01	169,921	0.02
Shares outstanding at the end of the year	**1,022,581,079**	**102.26**	**1,022,486,273**	**102.25**

d) Terms / rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 1 each. Each equity shareholder is entitled to one vote per share.

During the year ended 31 March 2022 the amount of per share dividend recognised as distribution to equity shareholders was Nil (31 March 2021 : NIL).

e) Details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Co. Ltd	75,011,445	7.34	75,011,445	7.34
Godrej Industries Limited	242,812,860	23.75	242,812,860	23.75
Godrej Seeds & Genetics Limited	280,500,000	27.43	280,500,000	27.43

f) **Shares Reserved for issue under options**

The Company has 6,16,102 (previous year 1,87,421) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2022.(As detailed in Note 45)

g) **Information regarding aggregate number of equity shares during the five years immediately preceding the date of Balance Sheet:**

During the year 2018-19, pursuant to the approval of Shareholders, Company has allotted 340,722,032 number of fully paid Bonus shares on Sep 17,2018 in the ratio of one equity share of ₹ 1 each fully paid up for every two existing equity shares of ₹ 1 each fully paid up.

During the year 2017-18, pursuant to the approval of Shareholders, Company has allotted 340,600,816 number of fully paid Bonus shares on June 27,2017 in the ratio of one equity share of ₹ 1 each fully paid up for every one existing equity shares of ₹ 1 each fully paid up.

The Company has not issued shares for consideration other than cash and has not bought back any shares during the past five years other than as reported above.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

h) **There are no calls unpaid on equity shares, other than shares kept in abeyance as mentioned in Note (b) above.**

i) No equity shares have been forfeited.

j) Capital Management

The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Group makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Group may make adjustments to dividend paid to its shareholders or issue new shares.

The Group monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments.

k) Details of shares held by promoters

As at 31 March 2022

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Godrej Seeds & Genetics Limited	Equity shares of INR 1 each fully paid	280,500,000	280,500,000	-	-
Godrej Industries Limited		242,812,860	242,812,860	-	-
Godrej & Boyce Manufacturing Co. Ltd.		75,011,445	75,011,445	-	-
Rishad Kaikhushru Naoroji & Others (Partners Of Rkn Enterprises)		13,438,500	13,438,500	-	-
Pheroza Jamshyd Godrej		9,640,700	9,640,700	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Family Trust)		2,901,200	2,901,200	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Family Trust)		2,901,200	2,901,200	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Family Trust)		2,843,100	2,843,100	-	-
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Family Trust)		2,843,100	2,843,100	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Family Trust)		2,843,100	2,843,100	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Hng Family Trust)		2,752,299	2,752,299	-	-
Sohrab Nadir Godrej		1,901,184	1,901,184	-	-
Burjis Nadir Godrej		1,901,172	1,901,172	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Successor Trust)		1,312,441	1,312,441	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Successor Trust)		1,312,429	1,312,429	-	-
Hormazd Nadir Godrej		461,314	461,314	-	-
Pirojsha Adi Godrej		370,129	370,129	-	-
Nisaba Godrej		370,087	370,087	-	-
Azaar Arvind Dubash		370,000	370,000	-	-
Adi Barjorji Godrej		1,500	1,500	-	-
Navroze Jamshyd Godrej		77	77	-	-
Rishad Kaikhushru Naoroji		72	72	-	-
Freyan Crishna Bieri		70	70	-	-
Tanya Arvind Dubash		66	66	-	-
Nyrika Holkar		64	64	-	-
Nadir Barjorji Godrej		63	63	-	-
Raika Jamshyd Godrej		50	50	-	-
Jamshyd Godrej And Others (Trustees Of The Raika Godrej Family Trust)		24	24	-	-
Adi Godrej, Tanya Dubash, Nisaba Godrej And Pirojsha Godrej (Trustees Of Abg Family Trust)		1	1	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Children Trust)		1	1	-	-
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Children Trust)		1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Children Trust)		1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Nbg Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Rng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Burjis Godrej (Trustees Of Bng Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Sohrab Godrej (Trustees Of Sng Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Jng Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Pjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Rjg Family Trust)		1	1	-	-

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Raika Lineage Trust)	Equity shares of INR 1 each fully paid	1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Njg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Navroze Lineage Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Sgc Family Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Vmc Family Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Children Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Children Trust)		1	1	-	-

As at 31 March 2021

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Godrej Seeds & Genetics Limited	Equity shares of INR 1 each fully paid	280,500,000	280,500,000	-	-
Godrej Industries Limited		242,812,860	242,812,860	-	-
Godrej & Boyce Manufacturing Co. Ltd.		75,011,445	75,011,445	-	-
Rishad Kaikhushru Naoroji & Others (Partners Of Rkn Enterprises)		13,438,500	13,438,500	-	-
Pheroza Jamshyd Godrej		9,640,700	9,640,700	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Family Trust)		2,901,200	2,901,200	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Family Trust)		2,901,200	2,901,200	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Family Trust)		2,843,100	2,843,100	-	-
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Family Trust)		2,843,100	2,843,100	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Family Trust)		2,843,100	2,843,100	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Hng Family Trust)		2,752,299	2,752,299	-	-
Sohrab Nadir Godrej		1,901,184	1,901,184	-	-
Burjis Nadir Godrej		1,901,172	1,901,172	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Successor Trust)		1,312,441	1,312,441	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Successor Trust)		1,312,429	1,312,429	-	-
Hormazd Nadir Godrej		461,314	461,314	-	-
Pirojsha Adi Godrej		370,129	370,125	4.00	0.00%
Nisaba Godrej		370,087	370,083	4.00	0.00%
Azaar Arvind Dubash		370,000	370,000	-	-
Adi Barjorji Godrej		1,500	1,512	(12.00)	-0.79%
Navroze Jamshyd Godrej		77	77	-	-
Rishad Kaikhushru Naoroji		72	72	-	-
Freyan Crishna Bieri		70	70	-	-
Tanya Arvind Dubash		66	62	4.00	6.45%
Nyrika Holkar		64	64	-	-
Nadir Barjorji Godrej		63	63	-	-
Raika Jamshyd Godrej		50	50	-	-
Jamshyd Godrej And Others (Trustees Of The Raika Godrej Family Trust)		24	24	-	-
Adi Godrej, Tanya Dubash, Nisaba Godrej And Pirojsha Godrej (Trustees Of Abg Family Trust)		1	1	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Children Trust)		1	1	-	-
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Children Trust)		1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Children Trust)		1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Lineage Trust)		1	1	-	-

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Nbg Family Trust)	Equity shares of INR 1 each fully paid	1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Rng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Burjis Godrej (Trustees Of Bng Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Sohrab Godrej (Trustees Of Sng Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Jng Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Pjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Rjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Raika Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Njg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Navroze Lineage Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Sgc Family Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Vmc Family Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Children Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Children Trust)		1	1	-	-

Note 20: Other Equity

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Securities Premium	**1,424.93**	1,418.61
General Reserve	**154.05**	154.05
Other Reserves		
Capital Investment Subsidy Reserve	**0.15**	0.15
Capital Redemption Reserve	**1.46**	1.46
Employee Stock Options Outstanding	**13.17**	7.53
	14.78	**9.14**
Retained Earnings	**9,426.14**	7,691.93
Other Comprehensive Income (effective portion of cash flow hedges & exchange differences in translating financial statements of foreign operations)	**433.77**	62.92
TOTAL	**11,453.67**	**9,336.65**

OTHER RESERVES MOVEMENT

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Capital Investment Subsidy Reserve		
Balance as per last financial statements	**0.15**	0.15
Closing Balance	**0.15**	**0.15**
Capital Redemption Reserve		
Balance as per last financial statements	**1.46**	1.46
Closing Balance	**1.46**	**1.46**
Employee Stock Options Outstanding		
Gross Employee Compensation for Options granted	**7.53**	12.69
(-) Exercise of Share options	**(6.32)**	(11.25)
(+) Deferred Employee Compensation Expense *(Refer Note 33)*	**11.96**	6.09
Closing Balance	**13.17**	**7.53**
TOTAL	**14.78**	**9.14**

Nature and purpose of reserves

1) Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the provisions of the Act.

2) General Reserve

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

3) Capital Investment Subsidy Reserve

Capital Investment Subsidy Reserve represents subsidy received from the government for commissioning of Malanpur plant in the nature of capital investment.

4) Capital Redemption Reserve

Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

5) Employee Stock Options Outstanding

The shares option outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Option Plan and the Employee Stock Grant Scheme which are unvested as on the reporting date and is net of the deferred employee compensation expense. Refer note 45 for details on ESGS Plans.

6) Exchange differences on translating the financial statements of foreign operations

The translation reserve comprises all foreign currency exchange differences arising from the translation of the financial statements of foreign operations

7) Effective portion of Cash Flow Hedges

The cash flow hedging reserve represents the cumulative portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non financial hedged item.

Note 21: Non-Current Borrowings

₹ Crore

			Maturity Date	Terms of Repayment	Interest rate*	As at March 31, 2022	As at March 31, 2021
A.	**Secured**						
	Term Loans from banks in USD		Upto August 2024	Payable in Multiple Installments every year	3.5-6%	**0.16**	0.21
	Unsecured						
	Term loans						
	a)	From Banks in USD	Upto June 2025	Payable in Multiple Installments every year	0.86% - 1.35%	**768.80**	1,488.67
	b)	Term Loans from Banks	Upto April 2022	Payable in Multiple Installments every year	4.45%	**-**	0.03
						768.96	**1,488.91**
						768.96	**1,488.91**
	Less: Current maturities of long term debt (from banks in USD) *(Refer Note 24)*					**(388.11)**	**(1,008.80)**
	TOTAL					**380.85**	**480.11**

*includes variable and fixed rate instruments. Refer Note 49 A (iii) for interest rate risk and Note 54 for assets pledged as security

Note 22: Provisions

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity *(Refer Note 44)*	**101.21**	108.56
Compensated Absences	**5.79**	6.16
TOTAL	**107.00**	**114.72**

Note 23: Other Non-Current Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Others (includes deferred grants, sundry deposits)	**2.29**	6.88
TOTAL	**2.29**	**6.88**

Note 24: Current Borrowings

₹ Crore

		Maturity Date	Terms of Repayment	Coupon/ Interest rate*	As at March 31, 2022	As at March 31, 2021
A.	**Secured**					
	Loans repayable on demand from banks *(Refer Note below)*	Cash Credit	Payable on demand	7.50% -9%	**0.06**	0.36
					0.06	**0.36**
B.	**Unsecured**					
	Loans repayable on demand from banks	Upto 12 months	Mulitple dates	1.03%-13.35%	**397.70**	72.01
	Overdraft from banks	On demand	On demand	7.15% - 55.90%**	**440.94**	207.04
					838.64	279.05
C.	**Current maturity of long term debt (Refer Note 21)**				**388.11**	1008.80
	TOTAL				**1,226.81**	**1,288.21**

NOTES:

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

*includes variable and fixed rate instruments. Refer Note 49 A (iii) for interest rate risk and Note 54 for assets pledged as security.

**55.9% interest rate corresponds to interest rate applicable to group's subsidiary in Argentina operating in hyperinflationary economy.

Note 25: Trade Payables

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	**23.24**	24.86
Total outstanding dues of creditors other than micro enterprises and small enterprises*	**2,139.82**	1,987.54
TOTAL	**2,163.06**	**2,012.40**

* Trade Payables Includes invoices discounted by Vendors with banks

Refer Note 49 (C) for liquidity risk

Disclosures pursuant to Micro, Small and Medium Enterprises development act, 2006 (MSMED act) are as follows:

		As at March 31, 2022	As at March 31, 2021
I	The principal amount remaining unpaid to any supplier at the end of the accounting year included in trade payables	**23.24**	24.86
II	Interest due thereon	**-**	-
	Trade payable dues to Micro and small enterprises	**23.24**	**24.86**
(a)	The amount of interest paid by the buyer under MSMED act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
(b)	The amount of interest due and payable for the period (where the principal has been unpaid but interest under the MSMED Act, 2006 not paid)	**-**	-
(c)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**-**	-
(d)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	**-**	-

Ageing of Trade payables outstanding as on March 31, 2022 ₹ Crore

As on March 31, 2022	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	23.06	0.18	-	-	-	23.24
Other than MSME	586.44	1,360.87	186.88	2.52	1.01	1.34	2,139.06
Disputed dues -MSME	-	-	-	-	-	-	-
Disputed dues -Others	-	-	-	-	-	0.76	0.76
Total	**586.44**	**1,383.93**	**187.06**	**2.52**	**1.01**	**2.10**	**2,163.06**

Ageing of Trade payables outstanding as on March 31, 2021 ₹ Crore

As on March 31, 2022	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	24.86	-	-	-	0	24.86
Other than MSME	713.49	1,007.92	260.80	2.05	1.60	1.49	1,987.35
Disputed dues -MSME	-	-	-	-	-	0	-
Disputed dues -Others	-	-	-	0.19	-	0	0.19
Total	**713.49**	**1,032.78**	**260.80**	**2.24**	**1.60**	**1.49**	**2,012.40**

Note 26: Other Current Financial Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Security deposit received	**5.10**	5.34
Unclaimed Dividends *(Refer Note (a) below)*	**15.18**	16.52
Put Option liability	**50.83**	163.88
Interest accrued	**0.51**	0.39
Derivatives		
Interest rate swaps	**0.54**	31.11
Foreign-exchange forward contracts	**7.64**	15.62
Employee Benefits Payable	**132.81**	209.85
Capital creditors and other payables	**14.62**	12.32
TOTAL	**227.23**	**455.03**

NOTE:

a) There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

Note 27: Other Current Liabilities

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Statutory Dues (VAT, Excise, Service Tax, Octroi, TDS etc.)	**32.05**	28.25
Advance from customers	**30.25**	27.44
Contractual and constructive obligation	**117.89**	145.64
Other Payables (including PF)	**43.65**	24.86
TOTAL	**223.84**	**226.19**

Note 28: Provisions

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity (net) (Refer Note 44)	**8.38**	8.28
Compensated Absences	**4.45**	6.12
Other Provision :		
Provision for Sales Returns	**41.33**	37.34
Provision towards Litigations	**22.05**	20.66
TOTAL	**76.21**	**72.40**

Movements in each class of other provisions during the financial year are set out below:

₹ Crore

	Sales Returns	Provision towards Litigation
As at April 1, 2021	**37.34**	20.66
Additional provisions recognised	**4.91**	2.35
Amount Utilised /Unused amounts reversed	**(0.13)**	(0.61)
Foreign currency translation difference	**(0.79)**	(0.35)
As at March 31, 2022	**41.33**	**22.05**

Sales Returns:

When a customer has a right to return the product within a given period, the Group recognises a provision for sales return. This is measured basis average past trend of sales return as a percentage of sales. Revenue is adjusted for the expected value of the returns and cost of sales are adjusted for the value of the corresponding goods to be returned.

Legal Claims:

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. A provision is recognised for legal cases, if the Group assesses that it is possible/probable that an outflow of economic resources will be required. These provisions have not been discounted as it is not practicable for the Group to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Note 29 : Revenue From Operations

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Products	**12,174.22**	10,936.01
Other Operating Revenues (includes export incentive, GST refunds, scrap sales etc.)	**102.28**	92.61
TOTAL	**12,276.50**	**11,028.62**

b) Revenue Information

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue by product categories		
Home care	**4,958.07**	4,728.85
Hair care	**4,049.30**	3,414.50
Personal care	**3,166.85**	2,792.66
TOTAL	**12,174.22**	**10,936.01**

c) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per contracted price	**13,250.87**	11,912.91
Sales returns	**(76.93)**	(58.05)
Rebates/Discounts	**(999.72)**	(918.85)
Revenue from contract with customers	**12,174.22**	**10,936.01**

d) Contract Balances

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Trade receivables *(Refer Note 14)*	**1,116.32**	1,004.50
Contract assets *(Refer Note 18)*	**12.42**	9.96
Contract liabilities *(Refer Note 27)*	**30.25**	27.44

Note: Contract assets represents right to receive the inventory and contract liabilities represents advances received from customers for sale of goods at the reporting date.

e) Significant changes in contract liabilities during the period

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue recognised that was included in the contract liability balance at the beginning of the period	**27.44**	25.31

Note 30 : Other Income

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income on:		
Non-convertible debentures and fixed deposits with Non-Banking Financial Companies at amortised cost	**26.48**	19.43
On Advances and Fixed Deposits	**33.10**	15.18
Commercial Papers	**0.81**	-
On Others	**0.17**	0.44
Net Gain on Sale of Investments	**10.90**	14.02
Fair Value Gain \ (Loss) on financial assets measured at fair value through profit or loss (net)	**0.62**	0.53
Other Non-Operating Income		
Net Monetary Gain on account of Hyperinflation	**-**	1.25
Rental Income	**10.97**	10.77
Miscellaneous non operating income	**6.66**	5.45
TOTAL	**89.71**	**67.07**

Note 31: Cost of Materials Consumed

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Raw material and packing material		
Opening Inventory	**941.12**	972.40
Add : Purchases (net)	**6,133.63**	4,575.48
	7,074.75	5,547.88
Less: Closing Inventory	**(1,291.77)**	(941.12)
Cost of Materials Consumed	**5,782.98**	**4,606.76**

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

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Opening Inventory		
Finished Goods	**587.86**	538.39
Stock-in-Trade	**86.42**	69.38
Work-in-Progress	**77.31**	101.47
	751.59	**709.24**
Less: Closing Inventory		
Finished Goods	**654.79**	587.86
Stock-in-Trade	**67.83**	86.42
Work-in-Progress	**90.51**	77.31
	813.13	**751.59**
(Increase) / decrease in Inventories	**(61.54)**	**(42.35)**

Note 33: Employee Benefits Expense

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	**1,012.30**	1,046.45
Contribution to Provident and Other Funds (Refer Note 44)	**22.85**	23.40
Share based payments to Employees (Employee Stock Grant Scheme) (Refer Note 45)	**11.96**	6.09
Staff Welfare Expenses	**57.03**	47.40
TOTAL	**1,104.14**	**1,123.34**

Note 34: Finance Costs

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expense		
Unwinding of interest on liabilities	**-**	3.67
Interest on bank loans and overdraft	**65.66**	85.56
Bill discounting charges	**19.08**	30.70
Interest on lease liability	**6.74**	6.70
Net Monetary loss on account of Hyperinflation	**18.68**	-
TOTAL	**110.16**	**126.63**

Note 35: Depreciation and Amortization Expenses

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	**143.84**	137.00
Depreciation on right of use asset	**34.36**	31.11
Amortization of intangible assets	**31.73**	35.74
TOTAL	**209.93**	**203.85**

Note 36: Other Expenses

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores and Spares	**33.02**	34.95
Power and Fuel	**133.49**	106.23
Rent (net)	**66.72**	64.37
Repairs and Maintenance		
Plant and Equipment	**16.11**	13.27
Buildings	**9.57**	8.21
Others (net)	**69.35**	60.65
	95.03	**82.13**
Insurance	**24.18**	21.86
Rates and Taxes	**43.44**	43.96
Processing and Other Manufacturing Charges	**302.25**	280.17
Travelling and Conveyance	**44.32**	30.49
Legal and Professional Charges	**79.80**	85.18
Donations	**2.68**	2.17
Sales Promotion	**236.41**	253.92
Advertising and Publicity	**750.77**	733.23
Selling and distribution expenses	**146.17**	167.86
Freight	**424.06**	390.15
Royalty	**1.46**	0.77
Commission	**19.16**	16.94
Bank charges	**12.10**	11.02
Net Loss on Sale / write off of Property, Plant and Equipment	**1.97**	-
Net Loss on Foreign Currency Transactions and Translations	**96.62**	54.84
Bad Debts Written Off	**3.20**	4.27
Miscellaneous Expenses (net) (Refer Note (a) below)	**185.31**	203.10
TOTAL	**2,702.16**	**2,587.61**

NOTE :

a) Miscellaneous Expenses include the Group's share of various expenses incurred by group companies for sharing of services and use of common facilities.

Note 37: Exceptional Items (Loss)/Gain

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Restructuring Cost	**(4.73)**	(9.50)
Impairment Loss on other intangible assets (Refer note 52)	**(60.19)**	(61.68)
Impairment (Loss)/ reversal on Associate (Refer note 51)	**15.38**	(15.38)
Profit on Sale of Investment in Associate (Net) (Refer note 51)	**39.79**	-
Reversal in liability for business combination (Refer Note below)	**-**	42.09
TOTAL	**(9.75)**	**(44.47)**

NOTE:

During the year ended March 31, 2021 there was a change in the earn out liability for Strength of Nature LLC (USA). This consideration was fully paid during the previous year.

Note 38: Earnings Per Share

	Year ended March 31, 2022	Year ended March 31, 2021
Net Profit After Tax (₹ Crore)	**1,783.39**	**1,720.82**
Number of Shares outstanding at the beginning of the year	**1,022,486,273**	1,022,316,352
Add : Shares Issued during the year	**94,806**	169,921
Number of Shares outstanding at the end of the year	**1,022,581,079**	1,022,486,273
Weighted Average Number of Equity Shares		
For calculating Basic EPS	**1,022,545,027**	1,022,435,634
Effect of dilution:		
Shared based payments	**119,419**	117,084
For calculating Diluted EPS	**1,022,664,446**	1,022,552,718
Earnings Per Share Before and After Extraordinary Items		
(Face Value ₹ 1)		
Basic (₹)	**17.44**	16.83
Diluted (₹)	**17.44**	16.83

Note 39 : Commitments

₹ Crore

	Year ended March 31, 2022	Year ended March 31, 2021
Estimated value of contracts remaining to be executed on capital account to the extent not provided, net of advances there against of ₹ 37.11 crore (March 31,2021 : ₹ 8.66 crore)	**41.55**	49.14
TOTAL	**41.55**	**49.14**

Note 40 : Dividend

During the year 2021-22, no interim dividend has been paid.

Note 41 : Contingent Liabilities

₹ Crore

		As at March 31, 2022	As at March 31, 2021
a)	**CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS**		
i)	Excise duty demands against which the Company / Group has preferred appeals	**57.70**	51.06
ii)	Sales tax demands against which the Company / Group has preferred appeals	**70.75**	111.30
iii)	Income-tax matters	**253.79**	278.38
iv)	Other matters	**3.00**	3.00
b)	**Guarantees given against Borrowings (in excess of Loans outstanding) / Bank facilities**		
i)	Guarantee amounting to USD Nil (31-Mar-21 USD 14.30 million) given by the Company to DBS Bank Limited, Singapore and Sumitomo Mitsui Banking Corporation, Singapore Branch towards loan provided to Godrej Consumer Products Holding (Mauritius) Limited	**-**	9.50
ii)	Guarantee amounting to USD Nil (31-Mar-21 USD 39.59 million) given by the Company to The Bank of Tokyo-Mitsubishi UFJ Ltd, London Branch towards loan provided to Godrej SON Holdings, Inc.	**-**	26.31
iii)	Guarantee amounting to USD Nil (31-Mar-21 USD 1.20 million) given by the Company to DBS Bank Limited, Singapore towards interest rate swap / derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Limited	**-**	8.77
iv)	Guarantee amounting to USD 49.58 million (31-Mar-21 USD 148.72 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch towards loan provided to Godrej Mauritius Africa Holdings Limited	**34.16**	98.84
v)	Guarantee amounting to USD Nil (31-Mar-21 USD 3.50 million) given by the Company to DBS Bank Limited, Singapore towards interest rate swap / derivative facilities provided to Godrej Mauritius Africa Holdings Limited	**-**	25.59
vi)	Guarantee amounting to USD 24.20 million (31-Mar-21 USD 24.20 million) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards loan provided to Godrej Mauritius Africa Holdings Limited	**23.50**	22.66
vii)	Guarantee amounting to USD Nil (31-Mar-21 USD 0.75 million) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards interest rate swap / derivative facilities provided to Godrej Mauritius Africa Holdings Limited	**-**	5.48
viii)	Guarantee amounting to USD 50.50 million (31-Mar-21 USD 50.50 million) given by the Company to Standard Chartered Bank, Mauritius towards bank facilities provided to Godrej Tanzania Holdings Limited	**382.75**	369.21
ix)	Guarantee amounting to USD 36.75 million (31-Mar-21 USD Nil) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards loan provided to Godrej SON Holdings, Inc.	**13.26**	-
	Others		
i)	Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 4.23 crore (31-Mar-21 : ₹ 4.22 crore)]	**37.92**	13.39
ii)	Guarantee given by the Company to Yes Bank for credit facilities extended to M/s. Broadcast Audience Research Council.	**-**	0.80
iii)	Guarantee given by the Company to Kotak Mahindra Bank for credit facilities extended to M/s. Broadcast Audience Research Council	**0.30**	0.30
c)	**Claims against the Company not acknowledged as debt**	**32.28**	32.28

d) The Group has reviewed all its pending litigations and proceedings and has adequately made provisions wherever required and disclosed as contingent liability wherever applicable in the consolidated financial statements. The Group does not expect the outcome of the proceedings to have a materially adverse effect on its financial statements.

e) Other Matters

For India, the proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. Additionally, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

Note 42 : Related Party Disclosures

A) Related Parties and their Relationship

a) Associate Company:

Name of the Associate Company	Country	% Holding as at March 31, 2022	% Holding as at March 31, 2021
Bhabhani Blunt Hairdressing Pvt Limited	India	**0%**	28%

(Refer note 51 for details of sale of investment in associate)

b) Investing Entity in which the reporting entity is an Associate

i) Godrej Industries Limited

ii) Godrej Seeds & Genetics Limited

c) Companies under common Control with whom transactions have taken place during the year:

i) Godrej & Boyce Mfg. Co. Limited

ii) Godrej Agrovet Limited

iii) Godrej Tyson Foods Limited

iv) Godrej Properties Limited

v) Godrej Projects Development Private Limited

vi) Godrej One Premises Management Private Limited

d) Key Management Personnel and Relatives:

i)	Mr. Adi Godrej	Chairman Emeritus (till September 30,2021)
ii)	Ms. Nisaba Godrej	Executive Chairperson (Chairperson & Managing director from October 18,2021) / Daughter of Mr. Adi Godrej / Sister of Mr. Pirojsha Godrej and Ms. Tanya Dubash
iii)	Mr. Vivek Gambhir	Managing Director & CEO (From April 1, 2020 to June 30, 2020), Whole-time Director from July 1, 2020 to September 30, 2020)
iv)	Mr. Sudhir Sitapati	Managing Director & CEO (From October 18, 2021)
v)	Mr. V. Srinivasan	Chief Financial Officer and Company Secretary (till August 31, 2021)
vi)	Mr. Sameer Shah	Chief Financial Officer (From September 1, 2021)
vii)	Mr. Rahul Botadara	Company Secretary and Compliance Officer(From September 1, 2021)
viii)	Mr. Pirojsha Godrej	Non-Executive Director / Son of Mr. Adi Godrej / Brother of Ms. Nisaba Godrej and Ms. Tanya Dubash
ix)	Mr. Nadir Godrej	Non-Executive Director/ Brother of Mr. Adi Godrej

x)	Ms. Tanya Dubash	Non-Executive Director/ Daughter of Mr. Adi Godrej /Sister of Mr. Pirojsha Godrej and Ms. Nisaba Godrej
xi)	Mr. Jamshyd Godrej	Non Executive Director
xii)	Mr. Aman Mehta	Independent Director (Upto August 31, 2021)
xiii)	Mr. Omkar Goswami	Independent Director
xiv)	Ms. Ireena Vittal	Independent Director
xv)	Mr. Narendra Ambwani	Independent Director
xvi)	Ms. Ndidi Nwuneli	Independent Director
xvii)	Ms. Pippa Armerding	Independent Director
xviii)	Mr. Sumeet Narang	Independent Director
xix)	Mr. Burjis Godrej	Son of Mr.Nadir Godrej
xx)	Ms. Rati Godrej	Wife of Mr.Nadir Godrej
xxi)	Mr. Sohrab Godrej	Son of Mr.Nadir Godrej
xxii)	Mr. Hormazd Godrej	Son of Mr.Nadir Godrej
xxiii)	Mr.Navroze Godrej	Son of Mr. Jamshyd Godrej
xxiv)	Mr. Azaar Arvind Dubash	Son of Ms. Tanya Dubash

e) Post employment Benefit Trust where the reporting entity exercises significant influence

i) Godrej Consumer Products Employees' Provident Fund

B) The Related Party Transactions are as under :

₹ Crore

	Associate Company		Investing Entity in which the reporting entity is an associate		Companies Under Common Control		Key Management Personnel and Relatives		Post employment benefit trust		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Sale of Goods	0.13	0.08	33.47	12.25	1.49	1.02	-	-	-	-	**35.09**	13.35
Sale of Capital Asset	-	-	0.01	-	-	-	-	-	-	-	**0.01**	-
Purchase of Materials and Spares	-	-	97.24	72.58	7.04	3.82	-	-	-	-	**104.28**	76.40
Purchase of Fixed Asset including Assets	-	-	-	-	0.24	-	-	-	-	-	**0.24**	-
Advance Paid	-	-	-	-	-	-	-	-	9.50	-	**9.50**	-
Advance received back	-	-	-	-	-	-	-	-	9.50	-	**9.50**	
Royalty and Technical Fees Paid	0.55	0.41	-	-	-	-	-	-	-	-	**0.55**	0.41
Establishment & Other Expenses Paid (Including provision for doubtful debts if any)	0.10	0.12	23.40	21.49	5.71	6.03	-	-	-	-	**29.21**	27.64
Expenses Recovered	-	-	1.24	1.33	0.01	0.07	-	-	-	-	**1.25**	1.40
Commission on Profits and Sitting Fees	-	-	-	-	-	-	3.17	3.51	-	-	**3.17**	3.51
Investments Sold / Redeemed	32.04	-	-	-	-	-	-	-	-	-	**32.04**	-
Lease Rentals Received	-	-	11.03	10.98	-	-	-	-	-	-	**11.03**	10.98
Lease Rentals Paid	-	-	18.73	17.89	-	-	-	-	-	-	**18.73**	17.89
Contribution during the year (Including Employees' Share)	-	-	-	-	-	-	-	-	17.39	15.76	**17.39**	15.76
Short Term Employment Benefits	-	-	-	-	-	-	13.31	18.05	-	-	**13.31**	18.05
Post Employment Benefits	-	-	-	-	-	-	0.49	1.64	-	-	**0.49**	1.64
Other Long Term Benefits	-	-	-	-	-	-	0.03	-	-	-	**0.03**	-
Share Based Payment	-	-	-	-	-	-	1.16	5.17	-	-	**1.16**	5.17
TOTAL	**32.82**	**0.61**	**185.12**	**136.52**	**14.49**	**10.94**	**18.16**	**28.37**	**36.39**	**15.76**	**286.98**	**192.20**

Outstanding Balances

₹ Crore

	Receivables		Payables		Guarantees Outstanding-Given/ (Taken)		Commitments	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Associate Company	-	0.03	-	0.14	-	-	-	-
Investing Entity in which the reporting entity is an associate	3.07	1.37	11.39	6.41	(26.88)	(26.88)	-	-
Companies under Common Control	0.66	0.40	0.49	0.41	(1.21)	(1.21)	0.24	0.53
Key Management Personnel and Relatives	-	-	2.36	2.58	-	-	-	-
TOTAL	**3.73**	**1.80**	**14.24**	**9.54**	**(28.09)**	**(28.09)**	**0.24**	**0.53**

Note : Refer note 7 for investments in associate

Note 43 : 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/ Spot Contracts outstanding as at March 31, 2022:

	As at March 31, 2022		As at March 31, 2022	
	In million	INR cr	In million	INR cr
Forward Contracts to Purchase (USD)	**US $16.03**	**121.81**	US $25.37	183.93
[248 contracts (previous year 303 contracts)]				
Forward Contracts to Sell (USD)	**US $9.50**	**72.19**	US $4.35	31.54
[4 contracts (previous year 7 contracts)]				
Forward Contracts to Sell (Euro)	**€ 2.00**	**16.85**	€ 1.00	8.58
[4 contract (previous year 1)]				

Note 44 : Employee Benefits

a) DEFINED CONTRIBUTION PLAN

Provident Fund:

The contributions to the Provident Fund of certain employees (including some employees of the erstwhile Godrej Household Products Ltd) are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Superannuation Fund constitutes an insured benefit, which is classified as a defined contribution plan as the Company contributes to an Insurance Company and has no further obligation beyond making payment to the insurance company.

b) DEFINED BENEFIT PLAN

Gratuity:

i) The Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of HDFC Standard Life Insurance Co. Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees. The Gratuity scheme of the erstwhile Godrej Household Products Ltd., which was obtained pursuant to the Scheme of Amalgamation, is funded through Unit Linked Gratuity Plan with HDFC Standard Life Insurance Company Limited.

ii) For Godrej Nigeria Limited, management set aside physical assets with an investment outfit to fund future benefit obligations arising under the gratuity plan.The physical assets earmarked for the fund's investment are being managed by the Pension Fund Administration outfit of First Guaranteed Pension Limited.

iii) Gratuity plans for entities other than mentioned in i) and ii) are unfunded.

iv) 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.

v) The Company has a gratuity trust. The Group funds its unfunded gratuity payouts from its cash flows. Accordingly, the Group creates adequate provision in its books every year based on actuarial valuation.

vi) These benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and investment risk.

Provident Fund:

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

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2022.

₹ Crore

	As at March 31, 2022	**As at March 31, 2021**
Plan assets at period end, at fair value	**170.68**	175.93
Provident Fund Corpus	**168.26**	174.09
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	**8.45%**	8.44%
Weighted Average Yield to Maturity	**8.57%**	8.61%
Guaranteed Rate of Interest	**8.10%**	8.50%

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 12.72 crore (Mar-31-2021 : ₹ 13.13 crore) has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 8.60 crore (Mar-31-2021 : ₹ 8.83 crore) has been included in Note 33 under Contribution to Provident and Other Funds.

d) The amounts recognised in the Company's financial statements as at year end are as under:

₹ Crore

			As at March 31, 2022	As at March 31, 2021
i)	**Change in Present Value of Obligation**			
	Present value of the obligation at the beginning of the year		**117.71**	121.17
	Plan amendments		**(3.16)**	(10.15)
	Current Service Cost		**12.60**	12.16
	Interest Cost		**7.41**	8.17
	Exchange difference		**2.83**	4.16
	Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions		**(1.65)**	(3.72)
	Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions		**(4.02)**	0.68
	Actuarial (Gain) / Loss on Obligation- Due to Experience		**(1.82)**	(2.66)
	Actuarial (Gain) / Loss on Obligation		**(7.49)**	(5.70)
	Benefits Paid		**(18.04)**	(12.10)
	Present value of the obligation at the end of the year		**111.86**	117.71
ii)	**Change in Plan Assets**			
	Fair value of Plan Assets at the beginning of the year		**0.87**	0.74
	Interest Income		**0.08**	0.07
	Return on plan assets excluding interest income		**(0.02)**	(0.01)
	Contributions by the Employer		**19.38**	12.17
	Benefits Paid		**(18.04)**	(12.10)
	Fair value of Plan Assets at the end of the year		**2.27**	0.87
iii)	**Amounts Recognised in the Balance Sheet:**			
	Present value of Obligation at the end of the year		**111.86**	117.71
	Fair value of Plan Assets at the end of the year		**2.27**	0.87
	Net Liability recognised in the Balance Sheet		**109.59**	116.84
iv)	**Amounts Recognised in the Statement of Profit and Loss:**			
	Current Service Cost		**12.60**	12.16
	Plan Amendments		**(3.16)**	(10.15)
	Interest Cost / Income on Obligation / Plan assets (net)		**7.33**	8.10
	Net Cost Included in Personnel Expenses		**16.77**	10.11
v)	**Recognised in other comprehensive income for the year**			
	Actuarial (Gain) / Loss on Obligation		**(7.49)**	(5.70)
	Return on plan assets excluding interest income		**0.02**	0.01
	Recognised in other comprehensive income		**(7.47)**	(5.69)
vi)	**Weighted average duration of Present Benefit Obligation**		**8.26 years**	8.46 years
vii)	**Estimated contribution to be made in next financial year**		**12.25**	13.85
viii)	**Major categories of Plan Assets as a % of total Plan Assets**			
	Insurer Managed Funds		**100%**	100%
ix)	**Actuarial Assumptions**			
	i) Discount Rate		**6.41%-13.5%p.a**	6.26%-12.5%p.a
	ii) Salary Escalation Rate		**6% p.a.-12.8%p.a**	7% p.a.-12%p.a
	iii) Mortality for geographies:	India	Indian Assured Lives Mortality (2006-08) Ultimate	
		Indonesia	As per Indonesian Mortality Table 2011 (TMI11)	
		Nigeria	Rates published in the A49/52 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK, rated down by one year to reflect mortality in Nigeria	

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

x) **Maturity Analysis of Projected Benefit Obligation: From the Fund**

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Projected Benefits Payable in Future Years From the Date of Reporting		
Within the next 12 months	**14.48**	18.71
2nd Following Year	**11.61**	10.74
3rd Following Year	**28.88**	26.41
4th Following Year	**28.56**	25.25
5th Following Year	**10.95**	27.33
Sum of Years 6 to 10	**67.27**	68.26

xi) Sensitivity analysis

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

₹ Crore

	31-Mar-22		31-Mar-21	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	**(7.28)**	**8.48**	(7.21)	8.31
Future salary growth (1% movement)	**8.41**	**(7.29)**	8.17	(7.52)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Other details

Methodology Adopted for ALM	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity analysis	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Comment on Quality of Assets	Since investment is with insurance company, Assets are considered to be secured.

Note 45 : Employee Stock Benefit Plans

I. Employee Stock Grant Scheme

a) The Company set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders on March 18, 2011.

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

c) The Scheme applies to the Eligible Employees of the Company or its Subsidiaries. The entitlement of each employee will be decided by the Compensation Committee of the Company based on the employee's performance, level, grade, etc.

d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 2,500,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 500,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

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

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

g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The fair value is treated as Employee Compensation Expenses and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

h) The details of the scheme are as below:

Scheme	Grant Date	No. of Options	Vesting Condition	Exercise Price (₹) per share	Weighted average Exercise Price (₹) per share	Exercise period
Employees Stock Grant Scheme 2011	From 2011 to 2021	1,572,851	Vested in the proportion of 1/3rd at the end of each year	1.00	1.00	within 1 month from the date of vesting

Movement in the number of share options during the year:

	As at March 31, 2022	As at March 31, 2021
Outstanding at the beginning of the year	**187,421**	**290,133**
Add: Granted during the year	**578,514**	97,653
Less: Exercised during the year	**94,806**	169,921
Less: Forfeited/ lapsed during the year	**55,027**	30,444
Outstanding at the end of the year	**616,102**	**187,421**

Weighted average remaining contractual life of options as at 31st March, 2022 was 2.97 years (31-Mar-21: 0.94 years).

Weighted average equity share price at the date of exercise of options during the year was ₹ 958.87 (31-Mar-21 ₹ 654.46).

The fair value of the employee share options has been measured using the Black-Scholes formula. The following assumptions were used for calculation of fair value of grants:

	As at March 31, 2022	As at March 31, 2021
Risk-free interest rate (%)	**5.34%**	4.12%
Expected life of options (years)	**3.65**	2.00
Expected volatility (%)	**34.73%**	38.12%
Dividend yield	**0.00%**	1.20%
The price of the underlying share in market at the time of option grant (₹)	**977.30**	666.58

II. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.

Note 46 : Disclosure U/S 186 (4) of the Companies Act, 2013

Details of Investments made are disclosed under Note 7A and 13 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 41.

Note 47 : Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the consolidated financial statements.

Note 48 : Financial Instruments

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ Crore

As at March 31, 2022	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Investments								
Investments in Government Bonds	-	-	145.92	145.92	-	145.92	-	145.92
Deposits with Non-Banking Financial Companies	-	-	25.20	25.20	-	25.20	-	25.20
Loans	-	-	0.03	0.03	-	-	-	-
Other Financial Assets	-	-	25.09	25.09	-	-	-	-
Current								
Deposits with Non-Banking Financial Companies	-	-	277.63	277.63	-	277.63	-	277.63
Investments in Commercial Papers			49.98	49.98	-	49.98	-	49.98
Mutual Fund	389.51	-	-	389.51	-	389.51	-	389.51
Non-convertible Debentures with Non-Banking Financial Companies	-	-	127.19	127.19	127.19	-	-	127.19
Trade receivables	-	-	1,116.32	1,116.32	-	-	-	-
Cash and cash equivalents	-	-	750.92	750.92	-	-	-	-
Bank balances others			356.85	356.85	-	-	-	-
Loans	-	-	0.05	0.05	-	-	-	-
Derivative Asset	0.11	0.26	-	0.37	-	0.37	-	0.37
Others	-	-	41.46	41.46	-	-	-	-
	389.62	**0.26**	**2,916.64**	**3,306.52**	**127.19**	**888.61**	**-**	**1,015.80**
Financial liabilities								
Non-Current								
Borrowings	-	-	380.85	380.85	-	-	-	-
Lease Liability	-	-	64.44	64.44				
Current								
Borrowings	-	-	1,226.81	1,226.81	-	-	-	-
Trade and other payables	-	-	2,163.06	2,163.06	-	-	-	-
Put Option Liability *	-	-	-	50.83	-	-	50.83	50.83
Derivative liability	7.64	0.54	-	8.18	-	8.18		8.18
Lease Liability			32.24	32.24				-
Others	-	-	168.22	168.22	-	-	-	-
	7.64	**0.54**	**4,035.62**	**4,094.63**	**-**	**8.18**	**50.83**	**59.01**

A. Accounting classification and fair values (contd)

₹ Crore

As at March 31, 2021	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Investments								
Investments in Government Bonds	-	-	2.51	2.51	-	2.51	-	2.51
Loans	-	-	0.04	0.04	-	-	-	-
Other Financial Assets	-	-	25.10	25.10	-	-	-	-
Current				-				-
Deposits with Non-Banking Financial Companies	-	-	459.65	459.65	-	459.65	-	459.65
Mutual Fund	142.22	-	-	142.22	-	142.22	-	142.22
Non-convertible Debentures with Non-Banking Financial Companies	-	-	55.30	55.30	55.30	-	-	55.30
Trade receivables	-	-	1,004.50	1,004.50	-	-	-	-
Cash and cash equivalents	-	-	524.13	524.13	-	-	-	-
Bank balances others			148.08	148.08	-	-	-	-
Loans	-	-	0.06	0.06	-	-	-	-
Derivative Asset	0.27	0.32	-	0.59	-	0.59	-	0.59
Others	-	-	74.63	74.63	-	-	-	-
	142.49	**0.32**	**2,294.00**	**2,436.81**	**55.30**	**604.97**	**-**	**660.27**
Financial liabilities								
Non-Current								
Borrowings	-	-	480.11	480.11	-	-	-	-
Lease Liability	-	-	67.49	67.49				
Current				-				-
Borrowings	-	-	1,288.21	1,288.21	-	-	-	-
Trade and other payables	-	-	2,012.40	2,012.40	-	-	-	-
Put Option Liability *	-	-	-	163.88	-	-	163.88	163.88
Derivative liability	15.62	31.11	-	46.73	-	46.73		46.73
Lease Liability			28.16	28.16				-
Others	-	-	244.42	244.42	-	-	-	-
	15.62	**31.11**	**4,120.79**	**4,331.40**	**-**	**46.73**	**163.88**	**210.61**

Level - 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level - 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level - 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

** The put option liability is fair valued at each reporting date through equity*

NOTE: The group has not disclosed fair values of financial instruments other than mutual funds, deposits with non-banking financial companies, non-convertible debentures with non-banking financial companies, investment in commercial papers, derivative asset, derivative liability and liabilities for business combinations, because the carrying amounts are a reasonable approximation of fair value.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1, Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund Investments	NAV quoted by the Mutual Fund	NA	NA
Investments in Non Convertible Debenture with Non-Banking Financial Companies	Broker Quote	NA	NA
Deposits with Non-Banking Financial Companies	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Commercial Paper issued by the Company	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Derivative Asset	MTM from banks	NA	NA
Derivative Liability	MTM from banks	NA	NA
Put Option Liability	Performance of the business	Inputs are given below	Next page for inter-relationship between significant inputs and fair value measurement given below

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

₹ Crore

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**163.88**	**390.14**
Net change in fair value through reserves	**54.89**	22.76
Net change in fair value through PL (Refer Note (a) below)	**-**	1.38
Net change in liability due to payments	**(172.36)**	(197.65)
Reversal in liability for business combination	**-**	(42.09)
Exchange difference	**4.42**	(10.66)
Closing Balance	**50.83**	**163.88**

NOTE: (a) Interest unwinding charges

Valuation processes

The main level 3 inputs for put option and liability for business combination are derived and evaluated as follows :

Put Option Liability - The key inputs used in the determination of fair value of put option liability is performance of the business such as Profit.

Sensitivity analysis

For the fair values of put option liability , reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Put Option Liability ₹ Crore

	Year ended March 31, 2022	
	Equity impact	
Significant unobservable inputs	**10% Increase**	**10% Decrease**
Achievement of financial target (10% movement)	(5.08)	5.08

	Year ended March 31, 2021	
	Equity impact	
Significant unobservable inputs	**10% Increase**	**10% Decrease**
Achievement of financial target (10% movement)	(16.39)	16.39

Note 49 : Financial Risk Management

The activities of the Group exposes it to a number of financial risks – market risk, credit risk and liquidity risk. The Group seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The risk management policy which is approved by the Board, is closely monitored by the senior management.

A. Management Of Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency rate risk, interest rate risk and price risk. Financial instruments affected by market risk includes borrowings, trade receivables and payables, bank deposits, investments and derivative financial instruments. The Group has international operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of price risk:

The Group invests its surplus funds in various debt instruments including liquid and short term schemes of debt mutual funds, deposits with banks and financial institutions, commercial papers and non-convertible debentures (NCD's). Investments in mutual funds and NCD's are susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments. This risk is mitigated by the Group by investing the funds in various tenors depending on the liquidity needs of the Company.

(ii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade payables , trade receivables, borrowings and bank balances and is therefore exposed to foreign exchange risk. The Group mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Group may be impacted due to volatility of the functional currency against foreign currencies.

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

The currency profile of financial assets and financial liabilities as at March 31, 2022 and March 31, 2021 are as below:

₹ Crore

					₹ Crore
As at March 31, 2022	**GBP**	**USD**	**EURO**	**ZAR**	**Others**
Financial assets					
Cash and cash equivalents	-	46.68	0.01	0.63	1.10
Short-term loans and advances	-	2.17	-	-	-
Trade and other receivables	0.63	212.89	31.52	1.22	-
Less: Forward contracts for trade receivables	-	(72.04)	(16.84)	-	-
Other Non-Current financial assets	-	4.78	-	-	-
Other Current financial assets	-	4.97	-	-	-
	0.63	**199.45**	**14.69**	**1.85**	**1.10**
Financial liabilities					
Long term borrowings	-	2.27	-	-	-
Short term borrowings	-	1.60	-	-	-
Trade and other payables	(0.14)	394.19	27.82	-	1.16
Less: Forward contracts for trade payables	-	(122.38)	-	-	-
Other Current financial liabilities	-	0.02	-	-	-
	(0.14)	**275.70**	**27.82**	**-**	**1.16**
Net Exposure	**0.77**	**(76.25)**	**(13.13)**	**1.85**	**(0.06)**

					₹ Crore
As at March 31, 2021	**GBP**	**USD**	**EURO**	**ZAR**	**Others**
Financial assets					
Cash and cash equivalents	-	47.26	-	0.26	4.85
Short-term loans and advances	-	3.43	-	-	-
Trade and other receivables	0.66	158.69	25.53	0.78	-
Less: Forward contracts for trade receivables	-	(31.53)	(8.58)	-	-
Other Non-Current financial assets	-	10.25	-	-	-
Other Current financial assets	-	8.33	-	-	-
	0.66	**196.43**	**16.95**	**1.04**	**4.85**
Financial liabilities	-				
Long term borrowings					
Short term borrowings	-	2.13	-	-	-
Trade and other payables	-	2.90	-	-	-
Less: Forward contracts for trade payables	-	420.66	1.14	-	8.73
Other Current financial liabilities	-	(182.47)	-	-	-
	-	**-**	**-**	**-**	**-**
Net Exposure	**0.66**	**(46.79)**	**15.81**	**1.04**	**(3.88)**

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

	Year-end spot rate	
	March 31, 2022	**March 31, 2021**
GBP INR	**99.43**	99.80
USD INR	**75.99**	72.52
EUR INR	**84.24**	85.80
ZAR INR	**5.22**	4.86

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of GBP/USD/EURO/ZAR/CNH/KWD/SGD/MYR against the India rupee at March 31, 2022 and March 31, 2021 would have affected the measurement of financial instruments denominated in GBP/USD/EURO/ZAR/CNH/KWD/SGD/MYR and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ Crore

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2022		
GBP	0.04	(0.04)
USD	(3.81)	3.81
EURO	(0.66)	0.66
ZAR	0.09	(0.09)
Others - CNH/SGD/MYR	(0.00)	0.00
	(4.34)	**4.34**

₹ Crore

	Profit or loss	
Effect in INR	**Strengthening**	**Weakening**
March 31, 2021		
GBP	0.03	(0.03)
USD	(2.34)	2.34
EURO	0.79	(0.79)
ZAR	0.05	(0.05)
Others - CNH/KWD	(0.19)	0.19
	(1.66)	**1.66**

(iii) Management of interest risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk

The Group's exposure to interest rate risks relates primarily to the Group's interest obligations on its borrowings. To mitigate this risk the Group enters into derivative financial instruments like interest rate swaps

The interest rates profile of the Group's interest bearing financial instruments is as follows:

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Borrowings		
Fixed rate instruments	**302.82**	268.20
Variable-rate instruments	**1,304.84**	1,500.12
	1,607.66	**1,768.32**

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bp) in interest rate at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

The risk estimates provided assume a parallel shift of 50 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

₹ Crore

	Profit or loss / Equity	
	50 bp increase	**50 bp decrease**
As at March 31, 2022		
Variable-rate instruments	(6.52)	6.52
Less : Interest-rate swap on Variable rate instrument	1.68	(1.68)
Cash flow sensitivity (net)	**(4.84)**	**4.84**
As at March 31, 2021		
Variable-rate instruments	(7.50)	7.50
Less : Interest-rate swap on Variable rate instrument	7.44	(7.44)
Cash flow sensitivity (net)	**(0.06)**	**0.06**

B. Management of Credit Risk:

Credit risk refers to the risk of default on its obligations by a counterparty to the Group resulting in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (trade receivables and derivative transactions) and from its investing activities including investments in mutual funds, commercial papers, deposits with banks and financial institutions and NCD's, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed by each business unit subject to the Group's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Group extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Group has no concentration of credit risk as the customer base is widely distributed.

Credit risk from investments of surplus funds is managed by the Group's treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements prescribed by the Board. The Group monitors the credit ratings and financial strength of its counter parties and adjusts its exposure accordingly. Derivatives are entered into with banks as counter parties, which have high credit ratings assigned by rating agencies.

Loans and advances given are monitored by the Group on a regular basis and these are neither past due nor impaired.

Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available. The Company uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers which comprise on large number of small balances.

Ageing for trade receivables is disclosed in note 14.

The movement in allowances for impairment in respect of trade receivables is as follows:

₹ Crore

	As at March 31, 2022	As at March 31, 2021
Opening Balance	**56.79**	**41.72**
Impairment loss recognised	**6.58**	23.47
Amounts written off / written back	**(3.20)**	(4.27)
Exchange difference	**(0.38)**	(4.13)
Closing Balance	**59.79**	**56.79**

C. Management of Liquidity Risk:

Liquidity risk is the risk that the Group may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Group's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Group closely monitors its liquidity position and has a robust cash management system. The Group maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

₹ Crore

As at March 31, 2022		Contractual cash flows			
	Carrying amount	Total	Less than 1 year	1-3 years	More than 3 years
Non-derivative financial liabilities					
Term loan and overdrafts from banks	1,607.66	1,620.77	1,234.07	386.70	-
Trade payables	2,163.06	2,163.06	2,163.06	-	-
Lease Liability	96.68	107.89	37.30	62.18	8.41
Other financial liabilities	226.69	226.69	226.69	-	-
Derivative financial liabilities					
Interest rate swaps	0.54	5.12	5.12	-	-
Forward exchange contracts used for hedging					
- Outflow	-	122.38	122.38	-	-
- Inflow	-	88.88	88.88	-	-

₹ Crore

As at March 31, 2021		Contractual cash flows			
	Carrying amount	Total	Less than 1 year	1-3 years	More than 3 years
Non-derivative financial liabilities					
Term loan and overdrafts from banks	1,768.32	1,780.71	1,296.94	483.77	-
Trade payables	2,012.40	2,012.40	2,012.40	-	-
Lease Liability	95.65	106.85	32.79	63.53	10.53
Other financial liabilities	423.92	423.92	423.92	-	-
Derivative financial liabilities					
Interest rate swaps	31.11	120.08	107.16	12.92	-
Forward exchange contracts used for hedging					
- Outflow	-	182.47	182.47	-	-
- Inflow	-	40.11	40.11	-	-

Note 50 : Hedge Accounting

The objective of hedge accounting is to represent, in the Group's financial statements, the effect of the Group's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Group makes use of financial derivative instruments namely foreign exchange forward contracts for hedging the risk embedded in some of its highly probable forecast investment & interest rate swaps for hedging the risk interest rate fluctuation on some of its variable rate loans.

For derivative contracts designated as hedge, the Group documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency risk on highly probable forecast investment & interest rate risk on variable rate loans. The tenor of hedging instrument may be less than or equal to the tenor of underlying.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge. The Group applies cash flow hedge accounting to hedge the variability in a) the future cash flows on the overseas remittance to its subsidiary subject to foreign exchange risk; b) interest payments on variable rate loans.

The Group has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

Hedge effectiveness is assessed through the application of critical terms match method & dollar off-set method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

The table below enumerates the Group's hedging strategy, typical composition of the Group's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship:

Sr No	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Currency risk hedge	Highly Probable Foreign currency (FCY) denominated investment into Overseas Subsidiary	FCY denominated highly probable forecast investment is converted into functional currency using a plain vanila foreign currency forward contract.	Fx forward contracts	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market.	Cash flow hedge
2	Interest rate hedge	Floating rate loans	Floating rate financial liability is converted into a fixed rate financial liability using a floating to fixed interest rate swap.	Interest rate swap	Interest rate swap is a derivative instrument whereby the Group receives at a floating rate in return for a fixed rate liability.	Cash flow hedge

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

For the year ended March 31, 2022 ₹ Crore

Hedging Instrument	Notional principal amounts outstanding	Derivative Financial Instruments - Assets outstanding	Derivative Financial Instruments – Liabilities outstanding	Gain/(Loss) due to change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Interest rate swaps (Refer Note 17 and 26)	335.10	0.26	0.54	2.84	2.84	-	NA	NA	NA
Previous Year	*1,488.67*	*0.32*	*31.11*	*20.99*	*20.99*	-	*NA*	*NA*	*NA*

The table below provides a profile of the timing of the notional amounts of the Group's hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

₹ Crore

	As at March 31, 2022				As at March 31, 2021			
	Total	Less than 1 year	1-5 years	Over 5 years	Total	Less than 1 year	1-5 years	Over 5 years
Interest rate risk:								
Notional principal amount	**335.10**	**335.10**	**-**	**-**	1,488.67	1,488.67	-	-
Average rate	**1.89%**	**1.89%**	**0.00%**	**-**	2.16%	2.16%	0.00%	-

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

₹ Crore

Particulars		Movement in Cash flow hedge reserve for the year ended March 31, 2022	Movement in Cash flow hedge reserve for the year ended March 31, 2021
Opening balance		**(3.46)**	(24.45)
Gain / (Loss) on the Effective portion of changes in fair value:			
a)	Interest rate risk	**2.84**	20.99
b)	Currency risk	-	-
Tax on movements on reserves during the year		-	-
Closing balance		**(0.62)**	**(3.46)**

Note 51 : Profit on Sale of Investment in Associate

The Company divested its entire stake in Bhabani Blunt Hair Dressing Private Limited (Associate company) on 16th March, 2022, and the right to use the "BBLUNT" brand name to manufacture and sell BBLUNT branded products business during the year in line with the overall strategy of sharpening the strategic focus on the core business portfolio. Total consideration received by the Company on closing of the transaction is ₹ 78.65 cr (net). As per IND AS 36, the Group reversed impairment of ₹ 15.38 cr and net gain of ₹ 39.79 cr was recognised as an exceptional item.

During the year ended March 31, 2021 as per IND AS 36, the Group made an impairment provision on investments with Bhabhani Blunt Hairdressing Pvt Ltd, due to change in the economic scenario led by Covid. An impairment of ₹ 15.38 cr was recognised as an exceptional item, considering the indicators of impairment.

Note 52 : Goodwill and Other Intangible Assets with indefinite useful life

Goodwill has been allocated to the Group's CGU as follows:

₹ Crore

Particulars	As at March 31, 2022	As at March 31, 2021
India	**2.47**	2.47
Indonesia	**1,611.49**	1,528.38
Africa (including SON)	**3,251.65**	3,101.68
Argentina	**316.96**	302.48
Others*	**194.22**	194.84
Total	**5,376.79**	**5,129.85**

* Others Include Chile and Srilanka.

Each unit or group of units to which the goodwill is allocated -

a. Represents the lowest level within the entity at which the goodwill is monitored for internal management purpose and

b. Is not larger than an operating segment as defined in Ind AS 108 Operating Segments, before aggregation.

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years for all CGUs except Africa where a 10 year period has been used to recognise the longer period of faster growth in expected cash flows , before averaging to a lower pace of growth to perpetuity. The measurement using discounted cash flow is level 3 fair value based on inputs to the valuation technique used. Cash flows beyond 5 years (10 years in case of Africa CGU) is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre tax discount rate.

Indefinite life brands have been allocated to the Group's CGU as follows:

₹ Crore

Particulars	As at March 31, 2022	As at March 31, 2021
India	**791.25**	791.25
Africa (including SON)	**1,426.44**	1,413.75
Chile	**1.49**	8.26
Total	**2,219.18**	**2,213.26**

The recoverable amount of the brands are based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. The measurement using discounted cash flow is level 3 fair value based on inputs to the valuation technique used. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre tax discount rate.

Operating margins and growth rates for the five years (ten years in case of Africa CGU) cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Particulars (CGU and brands)	As at January 31, 2022		
	Average sales growth	Pre Tax discount rate	Terminal growth rate
Indonesia	5.0%	12.2%	5.0%
Africa (Including SON)	0% - 11.3%	8.7% - 16.2%	0% - 7%
Argentina	1.8%	18.0%	2.0%
Others*	6.3% - 16.9%	12% - 21.5%	3% - 4%

Particulars (CGU and brands)	As at January 31, 2021		
	Average sales growth	Pre Tax discount rate	Terminal growth rate
Indonesia	8.2%	11.5%	6.0%
Africa (Including SON)	0% - 20%	6% - 18%	0% - 8%
Argentina	3.9%	16.9%	2.0%
Others*	5% - 16%	11% - 19%	3% - 5%

* Others Include India, Chile and Srilanka.

The pre tax discount rate is based on risk free rate, beta variant adjusted for market premium and company specific risk factors.

Based on impairment test done as at January 31, 2022, Group has concluded that there is no impairment on Goodwill (March 31, 2021: Nil) and due to the internal and external sources of information there was impairment for indefinite life intangible assets in Africa (including SON) of ₹ 53.64 crore as at March 31, 2022 (March 31, 2021 ₹ 61.68 crore) and Chile (Others) of ₹ 6.51 crore (net) as at March 21, 2022 (March 31, 2021 Nil). The impairment has been recorded as an 'Exceptional item' in the Consolidated Statement of Profit and Loss (refer Note 37).

With regard to the assessment of value in use other than the impairment recorded above, no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGUs to exceed their recoverable amount.

Note 53 : Segment Reporting

Description of segments and principal activities:

The Group has identified geographical segments as reportable segments which are as follows:

- Segment-1,India
- Segment-2, Indonesia
- Segment-3, Africa (Including Strength of Nature)
- Segment-4, others

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit as the performance indicator for all of the operating segments.

The group is engaged in manufacturing of personal, household and hair care products.

Information about reportable segments for the year ended March 31, 2022 and March 31, 2021 is as follows:

Year ended March 31, 2022

₹ Crore

Particulars		India	Indonesia	Africa (including Strength of Nature)	Others	Total
	Segment Revenue	**6,951.56**	1,705.19	3,049.74	750.77	12,457.26
Add/(Less):	Inter segment revenue	**(149.34)**	(26.69)	(0.79)	(3.94)	(180.76)
	Revenue from Operations	**6,802.22**	1,678.50	3,048.95	746.83	**12,276.50**
	Segment result	**1,729.29**	389.52	184.51	91.79	2,395.11
Add/(Less):	Inter segment					
	Other income	**23.77**	0.11	4.52	0.75	29.15
	Depreciation & Amortization	**(85.61)**	(25.32)	(84.72)	(14.28)	(209.93)
	Interest income	**36.38**	13.71	1.37	9.10	60.56
	Finance costs (Unallocable)	**-**	-	-	-	(110.16)
	Exceptional items (net)	**58.21**	-	(53.64)	(11.28)	(6.71)
	Exceptional items (Unallocable to segment)					(3.04)
	Share of net profits of equity accounted anvestees (net of income tax)	**-**	-	-	-	0.28
	Profit Before Tax					**2,155.26**
	Tax expense	**-**	-	-	-	(371.87)
	Profit After Tax					**1,783.39**

Year ended March 31, 2021

₹ Crore

Particulars		India	Indonesia	Africa (including Strength of Nature)	Others	Total
	Segment Revenue	**6,254.33**	1,770.02	2,498.53	665.93	11,188.81
Add/(Less):	Inter segment revenue	**(126.71)**	(28.66)	(0.93)	(3.89)	(160.19)
	Revenue from Operations	**6,127.62**	1,741.36	2,497.60	662.04	**11,028.62**
	Segment result	**1,649.72**	484.65	177.21	76.68	2,388.25
Add/(Less):	Inter segment					
	Other income	**25.43**	0.88	3.33	2.38	32.02
	Depreciation & Amortization	**(83.36)**	(25.12)	(80.75)	(14.62)	(203.85)
	Interest income	**21.76**	5.25	3.34	4.70	35.05
	Finance costs (Unallocable)	**-**	-	-	-	(126.63)
	Exceptional items (net)	**(15.38)**	-	(20.59)	(8.50)	(44.47)
	Share of net profits of equity accounted anvestees (net of income tax)	**-**	-	-	-	(0.01)
	Profit Before Tax					**2,080.36**
	Tax expense	**-**	-	-	-	(359.54)
	Profit After Tax					**1,720.82**

Particulars		**As at March 31, 2022**	**As at March 31, 2021**
Segment Assets			
a)	India	**4,483.55**	3,788.49
b)	Indonesia	**3,204.14**	2,809.51
c)	Africa (including Strength of Nature)	**7,482.11**	6,799.35
d)	Others	**1,078.83**	990.99
Less: Intersegment Eliminations		**(114.57)**	(105.52)
		16,134.06	**14,282.82**
Segment Liabilities			
a)	India	**1,000.51**	1,292.85
b)	Indonesia	**569.85**	615.29
c)	Africa (including Strength of Nature)	**1,150.57**	789.28
d)	Others	**217.68**	225.05
Less: Intersegment Eliminations		**(115.65)**	(106.40)
		2,822.96	**2,816.07**
Add: Unallocable liabilities		**1,755.17**	2,027.85
Total Liabilities		**4,578.13**	**4,843.92**

Information about major customers:

No Single customer represents 10% or more of the Group's total revenue for the year ended March 31, 2022 and March 31, 2021

Capital expenditure

₹ Crore

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
a)	India	**165.91**	72.76
b)	Indonesia	**10.12**	23.06
c)	Africa (including Strength of Nature)	**97.84**	62.68
d)	Others	**14.82**	6.19
Total		**288.69**	164.69

Note 54 : Assets Pledged as Security

The carrying amount of assets pledged as security for current and non-current borrowings are:

₹ Crore

		As at March 31, 2022	As at March 31, 2021
Current			
Financial assets			
Floating charge			
Trade receivables *(Refer Note 14)*		**3.00**	2.82
Total	**(a)**	**3.00**	2.82
Non Financial assets			
First charge			
Inventories *(Refer Note 12)*	**(b)**	**21.14**	20.12
Total current assets pledged as security	**(c) = (a) + (b)**	**24.14**	22.94
Non Current			
First charge			
Plant & Machinery *(Refer Note 3)*		**15.87**	15.45
Total non-current assets pledged as security	**(d)**	**15.87**	15.45
Total assets pledged as security	**(e) = (c) + (d)**	**40.01**	**38.39**

Note 55 : Additional Information, as required under Schedule III to the Companies Act, 2013, of Enterprises Consolidated as Subsidiary/Associates

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other comprehensive income (OCI)		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profits	Amount (₹ in crore)	As % of consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
Parent								
Godrej Consumer Products Limited (India)	67.94%	7,851.12	82.94%	1,479.15	0.22%	0.82	68.52%	1,479.97
Subsidiaries								
'Domestic' ,'foreign' and 'Associate (Investments as per Equity method)'								
Godrej Consumer Care Limited	0.09%	9.88	-0.01%	-0.12			-0.01%	-0.12
Godrej Consumer Products Limited Employees' Stock Option Trust	0.00%	-	0.00%	-			0.00%	-
Foreign								
Beleza Mozambique LDA	1.62%	186.84	2.16%	38.51			1.78%	38.51
Consell SA	0.00%	-0.10	0.00%	-0.07			0.00%	-0.07
Cosmetica Nacional	1.43%	165.57	1.06%	18.93			0.88%	18.93
Charm Industries Limited	0.01%	0.87	-0.33%	-5.89			-0.27%	-5.89
Canon Chemicals Limited	0.59%	67.71	0.10%	1.76			0.08%	1.76
Darling Trading Company Mauritius Ltd	2.65%	306.80	7.06%	125.84			5.83%	125.84
Deciral SA	0.09%	10.80	0.08%	1.39			0.06%	1.39
DGH Phase Two Mauritius	2.54%	293.10	-0.06%	-1.13			-0.05%	-1.13
DGH Tanzania Limited	0.69%	79.82	-0.01%	-0.11			-0.01%	-0.11
DGH Uganda	0.00%	-	0.02%	0.44			0.02%	0.44
Frika Weave (PTY) LTD	0.03%	4.03	0.01%	0.26			0.01%	0.26
Godrej Africa Holdings Limited	24.16%	2,792.35	1.84%	32.80			1.52%	32.80
Godrej Consumer Holdings (Netherlands) B.V.	6.36%	734.98	-0.06%	-1.11			-0.05%	-1.11
Godrej Consumer Investments (Chile) Spa	3.41%	393.89	0.00%	-0.01			0.00%	-0.01
Godrej Consumer Products (Netherlands) B.V.	0.37%	43.31	-0.02%	-0.39			-0.02%	-0.39
Godrej Consumer Products Bangladesh Ltd	0.00%	-0.17	0.00%	-0.06			0.00%	-0.06

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other comprehensive income (OCI)		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profits	Amount (₹ in crore)	As % of consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
Godrej Consumer Products Dutch Coöperatief U.A.	6.91%	798.04	-0.03%	-0.53			-0.02%	-0.53
Godrej Consumer Products Holding (Mauritius) Limited	16.51%	1,908.00	1.08%	19.20	0.04%	0.16	0.90%	19.36
Godrej Consumer Products International (FZCO)	0.16%	17.96	4.54%	80.95			3.75%	80.95
Godrej East Africa Holdings Ltd	5.40%	624.50	-0.55%	-9.79			-0.45%	-9.79
Godrej Global Mid East FZE	0.15%	17.55	0.54%	9.66			0.45%	9.66
Godrej Holdings (Chile) Limitada	4.03%	465.27	-0.01%	-0.25			-0.01%	-0.25
Godrej Household Products (Bangladesh) Pvt. Ltd.	-0.01%	-0.67	-0.22%	-4.00			-0.18%	-4.00
Godrej Household Products (Lanka) Pvt. Ltd.	0.09%	10.82	0.05%	0.89			0.04%	0.89
Godrej Indonesia IP Holding Ltd.	0.01%	0.92	-0.01%	-0.13			-0.01%	-0.13
Godrej Mauritius Africa Holdings Ltd.	15.14%	1,749.96	1.40%	25.00	0.57%	2.14	1.26%	27.14
Godrej MID East Holdings Limited	0.02%	2.17	-0.03%	-0.49			-0.02%	-0.49
Godrej Netherlands B.V.	4.47%	516.78	0.09%	1.62			0.07%	1.62
Godrej Nigeria Limited	-0.11%	-12.22	-1.57%	-28.04	0.00%	-	-1.30%	-28.04
Godrej Peru SAC	0.01%	0.86	0.03%	0.47			0.02%	0.47
Godrej SON Holdings INC	14.31%	1,654.05	1.01%	18.03	0.14%	0.54	0.86%	18.57
Godrej South Africa Proprietary Ltd	1.07%	123.91	0.32%	5.69			0.26%	5.69
Godrej Tanzania Holdings Ltd	0.63%	73.15	-1.40%	-24.98			-1.16%	-24.98
Godrej (UK) Ltd	0.87%	100.47	-0.02%	-0.31			-0.01%	-0.31
Godrej West Africa Holdings Ltd.	1.05%	121.00	0.87%	15.53			0.72%	15.53
Hair Credentials Zambia Limited	0.04%	4.38	0.05%	0.93			0.04%	0.93
Hair Trading (offshore) S. A. L	0.90%	104.14	3.16%	56.29			2.61%	56.29
Indovest Capital (Ceased on December 27, 2021)	0.00%	-	0.00%	-0.01			0.00%	-0.01
Issue Group Brazil Limited	0.01%	1.10	-0.02%	-0.38			-0.02%	-0.38
Kinky Group (Pty) Limited	0.28%	32.17	0.08%	1.43			0.07%	1.43
Laboratoria Cuenca S.A	1.11%	127.71	3.41%	60.77			2.81%	60.77
Lorna Nigeria Ltd.	1.26%	145.63	-0.61%	-10.94	-0.01%	(0.05)	-0.51%	-10.99
Old Pro International Inc	1.21%	139.89	0.00%	-			0.00%	-
Panamar Producciones S.A.	0.00%	0.47	0.00%	-0.02			0.00%	-0.02

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other comprehensive income (OCI)		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profits	Amount (₹ in crore)	As % of consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
PT Ekamas Sarijaya	0.13%	14.52	-0.07%	-1.16			-0.05%	-1.16
PT Indomas Susemi Jaya	1.00%	115.35	0.86%	15.28			0.71%	15.28
PT Godrej Distribution Indonesia	1.55%	179.47	1.89%	33.73			1.56%	33.73
PT Megasari Makmur	16.23%	1,875.23	13.48%	240.38	1.31%	4.94	11.36%	245.32
PT Sarico Indah	0.13%	15.59	0.08%	1.48			0.07%	1.48
Sigma Hair Industries Limited	0.00%	0.13	-0.37%	-6.59			-0.31%	-6.59
Style Industries Uganda Limited (Ceased on August 3, 2021)	0.00%	0.00	0.00%	-			0.00%	-
Strength of Nature LLC	19.20%	2,219.07	0.48%	8.64			0.40%	8.64
Style Industries Limited	0.57%	65.60	-4.17%	-74.45			-3.45%	-74.45
Subinite (Pty) Ltd.	-0.12%	-14.31	-1.31%	-23.37			-1.08%	-23.37
Weave Ghana Ltd	0.32%	36.53	-0.39%	-7.00			-0.32%	-7.00
Weave IP Holdings Mauritius Pvt. Ltd.	0.02%	2.27	0.12%	2.23			0.10%	2.23
Weave Mozambique Limitada	0.35%	40.09	0.09%	1.69			0.08%	1.69
Weave Senegal Ltd	-0.03%	-3.33	0.00%	-			0.00%	-
Weave Trading Mauritius Pvt. Ltd.	0.00%	0.09	1.85%	33.04			1.53%	33.04
Godrej CP Malaysia SDN. BHD	0.00%	-	0.00%	-			0.00%	
Adjustment arising out of consolidation					97.73%	368.01	17.04%	368.01
Associate (Investments as per Equity method)								
Bhabani Blunt Hairdressing Pvt. Ltd.	0.00%	-	0.02%	0.28			0.01%	0.28
Eliminations	-126.85%	(14,659.19)	-19.49%	(347.57)	0.00%	0.00	-16.09%	(347.57)
Grand Total	**100.00%**	**11555.93**	**100.00%**	**1783.39**	**100.00%**	**376.56**	**100.00%**	**2159.95**

Note 56 : Utilisation of Borrowed Funds and Share Premium

a. To the best of our knowledge and belief, 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 or its subsidiary and associate company incorporated in India 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 (ultimate beneficieries) by or on behalf of the Company or its subsidiary company and associate company incorporated in India or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b. To the best of our knowledge and belief, no funds have been received by the Company or its subsidiary and associate company 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 or its subsidiary and associate company incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (ultimate beneficieries) 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 57 : Struck off Companies

Relationship with struck off companies

Name of struck off company	Nature of transactions	Transactions during the year March 31, 2022	Balance outstanding as at March 31, 2022	Relationship with the Struck off company
3H Health And Hygiene Pvt. Ltd	Payables	0.02	-	Vendor

Name of struck off company	Nature of transactions	Transactions during the year March 31, 2021	Balance outstanding as at March 31, 2021	Relationship with the Struck off company
3H Health And Hygiene Pvt. Ltd	Payables	0.05	-	Vendor

Note 58 : Details of Subsidiaries and Associate

The companies considered in the consolidated financial statements are :

Name of the subsidiaries	Country of Incorporation	Ownership interest held by the Group	
		March 31, 2022	March 31, 2021
Godrej Consumer Care Limited (w.e.f. January 4, 2022)	India	100%	NA
Godrej Consumer Products Limited Employees' Stock Option Trust	India	100%	100%
Godrej Household Products (Lanka) Pvt. Ltd.	Srilanka	100%	100%
Godrej South Africa Proprietary Ltd	South Africa	100%	100%
Godrej Consumer Products Bangladesh Ltd	Bangladesh	100%	100%
Godrej Household Products (Bangladesh) Pvt. Ltd.	Bangladesh	100%	100%
Belaza Mozambique LDA	Mozambique	100%	100%
Consell SA (under voluntary Liquidation)	Argentina	100%	100%
Cosmetica Nacional	Chile	100%	100%
Charm Industries Limited	Kenya	100%	100%
Canon Chemicals Limited	Kenya	100%	100%
Darling Trading Company Mauritius Ltd	Mauritius	100%	100%
Deciral SA	Uruguay	100%	100%
DGH Phase Two Mauritius	Mauritius	100%	100%
DGH Tanzania Limited	Mauritius	100%	100%
DGH Uganda (under voluntary liquidation)	Mauritius	100%	100%
Frika Weave (PTY) LTD	South Africa	100%	100%
Godrej Africa Holdings Limited	Mauritius	100%	100%
Godrej Consumer Holdings (Netherlands) B.V.	Netherlands	100%	100%
Godrej Consumer Investments (Chile) Spa	Chile	100%	100%
Godrej Consumer Products (Netherlands) B.V.	Netherlands	100%	100%
Godrej Consumer Products Dutch Coöperatief U.A.	Netherlands	100%	100%
Godrej Consumer Products Holding (Mauritius) Limited	Mauritius	100%	100%
Godrej Consumer Products International (FZCO)	Dubai	100%	100%
Godrej East Africa Holdings Ltd	Mauritius	100%	100%
Godrej Global Mid East FZE	Sharjah	100%	100%
Godrej Hair Care Nigeria Limited (Dissolved on April 14, 2020)	Nigeria	0%	0%
Godrej Hair Weave Nigeria Limited (Dissolved on April 23, 2020)	Nigeria	0%	0%
Godrej Holdings (Chile) Limitada	Chile	100%	100%
Godrej Indonesia IP Holding Ltd.	Mauritius	100%	100%
Godrej International Trading Company (Sharjah) (Dissolved on January 21, 2021)	Sharjah	0%	0%
Godrej Mauritius Africa Holdings Ltd.	Mauritius	100%	100%
Godrej MID East Holdings Limited	Dubai	100%	100%
Godrej Netherlands B.V.	Netherlands	100%	100%
Godrej Nigeria Limited	Nigeria	100%	100%
Godrej Peru SAC (under voluntary liquidation)	Peru	100%	100%
Godrej SON Holdings INC	USA	100%	100%
Godrej Tanzania Holdings Ltd	Mauritius	100%	100%
Godrej (UK) Ltd	UK	100%	100%
Godrej West Africa Holdings Ltd.	Mauritius	100%	100%

Name of the subsidiaries	Country of Incorporation	Ownership interest held by the Group	
		March 31, 2022	March 31, 2021
Hair Credentials Zambia Limited	Zambia	100%	100%
Hair Trading (offshore) S. A. L	Lebanon	100%	100%
Indovest Capital (Ceased on December 27, 2021)	Labuan	0%	100%
Issue Group Brazil Limited	Brazil	100%	100%
Kinky Group (Pty) Limited	South Africa	100%	100%
Laboratoria Cuenca S.A	Argentina	100%	100%
Lorna Nigeria Ltd.	Nigeria	100%	100%
Old Pro International Inc	USA	100%	100%
Panamar Producciones S.A. (under voluntary liquidation)	Argentina	100%	100%
PT Ekamas Sarijaya	Indonesia	100%	100%
PT Indomas Susemi Jaya	Indonesia	100%	100%
PT Godrej Distribution Indonesia	Indonesia	100%	100%
PT Megasari Makmur	Indonesia	100%	100%
PT Sarico Indah	Indonesia	100%	100%
Sigma Hair Industries Limited	Tanzania	100%	100%
Style Industries Uganda Limited (Ceased on August 3, 2021)	Uganda	0%	100%
Strength of Nature LLC	USA	100%	100%
Strength of Nature South Africa Proprietary Limited (Dissolved on Nov 11, 2020)	South Africa	0%	0%
Style Industries Limited	Kenya	100%	100%
Subinite (Pty) Ltd.	South Africa	100%	100%
Weave Ghana Ltd	Ghana	100%	100%
Weave IP Holdings Mauritius Pvt. Ltd.	Mauritius	100%	100%
Weave Mozambique Limitada	Mozambique	100%	100%
Weave Senegal Ltd	Senegal	100%	100%
Weave Trading Mauritius Pvt. Ltd.	Mauritius	100%	100%
Godrej CP Malaysia SDN. BHD	Malaysia	100%	100%
Bhabhani Blunt Hairdressing Private Limited (Associate)	India	0%	28%

Note 59 : General

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crore as per the requirements of Schedule III, unless otherwise stated.

Previous period figures have been regrouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III of the Companies Act, 2013.

For and on behalf of the Board of Directors

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Sudhir Sitapati
Managing Director and CEO
DIN : 09197063

Vijay Mathur
Partner
M.No. 046476
Mumbai: May 19, 2022

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and
Compliance Officer

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

₹ Crore

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
1	Godrej Consumer Care Limited	04-01-2022	01-Apr-2021 To 31-Mar-2022	INR	1.000	10.000	(0.118)	9.885	0.003	0.000	0.000	(0.118)	0.000	(0.118)	-	100%
2	Godrej Consumer Products Limited Employees' Stock Option Trust	07-03-2007	01-Apr-2021 To 31-Mar-2022	INR	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	100%
3	Beleza Mozambique LDA	13-10-2011	01-Apr-2021 To 31-Mar-2022	MZN	1.191	14.732	172.104	202.739	15.904	0.000	430.121	38.514	0.000	38.514	-	100%
4	Consell SA	02-06-2010	01-Apr-2021 To 31-Mar-2022	ARS	0.686	0.199	(0.300)	0.000	0.101	0.000	0.000	(0.069)	0.000	(0.069)	-	100%
5	Cosmetica Nacional	20-04-2012	01-Apr-2021 To 31-Mar-2022	CPeso	0.097	125.188	40.387	238.527	72.953	0.000	202.991	25.951	7.022	18.930	-	100%
6	Charm Industries Limited	09-09-2014	01-Apr-2021 To 31-Mar-2022	KES	0.661	0.661	0.213	4.727	3.852	0.000	3.120	(5.882)	0.005	(5.888)	-	100%
7	Canon Chemicals Limited	05-05-2016	01-Apr-2021 To 31-Mar-2022	KES	0.661	8.940	58.771	88.679	20.968	0.000	96.768	1.749	(0.014)	1.763	-	100%
8	Darling Trading Company Mauritius Ltd	22-01-2015	01-Apr-2021 To 31-Mar-2022	USD	75.988	7.599	299.201	309.280	2.480	7.599	128.460	128.294	2.459	125.835	-	100%
9	Deciral SA	02-06-2010	01-Apr-2021 To 31-Mar-2022	ARS	0.686	8.410	2.395	18.977	8.172	0.000	19.651	1.254	(0.140)	1.394	-	100%
10	DGH Phase Two Mauritius	09-05-2012	01-Apr-2021 To 31-Mar-2022	USD	75.988	264.976	28.124	344.594	51.494	356.933	2.682	1.897	3.031	(1.134)	-	100%
11	DGH Tanzania Limited	06-12-2012	01-Apr-2021 To 31-Mar-2022	USD	75.988	81.025	(1.204)	79.877	0.055	41.793	0.000	(0.114)	0.000	(0.114)	-	100%
12	DGH Uganda	31-01-2017	01-Apr-2021 To 31-Mar-2022	UGX	75.988	0.001	(0.001)	0.000	0.000	0.000	0.468	0.443	0.000	0.443	-	100%
13	Frika Weave (PTY) LTD	06-01-2015	01-Apr-2021 To 31-Mar-2022	ZAR	5.227	5.789	(1.763)	4.027	0.001	0.000	0.374	0.349	0.092	0.257	-	100%
14	Godrej Africa Holdings Limited	19-01-2015	01-Apr-2021 To 31-Mar-2022	USD	75.988	2599.489	192.856	2792.400	0.055	2784.826	32.925	32.795	0.000	32.795	-	100%

₹ Crore

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
15	Godrej Consumer Holdings (Netherlands) B.V.	31-03-2010	01-Apr-2021 To 31-Mar-2022	USD	75.988	0.195	734.780	735.929	0.954	735.116	0.633	(1.114)	0.000	(1.114)	-	100%
16	Godrej Consumer Investments (Chile) Spa	28-03-2012	01-Apr-2021 To 31-Mar-2022	USD	75.988	411.374	(17.480)	393.902	0.008	393.883	0.000	(0.006)	0.000	(0.006)	-	100%
17	Godrej Consumer Products (Netherlands) B.V.	31-03-2010	01-Apr-2021 To 31-Mar-2022	USD	75.988	0.173	43.135	43.399	0.090	43.342	0.000	(0.385)	0.000	(0.385)	-	100%
18	Godrej Consumer Products Bangladesh Ltd	13-04-2010	01-Apr-2021 To 31-Mar-2022	Taka	0.881	0.044	(0.218)	0.048	0.222	0.000	0.000	(0.057)	0.000	(0.057)	-	100%
19	Godrej Consumer Products Dutch Coöperatief U.A.	24-03-2010	01-Apr-2021 To 31-Mar-2022	USD	75.988	672.029	126.011	798.552	0.511	798.491	0.000	(0.531)	0.000	(0.531)	-	100%
20	Godrej Consumer Products Holding (Mauritius) Limited	23-04-2010	01-Apr-2021 To 31-Mar-2022	USD	75.988	1426.642	481.355	1908.884	0.887	1341.464	21.604	19.823	0.624	19.199	-	100%
21	Godrej Consumer Products International (FZCO)	28-02-2017	01-Apr-2021 To 31-Mar-2022	USD	75.988	7.601	10.355	761.874	743.918	0.000	811.535	80.952	0.000	80.952	-	100%
22	Godrej East Africa Holdings Ltd	20-07-2012	01-Apr-2021 To 31-Mar-2022	USD	75.988	854.20	(229.70)	1,435.34	810.84	1,435.06	-	(9.79)	-	(9.79)	-	100%
23	Godrej Global Mid East FZE	05-07-2011	01-Apr-2021 To 31-Mar-2022	AED	20.690	9.49	8.06	56.09	38.54	-	120.29	9.66	-	9.66	-	100%
24	Godrej Holdings (Chile) Limitada	29-03-2012	01-Apr-2021 To 31-Mar-2022	USD	75.988	394.17	71.10	465.44	0.16	465.31	0.16	(0.25)	-	(0.25)	-	100%
25	Godrej Household Products (Bangladesh) Pvt. Ltd.	01-04-2010	01-Apr-2021 To 31-Mar-2022	Taka	0.881	94.06	(94.73)	40.23	40.90	-	96.08	(2.18)	1.82	(4.00)	-	100%
26	Godrej Household Products (Lanka) Pvt. Ltd.	01-04-2010	01-Apr-2021 To 31-Mar-2022	LKR	0.259	18.60	(7.78)	32.74	21.92	-	50.98	0.87	(0.02)	0.89	-	100%
27	Godrej Indonesia IP Holding Ltd.	17-03-2015	01-Apr-2021 To 31-Mar-2022	USD	75.988	0.00	0.92	0.97	0.05	0.75	-	(0.13)	-	(0.13)	-	100%
28	Godrej Mauritius Africa Holdings Ltd.	14-03-2011	01-Apr-2021 To 31-Mar-2022	USD	75.988	1,213.64	536.33	2,807.05	1,057.09	2,794.92	49.01	25.42	0.42	25.00	-	100%
29	Godrej MID East Holdings Limited	28-07-2015	01-Apr-2021 To 31-Mar-2022	USD	75.988	0.75	1.42	2.17	0.00	-	-	(0.49)	-	(0.49)	-	100%

₹ Crore

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
30	Godrej Netherlands B.V.	19-10-2005	01-Apr-2021 To 31-Mar-2022	USD	75.988	4.63	512.16	517.39	0.61	389.23	1.61	1.06	(0.56)	1.62	-	100%
31	Godrej Nigeria Limited	26-03-2010	01-Apr-2021 To 31-Mar-2022	Naira	0.183	0.27	(12.49)	108.33	120.54	-	175.53	(25.53)	2.51	(28.04)	-	100%
32	Godrej Peru SAC	11-04-2017	01-Apr-2021 To 31-Mar-2022	ARS	0.686	12.84	(11.98)	1.04	0.18	-	0.54	0.44	(0.02)	0.47	-	100%
33	Godrej SON Holdings INC	22-03-2016	01-Apr-2021 To 31-Mar-2022	USD	75.988	1,563.82	90.23	1,923.44	269.39	1,918.85	22.99	18.03	-	18.03	-	100%
34	Godrej South Africa Proprietary Ltd	01-09-2006	01-Apr-2021 To 31-Mar-2022	ZAR	5.227	9.44	114.47	124.01	0.11	-	10.14	7.79	2.10	5.69	-	100%
35	Godrej Tanzania Holdings Ltd	30-11-2012	01-Apr-2021 To 31-Mar-2022	USD	75.988	139.24	(66.09)	170.18	97.03	129.51	2.61	(24.73)	0.25	(24.98)	-	100%
36	Godrej (UK) Ltd	24-10-2005	01-Apr-2021 To 31-Mar-2022	GBP	99.432	97.78	2.69	100.89	0.43	98.70	2.86	0.02	0.33	(0.31)	-	100%
37	Godrej West Africa Holdings Ltd.	11-02-2014	01-Apr-2021 To 31-Mar-2022	USD	75.988	121.36	(0.35)	121.55	0.55	121.33	17.47	17.34	1.81	15.53	-	100%
38	Hair Credentials Zambia Limited	23-12-2015	01-Apr-2021 To 31-Mar-2022	ZMK	4.217	0.01	4.36	46.60	42.22	-	5.44	0.93	-	0.93	-	100%
39	Hair Trading (offshore) S. A. L	26-09-2011	01-Apr-2021 To 31-Mar-2022	USD	75.988	0.15	103.99	114.23	10.09	-	156.68	56.29	-	56.29	-	51%*
40	Indovest Capital**	17-03-2010	01-Apr-2021 To 31-Mar-2022	USD	75.988	-	-	-	-	-	-	(0.01)	-	(0.01)	-	100%
41	Issue Group Brazil Limited	23-05-2010	01-Apr-2021 To 31-Mar-2022	ARS	0.686	17.77	(16.67)	3.02	1.93	-	0.04	(0.38)	0.00	(0.38)	-	100%
42	Kinky Group (Pty) Limited	01-04-2008	01-Apr-2021 To 31-Mar-2022	ZAR	5.227	0.00	32.17	32.29	0.12	-	1.91	1.69	0.26	1.43	-	100%
43	Laboratoria Cuenca S.A	02-06-2010	01-Apr-2021 To 31-Mar-2022	ARS	0.686	11.03	116.68	220.34	92.63	9.26	315.79	67.30	6.53	60.77	-	100%
44	Lorna Nigeria Ltd.	05-09-2011	01-Apr-2021 To 31-Mar-2022	Naira	0.183	0.21	145.42	578.95	433.32	-	685.60	(7.15)	3.79	(10.94)	-	100%
45	Old Pro International Inc	28-04-2016	01-Apr-2021 To 31-Mar-2022	USD	75.988	0.00	139.89	139.89	(0.00)	-	-	-	-	-	-	100%
46	Panamar Producciones S.A.	02-06-2010	01-Apr-2021 To 31-Mar-2022	ARS	0.686	0.04	0.43	0.47	(0.00)	0.39	-	(0.02)	-	(0.02)	-	100%
47	PT Ekamas Sarijaya	17-05-2010	01-Apr-2021 To 31-Mar-2022	IDR	0.005	1.32	13.20	20.48	5.95	-	10.04	(1.74)	(0.58)	(1.16)	-	100%
48	PT Indomas Susemi Jaya	17-05-2010	01-Apr-2021 To 31-Mar-2022	IDR	0.005	1.52	113.83	128.56	13.22	35.25	48.17	19.52	4.24	15.28	-	100%
49	PT Godrej Distribution Indonesia	17-05-2010	01-Apr-2021 To 31-Mar-2022	IDR	0.005	0.53	178.94	425.62	246.15	-	1,881.35	43.33	9.60	33.73	-	100%
50	PT Megasari Makmur	17-05-2010	01-Apr-2021 To 31-Mar-2022	IDR	0.005	77.57	1,797.66	2,366.44	491.21	107.96	1,464.59	306.22	65.84	240.38	-	100%
51	PT Sarico Indah	17-05-2010	01-Apr-2021 To 31-Mar-2022	IDR	0.005	3.55	12.04	25.25	9.66	2.71	27.35	1.87	0.38	1.48	-	100%

₹ Crore

Sl. No.	Name of the Subsidiary	Date when subsidiary was acquired	Reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
				Reporting Currency	Exchange rate											
52	Sigma Hair Industries Limited	19-12-2012	01-Apr-2021 To 31-Mar-2022	TZS	0.033	39.76	(39.63)	70.22	70.08	-	125.66	(4.94)	1.66	(6.59)	-	100%
53	Style Industries Uganda Limited**	15-06-2016	01-Apr-2021 To 31-Mar-2022	UGX	0.021	0.00	-	0.00	-	-	-	-	-	-	-	100%
54	Strength of Nature LLC	28-04-2016	01-Apr-2021 To 31-Mar-2022	USD	75.988	-	2,219.07	2,406.06	186.99	34.39	600.11	9.45	0.81	8.64	-	100%
55	Style Industries Limited	01-11-2012	01-Apr-2021 To 31-Mar-2022	KES	0.661	48.91	16.69	214.58	148.99	-	258.22	(74.45)	-	(74.45)	-	100%
56	Subinite (Pty) Ltd.	06-09-2011	01-Apr-2021 To 31-Mar-2022	ZAR	5.227	0.00	(14.31)	344.95	359.26	-	803.91	(23.37)	-	(23.37)	-	100%
57	Weave Ghana Ltd	16-09-2014	01-Apr-2021 To 31-Mar-2022	CEDI	10.098	42.85	(6.31)	141.77	105.24	-	185.70	(5.89)	1.11	(7.00)	-	100%
58	Weave IP Holdings Mauritius Pvt. Ltd.	11-07-2011	01-Apr-2021 To 31-Mar-2022	USD	75.988	0.02	2.25	2.38	0.11	-	2.80	2.62	0.40	2.23	-	100%
59	Weave Mozambique Limitada	13-10-2011	01-Apr-2021 To 31-Mar-2022	MZN	1.191	14.70	25.39	63.47	23.38	-	162.64	2.78	1.09	1.69	-	100%
60	Weave Senegal Ltd	08-04-2016	01-Apr-2021 To 31-Mar-2022	XOF	0.128	30.01	(33.33)	1.85	5.18	-	-	-	-	-	-	100%
61	Weave Trading Mauritius Pvt. Ltd.	05-07-2011	01-Apr-2021 To 31-Mar-2022	USD	75.988	0.01	0.08	1.32	1.23	0.15	34.19	34.06	1.02	33.04	-	100%
62	Godrej CP Malaysia SDN. BHD	04-06-2018	01-Apr-2021 To 31-Mar-2022	MYR	18.034	-	-	-	-	-	-	-	-	-	-	100%

* Financials of subsidiaries were considered 100% in consolidated financial statements

Names of subsidiaries which are yet to commence operations

Godrej CP Malaysia SDN. BHD

****Names of subsidiaries which have been liquidated or sold during the year:**

Indovest Capital

Style Industries Uganda Limited

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

***Bhabhani Blunt Hairdressing Private Limited has been divested

For and on behalf of the Board of Directors

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Sudhir Sitapati
Managing Director and CEO
DIN : 09197063

Sameer Shah
Chief Financial Officer

Rahul Botadara
Company Secretary and
Compliance Officer

Mumbai: May 19, 2022

CONSUMER PRODUCTS

Godrej Consumer Products Limited

Registered Office: Godrej One, 4th Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079
Tel.: +91 22 25188010/20/30 **Fax:** +91 22 25188040
Website: www.godrejcp.com **E-mail:** investor.relations@godrejcp.com
CIN: L24246MH2000PLC129806

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 22nd ANNUAL GENERAL MEETING (**AGM**) of the members of GODREJ CONSUMER PRODUCTS LIMITED will be held on Wednesday, August 3, 2022, at 5.45 p.m. IST through video conferencing/other audio visual means to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (both standalone and consolidated) of the Company for the financial year ended March 31, 2022 and Report of the Board of Directors and Auditors' Report thereon;

2. To appoint a Director in place of Mr. Jamshyd Godrej (DIN: 00076250), who retires by rotation, and being eligible, offers himself for re-appointment as per the provisions of Companies Act, 2013, Listing Regulations and Articles of Association of the Company.;

3. To appoint a Director in place of Ms. Tanya Dubash (DIN: 00026028), who retires by rotation, and being eligible, offers herself for re-appointment as per the provisions of Companies Act, 2013, Listing Regulations and Articles of Association of the Company.;

4. To re-appoint M/s. BSR & Co. LLP, Chartered Accountants for their second term of 5 years.

   "RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. B S R & Co. LLP, Chartered Accountants, having registration No. 101248W/W-100022 be and are hereby re-appointed as the Statutory Auditors of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 22nd Annual General Meeting till the conclusion of the 27th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company".

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification(s) the following resolutions:

5. **Ordinary Resolution for the ratification of remuneration payable to M/s. P. M. Nanabhoy & Co. (Firm Membership number 000012), appointed as Cost Auditors of the Company for the fiscal year 2022-23**

   '**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. P. M. Nanabhoy & Co. (Firm Membership number 000012), Cost Accountants, appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the fiscal year 2022-23, be paid a remuneration of ₹ 6,39,000/- per annum plus applicable taxes and out-of-pocket expenses that may be incurred.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution'.

6. **Ordinary Resolution for re-appointment of Ms. Nisaba Godrej (DIN: 00591503) as Whole-time Director designated as "Executive Chairperson" for a period of five years from October 1, 2022, to September 30, 2027.**

RESOLVED THAT pursuant to Section 152, 196, 197, and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof), Ms. Nisaba Godrej (DIN: 00591503) be and is hereby re-appointed as Whole-time Director designated as "Executive Chairperson" of the Company on the following terms and conditions:

I. **Period of appointment: October 1, 2022 to September 30, 2027**

II. **Remuneration**

i. **Fixed remuneration:**

Within a band that is not less than ₹ 4.00 Crore per annum and not more than ₹ 13 crore per annum.

Fixed remuneration shall include basic salary, allowances, company's contribution to retirement benefits such as Provident Fund and gratuity according to the rules of the Company.

ii. **Variable remuneration:**

Performance Linked Variable Remuneration (PLVR) relating to the financial years during the period of appointment shall be according to the applicable scheme of the Company or as may be decided by the Board of Directors.

iii. **Perquisites (evaluated at actual cost or if the cost is not ascertainable, the same shall be valued as per Income Tax Rules):**

- Housing as per rules of the Company (i.e. unfurnished residential accommodation as per Company's rules OR House Rent Allowance as per Company's rules);
- Furnishing at residence as per rules of the Company
- Payment/ reimbursement of medical/ hospitalisation expenses in accordance with the rules of the Company.
- Group insurance cover, group mediclaim cover in accordance with the rules of the Company;
- Payment/ reimbursement of club fees;
- Company car with driver for official use, provision of telephone(s) at residence including reimbursements.
- Housing Loan as per rules of the Company, Contingency Loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- Other benefits, schemes, privileges and amenities as per the Company's policy or duly authorised by the board at its discretion.

The increments will be decided by the Board of Directors based on recommendations of Nomination and Remuneration Committee and will be merit based and also take into account other relevant factors.

iv. **Overall Remuneration and Minimum Remuneration:**

The aggregate of Remuneration as specified above paid to Ms. Nisaba Godrej from time-to-time, shall not exceed the limits prescribed from time-to-time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being, be in force.

Notwithstanding the foregoing, where in any financial year during the currency of the tenure of Ms. Nisaba Godrej, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

III. Other terms

a) Ms. Nisaba Godrej shall not, during the continuance of her employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for her own or for any other purpose other than that of the Company, any information or knowledge obtained by her during her employment with the business or affairs or other matters whatsoever of the Company and it shall be Ms. Nisaba Godrej's endeavor, during the continuance of her employment, to prevent any other person from disclosing the aforesaid information.

b) If Ms. Nisaba Godrej is guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with her duties as director or any breach of this agreement, as in the opinion of all other Directors renders her retirement from the office desirable, the opinion of such other Directors shall be final, conclusive and binding on her and the Company may, by giving thirty days' notice in writing, determine this Agreement and she shall cease to be the Director of the Company, upon expiration of such notice.

c) In the event of any re-enactment or re-codification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued thereunder.

By Order of the Board of Directors

Rahul Botadara
Company Secretary & Compliance Officer

Mumbai, July 8, 2022

Notes:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed herewith.

2. As permitted by the Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India (SEBI), the Company has decided to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) as per the relevant circulars issued by the aforesaid authorities. The Central Depository Services (India) Limited ('CSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No. 8.

3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form

and Attendance Slip including Route Map are not annexed to this Notice.

4. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at investor.relations@godrejcp.com.

5. **ELECTRONIC DISPATCH OF ANNUAL REPORT**

   - In accordance with the relevant MCA and SEBI Circulars, allowing electronic despatch of financial statements (including Report of Board of Directors, Auditors' report or other documents required to be attached therewith) instead of physical despatch, such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

6. **PROCEDURE FOR JOINING THE AGM THROUGH VC/ OAVM:**

   - 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 e-voting.
   - Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
   - Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
   - Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
   - 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.
   - Only those shareholders, 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.
   - Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

7. **PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATION WITH RESPECT TO ANNUAL REPORT:**

- 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, Demat Account number / folio number, mobile number along with their queries to investor.relations@godrejcp.com latest by 5 p.m. IST on Friday, 29th July, 2022. Questions / queries received by the Company till this time shall only be considered and responded during the AGM.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. We request the members to restrict their queries on only matters relating to the Company.
- The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

8. **SCHEDULE AND PROCEDURE FOR REMOTE E-VOTING**

In accordance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and the Secretarial Standards issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members the facility to exercise their right to vote at the 22nd AGM through electronic means and the business may be transacted through the e-voting services provided by the Central Depository Services Limited (CDSL).

The schedule for e-voting is as follows:-

Cut-off date for reckoning voting rights for e-voting	Commencement of e-voting (Start date)	Close of e-voting (End date)	Results announcement date
Wednesday, July 27, 2022	**Saturday, July 30, 2022, 9.00 a.m. (IST)**	**Tuesday, August 2, 2022, 5.00 p.m. (IST)**	**On or before Friday, August 5, 2022, 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, may cast their vote electronically. The e-voting module shall be disabled after the close of e-voting. On the results announcement date indicated above, the results of entire e-voting along with Scrutinizer's report shall be placed on the Company's website www.godrejcp.com besides being communicated to the Stock Exchanges.

The procedure for members for voting electronically are as follows:-

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Note:

(i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(ii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the 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 ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, 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 abovesaid SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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 website.

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 helpdesk.evoting@cdslindia.com 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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders 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.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • 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.

(v) After entering these details appropriately, click on "SUBMIT" tab.

(vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

(vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(ix) 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.

(x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xi) 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.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xiv) 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 & enter the details as prompted by the system.

(xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delink 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 mandatory to 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 the email address viz., investor.relations@godrejcp.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

9. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. 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 investor.relations@godrejcp.com

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to 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, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

Mr. Kalidas Vanjpe, Practising Company Secretary, (Membership No. FCS 7132) has been appointed as the Scrutiniser to scrutinise the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter. The results of entire e-voting along with Scrutinizer's report shall be placed on the Company's website www.godrejcp.com within 2 working days of passing resolutions at the AGM of the Company and communicated to stock exchanges, where the shares of the Company are listed.

10. **PROCEDURE FOR INSPECTION OF DOCUMENTS:**

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 Scheme of the Company is being implemented in accordance with, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and any other documents referred to in the accompanying Notice and Explanatory Statements, shall be made available for inspection through electronic mode, basis the request being sent on investor.relations@godrejcp.com.

11. **DIVIDEND RELATED INFORMATION**

Pursuant to the provisions of Section 124 of the Act, the Unpaid/Unclaimed Dividend pertaining upto the financial year 2014-15 and the May 2015 dividend paid during FY 2015-16 has been transferred by the Company to the Investor Education and Protection Fund (the 'IEPF') established by the Central Government. The Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends 7 years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the 'Investor Education and Protection Fund' (IEPF) of the Government. Unclaimed Dividends, as per the details given in the table below, will be transferred to the IEPF on the dates mentioned in the table. Those members who have not, so far, encashed these dividend warrants or any subsequent dividend warrants may claim or approach our Registrars Link Intime India Private Ltd.

Dividend Period	Type of Dividend	Paid in	Due date for transfer
2015-16	Interim	August 2015	September 3, 2022
2015-16	Interim	November 2015	November 29, 2022
2015-16	Interim	February 2016	March 3, 2023
2016-17	Interim	April 2016	June 8, 2023
2016-17	Interim	August 2016	September 3, 2023

Please note that Section 124(6) of the Companies Act, 2013 also provides that all shares in respect of which the dividend of last 7 consecutive years has remained unclaimed, shall also be transferred to the IEPF.

Hence, it is in the shareholders' interest to claim any uncashed dividends and for future dividends, the shareholders are requested to get their details updated by providing the relevant documents as required by the RTA.

12. The Ministry of Corporate Affairs had 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 shareholder for a period of 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 shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period. The Member(s) whose dividend/ shares are transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority https://www.iepf.gov.in/IEPF/corporates.html

13. Details as stipulated under Listing Regulations in respect of the Directors being re-appointed are attached herewith to the Notice.

By Order of the Board of Directors

Rahul Botadara
Company Secretary & Compliance Officer

Mumbai, July 8, 2022

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

ITEM 4

M/s. B S R & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 17th Annual General Meeting ('AGM') held on July 31, 2017 for a period of 5 years, up to the conclusion of 22nd AGM. M/s. B S R & Co. LLP are eligible for re-appointment for a further period of 5 years. M/s. B S R & Co. LLP have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. B S R & Co. LLP have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As confirmed to Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company and its subsidiary according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit. Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. B S R & Co. LLP, Chartered Accountants, having registration No. 101248W/W-100022, as the Statutory Auditors of the Company for the second term of five consecutive years, who shall hold office from the conclusion of this 22nd AGM till the conclusion of the 27th AGM of the Company. The Board of Directors has approved a remuneration of Rs. 1.86 crores for conducting the audit for the financial year 2021-22, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during their second term would be broadly in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Profile of B S R & Co.

M/s. B S R & Co. ('the firm') was constituted on 27 March 1990 as a partnership firm having firm registration no. as 101248W. It and was converted into limited liability partnership i.e. B S R & Co. LLP on 14 October 2013 thereby having a new firm registration no. 10 I248WI W-1 00022. The registered office of the firm is at 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Centre, Western Express Highway, Goregaon (East), Mumbai 400063. B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India. B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur and Kochi. B S R & Co. LLP has over 3000 staff and 100+ Partners. B S R & Co. LLP audits various companies listed on stock exchanges in India including companies in the FMCG sector.

The Board recommends the resolution set out at Item No. 4 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

ITEM 5

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors)

Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records for applicable products of the Company.

On the recommendation of the Audit Committee, at its meeting held on May 19, 2022, the Board considered and approved the re-appointment of M/s. P. M. Nanabhoy & Co., Cost Accountants as the Cost Auditor for the fiscal year 2022-23 at a remuneration of ₹ 6,39,000/- per annum plus applicable taxes and reimbursement of out-of-pocket expenses.

The Board of Directors recommend the Ordinary Resolution as set out in Item No. 5 of the Notice for the approval of the shareholders.

None of the Directors, Key Managerial Personnel (KMP), or their relatives are, in any way, concerned with or interested, financially or otherwise in the said resolution.

ITEM 6

The Shareholders at the AGM held on August 4, 2020, had appointed Ms. Nisaba Godrej as the "Managing Director" till September 30, 2022. Later, the Board at its meeting on May 11, 2021, approved the change in her role from "Managing Director" to "Whole-time Director" from October 18, 2021, till the remainder of her term i.e., September 30, 2022. As recommended by the Nomination and Remuneration Committee, Board proposes to continue her as a Whole-time Director designated as "Executive Chairperson" for a further period of five years from October 1, 2022, to September 30, 2027.

The details of Ms. Nisaba Godrej (DIN: 00591503) as required to be given pursuant to the Listing Regulations and Secretarial Standards, are attached to the Notice.

For brevity, the particulars of the proposed remuneration, perquisites, and benefits payable to Ms. Nisaba Godrej (DIN: 00591503) are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of resolution.

The Board believes that the Company will benefit from her professional expertise and rich experience. Hence, the Board recommends the resolution at item no. 6 to the Members for their approval.

Ms. Nisaba Godrej herself, Ms. Tanya Dubash and Mr. Pirojsha Godrej are interested in the resolution under item no. 6.

By Order of the Board of Directors

Rahul Botadara
Company Secretary & Compliance Officer

Mumbai, July 8, 2022

Information pursuant to the Listing Regulations and Secretarial Standards with respect to appointment or re-appointment of Directors

Names of Director	**Nisaba Godrej**	**Jamshyd Godrej**	**Tanya Dubash**
Category	Whole Time Director	Non-Executive Director	Non-Executive Director
DIN	00591503	00076250	00026028
Date of Birth and Age	February 12, 1978 44 years	January 24, 1949 73 years	September 14, 1968 53 years
Qualification	• BSC, Wharton School, Pennsylvania • MBA, Harvard Business School	B.S, IIT, Chicago, U.S.A	•Graduate in Economics and Political Science from Brown University, USA • Completed Advanced Management Programme from Harvard Business School
Nature of Expertise/ Experience	Industrialist	Industrialist	Industrialist
Brief Resume	Appended at end of this table	Appended at end of this table	Appended at end of this table
First Appointment on the Board	May 2, 2011	March 1, 2001	May 2, 2011
Terms & Conditions of Appointment/ re-appointment	Re-appointment as Whole-time Director designated as Executive Chairperson from October 1, 2022 to September 30, 2027	Re-appointment as a Non-Executive Director subject to retirement by rotation	Re-appointment as a Non-Executive Director subject to retirement by rotation
Last Drawn Remuneration Details along with remuneration sought to be paid	Last drawn remuneration is given in the Corporate Governance Section of the Annual Report. The remuneration details for proposed appointment is given in the text of the resolution.	Last drawn remuneration is given in the Corporate Governance Section of the Annual Report. As a Non-Executive Director, he is entitled to sitting fees for attending meetings of the Board/ Committee and Commission on Profits as may be approved by the shareholders from time-time within the limits set out in the Companies Act, 2013.	Last drawn remuneration is given in the Corporate Governance Section of the Annual Report. As a Non-Executive Director, he is entitled to sitting fees for attending meetings of the Board/ Committee and Commission on Profits as may be approved by the shareholders from time-time within the limits set out in the Companies Act, 2013.
No. of shares held in GCPL as at March 31, 2022	3,70,087*	NIL	66*
Relationship with other Directors/ Manager/ KMP	Sister of Ms. Tanya Dubash and Mr. Pirojsha Godrej	Not related	Sister of Ms. Nisaba Godrej and Mr. Pirojsha Godrej
No. of Board meetings attended out of 4 meetings held during the year	4	3	3
Directorship details	**Listed Public Companies:** Godrej Consumer Products Limited Godrej Agrovet Limited Bharti Airtel Limited Mahindra & Mahindra Limited VIP Industries Limited	**Listed Public Companies:** Godrej Consumer Products Limited Godrej Industries Limited Godrej Agrovet Limited Godrej Properties Limited **Public Companies:** Godrej & Boyce Mfg. Co. Limited	**Listed Public Companies:** Godrej Consumer Products Limited Godrej Industries Limited Godrej Agrovet Limited Britannia Industries Limited Escorts Limited

* This shareholding reflects holding in their own name and does not include shares held as one of the trustee of family trusts.

Names of Director	Nisaba Godrej	Jamshyd Godrej	Tanya Dubash
	Public Companies: Godrej Seeds & Genetics Limited **Private Companies:** Innovia Multiventures Pvt. Ltd. **Foreign Companies:** Nil **LLPs:** ANBG Venture LLP TNP Enterprise LLP Anamudi Real Estate LLP **Partnership Firms;** RKN Enterprises	**Private Companies:** Illinois Institute of Technology (India) Private Limited Godrej UEP Private Limited **Foreign Companies:** Godrej (Singapore) Pte. Ltd. Godrej (Vietnam) Company Ltd. Godrej & Khimji (Middle East) LLC Urban Electric Power Inc. World Resources Institute, USA Climate Works Foundation **Section 8 Companies:** Breach Candy Hospital Trust Singapore-India Partnership Foundation (India) Shakti Sustainable Energy Foundation Raptor Research and Conservation Foundation Indian Machine Tool Manufacturers Association Centre for Asian Philanthropy India **LLPs:** JNG Enterprise LLP **Partnership Firms:** RKN Enterprises	**Public Companies:** Godrej Seeds & Genetics Limited Godrej Finance Limited Go Airlines (India) limited **Private Companies:** Godrej Holdings Private Limited Innovia Multiventures Private Limited **LLPs:** Designated Partner in Anamudi Real Estates LLP AREL Enterprise LLP TNP Enterprise LLP ANBG Enterprise LLP **Partnership Firms:** Partner in RKN Enterprise
Committee Positions	**Member:** **Corporate Social Responsibility Committee:** Godrej Consumer Products Limited Godrej Seeds & Genetics limited **Nomination & Remuneration Committee:** Godrej Agrovet Limited VIP Industries limited Mahindra & Mahindra Limited **Risk Management Committee:** Godrej Consumer Products Limited **Chairperson:** Nil	**Member:** NIL **Chairperson:** NIL	**Member:** **Corporate Social Responsibility Committee:** Godrej Industries Limited Godrej Consumer Products Limited Godrej Seeds & Genetics limited Escorts Limited **Stakeholders Relationship Committee:** Godrej Industries Limited Godrej Consumer Products Limited **Chairperson:** **Corporate Social Responsibility Committee** Godrej Seeds & Genetics limited
Names of listed entities from which Director has resigned in the past three years	NIL	NIL	NIL

Brief Resume of the Directors proposed to be appointed/re-appointed:

Nisaba Godrej

Nisaba Godrej is Executive Chairperson, Godrej Consumer Products Limited (GCPL). Nisaba has been a key architect of GCPL's strategy and transformation in the last decade. In 2007, she initiated and led Project Leapfrog, which created a playbook for GCPL to accelerate domestic organic growth through innovation and consolidation, and to become a more global company by investing in emerging markets outside of India.

Nisaba is passionate about identifying and developing the talent required for the Godrej Group's future growth. Through her oversight of the Group HR function for Godrej Industries and associate companies, she has made Godrej a more meritocratic and highly performance driven organisation, while keeping the Group's values front and center. She has also spearheaded the Group's Good & Green agenda to drive more inclusive and sustainable growth. Her previous assignments within the Godrej Group have included the successful turnaround of Godrej Agrovet and the creation of a Group strategy function to oversee the Group's portfolio. In addition to GCPL, Nisaba is on the Board of Directors of Godrej Agrovet, Bharti Airtel, Mahindra and Mahinda and VIP Industries. She is also a trustee and chairperson of Teach for India.

Nisaba has a BSc degree from The Wharton School at the University of Pennsylvania and an MBA from Harvard Business School. She is passionate about education, the human mind, design, trekking and equestrian sports. She lives in Mumbai with her son Zoran and daughter Aidan.

Jamshyd Godrej

Mr. Jamshyd N. Godrej is the Chairman of the Board of Godrej & Boyce Manufacturing Company Limited. He graduated in Mechanical Engineering from Illinois Institute of Technology, USA.

Mr. Godrej is the former Chairman of Ananta Aspen Centre (previously known as Aspen Institute India), Chairman & Trustee of Ananta Centre. He is the Chairperson of the Board of Directors of Shakti Sustainable Energy Foundation, India Resources Trust, Council on Energy, Environment & Water and CII Sohrabji Godrej Green Business Centre. He is a Director of World Resources Institute, USA. He is a Trustee of World Wide Fund for Nature – India. He is also a Trustee of the Asia Society, USA. He is also a member of the Board of Governors of the Centre for Asian Philanthropy and Society. He is the Past President of Confederation of Indian Industry and also of the Indian Machine Tool Manufacturers' Association.

The President of India conferred on Mr. Godrej the "Padma Bhushan" on 3rd April 2003.

Tanya Dubash

Tanya serves as the Executive Director and Chief Brand Officer of Godrej Industries Ltd., and is responsible for the Godrej Group's brand and communications function, including guiding the Godrej Masterbrand. Tanya is also a Director on the Board of Godrej Industries Limited, Godrej Consumer Products Limited and Godrej Agrovet Limited. She also serves on the boards of Britannia, Escorts, Go Airlines, AIESEC and India@75.

Tanya was a member on the Board of the Bharatiya Mahila Bank between November 2013 and May 2015. She was a trustee of Brown University between 2012 and 2018 and continues to be member of the Brown India Advisory Council and on the Watson Institute Board of Overseers.

Tanya was recognized by the World Economic Forum as a Young Global Leader in 2007. She is AB cum laudé, Economics & Political Science, Brown University, USA, and an alumna of the Harvard Business School.

Godrej | CONSUMER PRODUCTS