

# 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"), which comprise the consolidated balance sheet as at 31 March 2024, 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 material accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the branch auditor of the Holding Company's branch at Singapore (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to

the explanations given to us, and based on the consideration of report of the branch auditor on financial statements of such branch as was audited by the branch auditor and reports of other auditors on separate/consolidated financial statements/ financial information 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 as at 31 March 2024, of its consolidated loss and other comprehensive loss, 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 in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the branch auditor and 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 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.

**Revenue recognition**

See Note 29 to consolidated financial statements

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Revenue is measured net of any discounts and rebates.</p> <p>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.</p> <p>Revenue is recognised when the control of the products being sold has transferred to the customer.</p> <p>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.</p> <p>Accordingly, revenue recognition is considered to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• 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);</li> <li>• 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;</li> <li>• Performing substantive testing by selecting statistical samples of revenue transactions recorded for the year as well as period end cut-off and agreeing to the underlying documents, which included sales invoices and shipping documents;</li> <li>• Performing substantive testing by agreeing statistical samples of discounts and rebate accruals and disbursements to underlying documents;</li> <li>• Performing a retrospective assessment of discounts and rebate accruals with prior period to evaluate the historical accuracy; and</li> <li>• Assessing manual journals posted to revenue to identify unusual items</li> </ul>

**Intangible Assets- impairment assessment**

See Notes 6 and 52 to consolidated financial statements

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>The carrying amount of goodwill and brands (indefinite life intangible assets) represent 48% of the Group’s total assets.</p> <p>The identification of relevant Cash Generating Units (CGUs) for the annual impairment evaluation of Goodwill by the Group involves significant judgement.</p> <p>The annual impairment testing of these intangible assets with indefinite useful life and goodwill by the Group involves significant estimates and judgment due to the inherent uncertainty involved in forecasting discounting future cash flows and determining the recoverable amounts.</p> <p>Accordingly, impairment assessment of goodwill and intangible assets is considered to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Evaluating design and implementation and testing operating effectiveness of controls over the Group’s process of impairment assessment and approval of forecasts;</li> <li>• Evaluating Group’s basis to identify relevant CGUs;</li> <li>• Comparing the weighted average cost of capital with sector averages for the relevant markets in which the CGUs operate;</li> <li>• Assessing the valuation methodology and challenging the assumptions used, in particular those relating to forecast revenue growth and earnings, weighted average cost of capital, long-term growth rates and royalty rates, with the assistance of our valuation specialists;</li> <li>• 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;</li> <li>• Performing sensitivity analysis by assessing the effect of possible reductions in the above assumptions on the recoverable amount; and</li> <li>• Evaluating the adequacy of disclosures in respect of impairment evaluation of intangible assets with indefinite useful life and goodwill in the consolidated financial statements.</li> </ul>

## Business combination - Acquisition of business from Raymond Consumer Care Limited

See Note 47 to consolidated financial statements

### The key audit matter

The Group has completed the acquisition of FMCG business of Raymond Consumer Care Limited effective 8 May 2023 pursuant to a business transfer agreement at a total consideration of ₹2,825 crores.

The Group has accounted for such acquisition as a business combination as per Ind AS 103 'Business Combinations' by recognizing identifiable assets and liabilities at fair value.

The measurement of the identifiable assets and liabilities acquired at fair value is inherently judgmental.

Fair value of brands was determined by the Group with the assistance of an external valuation expert using income approach (royalty relief method), considering the assets being measured.

Given the complexity and judgement involved in fair value measurements and magnitude of the acquisition made by the Group, this is a key audit matter.

### How the matter was addressed in our audit

Our audit procedures included:

- We have read the business transfer agreement to understand the key terms and conditions of the acquisition;
- We have evaluated the accounting treatment followed by the Group with reference to Ind AS 103;
- We have evaluated the design and implementation and tested the operating effectiveness of key internal controls related to the Group's valuation process;
- We have involved our valuation specialists;
  - to gain an understanding of the work of the experts by examining the valuation reports.
  - to critically evaluate the key assumptions (including revenue projections, royalty rate, terminal growth rate and discount rate) and purchase price allocation adjustments.
  - to evaluate the valuation of acquired tangible and intangible assets based on our knowledge of the Group and the industry.
- We have assessed the adequacy of the Group's disclosures in respect of the acquisition in accordance with the requirements of Ind AS 103.

## 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 annual report, but does not include the financial statements and auditor's reports thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above

when it becomes available 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.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

## 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 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the 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 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 are 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 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 statements/financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/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 of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 of one branch, whose financial statements reflect total assets of ₹0.21 crores as at 31 March 2024, total revenue of ₹1.33 crores, total net profit after tax of ₹0.12 crores and net cash inflows of ₹0.11 crores for the year ended on that date, before giving effect to consolidation adjustments, as considered in the consolidated financial statements. These financial statements have been audited by the branch auditor whose report has 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 this branch and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid branch is based solely on the report of the branch auditor.
- b. We did not audit the financial statements / financial information of 33 subsidiaries, whose financial statements/ financial information reflects total assets of ₹5,899.71 crores as at 31 March 2024, total revenue of ₹7,022.14 crores, total net profit after tax of ₹343.05 crores and net cash outflows of ₹30.28 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.

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 branch auditor and other auditors.

- c. The financial statements/ financial information of 2 subsidiaries, whose financial statements/financial information reflects total assets of ₹ Nil crores as at 31 March 2024, total revenue of ₹ Nil crores, total net profit after tax of ₹30.92 crores and net cash flows of ₹ Nil 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. 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 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 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 this matter with respect to 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.
- 2A. 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 branch and 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 and proper returns adequate for the purposes of our audit have been received from the branch not visited by us, except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The report on the accounts of the branch office of the Holding Company audited under Section 143(8) of the Act by branch auditor

- has been sent to us and has been properly dealt with by us in preparing this report.
- d. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the returns received from the branch not visited by us.
- e. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- f. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- g. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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/ financial information of the branch and subsidiaries, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 28 and 42 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 2024.
- c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India during the year ended 31 March 2024.
- d (i) The management of the Holding Company and its subsidiary companies whose financial statements/ financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the

- 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 any of its subsidiary companies 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 by or on behalf of the Holding Company or any of its subsidiary companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management of the Holding Company and its subsidiary companies whose financial statements/
- financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 56(b) to the consolidated financial statements, no funds have been received by the Holding Company or any of its subsidiary companies 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 Holding Company or any of its subsidiary companies incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances by us and that performed by the auditor of the subsidiary companies incorporated in India whose financial statements/financial information has been audited under the Act nothing has come to our or other auditor notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- f. Based on our examination which included test checks, except for the instance mentioned below, the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act, have used accounting softwares for maintaining its books of account which has a feature of recording audit

trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares;

In the absence of independent auditor's report for the period 1 April 2023 to 31 March 2024 in relation to controls at service organisation for accounting software used for maintaining the books of account relating to consolidation process, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature of the said software was enabled and operated for the period 1 April 2023 to 31 March 2024 for all relevant transactions recorded in the software.

Further, for the period audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

- 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 reports of the statutory auditors of the subsidiary companies incorporated in India, the subsidiary companies have 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  
Place: Mumbai  
Date: 06 May 2024  
ICAI UDIN:24046476BKGPAZ8646

## Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Godrej Consumer Products Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, has a remark given by its auditor in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Godrej Consumer Supplies Limited	CIN No.: U20230MH2023PLC415494	Subsidiary	17

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

**Vijay Mathur**  
Partner  
Membership No.: 046476  
Place: Mumbai  
Date: 06 May 2024  
ICAI UDIN:24046476BKGPAZ8646

## **Annexure B to the Independent Auditor's Report on the consolidated financial statements of Godrej Consumer Products Limited for the year ended 31 March 2024**

### **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 Act**

**(Referred to in paragraph 2(A)(h) 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 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditor on internal financial controls with reference to financial statements of the subsidiary companies as were audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects,

adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such company/the Holding Company 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 and Board of Directors' Responsibilities for Internal Financial Controls**

The respective company's/Holding 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 financial statements criteria established by the respective company/Holding 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/Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting

records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 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 financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 financial

statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Other Matter**

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

Our opinion is not modified in respect of this matter.

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

**Vijay Mathur**  
Partner  
Membership No.: 046476  
Place: Mumbai  
Date: 06 May 2024

ICAI UDIN:24046476BKGPAZ8646

## Consolidated Balance Sheet As at March 31, 2024

	Note No.	As at March 31, 2024	₹ Crore As at March 31, 2023
<b>I. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, Plant and Equipment	3	1,281.25	1,437.40
(b) Capital work-in-progress	4	78.15	41.61
(c) Investment property	3A	10.58	-
(d) Right-of-use assets	5	165.12	96.67
(e) Goodwill	6	5,026.39	5,822.25
(f) Other Intangible assets	6	3,956.90	2,577.34
(g) Intangible assets under development	6A	5.21	3.81
(h) Financial Assets			
(i) Other Investments	7	1,787.48	839.33
(ii) Loans	8	0.01	0.03
(iii) Others	9	24.93	21.61
(j) Deferred tax assets (net)	10D	384.17	702.75
(j) Non-Current Tax Assets (net)	10C	121.59	101.32
(k) Other non-current assets	11	92.88	48.68
<b>Total Non Current Assets</b>		<b>12,934.66</b>	<b>11,692.80</b>
<b>2. Current assets</b>			
(a) Inventories	12	1,270.92	1,537.15
(b) Financial Assets			
(i) Investments	13	1,716.19	2,189.65
(ii) Trade receivables	14	1,535.37	1,245.28
(iii) Cash and cash equivalents	15A	402.78	357.62
(iv) Bank balances other than (iii) above	15B	144.16	33.10
(v) Loans	16	0.01	0.05
(vi) Others	17	83.49	42.31
(c) Other current assets	18	400.57	400.81
<b>Total Current Assets</b>		<b>5,553.49</b>	<b>5,805.97</b>
(d) Non Current Assets held for sale	18A	7.74	-
<b>TOTAL ASSETS</b>		<b>18,495.89</b>	<b>17,498.77</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
(a) Equity Share capital	19	102.28	102.27
(b) Other equity	20	12,496.29	13,691.96
<b>Total Equity</b>		<b>12,598.57</b>	<b>13,794.23</b>
<b>2. LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	-	189.12
(ii) Lease liabilities	5	35.83	57.61
(iii) Other financial liabilities			
(b) Provisions	22	166.63	103.42
(c) Deferred tax liabilities (net)	10E	103.81	61.51
(d) Other non-current liabilities	23	0.71	1.57
<b>Total Non Current liabilities</b>		<b>306.98</b>	<b>413.23</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	3,154.64	844.84
(ii) Lease liabilities	5	31.73	38.01
(iii) Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	25	51.48	46.40
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	25	1,624.00	1,776.77
(iv) Other financial liabilities	26	344.02	266.39
(b) Other current liabilities	27	235.04	229.03
(c) Provisions	28	90.97	75.16
(d) Current tax liabilities (Net)	10C	58.46	14.71
<b>Total Current Liabilities</b>		<b>5,590.34</b>	<b>3,291.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,495.89</b>	<b>17,498.77</b>

The accompanying notes 1 to 61 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 06, 2024

For and on behalf of the Board of Directors

**Nisaba Godrej**

Executive Chairperson

DIN: 00591503

**Aasif Malbari**

Chief Financial Officer

**Sudhir Sitapati**

Managing Director and CEO

DIN : 09197063

**Rahul Botadara**

Company Secretary and

Compliance Officer

## Consolidated Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Note No.	₹ Crore	
		Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue</b>			
I. Revenue from Operations	29	14,096.11	13,315.97
II. Other income	30	268.95	168.41
<b>III. Total Income (I + II)</b>		<b>14,365.06</b>	<b>13,484.38</b>
<b>IV. Expenses</b>			
Cost of Materials Consumed	31	5,677.89	6,184.67
Purchases of Stock-in-Trade		655.54	305.18
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	(13.13)	212.94
Employee Benefits Expense	33	1,249.34	1,111.48
Finance costs	34	296.37	175.74
Depreciation and Amortization Expenses	35	240.96	236.29
Other Expenses	36	3,583.00	3,071.24
<b>Total Expenses</b>		<b>11,689.97</b>	<b>11,297.54</b>
<b>V. Profit before Exceptional Items and Tax (III-IV)</b>		<b>2,675.09</b>	<b>2,186.84</b>
VI. Exceptional Items (Net)	37	(2,476.86)	(54.11)
<b>VII. Profit before Tax (V+VI)</b>		<b>198.23</b>	<b>2,132.73</b>
<b>VIII. Tax expense:</b>			
(1) Current Tax	10A	394.63	396.25
(2) Deferred Tax	10A	364.15	34.02
<b>Total Tax Expense</b>		<b>758.78</b>	<b>430.27</b>
<b>IX. Profit / (Loss) for the Year (IX-X)</b>		<b>(560.55)</b>	<b>1,702.46</b>
<b>X. Profit/(Loss) for the year</b>		<b>(560.55)</b>	<b>1,702.46</b>
<b>XI. Other Comprehensive Income / (Loss)</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		0.49	7.14
(ii) Income tax related to items that will not be reclassified to profit or loss	10A	0.15	(1.74)
		0.64	5.40
B (i) Items that will be reclassified to profit or loss			
a) Exchange differences in translating financial statements of foreign operations		(144.49)	547.30
b) Effective portion of gains and loss on hedging instruments in a cash flow hedge		12.42	0.42
c) Debt instruments measured at fair value through other comprehensive income		0.66	-
(ii) Income tax related to items that will be reclassified to profit or loss	10A		
(a) The effective portion of gains on hedging instruments in a cash flow hedge		(3.49)	(0.07)
(b) Debt instruments measured at fair value through other comprehensive income		(0.08)	-
		(134.98)	547.65
<b>Other Comprehensive Income / (Loss) (net of income tax) (A+B)</b>		<b>(134.34)</b>	<b>553.05</b>
<b>XII. Total Comprehensive Income/ (Loss) for the Year (X+XI)</b>		<b>(694.89)</b>	<b>2,255.51</b>
<b>Profit / (Loss) attributable to:</b>			
Owners of the Company		(560.55)	1,702.46
Non-controlling interests		-	-
<b>Other Comprehensive Income / (Loss) attributable to:</b>			
Owners of the Company		(134.34)	553.05
Non-controlling interests		-	-
<b>Total comprehensive income /(Loss) attributable to:</b>			
Owners of the Company		(694.89)	2,255.51
Non-controlling interests		-	-
<b>XIII. Earnings per equity share (₹)</b>			
1. Basic	38	(5.48)	16.65
2. Diluted		(5.48)	16.65

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 06, 2024

**Aasif Malbari**  
Chief Financial Officer

**Rahul Botadara**  
Company Secretary and  
Compliance Officer

## Consolidated Statement of Cash Flows for the year ended March 31, 2024

	₹ Crore	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	198.23	2,132.73
<b>Adjustments for :</b>		
Non-Cash Items		
Depreciation and amortization expenses	240.96	236.29
Unrealised Foreign Exchange Loss/(Gain)	1.83	(10.26)
Bad Debts Written off	4.79	5.40
Provision / Write off for Doubtful Debts / Advances	9.78	6.46
Provision/ write off for Non Moving Inventory	87.46	3.05
(Write back)/ Provision towards Litigations	(12.20)	10.62
(Write back) of Old Balances	(1.27)	(1.07)
Expenses on Employee Stock Grant Scheme (ESGS)	24.25	20.16
Impairment on intangible assets	1,390.75	6.03
Finance cost	296.37	175.74
(Profit) on sale of Property, Plant & Equipment and Intangible assets (net)	(6.18)	(1.24)
(Profit) on Sale of Investments (net)	(54.73)	(22.24)
Fair value (Gain) on financial assets measured at FVTPL (net)	(4.44)	(5.83)
Interest Income	(186.93)	(121.47)
Loss on Sale of subsidiary	822.01	-
Loss on Sale of business	45.43	-
Adjustment due to hyperinflation	43.68	41.39
	<b>2,701.56</b>	<b>343.03</b>
Operating Cash Flows Before Working Capital Changes	2,899.79	2,475.76
<b>Adjustments for :</b>		
(Increase)/Decrease in inventories	(71.47)	555.00
(Increase) in trade receivables	(478.52)	(165.16)
Decrease in loans	0.06	-
(Increase)/Decrease in other financial assets	(13.68)	8.03
Decrease in other non-current assets	0.21	8.69
(Increase) in other current assets	(169.09)	56.40
Increase /(Decrease) in trade and other payables	91.43	(370.03)
Increase in other financial liabilities	75.21	4.05
Increase/(Decrease) in other liabilities and provisions	109.91	(3.64)
	<b>(455.94)</b>	<b>93.34</b>
Cash Generated from Operating Activities	2,443.85	2,569.10
<b>Adjustment for :</b>		
Income Taxes paid (net)	(373.90)	(418.45)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>2,069.95</b>	<b>2,150.65</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant & equipment and intangible assets	30.63	7.66
Purchase of property, plant & equipment and intangible assets	(307.19)	(227.40)
Purchase of non-current investments	(1,006.00)	(674.88)
Proceeds from sale of non-current Investments	46.44	25.20
Proceeds /(Purchase) of current investments (Net)	346.54	(988.01)
Proceeds from Sale of Subsidiary and business	25.90	-
Payment of liabilities for Business Acquisitions	(14.20)	(11.82)
Amount paid for business combination (net of cash and cash equivalents taken over)	(2,716.29)	-
Interest Received	231.15	110.91
<b>Net Cash Flow (used in) in Investing Activities (B)</b>	<b>(3,363.02)</b>	<b>(1,758.34)</b>

## Consolidated Statement of Cash Flows for the year ended March 31, 2024

	₹ Crore	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Allotment of Equity Shares under Employee Stock Grant Scheme	0.01	0.01
Proceeds / (repayments) of short term borrowings (Net)	2,681.18	(223.64)
Repayments of long term borrowings	(416.00)	(410.72)
Finance Cost paid	(262.03)	(111.62)
Dividend Paid	(511.41)	-
Principal Payment of lease liabilities	(79.97)	(40.62)
Finance cost paid towards Lease liabilities	(5.44)	(7.72)
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>1,406.34</b>	<b>(794.31)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>113.27</b>	<b>(402.00)</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
As at the beginning of the year **	357.62	750.92
Less: Cash credit	(4.82)	(0.06)
Effect of exchange difference on translation of cash and cash equivalents on consolidation	(67.17)	3.94
As at the end of the year **	402.78	357.62
Less: Cash credit	(3.88)	(4.82)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>113.27</b>	<b>(402.00)</b>

\*\* Cash and Cash equivalents includes cash credits, that are repayable on demand and form an integral part of Group's cash management.

	₹ Crore	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Movement of loans and borrowings and lease liability:</b>		
<b>Opening Balance</b>	<b>1,124.76</b>	<b>1,704.28</b>
Proceeds / (repayments) of short term borrowings (Net)	2,681.18	(223.64)
Repayments of long term borrowings	(416.00)	(410.72)
Principle payment of lease liabilities	(79.97)	(40.62)
Add: Lease liability accrual	61.14	39.73
Add/(Less): Exchange difference	(152.79)	55.73
<b>Closing Balance</b>	<b>3,218.32</b>	<b>1,124.76</b>

### Note:

- 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'.
- The accompanying notes 1 to 61 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 06, 2024

**Aasif Malbari**  
 Chief Financial Officer

**Rahul Botadara**  
 Company Secretary and  
 Compliance Officer

## Consolidated Statement of Changes in Equity for the year ended March 31, 2024

₹ Crore

(a) Equity Share Capital		
	Note No.	₹ Crore
As at April 1, 2022		102.26
Changes in equity share capital during the year		0.01
As at March 31, 2023		102.27
As at April 1, 2023		102.27
Changes in equity share capital during the year	19	0.01
As at March 31, 2024		102.28

### (b) Other Equity (Refer Note 20)

₹ Crore

Particulars	Reserves & Surplus				Other Comprehensive Income			Total	Total Equity
	Securities Premium	General Reserve	Other Reserves (Refer Note 20)	Retained Earnings	Effective portion of Cash Flow Hedges	Debt instruments measured at fair value through other comprehensive income	Exchange differences on translating the financial statements of foreign operations		
Balance as at April 1, 2022	1,424.93	154.05	14.78	9,426.14	(0.62)	-	434.39	11,453.67	11,453.67
Profit for the year				1,702.46				1,702.46	1,702.46
Remeasurements of defined benefit plans (net of tax)				5.40				5.40	5.40
Other comprehensive income for the year (Net)					0.35		547.30	547.65	547.65
<b>Total comprehensive income for the year</b>				<b>1,707.86</b>	<b>0.35</b>		<b>547.30</b>	<b>2,255.51</b>	<b>2,255.51</b>
Premium received on allotment of shares / Exercise of Share Options	9.77		(9.77)						
Deferred employee compensation expense			20.16					20.16	20.16
Revaluation of put option liability				(37.38)				(37.38)	(37.38)
Balance as at March 31, 2023	1,434.70	154.05	25.17	11,096.62	(0.27)		981.69	13,691.96	13,691.96
Balance as at April 1, 2023	1,434.70	154.05	25.17	11,096.62	(0.27)		981.69	13,691.96	13,691.96
Profit / (Loss) for the year				(560.55)				(560.55)	(560.55)
Remeasurements of defined benefit plans (net of tax)				0.64				0.64	0.64
Other comprehensive income / (loss) for the year (Net)					8.93	0.58	(196.08)	(186.57)	(186.57)
Foreign currency translation reserve reclassified to profit and loss statement on sale of subsidiaries							51.59	51.59	51.59
<b>Total comprehensive income / (loss) for the year</b>				<b>(559.91)</b>	<b>8.93</b>	<b>0.58</b>	<b>(144.49)</b>	<b>(694.89)</b>	<b>(694.89)</b>
Premium received on allotment of shares / Exercise of Share Options	10.92		(10.92)						
Deferred employee compensation expense			24.25					24.25	24.25
Dividends				(511.41)				(511.41)	(511.41)
Revaluation of put option liability				(13.62)				(13.62)	(13.62)
Balance as at March 31, 2024	1,445.62	154.05	38.50	10,011.68	8.66	0.58	837.20	12,496.29	12,496.29

The accompanying notes 1 to 61 are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For and on behalf of the Board of Directors

**For B S R & Co. LLP**

Chartered Accountants

Firm Regn No. 101248W/W-100022

**Nisaba Godrej**  
Executive Chairperson  
DIN: 00591503

**Sudhir Sitapati**  
Managing Director and CEO  
DIN : 09197063

**Vijay Mathur**  
Partner  
M.No. 046476  
Mumbai, May 06, 2024

**Aasif Malbari**  
Chief Financial Officer

**Rahul Botadara**  
Company Secretary and  
Compliance Officer

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### 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 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 4<sup>th</sup> 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').

### 2) Basis of preparation, Measurement and Material 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 and other relevant provisions of the Act.

The Consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crore with 2 decimal places as per the requirements of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to this financial statement.

The Consolidated financial statements were authorized for issue by the Company's Board of Directors on May 06, 2024.

##### 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 (g)]
- Defined benefit plans – plan assets /(liability) and cash settled share based payments measured at fair value [Note 2.4 (m)]

##### 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.

The consolidated financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity. The profit/loss and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the consolidated statement of profit and loss and consolidated statement of changes in equity.

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.

Upon loss of control in subsidiaries, the Group derecognizes all assets and liabilities of the subsidiary at their carrying amount, carrying amount of non-controlling interest in the subsidiary at the date when control is lost. All amounts previously recognised in other comprehensive income in relation to that subsidiary is reclassified to profit or loss, or transferred directly to retained earnings if required by other Ind Ass. The Group recognizes fair value of the consideration received if any and record any resulting difference as a gain or loss in profit or loss.

**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 using pooling of interest method wherein, assets and liabilities of the combining entities are reflected at their carrying value, no adjustment are made to reflect fair values, or recognize any new assets or liabilities. The identity of the reserves is preserved and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the

transferor. The difference, if any, between the consideration and amount of share capital of the acquired entity is transferred to capital reserve. However, where the consideration is in excess of the carrying value of the net assets (including the reserves), then it is considered as adjustment to retained earnings and balance over and above, if any is disclosed separately as amalgamation deficit account.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports in its financial statement provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. During the measurement period, the Group also recognizes additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances

that existed as of the acquisition date or learns that more information is not obtainable but doesn't exceed one year from the acquisition date.

**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 1<sup>st</sup> 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, 2024 are:

- Net assets increased by ₹ 38.3 crore (Mar-31-2023: ₹ 28.68 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, 2024;
- Total Revenue from operation is decreased by ₹ 13.6 crore (Mar-31-2023: ₹ 2.39 crore);
- Profit after tax is reduced by ₹ 138.3 crore (Mar-31-2023: ₹ 95.29 crore) and
- A net monetary loss of ₹ 25.08 crore (Mar-31-2023: loss of ₹ 53.89 crore) (grouped under Finance cost / Other income) is recognized 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*
31 <sup>st</sup> Mar'24	71113.89
31 <sup>st</sup> Mar'23	18334.51
31 <sup>st</sup> Mar'22	8975.04

\*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 assumptions are:

- i. Financial Instruments: Whether the contractual terms of a financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding. (Note 2.4 (g))

- ii. Lease Term: Whether the company is reasonably certain to exercise extension options. (Note 2.4 (n))

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 (o)]
- v. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; [Note 2.4(k)]
- vi. Fair valuation of employee share options, Key assumptions made with

respect to expected volatility; [Note 2.4(m)]

- vii. Estimates of rebates and sales incentives accruals [Note 2.4 (l)]
- viii. Fair value of financial instruments [Note 2.3]
- ix. Impairment of Goodwill and intangible assets [Note 2.4 (b)]
- x. Impairment of financial and non-financial assets [Note 2.4 (e) and (g)]

## 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 categorized 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 categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes 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.(g).

## 2.4 Material Accounting Policies

### a. Property, Plant and Equipment

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. Property, plant and equipment acquired in a business combination are recognized at fair value at the acquisition date.

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

The cost of property, plant and equipment at 1<sup>st</sup> April 2016, the Group's date of transition to Ind AS was determined with

reference to its carrying value recognized as per previous GAAP( deemed cost), as at the date of transition to Ind AS.

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.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

### Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values using the Straight Line Method, pro rata to the period of use, based on estimated useful lives and is generally recognized in the statement of profit and loss.

Useful life of asset is estimated by the management based on internal technical assessment, past trends and expected operational lives. The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Asset	Management's estimate of useful life	Useful life as per Schedule II
Building	3 -60 Years	30 -60 Years
Plant & Equipment	3-25 Years	8-25 Years
Furniture & Fixtures	5-10 Years	10 Years
Vehicles	5-8 Years	10 Years
Office Equipment	3-10 Years	5 Years
Computers	3-6 Years	3 Years

Freehold land is not depreciated and carried at cost.

Leasehold Improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.

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 cost of intangible assets at 1<sup>st</sup> April 2016, the Group's date of transition to Ind AS was determined with reference to its carrying value recognized as per previous GAAP( deemed cost),as at the date of transition to Ind AS.

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 amortized 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 amortized 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 amortized, 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 recognized in profit or loss.

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

Software licenses	3-8 years
Trademarks	10 -20 years
Technical knowhow	8-10 years
Product registrations	5 years

Trademarks acquired are amortized 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 amortized equally over a period of 20 years.

Brands like Goodknight, Hit, SON, Dr Miracle, Darling 1, Darling 2, Valon, Millefiori, Park Avenue and Kamasutra are assessed as intangibles having indefinite useful life and are not amortized 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. Investment Property :**

Properties that are held for long-term rental yields and/ or for capital appreciation are classified as investment properties. Investment properties are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Depreciation is recognised using the straight line method so as to amortise the cost of investment properties over their useful lives. Freehold land and properties under construction are not depreciated. Transfers to, or from, investment properties are made at the carrying amount when and only when there is a change in use.

An item of investment property is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss. Income received from investment property is recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

**d. Borrowing Cost**

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

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

**e. 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 recognized 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 recognized 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 recognized 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 recognized.

**f. 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 recognized in profit and loss. Non-current

assets held for sale are not depreciated or amortized.

**g. 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 recognized 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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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 recognized 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 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 amortized cost,
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through statement of profit and loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI) or fair value through statement of profit and loss (FVTPL).

**Financial assets at amortized cost**

A financial asset is measured at the amortized 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 amortized cost

using the effective interest rate (EIR) method. Amortized 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 other income in the profit or loss. The losses arising from impairment are recognized 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 meets 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 amortized cost or as FVOCI, is classified as at FVTPL. This includes all derivative financial assets.

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

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**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 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 amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies a simplified approach. It recognizes 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 amortized 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 recognized in profit or loss.

In the case of loans and borrowings and payables, these are measured at amortized cost and recorded, net of directly attributable and incremental

transaction cost. Gains and losses are recognized in Consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 recognized 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 recognized 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 recognized 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 recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**h. Derivative financial instruments and hedge accounting**

The Group uses derivative financial instruments, such as forward currency contracts and cross currency interest rate

swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and later reclassified to profit and loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group risk management objective and strategy for undertaking the hedge, the hedging economic relationship the hedged item or transaction the nature of the risk being hedged, hedge ratio

and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they are designated.

**Cash flow hedges**

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

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

When hedge accounting for a cash flow hedge is discontinued, the amount 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.

**i. 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. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

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.

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 recognized as interest expense over the period of financing under the effective interest method.

**j. 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.

**k. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized 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 recognized 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 recognized 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.

**I. Income Recognition**

Revenue from contracts with customers

Revenue is recognized upon transfer of control of promised goods to customers based on consideration specified in the customer contract. Revenue excludes taxes or duties collected on behalf of the government.

Payment terms are generally agreed upon individually with customers which ranges from advance to 180 days.

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, 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 recognized where payments are received from customers before transferring control of the goods.

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 amortized 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 recognized in profit or loss on the date on which the Group's right to receive payment is established.

**m. 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 recognized 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 for time-based options and a combination of Monte-Carlo Simulation and Black-Scholes Merton model for performance-based options.

The grant-date fair value of equity-settled share-

based payment granted to employees is recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized 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 recognized 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 market performance conditions and 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. Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Group has no further defined obligations beyond the monthly contributions.

#### 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, 1972 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 recognized 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 recognized 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 recognized 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 recognized immediately in profit or loss. The Group recognizes 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 and other long term incentives 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.

**n. 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 recognize right-of-use assets and lease liabilities for short term leases. The lease payments associated with these leases are recognized 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 recognized as income on straight line basis, over the lease term.

#### **o. Income Tax**

Income tax expense comprises current tax expense and deferred tax expense / income. It is recognized in profit or loss except to the extent that it relates to items recognized 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 recognized amounts; and
- Intends either to settle on a net basis, or to realize 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 recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be 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 recognized 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 recognized 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 recognized.

Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognized.

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.

**p. 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 and accumulated in equity under the heading Exchange differences on translating the financial statements of foreign operations.

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 Exchange differences on translating the financial statements of foreign operations 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.

#### **q. Government grants**

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

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

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

#### **r. Dividend**

The Group recognizes a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorized and the distribution is no longer at the discretion of the Group on or before the

end of the reporting period. A corresponding amount is recognized directly in equity.

#### **s. 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.

#### **t. 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.

**u. 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.

- v.** For the year ended March 31, 2024, the ministry of corporate affairs has not notified any new standards or amendments to the existing standards applicable to the company.



₹ 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	
<b>Year ended March 31, 2023</b>												
<b>Gross carrying amount</b>												
Opening 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	<b>2,021.16</b>
Additions	-	-	26.16	12.73	248.76	1.93	10.30	9.21	11.92	-	-	<b>321.01</b>
Disposals	-	-	(0.55)	(0.57)	(19.58)	(0.33)	(9.36)	(2.00)	(9.60)	-	(0.08)	<b>(42.07)</b>
Hyperinflationary Adjustments #	0.03	-	5.80	-	2.00	(1.41)	0.15	4.56	2.64	-	-	<b>13.77</b>
Other Adjustments (consist of exchange difference on translation of foreign operations)	1.41	(3.03)	12.13	0.02	3.28	(1.35)	(2.95)	(2.10)	(1.75)	-	0.06	<b>5.72</b>
<b>Closing Gross Carrying Amount</b>	<b>62.77</b>	<b>82.59</b>	<b>614.63</b>	<b>68.91</b>	<b>1,173.58</b>	<b>34.63</b>	<b>61.82</b>	<b>51.06</b>	<b>77.83</b>	<b>90.26</b>	<b>1.51</b>	<b>2,319.59</b>
<b>Accumulated Depreciation</b>												
Opening Accumulated Depreciation	-	8.83	108.70	43.77	449.04	15.53	32.94	23.85	54.73	7.33	1.53	<b>746.25</b>
Depreciation charge during the year *	-	1.12	20.41	7.76	103.10	3.67	10.40	4.35	10.47	-	-	<b>161.28</b>
Additional depreciation due to hyperinflation #	-	-	0.97	-	0.62	0.35	0.15	0.72	0.76	-	-	<b>3.57</b>
Disposals	-	-	(0.21)	(0.50)	(15.47)	(0.30)	(7.95)	(1.69)	(9.45)	-	(0.08)	<b>(35.65)</b>
Hyperinflationary Adjustments#	-	-	1.36	-	(0.11)	(1.81)	(0.16)	0.35	2.34	-	-	<b>1.97</b>
Other Adjustments (consist of exchange difference on translation of foreign operations)	-	(0.21)	3.84	0.53	4.35	(0.51)	(1.64)	(0.73)	(0.94)	-	0.08	<b>4.77</b>
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>9.74</b>	<b>135.07</b>	<b>51.56</b>	<b>541.53</b>	<b>16.93</b>	<b>33.74</b>	<b>26.85</b>	<b>57.91</b>	<b>7.33</b>	<b>1.53</b>	<b>882.19</b>
<b>Net Carrying Amount</b>	<b>62.77</b>	<b>72.85</b>	<b>479.56</b>	<b>17.35</b>	<b>632.05</b>	<b>17.70</b>	<b>28.08</b>	<b>24.21</b>	<b>19.92</b>	<b>82.93</b>	<b>(0.02)</b>	<b>1,437.40</b>

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.

\*Includes accelerated depreciation of ₹ 28.51 crores (31-Mar-23 ₹ 18.73 crores ) on review of useful life of Property, Plant and Equipment.

**NOTE 3A : Investment Property**

Particulars	Investment Property
<b>Year ended March 31, 2024</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	-
Reclassified from Property Plant and Equipment/ Leases	13.66
<b>Closing Gross Carrying Amount</b>	<b>13.66</b>
<b>Accumulated Depreciation</b>	
Opening Accumulated Depreciation	-
Reclassified from Property Plant and Equipment/ Leases	3.08
<b>Closing Accumulated Depreciation</b>	<b>3.08</b>
<b>Net Carrying Amount</b>	<b>10.58</b>
<b>Year ended March 31, 2023</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	-
<b>Closing Gross Carrying Amount</b>	<b>-</b>
<b>Accumulated Depreciation</b>	
Opening Accumulated Depreciation	-
Reclassified from Property Plant and Equipment	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>
<b>Carrying Amount</b>	
<b>As at March 31, 2024</b>	<b>10.58</b>
As at March 31, 2023	-
<b>Fair Value</b>	
<b>As at March 31, 2024</b>	<b>49.82</b>
As at March 31, 2023	-

Investment property comprises of commercial property owned by subsidiary, which has been transferred from property, plant and equipment (see note 3) to investment property, since such property was no longer used by the Group and is to be leased to third parties.

There are no amounts recognized in the statement of profit or loss pertaining to such investment property for the current year ended March 31, 2024 (PY March 31, 2023 : Nil)

**Measurement of fair values**

The fair value of investment property was determined by accredited external independent property valuer. The said property valuer is a registered valuer as defined under applicable laws and regulations of respective country in which subsidiary is incorporated.

The fair value measurement for investment property has been categorised as Level 2 fair value based on the inputs to the valuation technique used

The group follows Depreciated Replacement Cost method for the improvements. The value component of land is based on comparables of similar plots in the market

## Note 4 : Capital Work-In-Progress

Capital work in progress ageing schedule ₹ Crore

Ageing as at March 31, 2024

Particulars	Amount				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	57.49	3.69	-	-	61.18
Projects temporarily suspended	-	-	-	-	-
CWIP -assets not categorised as projects	-	-	-	-	16.97
<b>Total</b>	<b>57.49</b>	<b>3.69</b>	<b>-</b>	<b>-</b>	<b>78.15</b>

₹ Crore

Overdue CWIP projects- expected period of completion as at March 31, 2024

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-

₹ Crore

Particulars	Amount
<b>Year ended March 31, 2024</b>	
Opening Balance	41.61
Add: Additions	153.63
Less: Capitalised during the year	(113.20)
Exchange difference	(3.89)
<b>Closing Balance</b>	<b>78.15</b>

There are no projects whose completion is overdue or exceeded the cost as compared to its original plan.

Capital work in progress ageing schedule ₹ Crore

Ageing as at March 31, 2023

Particulars	Amount				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	16.85	0.46	0.50	0.92	18.73
Projects temporarily suspended	0.07	-	-	-	0.07
CWIP -assets not categorised as projects	-	-	-	-	22.81
<b>Total</b>	<b>16.92</b>	<b>0.46</b>	<b>0.50</b>	<b>0.92</b>	<b>41.61</b>

₹ Crore

Overdue CWIP projects- expected period of completion as at March 31, 2023

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	1.13	-	-	-

Particulars	₹ Crore
Year ended March 31, 2023	Amount
<b>Opening Balance</b>	<b>114.75</b>
Add: Additions	183.52
Less: Capitalised during the year	(257.42)
Exchange difference	0.76
<b>Closing Balance</b>	<b>41.61</b>

## Note 5 : Leases

### Office Building & Land

The group has leasing arrangements for its land, head office and other office buildings. Non-cancellable period for those lease arrangements vary. The Group 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 Group 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 Group elected to apply the recognition exemption for short term leases to these leases.

### Leases in which the company is a Lessor:

The Group has entered into an agreement to give one of its office building on operating lease effective May 2020. The group has also taken office building on operating lease for similar premises in the same building.

#### As a lessee:

Right-of-Use assets	₹ Crore				
	Leasehold land	Building	Plant and Equipment	Vehicles	Total
<b>Recognised at April 1, 2023</b>	-	<b>80.49</b>	<b>4.44</b>	<b>11.74</b>	<b>96.67</b>
Transferred from Property, Plant and Equipment	72.85	-	-	-	<b>72.85</b>
Additions/ (deletions) during the year	41.59	5.00	0.16	14.69	<b>61.44</b>
Reclassified as Investment Property (Refer note 3A)	(10.14)	-	-	-	<b>(10.14)</b>
Transferred to assets held for sale	(0.82)	(2.20)	-	-	<b>(3.02)</b>
Depreciation charge for the year	(0.88)	(31.89)	(1.76)	(2.61)	<b>(37.14)</b>
Exchange difference	(2.64)	(6.60)	0.31	(6.61)	<b>(15.54)</b>
<b>Balance as at March 31, 2024</b>	<b>99.96</b>	<b>44.80</b>	<b>3.15</b>	<b>17.21</b>	<b>165.12</b>
<b>Recognised at April 1, 2022</b>	-	<b>93.74</b>	<b>2.88</b>	<b>1.83</b>	<b>98.45</b>
Additions/ (deletions) during the year	-	24.88	2.64	12.63	<b>40.15</b>
Depreciation charge for the year	-	(37.64)	(1.34)	(2.53)	<b>(41.51)</b>
Exchange difference	-	(0.49)	0.26	(0.19)	<b>(0.42)</b>
<b>Balance as at March 31, 2023</b>	-	<b>80.49</b>	<b>4.44</b>	<b>11.74</b>	<b>96.67</b>

**Maturity analysis - contractual undiscounted cash flows:**

₹ Crore

Lease liabilities	As at March 31, 2024	As at March 31, 2023
Less than one year	33.37	44.12
One to three years	33.01	56.61
Three to five years	5.50	8.98
More than five years	0.23	0.35
<b>Total undiscounted lease liabilities</b>	<b>72.11</b>	<b>110.06</b>

₹ Crore

Lease liabilities (discounted value)	As at March 31, 2024	As at March 31, 2023
Non-current	35.83	57.61
Current	31.73	38.01
<b>Total</b>	<b>67.56</b>	<b>95.62</b>

**Amounts recognized in statement of profit and loss:**

₹ Crore

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Expenses relating to short-term leases	50.95	57.88
Expenses relating to low value leases	1.66	2.67
<b>Total</b>	<b>52.61</b>	<b>60.55</b>

**As a lessor:****Amounts recognized in statement of profit and loss:**

₹ Crore

Particulars	As at March 31, 2024	As at March 31, 2023
Operating lease income	11.89	11.30

₹ Crore

Undiscounted lease payments to be received after	March 31, 2024	March 31, 2023
Less than one year	10.86	10.86
One to three years	1.36	16.65
Three years to five years	-	-
<b>Total undiscounted lease payments</b>	<b>12.22</b>	<b>27.51</b>

## Note 6 : Intangible Assets

₹ Crore

PARTICULARS	Goodwill (Refer note 52)	Other Intangible assets			Total Other Intangible assets
		Trademarks and Brands *	Computer Software	Technical Knowhow	
<b>Year ended March 31, 2024</b>					
<b>Opening Gross carrying amount</b>	5,856.50	2,830.64	144.94	0.10	2,975.68
Additions	-	2.26	9.67	-	11.93
Disposals	-	-	(10.53)	-	(10.53)
Derecognised on sale of subsidiary (Refer note 51)	(875.41)	-	(1.00)	-	(1.00)
Acquisitions through business combinations (Refer note 47)	566.30	2,199.69	-	-	2,199.69
Hyperinflationary adjustment #	-	(0.33)	1.53	-	1.20
Other Adjustments (consist of exchange difference on translation of foreign operations)	87.57	28.93	(6.98)	-	21.95
<b>Closing Gross Carrying Amount</b>	<b>5,634.96</b>	<b>5,061.19</b>	<b>137.63</b>	<b>0.10</b>	<b>5,198.92</b>
<b>Accumulated Amortisation/ Impairment</b>					
Opening Accumulated Amortisation/ Impairment	34.25	279.05	119.19	0.10	398.34
Amortization recognised for the year	-	16.92	10.04	-	26.96
Additional amortisation due to hyperinflation #	-	-	-	-	-
Disposals	-	(0.55)	(8.17)	-	(8.72)
Derecognised on sale of subsidiary (Refer note 51)	-	-	(0.90)	-	(0.90)
Impairment (Refer Note 52)	570.11	820.64	-	-	820.64
Hyperinflationary adjustment #	-	(0.31)	0.50	-	0.19
Other Adjustments (consist of exchange difference on translation of foreign operations)	4.21	10.45	(4.94)	-	5.51
<b>Closing Accumulated Amortisation/ Impairment</b>	<b>608.57</b>	<b>1,126.20</b>	<b>115.72</b>	<b>0.10</b>	<b>1,242.02</b>
<b>Net Carrying Amount</b>	<b>5,026.39</b>	<b>3,934.99</b>	<b>21.91</b>	<b>-</b>	<b>3,956.90</b>

₹ Crore

PARTICULARS	Goodwill (Refer note 52)	Other Intangible assets			Total Other Intangible assets
		Trademarks and Brands *	Computer Software	Technical Knowhow	
<b>Year ended March 31, 2023</b>					
<b>Opening Gross carrying amount</b>	5,408.42	2,674.47	144.14	0.10	2,818.71
Additions	-	0.55	10.26	-	10.81
Disposals	-	(1.18)	(15.66)	-	(16.84)
Hyperinflationary adjustment #	-	2.55	4.75	-	7.30
Other Adjustments (consist of exchange difference on translation of foreign operations)	448.08	154.25	1.45	-	155.70
<b>Closing Gross Carrying Amount</b>	<b>5,856.50</b>	<b>2,830.64</b>	<b>144.94</b>	<b>0.10</b>	<b>2,975.68</b>
<b>Accumulated Amortisation/ Impairment</b>					
Opening Accumulated Amortisation	31.63	233.83	115.63	0.10	349.56
Amortisation recognised for the year	-	15.86	13.30	-	29.16
Additional amortisation due to hyperinflation #	-	0.44	0.33	-	0.77
Disposals	-	(1.18)	(15.66)	-	(16.84)
Impairment (Refer Note 52)	-	6.03	-	-	6.03
Hyperinflationary adjustment #	-	2.38	4.11	-	6.49
Other Adjustments (consist of exchange difference on translation of foreign operations)	2.62	21.69	1.48	-	23.17
<b>Closing Accumulated Amortisation/ Impairment</b>	<b>34.25</b>	<b>279.05</b>	<b>119.19</b>	<b>0.10</b>	<b>398.34</b>
<b>Net Carrying Amount</b>	<b>5,822.25</b>	<b>2,551.59</b>	<b>25.75</b>	<b>-</b>	<b>2,577.34</b>

NOTE :

\* Includes trademarks / brands amounting to ₹ 3,898.10 crore (Mar-31-2023 : ₹ 2,329.42 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

### Intangible assets under development ageing schedule

Particulars	₹ Crore
	<b>Amount</b>
<b>Year ended March 31, 2024</b>	
Opening Balance	3.81
Add: Additions	6.88
Less: Capitalised during the year	(5.48)
<b>Closing Balance</b>	<b>5.21</b>

₹ Crore					
<b>As at March 31, 2024</b>					
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	-	-	-	-	5.21
<b>Total</b>	-	-	-	-	<b>5.21</b>

₹ Crore	
Particulars	Amount
<b>Year ended March 31, 2023</b>	
Opening Balance	1.69
Add: Additions	8.99
Less: Capitalised during the year	(6.87)
Closing Balance	3.81

₹ Crore					
<b>As at March 31, 2023</b>					
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	-	-	-	-	3.81
<b>Total</b>	-	-	-	-	<b>3.81</b>

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: Other Investments (Non-Current)**

₹ Crore

	Amounts	
	As at March 31, 2024	As at March 31, 2023
<i>Quoted, fully paid up:</i>		
<i>At Amortised Cost</i>		
Investments in Target Mutual fund	213.80	199.08
<i>Unquoted, fully paid up:</i>		
<i>At amortised cost</i>		
Investments in Government Bonds	568.63	640.25
Investments in Non-convertible Debentures with Non-Banking Financial Companies	997.09	-
<i>At Fair Value through Profit or Loss</i>		
Investment – Early Spring Fund	7.96	-
Investment in Equity Instruments*	-	-
Godrej One Premises Management Pvt Ltd.* (1400 equity shares of ₹ 10 each)	-	-
<b>Total</b>	<b>1,787.48</b>	<b>839.33</b>
Aggregate Amount of Unquoted Investments	1,573.68	640.25
Aggregate Amount of Quoted Investments	213.80	199.08
Aggregate Market Value of Quoted Investments	213.76	199.30
Aggregate Provision for Impairment in the Value of Investments	-	-

\* amounts less than 0.01 crores

**Note 8: Loans (Non-Current)**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good, Unless Otherwise Stated		
Loans to Employees	0.01	0.03
<b>Total</b>	<b>0.01</b>	<b>0.03</b>

**Note 9: Other Non-Current Financial Assets**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, Considered Good, Unless Otherwise Stated</i>		
Security Deposits	23.92	21.01
Others	1.01	0.60
<b>TOTAL</b>	<b>24.93</b>	<b>21.61</b>

**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, 2024	Year ended March 31, 2023
<b>Current Tax:</b>		
Current tax on profits for the year	394.63	396.25
Deferred tax (net)	70.07	7.21
MAT Credit Recognised (adjustment on account of previous period audit)	0.62	(6.00)
MAT credit utilised	198.46	32.81
MAT credit derecognised	95.00	-
<b>Total income tax expense</b>	<b>758.78</b>	<b>430.27</b>

Deferred tax is in respect of origination and reversal of temporary differences. This also includes derecognition of previously recognised deductible temporary differences (i.e MAT).

ii **Deferred Tax related to items recognised in Other Comprehensive Income during the year :**

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
On remeasurements of defined benefit plans		
Deferred tax	0.15	(1.74)
On revaluation of cash flow hedges		
Deferred tax	(3.49)	(0.07)
On Debt instruments measured at fair value through other comprehensive income		
Deferred tax	(0.08)	-
<b>TOTAL</b>	<b>(3.42)</b>	<b>(1.81)</b>

**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, 2024	Year ended March 31, 2023
Profit Before Tax	198.23	2,132.73
Income tax rate (Weighted Average Tax rate for group)	35.41%	32.70%
Expected income tax expense	70.20	697.50
<b>Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:</b>		
Deduction under Sec 80IC & 80IE of Indian Income Tax Act, 1961	(108.33)	(300.53)
Effect of other tax offsets	3.47	1.39
Tax impact of income not subject to tax	(7.29)	(3.26)
Tax effects of amounts which are not deductible for taxable income	276.93	12.61
Adjustments for current tax of prior periods (Excess MAT utilised) (Refer note (e) below)	0.62	(6.00)
Deferred Tax Asset not recognised on losses (Refer note (h) below)	231.23	60.03
Tax effect of long term capital losses for which no deferred tax asset is recognised (Refer note (h) below)	269.49	-
Tax impacts/ benefits in overseas jurisdictions	11.57	(33.97)
Others	10.88	2.50
<b>Total income tax expense</b>	<b>758.78</b>	<b>430.27</b>

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, 2024	As at March 31, 2023
Non-Current Tax Assets (net)	121.59	101.32
Current Tax Liabilities (net)	58.46	14.71

**D Deferred Tax Assets (Net of Liabilities):**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liability on account of :</b>		
Property, Plant and Equipment	(37.13)	(28.49)
Intangible assets	(173.61)	(196.19)
Others	(0.75)	(5.17)
<b>Deferred Tax Asset on account of :</b>		
Defined benefit obligations	0.48	16.52
Intangible assets	341.09	336.44
Provisions	24.27	53.50
MAT credit	-	482.74
Tax losses	195.28	43.40
Others	34.54	-
<b>Total Deferred Tax Assets</b>	<b>384.17</b>	<b>702.75</b>

**E Deferred Tax Liabilities (Net Of Assets):**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liability on account of :</b>		
Property, Plant and Equipment	(25.76)	(27.52)
Intangible assets	(371.80)	(229.00)
Others	(3.33)	(5.61)
<b>Deferred Tax Asset on account of :</b>		
Provisions	108.43	38.83
Tax losses	-	136.98
MAT credit	188.66	-
Others	-	24.81
<b>Total Deferred Tax (Liabilities)</b>	<b>(103.81)</b>	<b>(61.51)</b>
<b>Net Deferred Tax (Liabilities) / Assets</b>	<b>280.36</b>	<b>641.24</b>

**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)
<b>As at April 1, 2022</b>	(61.26)	(31.66)	(1.16)	27.31	94.38	509.46	142.50	679.57
Charged/(credited) :								
- to profit or loss	5.25	(51.46)	(9.62)	(9.05)	(2.05)	(26.71)	55.08	(38.56)
- foreign currency translation	-	(5.63)	-	-	-	-	-	(5.63)
- to other comprehensive income	-	-	-	(1.74)	-	-	(0.07)	(1.81)
-to reserves	-	-	-	-	-	-	7.67	7.67
<b>As at March 31, 2023</b>	<b>(56.01)</b>	<b>(88.75)</b>	<b>(10.78)</b>	<b>16.52</b>	<b>92.33</b>	<b>482.75</b>	<b>205.18</b>	<b>641.24</b>
Charged/(credited) :								
- to profit or loss	(6.88)	(76.22)	6.71	(16.19)	40.37	(294.08)	25.40	(320.90)
- foreign currency translation	-	(39.35)	-	-	-	-	-	(39.35)
- to other comprehensive income	-	-	-	0.15	-	-	(3.57)	(3.42)
-to reserves	-	-	-	-	-	-	2.80	2.80
<b>As at March 31, 2024</b>	<b>(62.89)</b>	<b>(204.32)</b>	<b>(4.07)</b>	<b>0.48</b>	<b>132.70</b>	<b>188.67</b>	<b>229.81</b>	<b>280.37</b>

- (a) The Group 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 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 ₹ 372.57 Crores (Mar-31-2023 : ₹1,640.96 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) MAT paid in accordance with the Indian 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 Group will pay normal income tax against which the MAT paid will be adjusted.

During the year, the Group has utilised MAT credit of ₹ -(198.46) crores (31-Mar-23 : ₹ -(26.72) crores (net)). The Group 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 the Group is reasonably certain of utilizing MAT credit of ₹ 188.67 crores (31-Mar-23 : ₹ 482.75 crores) in future years against the normal tax expected to be paid in those years and accordingly ₹ 95 crores of MAT credit has been derecognised.

- (e) During the year ended March 31, 2024, the group has reassessed tax benefits under section 80IE of the Indian Income tax Act for financial year 2020-21 based on which incremental Minimum alternate tax credit of ₹ 0.62 crore (Mar-31-2023 : ₹ 6 crores) has been recognised in the Consolidated financial statements.
- (f) New provision inserted in the Indian income tax act (Sept 2019) with effect from fiscal year 2019-20, allows any domestic Group 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 Group has plants located in North-east region in India enjoying income tax exemption, and the effective rate based on the tax exemption plants is lower than 25.17%, so Group decided to not opt for lower rate in FY 2023-24.
- (g) Based on internal projections, the Group plans to opt for the lower tax rate from FY 2025-26.
- (h) Unrecognised deferred tax asset: Deferred tax assets have not been recognised in respect of long term capital losses as at 31<sup>st</sup> March 2024 (₹ 771.21 crores) resulting into unrecognised tax effect of ₹ 269.49 crores as it is not probable that the future taxable long term capital gains will be available against which the Group can use the benefits therefrom.

Deferred tax assets have also not been recognised in respect of tax losses in various tax jurisdictions as at 31<sup>st</sup> March 2024 (₹ 902.76 Crores) resulting into unrecognised tax effect of ₹ 231.23 Crores (31-Mar-23 : ₹ 60.03 crores) as it is not probable that the future taxable income will be available against which the Group can use the benefits therefrom.

**Note 11: Other Non-Current Assets**

	₹ Crore	
	As at March 31, 2024	As at March 31, 2023
Capital Advances		
Considered Good	64.01	17.79
Considered Doubtful	0.64	0.86
Less: Provision for Doubtful Advances	(0.64)	(0.86)
Balances with Government Authorities	28.36	30.41
Other non-current assets		
Considered Good-Unsecured	0.51	0.48
	0.51	0.48
<b>TOTAL</b>	<b>92.88</b>	<b>48.68</b>

**Note 12: Inventories**

	₹ Crore	
	As at March 31, 2024	As at March 31, 2023
<i>(Valued at lower of cost and net realizable value)</i>		
Raw Materials (Including Packing Materials)	599.50	873.96
Goods-in Transit	36.12	37.60
	635.62	911.56
Work-in-Progress	78.23	69.20
Finished goods	389.90	469.42
Stock-in-Trade	145.19	61.57
Stores and Spares	21.98	25.40
<b>TOTAL</b>	<b>1,270.92</b>	<b>1,537.15</b>

Refer Note 54 for Assets pledged as security

During the year ended March 31, 2024 an amount of ₹ 87.46 crore (31-Mar-23 ₹ (3.05) crore) was debited /(credited) to the statement of Profit and Loss on account of write off/ write back of inventories (net) including damaged and slow moving inventory.

**Note 13: Investments (Current)**

	₹ Crore	
	Amounts	
	As at March 31, 2024	As at March 31, 2023
<i>Quoted, fully paid up:</i>		
<i>At Fair Value through Profit or Loss</i>		
Investments in Mutual Funds	517.09	943.99
<i>At Fair Value through Other Comprehensive Income</i>		
Investments in government securities	108.49	-
<i>Unquoted, fully paid up:</i>		
<i>At Amortised Cost</i>		
Investments in Government Bonds	387.87	-
Investments in Non-convertible Debentures with Non-Banking Financial Institution Companies	433.91	728.37
Investments in Commercial Papers with Non-Banking Financial Institution Companies	-	342.02
Investments in Deposits with Non-Banking Financial Institution Companies	268.83	175.27
<b>TOTAL</b>	<b>1,716.19</b>	<b>2,189.65</b>
Aggregate amount of unquoted investments	1,090.61	1,245.66
Aggregate amount of quoted investments	625.58	943.99
Aggregate Market Value of quoted Investments	625.58	943.99

## Note 14: Trade Receivables

₹ Crore

	As at March 31, 2024	As at March 31, 2023
Considered Good- Secured	2.14	0.68
Considered Good - Unsecured	1,533.23	1,244.60
Trade Receivables which have significant increase in Credit Risk	26.02	23.91
Trade Receivables - credit impaired	27.87	43.99
Less: Impairment allowance for Doubtful Debts	(53.89)	(67.90)
<b>TOTAL</b>	<b>1,535.37</b>	<b>1,245.28</b>

Refer credit risk in note 49 (B)

Refer Note 54 for Assets pledged as security

### Trade Receivables ageing schedule

₹ Crore

As on March 31, 2024	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	1,049.87	455.08	14.27	12.08	2.70	1.38	1,535.38
Undisputed trade receivables- which have significant increase in risk	-	4.06	7.14	8.21	0.53	0.28	20.22
Undisputed trade receivables- credit impaired	-	0.13	1.62	3.38	20.61	0.11	25.86
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in risk	-	5.79	-	0.01	-	-	5.80
Disputed trade receivables- credit impaired	-	-	-	0.17	0.83	1.01	2.01
Provision for bad and doubtful debts	-	-	-	-	-	-	(53.89)
<b>Total</b>	<b>1,049.87</b>	<b>465.06</b>	<b>23.04</b>	<b>23.85</b>	<b>24.68</b>	<b>2.77</b>	<b>1,535.37</b>

₹ Crore

As on March 31, 2023	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	948.20	279.34	11.82	4.94	0.00	0.98	1,245.28
Undisputed trade receivables- which have significant increase in risk	-	0.34	11.28	5.99	2.50	3.80	23.91
Undisputed trade receivables- credit impaired	-	0.69	2.21	10.98	20.08	3.96	37.93
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	0.12	0.05	0.82	0.73	4.34	6.06
Provision for bad and doubtful debts	-	-	-	-	-	-	(67.90)
<b>Total</b>	<b>948.20</b>	<b>280.48</b>	<b>25.36</b>	<b>22.74</b>	<b>23.31</b>	<b>13.09</b>	<b>1,245.28</b>

**Note 15A: Cash and Cash Equivalents**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
- In Current Accounts	301.33	293.47
- Deposits with less than 3 months original maturity	89.67	51.26
	<b>391.00</b>	<b>344.73</b>
Cheques, Drafts on Hand	1.10	3.46
Cash on hand	10.68	9.43
<b>TOTAL</b>	<b>402.78</b>	<b>357.62</b>

**Note 15B: Other Bank Balances**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
Deposits with maturities more than 3 months but less than 12 months (Refer Note below)	130.13	19.42
In Unpaid Dividend Accounts	14.03	13.68
<b>TOTAL</b>	<b>144.16</b>	<b>33.10</b>

**NOTES:**

The fixed deposits include deposits under lien against bank guarantees ₹ 4.70 crore (Mar-31-2023 : ₹ 4.36 crore)

**Note 16: Loans (Current)**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, Considered Good, Unless Otherwise Stated</i>		
Loans to Employees	0.01	0.05
<b>TOTAL</b>	<b>0.01</b>	<b>0.05</b>

**Note 17: Other Current Financial Assets**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
Security Deposits	2.13	3.88
Derivatives		
Cross Currency Interest rate swap used for hedging	36.93	0.46
Foreign-exchange forward contracts	0.06	1.03
Refunds/Incentives receivables from Govt. Authorities (Excise duty/GST/Exports incentives)		
Considered Good	24.99	21.18
Considered Doubtful	18.65	18.65
Less: Impairment allowance for doubtful advances	(18.65)	(18.65)
	<b>24.99</b>	<b>21.18</b>
Others (includes insurance claim receivables)	23.70	15.76
Less: Impairment allowance for doubtful advances	(4.32)	-
<b>TOTAL</b>	<b>83.49</b>	<b>42.31</b>

## Note 18: Other Current Assets

₹ Crore

	As at March 31, 2024	As at March 31, 2023
Balances with Government Authorities	221.22	151.65
Right to receive inventory	8.57	9.50
Other Advances (includes vendor advances & prepaid expenses)		
Considered Good	170.78	239.66
Considered Doubtful	2.50	1.29
Less: Provision for Doubtful Advances	(2.50)	(1.29)
	170.78	239.66
<b>TOTAL</b>	<b>400.57</b>	<b>400.81</b>

## Note 18A: Non Current Assets Held for Sale

₹ Crore

	As at March 31, 2024	As at March 31, 2023
Fixed assets held for sale	7.74	-
<b>TOTAL</b>	<b>7.74</b>	<b>-</b>

## Note 19: Share Capital

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<b>Authorised</b>		
1,030,000,000 Equity Shares (Mar-31-2023 : 1,030,000,000) of ₹ 1 each	103.00	103.00
10,000,000 Preference Shares (Mar-31-2023 : 10,000,000) of ₹ 1 each	1.00	1.00
<b>Issued</b>		
1,022,851,453 Equity Shares (31-Mar-23: 1,022,726,442) of ₹ 1 each	102.29	102.27
<b>Subscribed and Fully Paid up</b>		
1,022,820,329 Equity Shares (31-Mar-23: 1,022,695,318) of ₹ 1 each fully paid up	102.28	102.27
<b>TOTAL</b>	<b>102.28</b>	<b>102.27</b>

### NOTES:

- During the year, the Company has issued 1,25,011 equity shares (31-Mar-2023: 1,14,239) under the Employee Stock Grant Scheme.
- 31,124 Right Issue equity shares (31 March 2023 : 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.
- 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, 2024		As at March 31, 2023	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
Shares outstanding at the beginning of the year	1,022,695,318	102.27	1,022,581,079	102.26
Add : Shares Issued on exercise of employee stock grant scheme	125,011	0.01	114,239	0.01
<b>Shares outstanding at the end of the year</b>	<b>1,022,820,329</b>	<b>102.28</b>	<b>1,022,695,318</b>	<b>102.27</b>

### 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 2024 the amount of per share dividend recognised as distribution to equity shareholders was ₹ 5 (31 March 2023 : NIL).

e) **Details of shareholders holding in the Company:**

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Co Ltd	75,011,445	7.33	75,011,445	7.33
Godrej Industries Limited	242,812,860	23.74	242,812,860	23.74
Godrej Seeds & Genetics Limited	280,500,000	27.42	280,500,000	27.43

f) **Shares Reserved for issue under options**

The Company has 11,05,168 (previous year 9,90,235 ) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2024. (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. Refer note 58 for Capital management.

**k) Details of shares held by promoters**

**As at 31 March 2024**

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		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)	-0.94%
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	Equity shares of INR 1 each fully paid	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	-	-

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 Rjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Raika Lineage Trust)		4,820,351	1	4,820,350	0.47%
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Njg Family Trust)	Equity shares of INR 1 each fully paid	1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Navroze Lineage Trust)		4,820,351	1	4,820,350	0.47%
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 2023

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		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	Equity shares of INR 1 each fully paid	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	-	0.00%
Nisaba Godrej		370,087	370,087	-	0.00%
Azaar Arvind Dubash		370,000	370,000	-	-
Adi Barjorji Godrej		1,500	1,500	-	0.00%
Navroze Jamshyd Godrej		77	77	-	-
Rishad Kaikhushru Naoroji	72	72	-	-	
Freyan Crishna Bieri	70	70	-	-	
Tanya Arvind Dubash	66	66	-	0.00%	
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	-	-	

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)		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)	Equity shares of INR 1 each fully paid	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, 2024	As at March 31, 2023
Securities Premium	1,445.62	1,434.70
General Reserve	154.05	154.05
<b>Other Reserves</b>		
Capital Investment Subsidy Reserve	0.15	0.15
Capital Redemption Reserve	1.46	1.46
Employee Stock Options Outstanding	36.89	23.56
	<b>38.50</b>	<b>25.17</b>
Retained Earnings	10,011.68	11,096.62
Other Comprehensive Income (effective portion of cash flow hedges, Debt instruments measured at fair value through other comprehensive income & exchange differences in translating financial statements of foreign operations)	846.44	981.42
<b>TOTAL</b>	<b>12,496.29</b>	<b>13,691.96</b>

**OTHER RESERVES MOVEMENT**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<b>Capital Investment Subsidy Reserve</b>		
Balance as per last financial statements	0.15	0.15
Closing Balance	<b>0.15</b>	<b>0.15</b>
<b>Capital Redemption Reserve</b>		
Balance as per last financial statements	1.46	1.46
Closing Balance	<b>1.46</b>	<b>1.46</b>
<b>Employee Stock Options Outstanding</b>		
Gross Employee Compensation for Options granted	23.56	13.17
(-) Exercise of Share options	(10.92)	(9.77)
(+) <i>Deferred Employee Compensation Expense (Refer Note 33)</i>	24.25	20.16
<b>Closing Balance</b>	<b>36.89</b>	<b>23.56</b>
<b>TOTAL</b>	<b>38.50</b>	<b>25.17</b>

**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) Debt instruments measured at fair value through other comprehensive income

This comprises changes in the fair value of debt instruments recognised in other comprehensive income and accumulated within equity. The company transfers amounts from such component of equity to retained earnings when the relevant debt instruments are derecognised.

## 8) 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

	Maturity Date	Terms of Repayment	Interest rate*	As at March 31, 2024	As at March 31, 2023
₹ Crore					
<b>A. Secured</b>					
Term Loans from banks in USD	Upto August 2024	Payable in Multiple Installments every year	5.49% - 5.49%	-	0.10
<b>B. Unsecured</b>					
<b>Term loans</b>					
a) From Banks in USD	Upto June 2025	Payable in Multiple Installments every year	1.29% - 5.55%	-	411.73
				-	<b>411.83</b>
				-	<b>411.83</b>
Less: Current maturities of long term debt (from banks in USD) (Refer Note 24)				-	<b>(222.71)</b>
<b>TOTAL</b>				-	<b>189.12</b>

\*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

	As at March 31, 2024	As at March 31, 2023
₹ Crore		
<b>Provision for Employee Benefits</b>		
Gratuity (Refer Note 44)	93.33	91.31
Compensated Absences	4.49	4.16
Other long term incentives (Refer Note 44)	68.81	7.95
<b>TOTAL</b>	<b>166.63</b>	<b>103.42</b>

## Note 23: Other Non-Current Liabilities

	As at March 31, 2024	As at March 31, 2023
₹ Crore		
Others (includes deferred grants, sundry deposits)	0.71	1.57
<b>TOTAL</b>	<b>0.71</b>	<b>1.57</b>

**Note 24: Current Borrowings**

₹ Crore

	Maturity Date	Terms of Repayment	Coupon/ Interest rate*	As at March 31, 2024	As at March 31, 2023
<b>A. Secured</b>					
Loans repayable on demand from banks (Refer Note below)	Cash Credit	Payable on demand	7.50% -9%	3.88	4.82
				<b>3.88</b>	<b>4.82</b>
<b>B. Unsecured</b>					
Loans repayable on demand from banks	Upto 12 months	Multiple dates	1.03%-38%	1,046.85	534.94
Overdraft from banks	On demand	On demand	7.15% - 55.90%**	124.04	82.37
Commercial Paper	Upto 12 months	Payable on commercial paper maturity date	7%-7.75%	1,979.88	-
				<b>3,150.77</b>	617.31
<b>C. Current maturity of long term debt (Refer Note 21)</b>				-	222.71
<b>TOTAL</b>				<b>3,154.64</b>	<b>844.84</b>

## 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, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	51.48	46.40
Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,624.00	1,776.77
<b>TOTAL</b>	<b>1,675.48</b>	<b>1,823.17</b>

\* 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, 2024	As at March 31, 2023
I The principal amount remaining unpaid to any supplier at the end of the accounting year included in trade payables	51.48	46.40
II Interest due thereon	-	-
<b>Trade payable dues to Micro and small enterprises</b>	<b>51.48</b>	<b>46.40</b>
(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 *	0.00	-
(b) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(c) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(d) The amount of further interest remaining 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 of MEMED Act 2006.	-	-

\* amounts less than ₹ 0.01 Crores

**Ageing of Trade payables outstanding as on March 31, 2024**

₹ Crore

Particulars	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	-	51.32	-	-	-	-	51.32
Other than MSME	392.42	953.37	271.99	4.30	0.50	0.66	1,623.24
Disputed dues -MSME	-	0.16	-	-	-	-	0.16
Disputed dues -Others	-	-	-	-	-	0.76	0.76
<b>Total</b>	<b>392.42</b>	<b>1,004.85</b>	<b>271.99</b>	<b>4.30</b>	<b>0.50</b>	<b>1.42</b>	<b>1,675.48</b>

**Ageing of Trade payables outstanding as on March 31, 2023**

₹ Crore

Particulars	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	-	45.84	0.56	-	-	0.03	46.43
Other than MSME	309.23	1,252.67	201.63	7.36	2.35	2.74	1,775.98
Disputed dues -MSME	-	-	-	-	-	-	-
Disputed dues -Others	-	-	-	-	-	0.76	0.76
<b>Total</b>	<b>309.23</b>	<b>1,298.51</b>	<b>202.19</b>	<b>7.36</b>	<b>2.35</b>	<b>3.53</b>	<b>1,823.17</b>

**Note 26: Other Current Financial Liabilities**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
Security deposit received	5.12	5.05
Unclaimed Dividends (Refer Note (a) below)	14.03	13.68
Put Option liability	81.60	81.08
Interest accrued	6.40	3.02
Derivatives		
Cross currency Interest rate swaps used for hedging	20.90	11.95
Foreign-exchange forward contracts used for hedging	-	0.08
Employee Benefits Payable	183.86	134.23
Capital creditors and other payables	32.11	17.30
<b>TOTAL</b>	<b>344.02</b>	<b>266.39</b>

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, 2024	As at March 31, 2023
Statutory Dues (VAT, GST, TDS etc.)	60.85	48.13
Advance from customers	30.35	38.44
Contractual and constructive obligation	121.78	114.51
Other Payables (including PF)	22.06	27.95
<b>TOTAL</b>	<b>235.04</b>	<b>229.03</b>

**Note 28: Provisions**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Gratuity (net) (Refer Note 44)	9.77	8.15
Compensated Absences	3.78	4.21
<b>Other Provision :</b>		
Provision for Sales Returns	56.84	30.02
Provision towards Litigations	20.58	32.78
<b>TOTAL</b>	<b>90.97</b>	<b>75.16</b>

Movements in each class of other provisions during the financial year are set out below:

	Sales Returns	Provision towards Litigation
<b>As at April 1, 2023</b>	30.02	32.78
Additional provisions recognised	29.10	1.42
Additions through business combination (Refer Note 47)	59.02	-
Amount reversed	(60.08)	(10.74)
Foreign currency translation difference	(1.22)	(2.88)
<b>As at March 31, 2024</b>	<b>56.84</b>	<b>20.58</b>

	Sales Returns	Provision towards Litigation
<b>As at April 1, 2022</b>	41.33	22.05
Additional provisions recognised	-	12.38
Amount reversed	(10.17)	-
Foreign currency translation difference	(1.14)	(1.65)
<b>As at March 31, 2023</b>	<b>30.02</b>	<b>32.78</b>

**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, 2024	Year ended March 31, 2023
a) Sale of Products	13,974.06	13,198.68
Other Operating Revenues (includes export incentive, GST refunds, scrap sales etc.)	122.05	117.29
<b>TOTAL</b>	<b>14,096.11</b>	<b>13,315.97</b>

### b) Revenue Information

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue by product categories</b>		
Home care	5,501.22	5,114.25
Personal care	8,472.84	8,084.43
<b>TOTAL</b>	<b>13,974.06</b>	<b>13,198.68</b>

### c) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue as per contracted price</b>	<b>15,324.71</b>	14,358.15
Sales returns	(51.85)	(76.72)
Rebates/Discounts	(1,298.80)	(1,082.75)
<b>Revenue from contract with customers</b>	<b>13,974.06</b>	<b>13,198.68</b>

### d) Contract Balances

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Trade receivables (Refer Note 14)	1,535.37	1,245.28
Contract liabilities (Refer Note 27)	152.13	172.67

Note: Contract liabilities represents advances received from customers for sale of goods at the reporting date and contractual and constructive obligations.

### e) Significant changes in contract liabilities during the period

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue recognised that was included in the contract liability balance at the beginning of the period	38.44	30.25

**Note 30 : Other Income**

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income on:		
Non-convertible debentures and fixed deposits with Non-Banking Financial Companies at amortised cost	18.87	16.97
On Advances and Fixed Deposits	101.65	68.29
Commercial Papers	8.19	10.30
On Others	0.25	0.48
On Investments in Non-convertible Debentures with Non-Banking Financial Companies	57.97	25.91
Net Gain on Sale of Investments	54.73	22.24
Fair Value Gain \ (Loss) on financial assets measured at fair value through profit or loss (net)	4.44	5.83
Profit on Sale of Property, Plant & Equipment (Net)	6.83	1.24
Rental Income	11.89	11.30
Miscellaneous non operating income	4.13	5.85
<b>TOTAL</b>	<b>268.95</b>	<b>168.41</b>

**Note 31: Cost of Materials Consumed**

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Raw material and packing material</b>		
Opening Inventory	911.56	1,291.77
Add : Purchases (net)	5,401.95	5,804.46
	6,313.51	7,096.23
Less: Closing Inventory	(635.62)	(911.56)
<b>Cost of Materials Consumed</b>	<b>5,677.89</b>	<b>6,184.67</b>

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

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Opening Inventory		
Finished Goods	469.42	654.79
Stock-in-Trade	61.57	67.83
Work-in-Progress	69.20	90.51
	600.19	813.13
Less: Closing Inventory		
Finished Goods	389.90	469.42
Stock-in-Trade	145.19	61.57
Work-in-Progress	78.23	69.20
	613.32	600.19
<b>(Increase) / decrease in Inventories</b>	<b>(13.13)</b>	<b>212.94</b>

**Note 33: Employee Benefits Expense**

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and Wages (Refer Note 44)	1,159.48	1,024.23
Contribution to Provident and Other Funds (Refer Note 44)	23.60	21.24
Share based payments to Employees (Employee Stock Grant Scheme) (Refer Note 45)	24.25	20.16
Staff Welfare Expenses	42.01	45.85
<b>TOTAL</b>	<b>1,249.34</b>	<b>1,111.48</b>

## Note 34: Finance Costs

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expense		
Interest on bank loans and overdraft and other short term borrowings	242.83	99.33
Bill discounting charges	23.02	14.80
Other Borrowing Costs (includes interest on short term)		
Interest on lease liability	5.44	7.72
Net Monetary loss on account of Hyperinflation	25.08	53.89
<b>TOTAL</b>	<b>296.37</b>	<b>175.74</b>

## Note 35: Depreciation and Amortization Expenses

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	176.86	164.85
Depreciation on right of use asset	37.14	41.51
Amortization of intangible assets	26.96	29.93
<b>TOTAL</b>	<b>240.96</b>	<b>236.29</b>

## Note 36: Other Expenses

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of Stores and Spares	36.14	35.09
Power and Fuel	150.85	154.63
Rent (net)	63.43	60.55
Repairs and Maintenance		
Plant and Equipment	20.37	16.99
Buildings	9.41	11.13
Others (net)	78.69	70.51
	108.47	98.63
Insurance	37.28	34.97
Rates and Taxes	39.23	45.07
Processing and Other Manufacturing Charges	275.82	305.19
Travelling and Conveyance	73.98	69.54
Legal and Professional Charges	99.94	97.31
Donations	6.82	1.56
Sales Promotion	309.24	203.37
Advertising and Publicity	1,336.12	985.52
Selling and distribution expenses	220.94	202.32
Freight	437.35	427.16
Royalty	0.92	0.87
Commission	21.23	17.76
Bank charges	13.20	12.74
Net Loss on Sale / write off of Property, Plant and Equipment	0.65	-
Net Loss on Foreign Currency Transactions and Translations	126.99	108.70
Bad Debts Written Off	4.79	5.40
Miscellaneous Expenses (net) (Refer Note (a) below)	219.61	204.86
<b>TOTAL</b>	<b>3,583.00</b>	<b>3,071.24</b>

### 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, 2024	Year ended March 31, 2023
Restructuring costs:		
Impairment Loss on goodwill and brands (Refer note 52)	(1,390.75)	(6.03)
Loss on Sale of Subsidiaries (Net)	(822.01)	-
Loss on Sale of Business	(105.11)	-
Other restructuring costs	(71.16)	(29.31)
Acquisition costs	(87.83)	-
Settlement of Litigation with tax authorities	-	(18.77)
<b>TOTAL</b>	<b>(2,476.86)</b>	<b>(54.11)</b>

**NOTE:**

For the year ended March 31, 2024, exceptional items includes various restructuring costs pursuant to changes in business model and refreshed long term strategy enhancing the focus on 'profitable growth' within group's entities in Africa (including Strength of Nature). These include an amount of ₹1,390.75 Crores on impairment of Goodwill and Brands (Refer note 52) due to indications from external and internal sources such as currency devaluation, increased competitive action, the group has sold Godrej East Africa Holdings Limited and its subsidiaries and incurred loss on sale of Godrej East Africa Holdings Limited and its subsidiaries of ₹ 822.01crores (Refer note 51) and loss on sale of dry hair business in Kenya of ₹ 105.11 Crores. Exceptional items also include Stamp duty payment and other costs in relation to acquisition of Raymond Consumer Care Business of ₹ 87.83 crore (Refer note 47). Other restructuring costs of ₹ 71.16 crores includes employees' severance pay, inventory related costs etc necessitated by the restructuring.

'For the year ended March 31, 2023, exceptional items include impairment loss of ₹ 6.03 crore towards brands, restructuring costs of ₹ 29.31 crore and ₹ 18.77 crore on account of litigation settlement under VAT amnesty scheme in the Consolidated Financial Statements.

**Note 38: Earnings Per Share**

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Net Profit/ (Loss) After Tax (₹ Crore)</b>	<b>(560.55)</b>	<b>1,702.46</b>
Number of Shares outstanding at the beginning of the year	1,022,695,318	1,022,581,079
Add : Shares Issued during the year	125,011	114,239
Number of Shares outstanding at the end of the year	1,022,820,329	1,022,695,318
<b>Weighted Average Number of Equity Shares</b>		
For calculating Basic EPS	1,022,765,649	1,022,636,084
<b>Effect of dilution:</b>		
Share based	413,083	229,629
For calculating Diluted EPS	1,023,178,732	1,022,865,713
<b>Earnings Per Share Before and After Extraordinary Items</b>		
(Face Value ₹ 1)		
Basic (₹)	(5.48)	16.65
Diluted (₹)	(5.48)	16.65

## Note 39 : Commitments

₹ Crore

	Year ended March 31, 2024	Year ended March 31, 2023
Estimated value of contracts remaining to be executed on capital account to the extent not provided, net of advances there against of ₹ 64.01 crore (March 31, 2023 : ₹ 17.79 crore)	282.31	73.64
<b>TOTAL</b>	<b>282.31</b>	<b>73.64</b>

## Note 40 : Dividend

During the year 2023-24, ₹ 511.41 Crore (31-Mar-23 Nil) interim dividend has been paid.

After the close of the financial year, at the board meeting on May 6, 2024, the board has declared interim dividend at the rate of ₹ 10 per share of ₹ 1 each.

## Note 41 : Contingent Liabilities

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<b>a) CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS</b>		
i) Excise duty demands against which the Company / Group has preferred appeals	48.55	57.74
ii) Sales tax demands against which the Company / Group has preferred appeals	34.22	38.54
iii) GST matters	23.87	0.18
iv) Income-tax matters	289.88	252.38
v) Other matters	2.42	3.99
<b>b) Guarantees given against Borrowings (in excess of Loans outstanding) / Bank facilities</b>		
i) Guarantee amounting to Nil (31-Mar-23 USD 24.20 million) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards Banking facility taken by Godrej Mauritius Africa Holdings Ltd.	-	25.48
ii) Guarantee amounting to Nil (31-Mar-23 USD 50.50 million) given by the Company to Standard Chartered Bank Mauritius towards SBLC line given to Godrej Tanzania Holdings Limited	-	415.02
iii) Guarantee amounting to Nil (31-Mar-23 USD 30.45 million) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards Banking facility taken by Godrej SON Holdings, Inc.	-	11.92
iv) Guarantee amounting to Nil (31-Mar-23 USD 0.58 million) given by the Company to SMBC Singapore towards interest rate swap/ derivatives facility taken by Godrej Mauritius Africa Holdings Ltd.	-	4.73
<b>Others</b>		
i) Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 4.70 crore (31-Mar-23 ₹ 4.53 crore)].	34.14	27.89
<b>c) Claims against the Company not acknowledged as debt</b>		
i) Claims by various parties on account of unauthorized, illegal and fraudulent acts by an employee.	31.59	31.59
ii) Others	0.06	-

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



xvi)	Ms. Pippa Armerding	Independent Director
xvii)	Mr. Sumeet Narang	Independent Director
xviii)	Mr. Burjis Godrej	Son of Mr. Nadir Godrej
xix)	Ms. Rati Godrej	Wife of Mr. Nadir Godrej
xx)	Mr. Sohrab Godrej	Son of Mr. Nadir Godrej
xxi)	Mr. Hormazd Godrej	Son of Mr. Nadir Godrej
xxii)	Mr. Navroze Godrej	Son of Mr. Jamshyd Godrej
xxiii)	Mr. Azaar Arvind Dubash	Son of Ms. Tanya Dubash

**d) 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											
	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	12.56	29.63	3.06	2.65	-	-	-	-	-	-	15.62	32.28
Sale of Capital Asset	0.02	0.04	-	0.02	-	-	-	-	-	-	0.02	0.06
Purchase of Materials and Spares	113.44	147.80	22.59	-	-	-	-	-	-	-	136.03	147.80
Purchase of Fixed Asset including Assets Advance Paid	-	-	0.07	0.02	-	-	-	-	-	-	0.07	0.02
Advance received back	-	-	-	-	-	-	-	-	-	-	-	-
Royalty and Technical Fees Paid	-	-	-	-	-	-	-	-	-	-	-	-
Establishment & Other Expenses Paid (Including provision for doubtful debts if any)	34.96	33.29	6.63	6.47	-	-	-	-	-	-	41.59	39.76
Expenses Recovered	3.58	1.37	0.61	0.19	-	-	-	-	-	-	4.19	1.56
Investments Sold / Redeemed	-	-	-	-	-	-	-	-	-	-	-	-
Lease Rentals Received	14.06	11.63	-	-	-	-	-	-	-	-	14.06	11.63
Lease Rentals Paid	14.55	15.88	-	-	-	-	-	-	-	-	14.55	15.88
Contribution during the year (Including Employees' Share)	-	-	-	-	-	-	-	-	17.49	15.03	17.49	15.03
Short Term Employment Benefits (Including Commission on Profits and Sitting Fees)	-	-	-	-	26.01	20.68	-	-	-	-	26.01	20.68
Post Employment Benefits	-	-	-	-	0.61	0.49	-	-	-	-	0.61	0.49
Share Based Payment	-	-	-	-	8.51	5.04	-	-	-	-	8.51	5.04
<b>TOTAL</b>	<b>193.17</b>	<b>239.64</b>	<b>32.96</b>	<b>9.35</b>	<b>35.13</b>	<b>26.21</b>	<b>17.49</b>	<b>15.03</b>	<b>15.03</b>	<b>17.49</b>	<b>278.74</b>	<b>290.24</b>

## Outstanding Balances

	₹ Crore											
	Receivables		Payables		Guarantees Outstanding- Given/ (Taken)		Commitments					
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investing Entity in which the reporting entity is an associate	4.79	2.97	9.86	13.52	(26.88)	(26.88)	-	-	-	-	-	-
Companies under Common Control	1.81	1.07	0.17	0.49	(1.21)	(1.21)	0.24	(1.21)	0.24	0.24	0.24	0.24
Key Management Personnel and Relatives	-	-	2.19	2.22	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>6.60</b>	<b>4.04</b>	<b>12.22</b>	<b>16.23</b>	<b>(28.09)</b>	<b>(28.09)</b>	<b>0.24</b>	<b>(28.09)</b>	<b>0.24</b>	<b>0.24</b>	<b>0.24</b>	<b>0.24</b>

## 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, 2024 and March 31, 2023:

	As at March 31, 2024		As at March 31, 2023	
	In million	INR cr	In million	INR cr
Forward Contracts to Purchase (USD)	<b>US \$4.34</b>	<b>36.20</b>	US \$11.60	95.33
[129 contracts (previous year 415 contracts)]				
Forward Contracts to Sell (USD)	<b>US \$7.00</b>	<b>58.38</b>	US \$9.40	77.25
[2 contracts (previous year 2 contracts)]				

## Note 44 : Employee Benefits

### a) DEFINED CONTRIBUTION PLAN

#### Provident Fund:

The contributions to the Provident Fund of certain employees (including some employees of the erstwhile Godrej Household Products Ltd) are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Superannuation Fund constitutes an insured benefit, which is classified as a defined contribution plan as the Company contributes to an Insurance Company and has no further obligation beyond making payment to the insurance company.

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 5.03 crores (31-Mar-23 ₹ 5.85 crores) has been included in Note 33 under Contribution to Provident and Other Funds.

### b) DEFINED BENEFIT PLAN

#### Provident Fund:

The Group 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 Group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Group has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2024.

	₹ Crore	
	As at March 31, 2024	As at March 31, 2023
<b>i) Change in Present Value of Obligation</b>		
Present value of the obligation at the beginning of the year	170.02	168.26
Opening Balance Adjustment	(0.75)	(1.37)
Current Service Cost	8.04	6.36
Interest Cost	14.17	13.15
Employee Contribution	11.12	8.98
Liability Transferred In	23.33	14.73
Liability Transferred Out	(17.32)	(26.36)
Benefits Paid	(10.89)	(13.73)
<b>Present value of the obligation at the end of the year</b>	<b>197.72</b>	<b>170.02</b>
<b>ii) Change in Plan Assets</b>		
Fair value of Plan Assets at the beginning of the year	173.29	170.68
Interest Income	14.17	13.15
Return on plan assets excluding interest income	2.92	(0.52)
Transferred In	23.33	14.73
Transferred Out	(17.32)	(26.36)
Contributions	19.16	15.34
Benefits Paid	(10.89)	(13.73)
<b>Fair value of Plan Assets at the end of the year</b>	<b>204.66</b>	<b>173.29</b>
<b>iii) Amounts Recognised in the Statement of Profit and Loss:</b>		
Current Service Cost	8.04	6.36
Interest Cost	14.17	13.15
Interest Income	(14.17)	(13.15)
<b>Net Cost Included in Personnel Expenses</b>	<b>8.04</b>	<b>6.36</b>
<b>iv) Major categories of Plan Assets as a % of total Plan Assets</b>		
Central Government Of India Assets	11%	12%
State Government Of India Assets	34%	37%
Public Sector Units	6%	9%
Private Sector Bonds	36%	33%
Equity/Insurer Managed Funds	10%	7%
Cash & Cash Equivalents	0%	1%
<b>Others</b>	<b>3%</b>	<b>2%</b>
<b>v) Actuarial Assumptions</b>		
i) Rate of Discounting	7.18% P.A.	7.30% P.A.
ii) Guaranteed Return	8.25% P.A.	8.15% P.A.
iii) Rate of Employee Turnover	18.05% P.A.	16.00% P.A.

	₹ Crore	
	As at March 31, 2024	As at March 31, 2023
<b>vi) Maturity Analysis of Projected Benefit Obligation: From the Fund</b>		
<b>Projected Benefits Payable in Future Years From the Date of Reporting</b>		
Within the next 12 months	86.31	67.76
2 <sup>nd</sup> Following Year	33.10	27.30
3 <sup>rd</sup> Following Year	24.26	21.21
4 <sup>th</sup> Following Year	20.62	17.90
5 <sup>th</sup> Following Year	16.27	15.36
Sum of Years 6 to 10	43.02	44.67

## vii) 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-24		31-Mar-23	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	-	-	-	-

### 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.

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

		₹ Crore	
		As at March 31, 2024	As at March 31, 2023
<b>i)</b>	<b>Change in Present Value of Obligation</b>		
	Present value of the obligation at the beginning of the year	100.66	111.86
	Liability on transfer of employees from group companies	3.38	-
	Plan amendments and curtailments	-	(10.70)
	Current Service Cost	8.39	12.07
	Interest Cost	6.87	6.94
	Exchange difference	(2.19)	1.81
	Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions	(0.82)	0.05
	Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions	(0.94)	(1.60)
	Actuarial (Gain) / Loss on Obligation- Due to Experience	1.30	(5.66)
	Actuarial (Gain) / Loss on Obligation	(0.46)	(7.21)
	Benefits Paid	(12.04)	(14.11)
	<b>Present value of the obligation at the end of the year</b>	<b>104.61</b>	<b>100.66</b>
<b>ii)</b>	<b>Change in Plan Assets</b>		
	Fair value of Plan Assets at the beginning of the year	1.20	2.27
	Plan Assets taken over pursuant to Scheme of Amalgamation	3.38	-
	Interest Income	0.08	0.06
	Return on plan assets excluding interest income	0.03	(0.07)
	Contributions by the Employer	8.80	13.12
	Benefits Paid	(12.04)	(14.11)
	Exchange difference	0.06	(0.07)
	<b>Fair value of Plan Assets at the end of the year</b>	<b>1.51</b>	<b>1.20</b>
<b>iii)</b>	<b>Amounts Recognised in the Balance Sheet:</b>		
	Present value of Obligation at the end of the year	104.61	100.66
	Fair value of Plan Assets at the end of the year	1.51	1.20
	<b>Net Liability recognised in the Balance Sheet</b>	<b>103.10</b>	<b>99.46</b>
<b>iv)</b>	<b>Amounts Recognised in the Statement of Profit and Loss:</b>		
	Current Service Cost	8.39	12.07
	Plan amendments and curtailments	-	(10.70)
	Interest Cost / Income on Obligation / Plan assets (net)	6.79	6.88
	<b>Net Cost Included in Personnel Expenses</b>	<b>15.18</b>	<b>8.25</b>
<b>v)</b>	<b>Recognised in other comprehensive income for the year</b>		
	Actuarial (Gain) / Loss on Obligation	(0.46)	(7.21)
	Return on plan assets excluding interest income	(0.03)	0.07
	Recognised in other comprehensive income	(0.49)	(7.14)
<b>vi)</b>	<b>Weighted average duration of Present Benefit Obligation</b>	<b>6.06 years</b>	<b>7.91 years</b>
<b>vii)</b>	<b>Estimated contribution to be made in next financial year</b>	<b>9.86</b>	<b>9.87</b>
<b>viii)</b>	<b>Major categories of Plan Assets as a % of total Plan Assets Insurer Managed Funds</b>	<b>100%</b>	<b>100%</b>
<b>ix)</b>	<b>Actuarial Assumptions</b>		
i.	Discount Rate	6%-18.5% p.a	6.50%-17.75% p.a
ii.	Salary Escalation Rate	5% p.a.-16.5% p.a	5% p.a.-17% 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	
iv.	Employee Turnover	18.05% P.A.	16.00% P.A.

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

x) **Maturity Analysis of Projected Benefit Obligation: From the Fund**

₹ Crore

	As at March 31, 2024	As at March 31, 2023
<b>Projected Benefits Payable in Future Years From the Date of Reporting</b>		
Within the next 12 months	14.85	12.57
2 <sup>nd</sup> Following Year	16.55	10.80
3 <sup>rd</sup> Following Year	20.60	23.56
4 <sup>th</sup> Following Year	19.72	22.74
5 <sup>th</sup> Following Year	19.09	22.16
Sum of Years 6 to 10	63.49	70.10

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-24		31-Mar-23	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.34)	6.02	(6.71)	7.81
Future salary growth (1% movement)	5.74	(5.28)	7.76	(6.72)

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.
Management Perspective of Future Contributions	As per Actuarial calculation

c) **OTHER LONG-TERM INCENTIVE**

During the year ended March 31, 2024, Employee Benefits expense (Salary and Wages) includes provision for long term incentive amounting to ₹ 60.86 crores (31-Mar-23 : ₹ 7.95 crores) recorded on achievement of certain parameters as at March 31, 2024 and certain parameters expected to be achieved during the financial year 2024-25 and 2025-26, as per the long term incentive scheme in accordance with the accounting standards. This long-term incentive is payable in year 2025-2028, subject to fulfilment of all the defined parameters and therefore the provision is recorded at its present value.

The liability for the other long term incentive is provided on the basis of valuation as at the balance sheet date carried out by an independent actuary.

Valuation assumption are as follows :

	<b>As at March 31, 2024</b>
Attrition rate	Nil
Discount rate	6.26% - 7.14%
Expected Volatility	25% - 32%
Dividend yield	1%

## 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 period of 1 to 5 years subject to conditions as may be decided by the Compensation Committee and 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 2023	2,305,188	Vested in the period of 1 to 5 years subject to conditions.	1.00	1.00	within 1 month from the date of vesting

**Movement in the number of share options during the year:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Outstanding at the beginning of the year</b>	<b>990,235</b>	<b>616,102</b>
Add: Granted during the year	324,671	529,432
Less: Exercised during the year	125,011	114,239
Less: Forfeited / lapsed during the year	84,727	41,060
<b>Outstanding at the end of the year</b>	<b>1,105,168</b>	<b>990,235</b>

Weighted average remaining contractual life of options as at 31<sup>st</sup> March, 2024 was 1.82 years (31-Mar-23: 2.48 years).

Weighted average equity share price at the date of exercise of options during the year was ₹ 1012.09 (31-Mar-23 ₹ 824.69).

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:

Particulars	As at March 31, 2024	As at March 31, 2023
Risk-free interest rate (%)	7.14%	6.36%
Expected life of options (years)	2.09	2.58
Expected volatility (%)	29.52%	35.72%
Dividend yield	0.00%	0.00%
The price of the underlying share in market at the time of option grant (₹)	1025.50	900.15

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 7 and 13 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 41.

## Note 47 : Business Combination

### Acquisition of Raymond consumer care business

On May 8, 2023, the Group acquired the FMCG business of Raymond Consumer Care Limited ("RCCL") through a slump sale for consideration of ₹ 2,825 crores which included the intellectual property rights of brands like Park Avenue and Kamasutra.

The acquisition date is determined to be May 8, 2023, i.e. The date on which the Group obtained control of the business since the consideration was transferred and the business transfer agreement was executed on May 8, 2023.

The acquisition was in line with Group's strategy to build a sustainable and profitable personal care business in India by leveraging the categories of personal grooming and sexual wellness. RCCL was one of the key players in these categories with brands such as 'Park Avenue' and 'Kamasutra' which comprised of a wide product portfolio.

The acquisition had been accounted for using the acquisition accounting method under IND AS 103- "Business Combinations". All identified assets acquired and liabilities assumed on the date of acquisition were recorded at their fair value.

The transactions cost of ₹ 87.83 crores that were not directly attributable to the identified assets are included under exceptional items in the consolidated statement of profit and loss comprising mainly stamp duty expenses, legal fees and due diligence costs.

For eleven months ended 31<sup>st</sup> March 2024, the RCCL acquired business contributed revenue from sales of products of ₹ 466 crores. If the acquisition had occurred on 1<sup>st</sup> April 2023, the management estimates that combined consolidated revenue from sale of products would have been ₹ 14,042.24 Crores. In determining these amounts management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1<sup>st</sup> April 2023. The profit or loss since acquisition date and combined Consolidated profit or loss from the beginning of annual reporting period cannot be ascertained as the acquired business is already integrated with the existing business of the Group, thereby making it impracticable to do so.

#### a) Purchase consideration transferred

The total consideration was ₹ 2,825 crores which was cash settled. (Net of cash acquired)

#### b) Details of major assets acquired, and liabilities assumed:

	₹ Crores
<b>Specified Tangible Asset</b>	
Property, Plant and Equipment	
Owned Assets	4.10
Specified Intangibles Assets	
Brands	2199.69
Other Asset	
Trade and other receivables	62.70
Inventories	44.30
Cash and cash equivalents	95.86
Bank Balances other than cash and cash equivalents	12.85
Others	18.40
<b>Total identifiable assets (A)</b>	<b>2437.90</b>

	₹ Crores
<b>Specified liabilities</b>	
Trade payables	70.60
Other liabilities	47.38
Other Provisions	61.22
<b>Total identifiable liabilities (B)</b>	<b>179.20</b>
<b>Total identifiable net assets acquired ((A) - (B) = C)</b>	<b>2258.70</b>
<b>Total Consideration (D)</b>	<b>2825.00</b>
Goodwill (D-C)	566.30

**c) Measurement of fair values :**

**Specified Intangible Assets - Brands :**

Brands were valued based on an independent valuation using the relief from royalty approach, which values the intangible asset by reference to the discounted estimated amount of royalty the acquirer would have had to pay in an arms length licensing arrangement to secure access to the same rights.

**Inventories :**

The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated cost of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventory.

**Acquired Receivables :**

The gross contractual value and fair value of trade and other receivables as at the dates of acquisition amounted to ₹ 62.70 crores which is expected to be fully recoverable.

**d) Goodwill :**

Goodwill amounting to ₹ 566.30 crores arising from acquisition has been recognised as the difference between total consideration paid and net identifiable assets acquired as shown above.

The goodwill is mainly attributable to the expected synergies to be achieved from integrating the business into Group's existing personal care business. None of the goodwill recognized is expected to be deductible for tax purposes.

## **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, 2024	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current</b>								
Investments								
Government Bonds	-	-	568.63	568.63	-	-	-	-
Target Mutual fund	-	-	213.80	213.80	213.76	-	-	213.76
Non-convertible Debentures with Non-Banking Financial Companies	-	-	997.09	997.09	-	-	-	-
Others								
Early Spring Fund	7.96	-	-	7.96	-	7.96	-	7.96
Loans	-	-	0.01	0.01	-	-	-	-
Other Financial Assets	-	-	24.93	24.93	-	-	-	-
<b>Current</b>								
Investments								
Deposits with Non-Banking Financial Companies	-	-	268.83	268.83	-	-	-	-
Government securities measured at Fair value through other comprehensive income	-	108.49	-	108.49	108.49	-	-	108.49
Government securities carried at Amortised cost	-	-	387.87	387.87	-	-	-	-
Investment in Mutual Fund	517.09	-	-	517.09	517.09	-	-	517.09
Non-convertible Debentures with Non-Banking Financial Companies	-	-	433.91	433.91	-	-	-	-
Trade receivables	-	-	1,535.37	1,535.37	-	-	-	-
Cash and cash equivalents	-	-	402.78	402.78	-	-	-	-
Bank balances others	-	-	144.16	144.16	-	-	-	-
Loans	-	-	0.01	0.01	-	-	-	-
Derivative Asset								
Cross Currency Interest Rate Swap used for hedging	-	36.93	-	36.93	-	36.93	-	36.93
Forward contract	0.06	-	-	0.06	-	0.06	-	0.06
Others	-	-	46.50	46.50	-	-	-	-
	<b>525.11</b>	<b>145.42</b>	<b>5,023.89</b>	<b>5,694.42</b>	<b>839.34</b>	<b>44.95</b>	-	<b>884.29</b>
<b>Financial liabilities</b>								
<b>Non-Current</b>								
Borrowings	-	-	-	-	-	-	-	-
Lease Liability	-	-	35.83	35.83	-	-	-	-
<b>Current</b>								
Borrowings	-	-	3,154.64	3,154.64	-	-	-	-
Trade and other payables	-	-	1,675.48	1,675.48	-	-	-	-
Put Option Liability *	-	-	81.60	81.60	-	-	81.60	81.60
Derivative liability								
Cross Currency Interest Rate Swap used for hedging	-	20.90	-	20.90	-	20.90	-	20.90
Lease Liability	-	-	31.73	31.73	-	-	-	-
Others Current Financial Liability	-	-	241.52	241.52	-	-	-	-
	-	<b>20.90</b>	<b>5,220.80</b>	<b>5,241.70</b>	-	<b>20.90</b>	<b>81.60</b>	<b>102.50</b>

₹ Crore

As at March 31, 2023	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current</b>								
Investments								
Government Bonds	-	-	640.25	640.25	-	-	-	-
Target Mutual Fund	-	-	199.08	199.08	199.08	-	-	199.08
Loans	-	-	0.03	0.03	-	-	-	-
Other Financial Assets	-	-	21.61	21.61	-	-	-	-
<b>Current</b>								
Investments								
Deposits with Non-Banking Financial Companies	-	-	175.27	175.27	-	-	-	-
Commercial Papers	-	-	342.02	342.02	-	342.02	-	342.02
Mutual Fund	943.99	-	-	943.99	943.99	-	-	943.99
Non-convertible Debentures with Non-Banking Financial Companies	-	-	728.37	728.37	-	-	-	-
Trade receivables	-	-	1,245.28	1,245.28	-	-	-	-
Cash and cash equivalents	-	-	357.62	357.62	-	-	-	-
Bank balances others	-	-	33.10	33.10	-	-	-	-
Loans	-	-	0.05	0.05	-	-	-	-
Derivative Asset								
Cross Currency Interest Rate Swap used for hedging	-	0.46	-	-	-	0.46	-	0.46
Forward contract used for hedging	1.03	-	-	1.03	-	1.03	-	1.03
Others	-	-	40.82	40.82	-	-	-	-
	<b>945.02</b>	<b>0.46</b>	<b>3,783.50</b>	<b>4,728.52</b>	<b>1,143.07</b>	<b>343.51</b>	<b>-</b>	<b>1,486.58</b>
<b>Financial liabilities</b>								
<b>Non-Current</b>								
Borrowings	-	-	189.12	189.12	-	-	-	-
Lease Liability	-	-	57.61	57.61	-	-	-	-
<b>Current</b>								
Borrowings	-	-	844.84	844.84	-	-	-	-
Trade and other payables	-	-	1,823.17	1,823.17	-	-	-	-
Put Option Liability *	-	-	-	81.08	-	-	81.08	81.08
Derivative liability	-	-	-	-	-	-	-	-
Cross Currency Interest Rate Swap used for hedging	-	11.95	-	11.95	-	11.95	-	11.95
Forward contract used for hedging	-	0.08	-	0.08	-	0.08	-	0.08
Lease Liability	-	-	38.01	38.01	-	-	-	-
Others	-	-	173.28	173.28	-	-	-	-
	<b>-</b>	<b>12.03</b>	<b>3,126.03</b>	<b>3,219.14</b>	<b>-</b>	<b>12.03</b>	<b>81.08</b>	<b>93.11</b>

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.

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
Government Securities	Price quoted by clearing corporation of India	NA	NA
Investments in Target Maturity Fund	Broker Quote	NA	NA
Investments in Commercial Papers	Broker Quote	NA	NA
Derivative Asset	MTM from banks	NA	NA
Derivative Liability	MTM from banks	NA	NA
Investment - Early Spring Fund	NAV quoted by the Fund	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:

Particulars	₹ Crore	
	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	<b>81.08</b>	<b>50.83</b>
Net change in fair value through reserves	13.62	37.38
Net change in liability due to payments	(14.20)	(11.82)
Exchange difference	1.10	4.69
<b>Closing Balance</b>	<b>81.60</b>	<b>81.08</b>

## Valuation processes

The main level 3 inputs for put option 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, 2024	
	Equity impact	
Significant unobservable inputs	10% Increase	10% Decrease
Achievement of financial target (10% movement)	(8.16)	8.16

  

	Year ended March 31, 2023	
	Equity impact	
Significant unobservable inputs	10% Increase	10% Decrease
Achievement of financial target (10% movement)	(8.11)	8.11

## 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, derivatives 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, 2024 and March 31, 2023 are as below:

	₹ Crore				
<b>As at March 31, 2024</b>	<b>GBP</b>	<b>USD</b>	<b>EURO</b>	<b>ZAR</b>	<b>Others</b>
<b>Financial assets</b>					
Cash and cash equivalents	-	85.89	0.30	1.14	0.40
Short-term loans and advances	-	-	-	-	0.10
Trade and other receivables	-	355.33	22.97	0.71	-
Less: Forward contracts for trade receivables	-	(58.38)	-	-	-
Other Non-Current financial assets	-	-	-	-	-
Other Current financial assets	-	13.72	-	-	-
	<b>-</b>	<b>396.56</b>	<b>23.27</b>	<b>1.85</b>	<b>0.50</b>
<b>Financial liabilities</b>					
Long term borrowings	-	-	-	-	-
Short term borrowings	-	-	-	-	-
Trade and other payables	0.28	382.74	19.29	-	1.78
Less: Forward contracts for trade payables	-	(36.20)	-	-	-
Other Current financial liabilities	-	-	0.21	-	-
	<b>0.28</b>	<b>346.54</b>	<b>19.50</b>	<b>-</b>	<b>1.78</b>
<b>Net Exposure</b>	<b>(0.28)</b>	<b>50.02</b>	<b>3.77</b>	<b>1.85</b>	<b>(1.28)</b>

	₹ Crore				
<b>As at March 31, 2023</b>	<b>GBP</b>	<b>USD</b>	<b>EURO</b>	<b>ZAR</b>	<b>Others</b>
<b>Financial assets</b>					
Cash and cash equivalents	-	77.17	-	0.74	1.02
Short-term loans and advances	-	-	-	-	-
Trade and other receivables	0.32	209.71	29.01	0.62	-
Less: Forward contracts for trade receivables	-	(77.25)	-	-	-
Other Non-Current financial assets	-	1.15	-	-	-
Other Current financial assets	-	4.04	-	-	-
	<b>0.32</b>	<b>214.82</b>	<b>29.01</b>	<b>1.36</b>	<b>1.02</b>
<b>Financial liabilities</b>					
Long term borrowings	-	-	-	-	-
Short term borrowings	-	22.27	-	-	-
Trade and other payables	-	255.52	0.02	-	1.08
Less: Forward contracts for trade payables	-	(95.33)	-	-	-
Other Current financial liabilities	-	-	-	-	-
	<b>-</b>	<b>182.46</b>	<b>0.02</b>	<b>-</b>	<b>1.08</b>
<b>Net Exposure</b>	<b>0.32</b>	<b>32.36</b>	<b>28.99</b>	<b>1.36</b>	<b>(0.06)</b>

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

	Year-end spot rate	
	March 31, 2024	March 31, 2023
GBP INR	105.21	101.64
USD INR	83.41	82.18
EUR INR	89.87	89.47
ZAR INR	4.41	4.63

### Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of GBP/USD/EURO/ZAR/CNH/KWD/SGD/MYR against the India rupee at March 31, 2024 and March 31, 2023 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.

Effect in INR	Profit or loss	
	Strengthening	Weakening
<b>March 31, 2024</b>		
GBP	(0.01)	0.01
USD	2.50	(2.50)
EURO	0.19	(0.19)
ZAR	0.09	(0.09)
Others - CNH/SGD/MYR	(0.06)	0.06
	<b>2.70</b>	<b>(2.70)</b>

Effect in INR	Profit or loss	
	Strengthening	Weakening
<b>March 31, 2023</b>		
GBP	0.02	(0.02)
USD	1.50	(1.50)
EURO	1.45	(1.45)
ZAR	0.07	(0.07)
Others - CNH/KWD	(0.00)	0.00
	<b>3.03</b>	<b>(3.03)</b>

### (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:

	As at March 31, 2024	As at March 31, 2023
<b>Borrowings</b>		
Fixed rate instruments	2,023.18	93.81
Variable-rate instruments	1,131.46	940.15
	<b>3,154.64</b>	<b>1,033.96</b>

₹ Crore

#### 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.

	Profit or loss / Equity	
	50 bp increase	50 bp decrease
<b>As at March 31, 2024</b>		
Variable-rate instruments	(5.66)	5.66
<b>Cash flow sensitivity (net)</b>	<b>(5.66)</b>	<b>5.66</b>
<b>As at March 31, 2023</b>		
Variable-rate instruments	(4.70)	4.70
<b>Cash flow sensitivity (net)</b>	<b>(4.70)</b>	<b>4.70</b>

₹ Crore

#### 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:

	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	<b>67.90</b>	<b>59.79</b>
Impairment loss recognised	-	11.32
Amounts written off / written back	<b>(11.80)</b>	(1.01)
Exchange difference	<b>(2.21)</b>	(2.20)
<b>Closing Balance</b>	<b>53.89</b>	<b>67.90</b>

₹ Crore

### 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.

As at March 31, 2024	Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1-3 years	More than 3 years
<b>Non-derivative financial liabilities</b>					
Term loan and overdrafts from banks	1,174.76	1,177.18	1,177.18	-	-
Commercial papers	1,979.88	2,000.00	2,000.00	-	-
Trade payables	1,675.48	1,675.48	1,675.48	-	-
Lease Liability	67.56	72.11	33.37	33.01	5.73
Other financial liabilities	323.12	323.12	323.12	-	-
<b>Derivative financial liabilities</b>					
Cross Currency Interest Rate Swap used for hedging	20.90	63.80	47.54	16.26	-
<b>Forward exchange contracts used for hedging</b>					
- Outflow	-	36.20	36.20	-	-
- Inflow	0.06	58.38	58.38	-	-

₹ Crore

₹ Crore

As at March 31, 2023	Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1-3 years	More than 3 years
<b>Non-derivative financial liabilities</b>					
Term loan and overdrafts from banks	1,033.96	1,068.80	869.57	199.23	-
Trade payables	1,823.17	1,823.17	1,823.17	-	-
Lease Liability	95.62	110.07	44.12	56.61	9.34
Other financial liabilities	254.44	254.44	254.44	-	-
<b>Derivative financial liabilities</b>					
Cross Currency Interest Rate Swap used for hedging	11.95	110.81	42.72	68.09	-
<b>Forward exchange contracts used for hedging</b>					
- Outflow	0.08	95.33	95.33	-	-
- Inflow	-	77.25	77.25	-	-

## 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 transaction, interest rate swaps for hedging the risk of interest rate fluctuation on some of its variable rate loans and cross currency interest rate swaps for hedging the risk of currency and interest on some of the Floating/Fixed Foreign currency instrument.

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 transaction, interest rate risk on variable rate loans and currency & interest rate risk on Floating/Fixed Foreign currency instrument. 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) Highly probable forecast transaction; b) interest payments on variable rate loans and c) Floating/Fixed foreign currency instrument

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	Highly Probable forecast transaction in Foreign currency (FCY)	FCY denominated highly probable forecast transaction is converted into functional currency using a plain vanilla 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 Risk	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
3	Currency Risk & Interest Rate Risk	Foreign Currency loans	Floating/Fixed Foreign currency instrument is converted into Fixed functional currency instrument	Cross currency - Interest Rate Swap	Cross currency - Interest Rate Swap is a derivative instrument whereby the Group hedges fixed/floating foreign currency instrument into fixed functional currency instrument.	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, 2024**

₹ 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
Foreign exchange forward contracts (Refer Note 26)	-	-	-	-	-	-	NA	NA	NA
Previous Year	2.56	-	0.08	(0.08)	(0.08)	-	NA	NA	NA
Interest rate swaps (Refer Note 17 and 26)	-	-	-	-	-	-	NA	NA	NA
Previous Year	-	-	-	(0.13)	(0.13)	-	NA	NA	NA
Cross currency - Interest Rate Swap (Refer Note 17 and 26)	792.08	36.93	20.90	28.41	28.41	-	NA	NA	NA
Previous Year	844.57	0.46	11.95	(21.81)	(21.81)	-	NA	NA	NA

\* Gain (PY: Loss) recognized in Other comprehensive income on hedging instrument amounting to ₹ 28.41 crores (PY: ₹ 22.02) crores is offset by loss/(PY : gain) on hedged item amounting to ₹ 15.99 crores (PY : 22.44 crores)

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:

	As at March 31, 2024				As at March 31, 2023			
	Total	Less than 1 year	1-5 years	Over 5 years	Total	Less than 1 year	1-5 years	Over 5 years
	₹ Crore							
<b>Foreign exchange forward contracts</b>								
Notional principal amount	-	-	-	-	2.56	2.56	-	-
Average price (₹)	-	-	-	-	-	85.24	-	-
<b>Cross currency - Interest Rate Swap</b>								
Notional principal amount	792.08	115.99	676.09	-	844.57	168.48	676.09	-
Average rate	6.52%	10.95%	4.80%	-	6.03%	10.95%	4.80%	-

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

Particulars	₹ Crore	
	Movement in Cash flow hedge reserve for the year ended March 31, 2024	Movement in Cash flow hedge reserve for the year ended March 31, 2023
Opening balance	(0.27)	(0.62)
<b>Gain / (Loss) on the Effective portion of changes in fair value:</b>		
a) Interest rate risk	-	0.11
b) Currency risk	12.42	0.31
Tax on movements on reserves during the year	(3.49)	(0.07)
<b>Closing balance</b>	<b>8.66</b>	<b>(0.27)</b>

## Note 51 : Sale of Subsidiaries

Pursuant to Group's strategy realignment for Africa, Group sold its 100% stake in Godrej East Africa Holdings Limited, and its subsidiaries - DGH Tanzania Limited, Sigma Tanzania Limited and Charms Industries Limited during the year ended March 31, 2024. Group recognised loss on sale of investment of ₹ 822.01 crores in Exceptional Items in Consolidated Financial Statements (Refer note 37).

## Note 52 : Goodwill and Other Intangible Assets with indefinite useful life

Goodwill has been allocated to the Group's CGU as follows:

Particulars	₹ Crore	
	As at March 31, 2024	As at March 31, 2023
India	568.78	2.47
Indonesia	1,789.04	1,759.78
Africa (including SON)	2,115.70	3,519.19
Argentina	347.90	342.80
Others*	204.97	198.01
<b>Total</b>	<b>5,026.39</b>	<b>5,822.25</b>

\* 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 highest of its fair value less cost of disposal and value in use. The value in use is estimated using discounted cash flows over a period of 5 years.

Considering GCPL's strategic realignment, management considers taking a five year projection period for Africa CGU also, instead of 10 year period considered in previous year.

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 for FY 23) is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre tax discount rate.

For India, the recoverable amount of Park Avenue and Kamasutra CGU to which this goodwill is allocated is determined at fair value less cost to disposal since acquisition happened in the current financial year. The fair value less cost of disposal is estimated using market approach which takes into account revenue multiple and margins multiple.

Following key assumptions were considered while performing Impairment testing of Park Avenue and Kamasutra CGU comprising of goodwill and brands:

Particulars	As at March 31, 2024
Revenue Multiple	8
Margin Multiple	27

**Indefinite life brands have been allocated to the Group's CGU as follows:**

Particulars	₹ Crore	
	As at March 31, 2024	As at March 31, 2023
India	2,990.94	791.25
Africa (including SON)	905.90	1,536.62
Chile	1.26	1.54
<b>Total</b>	<b>3,898.10</b>	<b>2,329.42</b>

The recoverable amount of the brands are based on higher of fair value less cost of disposal and 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.

During the quarter ended March 31, 2024, the group refreshed its long term strategy for Africa (Including Strength of Nature), enhancing focus on 'profitable' growth which resulted in various reorganisation actions during the year. Further, on account of indications from external and internal sources such as currency devaluation, increased competitive action etc. resulting in revisions to future cash flow projections, an impairment of ₹ 570.11 Crores in Africa CGU and ₹ 820.64 Crores in African Brands has been recognised under exceptional items (Refer note 37) in the consolidated financial statements.

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.

Due to changes in the Africa business (East Africa Restructuring) in March 24, the valuation of Africa business is performed as on March 31, 2024. However, the valuation of other CGUs is performed as on January 31, 2024.

Particulars (CGU and brands)	As at January 31, 2024 / March 31, 2024		
	Average sales growth	Pre Tax discount rate	Terminal growth rate
Indonesia	4.4%	10.61%	3.5%
Africa (Including SON)	(-15)% - 7%	11.71%- 18.79%	0% - 6.5%
Argentina	2.8% - 3%	21.9%	3.0%
India	5%-10%	10.5%	5.0%
Others*	8% - 15.49%	12.35%-32.05%	4% - 5%

Particulars (CGU and brands)	As at January 31, 2023		
	Average sales growth	Pre Tax discount rate	Terminal growth rate
Indonesia	5.0%	11.6%	5.0%
Africa (Including SON)	0% - 13.5%	12% - 20.17%	0% - 8%
Argentina	2.8% - 3%	21.6%	8.0%
India	5%-8%	10.9%	5.0%
Others*	9% - 15%	12.4% - 29.55%	2% - 4%

\* Others Include 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.

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.

Information about reportable segments for the year ended March 31, 2024 and March 31, 2023 is as follows:

		Year ended March 31, 2024				₹ Crore
Particulars	India	Indonesia	Africa (including Strength of Nature)	Others	Total	
Segment Revenue	8,411.40	1,888.52	3,181.31	752.74	14,233.97	
Add/(Less): Inter segment revenue	(94.15)	(38.66)	(0.61)	(4.44)	(137.86)	
Revenue from Operations	8,317.25	1,849.86	3,180.70	748.30	<b>14,096.11</b>	
Segment result	2,240.00	387.40	309.59	6.47	2,943.47	
Add/(Less):						
Other income	72.75	3.80	4.71	0.76	82.02	
Depreciation & Amortization	(126.91)	(17.88)	(83.10)	(13.07)	(240.96)	
Interest income	113.34	43.07	11.59	18.93	186.93	
Finance costs (Unallocable)	-	-	-	-	(296.37)	
Exceptional items (net) (Refer note 37)	(881.49)	(6.33)	(1,585.67)	(3.37)	(2,476.86)	
<b>Profit Before Tax</b>					198.23	
Tax expense	-	-	-	-	(758.78)	
<b>Profit After Tax</b>					<b>(560.55)</b>	
		Year ended March 31, 2023				₹ Crore
Particulars	India	Indonesia	Africa (including Strength of Nature)	Others	Total	
Segment Revenue	7,667.16	1,653.03	3,414.67	717.83	13,452.69	
Add/(Less): Inter segment revenue	(91.84)	(39.96)	(0.77)	(4.15)	(136.72)	
Revenue from Operations	7,575.32	1,613.07	3,413.90	713.68	<b>13,315.97</b>	
Segment result	1,874.81	303.02	222.25	30.38	2,430.46	
Add/(Less):						
Other income	40.01	(0.77)	5.63	1.59	46.46	
Depreciation & Amortization	(107.98)	(18.72)	(95.13)	(14.46)	(236.29)	
Interest income	70.86	25.94	4.53	20.62	121.95	
Finance costs (Unallocable)	-	-	-	-	(175.74)	
Exceptional items (net)	(18.77)	(18.21)	(7.11)	(10.02)	(54.11)	
<b>Profit Before Tax</b>	-	-	-	-	<b>2,132.73</b>	
Tax expense	-	-	-	-	(430.27)	
<b>Profit After Tax</b>					<b>1,702.46</b>	

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Segment Assets</b>		
a) India	8,743.65	5,472.44
b) Indonesia	3,863.35	3,450.11
c) Africa (including Strength of Nature)	4,924.62	7,574.23
d) Others	1,070.83	1,115.71
Less: Intersegment Eliminations	(106.56)	(113.72)
	<b>18,495.89</b>	<b>17,498.77</b>
<b>Segment Liabilities</b>		
a) India	1,429.10	1,109.48
b) Indonesia	466.36	382.09
c) Africa (including Strength of Nature)	634.28	914.93
d) Others	168.35	201.77
Less: Intersegment Eliminations	(104.57)	(114.38)
	<b>2,593.52</b>	<b>2,493.89</b>
Add: Unallocable liabilities	3,303.80	1,210.66
<b>Total Liabilities</b>	<b>5,897.32</b>	<b>3,704.55</b>

**Information about major customers:**

No Single customer represents 10% or more of the Group's total revenue for the year ended March 31, 2024 and March 31, 2023

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Capital expenditure</b>		
a) India	193.87	142.38
b) Indonesia	72.60	10.81
c) Africa (including Strength of Nature)	21.35	61.58
d) Others	10.94	9.73
<b>Total</b>	<b>298.77</b>	<b>224.50</b>

₹ Crore

## Note 54 : Assets Pledged as Security

The carrying amount of assets pledged as security for current and non-current borrowings are:

	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
<b>Financial assets</b>		
<b>Floating charge</b>		
Trade receivables (Refer Note 14)	4.07	3.54
<b>Total</b> (a)	<b>4.07</b>	<b>3.54</b>
<b>Non Financial assets</b>		
<b>First charge</b>		
Inventories (Refer Note 12) (b)	14.20	14.43
<b>Total current assets pledged as security</b> (c) = (a) + (b)	<b>18.28</b>	<b>17.97</b>
<b>Non Current</b>		
<b>First charge</b>		
Plant & Machinery (Refer Note 3)	12.91	13.94
<b>Total non-current assets pledged as security</b> (d)	<b>12.91</b>	<b>13.94</b>
<b>Total assets pledged as security</b> (e) = (c) + (d)	<b>31.19</b>	<b>31.92</b>

₹ Crore

**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)
<b>Parent</b>								
Godrej Consumer Products Limited (India)	75.82%	9,552.58	-115.43%	647.03	-4.97%	6.68	-94.07%	653.71
<b>Subsidiaries</b>								
<b>Domestic</b>								
Godrej Consumer Care Limited	0.09%	10.82	-0.11%	0.64			-0.09%	0.64
Godrej Consumer Supplies Limited	0.01%	0.73	0.06%	-0.32				
Godrej Consumer Products Limited Employees' Stock Option Trust	0.00%	-	0.00%	-			0.00%	-
<b>Foreign</b>								
Beleza Mozambique LDA	1.57%	198.19	-10.66%	59.78			-8.60%	59.78
Consell SA	0.00%	-	0.00%	-			0.00%	-
Cosmetica Nacional	1.24%	156.77	-2.64%	14.82			-2.13%	14.82
Charm Industries Limited	0.00%	-	-3.60%	20.20			-2.91%	20.20
Canon Chemicals Limited	0.69%	87.19	-3.87%	21.67			-3.12%	21.67
Darling Trading Company Mauritius Ltd	0.00%	-	-0.09%	0.48			-0.07%	0.48
Deciral SA	0.12%	15.09	-0.32%	1.82			-0.26%	1.82
DGH Phase Two Mauritius	0.00%	-	0.14%	-0.77			0.11%	-0.77
DGH Tanzania Limited	0.00%	-	-0.26%	1.45			-0.21%	1.45
Frika Weave (PTY) LTD	0.02%	3.07	0.08%	-0.45			0.06%	-0.45
Godrej Africa Holdings Limited	19.82%	2,496.41	214.37%	-1,201.64			172.93%	-1,201.64
Godrej Consumer Holdings (Netherlands) B.V.	6.41%	807.92	0.01%	-0.03			0.00%	-0.03
Godrej Consumer Investments (Chile) Spa	3.43%	432.31	0.00%	-0.02			0.00%	-0.02
Godrej Consumer Products (Netherlands) B.V.	0.38%	47.75	0.08%	-0.47			0.07%	-0.47
Godrej Consumer Products Bangladesh Ltd	0.00%	-0.19	0.00%	-0.02			0.00%	-0.02
Godrej Consumer Products Dutch Coöperatief U.A.	6.98%	878.94	0.15%	-0.84			0.12%	-0.84

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 Holding (Mauritius) Limited	10.73%	1,352.37	138.18%	-774.58			111.47%	-774.58
Godrej Consumer Products International (FZCO)	0.33%	41.51	-1.22%	6.84			-0.98%	6.84
Godrej East Africa Holdings Ltd	0.00%	-	-50.94%	285.55			-41.09%	285.55
Godrej Global Mid East FZE	0.14%	17.87	-4.93%	27.63			-3.98%	27.63
Godrej Holdings (Chile) Limitada	4.06%	511.07	-0.07%	0.38			-0.05%	0.38
Godrej Household Products (Bangladesh) Pvt. Ltd.	-0.22%	-28.09	2.73%	-15.32			2.20%	-15.32
Godrej Household Products (Lanka) Pvt. Ltd.	0.22%	27.19	-1.16%	6.48			-0.93%	6.48
Godrej Indonesia IP Holding Ltd.	0.11%	14.42	138.93%	-778.80			112.08%	-778.80
Godrej Mauritius Africa Holdings Ltd.	8.79%	1,107.66	208.58%	-1,169.18			168.25%	-1,169.18
Godrej MID East Holdings Limited	0.01%	1.66	0.00%	-0.02			0.00%	-0.02
Godrej Netherlands B.V.	3.53%	445.11	-0.66%	3.68			-0.53%	3.68
Godrej Nigeria Limited	-0.24%	-30.09	1.96%	-11.00			1.58%	-11.00
Godrej Peru SAC	0.00%	0.40	0.01%	-0.08			0.01%	-0.08
Godrej SON Holdings INC	6.50%	818.50	177.96%	-997.56			143.56%	-997.56
Godrej South Africa Proprietary Ltd	0.09%	10.82	-0.48%	2.71			-0.39%	2.71
Godrej Tanzania Holdings Ltd	1.21%	152.72	-13.99%	78.43			-11.29%	78.43
Godrej (UK) Ltd	0.84%	105.37	0.10%	-0.58			0.08%	-0.58
Godrej West Africa Holdings Ltd.	2.38%	299.33	-0.08%	0.43			-0.06%	0.43
Hair Credentials Zambia Limited	0.16%	19.55	-1.69%	9.50			-1.37%	9.50
Hair Trading (offshore) S. A. L	1.32%	166.69	-4.96%	27.78			-4.00%	27.78
Indovest Capital	0.00%	-	0.03%	-0.17			0.02%	-0.17
Issue Group Brazil Limited	0.01%	1.11	0.00%	0.01			0.00%	0.01
Kinky Group (Pty) Limited	0.23%	29.11	-0.16%	0.87			-0.13%	0.87
Laboratoria Cuenca S.A	0.77%	96.44	-11.32%	63.48			-9.14%	63.48
Lorna Nigeria Ltd.	0.25%	32.01	2.89%	-16.22		3.73	1.80%	-12.49
Old Pro International Inc	1.22%	153.55	0.00%	-			0.00%	-
Panamar Producciones S.A.	0.00%	0.07	0.00%	-			0.00%	-

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 Godrej Business Service Indonesia (Earlier named as "PT Ekamas Sanrijaya")	0.14%	17.38	-0.27%	1.53			-0.22%	1.53
PT Indomas Susemi Jaya	1.17%	147.68	-3.08%	17.29			-2.49%	17.29
PT Godrej Distribution Indonesia	1.77%	222.59	-3.10%	17.38			-2.50%	17.38
PT Godrej Consumer Products Indonesia (Earlier named as "PT Megasari Makmur")	18.22%	2,295.95	-50.97%	285.72	0.19%	(0.26)	-41.08%	285.46
PT Sarico Indah	0.15%	18.87	-0.25%	1.41			-0.20%	1.41
Sigma Hair Industries Limited	0.00%	-	-6.98%	39.10			-5.63%	39.10
Strength of Nature LLC	12.83%	1,616.14	141.09%	-790.89			113.82%	-790.89
Style Industries Limited	-0.75%	-94.29	22.02%	-123.43			17.76%	-123.43
Subinite (Pty) Ltd.	1.00%	125.76	-0.41%	2.29			-0.33%	2.29
Weave Ghana Ltd	-0.11%	-13.74	6.85%	-38.41			5.53%	-38.41
Weave IP Holdings Mauritius Pvt. Ltd.	0.02%	2.99	7.02%	-39.33			5.66%	-39.33
Weave Mozambique Limitada	0.38%	47.79	0.38%	-2.15			0.31%	-2.15
Weave Senegal Ltd	0.00%	-	-6.35%	35.61			-5.12%	35.61
Weave Trading Mauritius Pvt. Ltd.	0.00%	0.33	-5.03%	28.20			-4.06%	28.20
Godrej CP Malaysia SDN. BHD	0.00%	-	0.00%	-	107.56%	(144.49)	0.00%	-144.49
<b>Adjustment arising out of consolidation</b>								
<b>Eliminations</b>	<b>-93.84%</b>	<b>-11,822.81</b>	<b>-658.56%</b>	<b>3691.54</b>	<b>0.00%</b>	<b>0.00</b>	<b>-531.20%</b>	<b>3691.22</b>
<b>Grand Total</b>	<b>100.00%</b>	<b>12,598.57</b>	<b>100.00%</b>	<b>-560.55</b>	<b>100.00%</b>	<b>-134.34</b>	<b>100.00%</b>	<b>-694.89</b>

## 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 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 beneficiaries) by or on behalf of the Company or its subsidiary 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 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 incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (ultimate beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Note 57 : Struck off Companies

### Relationship with struck off companies

Name of struck off company	Nature of transactions	Transactions during the year March 31, 2024	Balance outstanding as at March 31, 2024	Relationship with the Struck off company
Amtel Healthcare Private Limited*	Receivables	-	-	Customer
Nonagon Trading Private Limited*	Receivables	-	-	Customer
Chandranya Ventures Pvt Ltd*	Receivables	-	-	Customer
Techtrix Controls Chennai Pvt Ltd*	Payables	-	-	Vendor
M.S.Services Pvt Ltd.	Payables	1.08	0.09	Vendor

\* amounts less than ₹ 0.01 crore

Name of struck off company	Nature of transactions	Transactions during the year March 31, 2023	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
3H Health And Hygiene Pvt. Ltd*	Payables	-	-	Vendor
Shakun & CO (Services) Pvt. Ltd*	Payables	-	-	Vendor

\* amounts less than ₹ 0.01 crore

## Note 58 : Capital Management

For the purpose of the Group's capital management, capital (total equity) includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. Management monitors the return on capital, as well as the level of dividends to ordinary shareholders. The Group's policy is to keep the gearing ratio less than 1.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financials covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital

using a gearing ratio, which is net debt divided by adjusted equity. Net debt is calculated as total liabilities (as shown in the balance sheet) less cash and cash equivalents, other bank balances and current investments. Adjusted equity comprises all components of equity other than amounts accumulated in hedging. The Group's net debt to adjusted equity ratio i.e. capital gearing ratio as at 31<sup>st</sup> March 2024 was as follows:

	As at March 31, 2024	As at March 31, 2023
<b>Total Liabilities</b>	<b>5,897.32</b>	<b>3,704.54</b>
Less : Cash and Cash equivalents , other bank balances and current investments (See 13, 15A and 15B)	(2,263.13)	(2,580.37)
<b>Adjusted net debt</b>	<b>3,634.19</b>	<b>1,124.17</b>
<b>Total Equity</b>	<b>12,598.57</b>	<b>13,794.23</b>
Less : Effective portion of Cash Flow Hedges	(8.66)	0.27
Less : Debt instruments measured at fair value through other comprehensive income	(0.58)	-
Less : Exchange differences on translating the financial statements of foreign operations	(837.20)	(981.69)
<b>Adjusted equity</b>	<b>11,752.13</b>	<b>12,812.81</b>
<b>Net debt to adjusted equity ratio</b>	<b>0.31</b>	<b>0.09</b>

Amongst other things, the group's objective for capital management is to ensure that it maintains stable capital management by monitoring the financials covenants attached to the interest bearing borrowings. The Group also takes into consideration the overall net cash of ₹ 895.97 crores (31-Mar-23 ₹ 2,385.74 crores) arrived by reducing the total borrowings from total investments, cash and bank balances for capital management purposes.

## Note 59 : 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, 2024	March 31, 2023
Godrej Consumer Care Limited (w.e.f. January 4, 2022)	India	100%	100%
Godrej Consumer Supplies Ltd (w.e.f. 15 <sup>th</sup> December, 2023)	India	100%	0%
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 (upto 26 <sup>th</sup> March, 2024)	Kenya	0%	100%
Canon Chemicals Limited	Kenya	100%	100%
Darling Trading Company Mauritius Limited (merged with Godrej Africa Holdings Limited w.e.f. 25 <sup>th</sup> May, 2023 )	Mauritius	0%	100%
Deciral SA	Uruguay	100%	100%
DGH Phase Two Mauritius (merged with Godrej Africa Holdings Limited w.e.f. 12 <sup>th</sup> September, 2023 )	Mauritius	0%	100%
DGH Tanzania Limited (upto 26 <sup>th</sup> March, 2024)	Mauritius	0%	100%
DGH Uganda(Liquidated w.e.f 21 <sup>st</sup> Nov 2022)	Mauritius	0%	0%
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 Limited (upto 26 <sup>th</sup> March, 2024)	Mauritius	0%	100%
Godrej Global Mid East FZE	Sharjah	100%	100%
Godrej Holdings (Chile) Limitada	Chile	100%	100%
Godrej Indonesia IP Holding Ltd.	Mauritius	100%	100%
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%
Hair Credentials Zambia Limited	Zambia	100%	100%
Hair Trading (offshore) S. A. L	Lebanon	100%	100%

Name of the subsidiaries	Country of Incorporation	Ownership interest held by the Group	
		March 31, 2024	March 31, 2023
Indovest Capital (upto 8 <sup>th</sup> February, 2024)	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 Godrej Business Service Indonesia (Earlier named as "PT Ekamas Sarijaya")	Indonesia	100%	100%
PT Indomas Susemi Jaya	Indonesia	100%	100%
PT Godrej Distribution Indonesia	Indonesia	100%	100%
PT Godrej Consumer Products Indonesia (Earlier named as "PT Megasari Makmur")	Indonesia	100%	100%
PT Sarico Indah	Indonesia	100%	100%
Sigma Hair Industries Ltd. (upto 26 <sup>th</sup> March, 2024)	Tanzania	0%	100%
Strength of Nature LLC	USA	100%	100%
Style Industries Limited	Kenya	100%	100%
Subinite (Pty) Ltd.	South Africa	100%	100%
Weave Ghana Ltd	Ghana	100%	100%
Weave IP Holdings Mauritius Pvt. Ltd.	Mauritius	100%	100%
Weave Mozambique Limitada	Mozambique	100%	100%
Weave Senegal Ltd (Ceased to exist on 31 <sup>st</sup> March 2024)	Senegal	0%	100%
Weave Trading Mauritius Pvt. Ltd.	Mauritius	100%	100%
Godrej CP Malaysia SDN. BHD	Malaysia	100%	100%

## Note 60 : Subsequent events

There are no significant subsequent events that would require adjustments or disclosures in the consolidated financial statements except as disclosed in note 40 to the consolidated financial statements.

## Note 61 : General

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crore with 2 decimal places as per the requirements of Schedule III, unless otherwise stated.

As per our report of even date attached  
**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors

**Nisaba Godrej**  
Executive Chairperson  
DIN : 00591503

**Sudhir Sitapati**  
Managing Director & CEO  
DIN: 09197063

**Vijay Mathur**  
Partner  
M. No. 046476

**Aasif Malbari**  
Chief Financial Officer

**Rahul Botadara**  
Company Secretary and Compliance-  
Officer

Mumbai: May 06, 2024

## 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 ₹)

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	Reporting Exchange rate		Share capital & surplus	Reserves	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
					Currency	rate											
1	Godrej Consumer Care Limited	04-01-2022	01-Apr-2023 To 31-Mar-2024	INR	1.00	10.00	0.82	10.85	0.03	0.73	0.67	0.02	0.64	-	100%		
2	Godrej Consumer Supplies Limited	15-12-2023	01-Apr-2023 To 31-Mar-2024	INR	1.00	1.05	(0.32)	3.65	2.92	0.08	(0.37)	(0.05)	(0.32)	-	100%		
3	Godrej Consumer Products Limited	07-03-2007	01-Apr-2023 To 31-Mar-2024	INR	1.00	-	-	-	-	-	-	-	-	-	100%		
4	Beleza Mozambique LDA	10/13/2011	01-Apr-2023 To 31-Mar-2024	MZN	1.30	16.11	182.08	314.81	116.62	-	502.15	59.78	-	59.78	-	100%	
5	Consell SA (Argentina)	02-06-2010	01-Apr-2023 To 31-Mar-2024	ARS	0.10	0.03	(0.03)	-	-	-	-	-	-	-	100%		
6	Cosmetica Nacional	20-04-2012	01-Apr-2023 To 31-Mar-2024	CPeso	0.09	109.34	47.43	206.46	49.69	-	163.32	7.39	(7.44)	14.82	-	100%	
7	Charm Industries Limited **	09-09-2014	01-Apr-2023 To 31-Mar-2024	KES	0.63	-	-	-	-	-	2.42	20.20	-	20.20	-	0%	
8	Canon Chemicals Limited	05-05-2016	01-Apr-2023 To 31-Mar-2024	KES	0.63	8.57	78.62	109.33	22.14	-	148.47	31.11	9.44	21.67	-	100%	
9	Darling Trading Company Mauritius Ltd ***	22-01-2015	01-Apr-2023 To 31-Mar-2024	USD	83.41	-	-	-	-	-	0.52	0.49	0.01	0.48	-	0%	
10	Deciral SA	02-06-2010	01-Apr-2023 To 31-Mar-2024	ARS	0.10	10.09	5.00	28.57	13.48	-	16.60	2.40	0.57	1.82	-	100%	
11	DGH Phase Two Mauritius ***	09-05-2012	01-Apr-2023 To 31-Mar-2024	USD	83.41	-	-	-	-	-	0.89	(0.59)	0.18	(0.77)	-	0%	
12	DGH Tanzania Limited **	06-12-2012	01-Apr-2023 To 31-Mar-2024	USD	83.41	-	-	-	-	-	0.69	1.45	-	1.45	-	0%	
13	Frika Weave (PTY) LTD	06-01-2015	01-Apr-2023 To 31-Mar-2024	ZAR	4.41	4.89	(1.82)	3.06	(0.01)	-	0.16	0.13	0.58	(0.45)	-	100%	
14	Godrej Africa Holdings Limited	19-01-2015	01-Apr-2023 To 31-Mar-2024	USD	83.41	3,423.10	(926.69)	2,496.47	0.06	2,511.57	17.01	(1,201.47)	0.18	(1,201.64)	-	100%	
15	Godrej Consumer Holdings (Netherlands) B.V.	31-03-2010	01-Apr-2023 To 31-Mar-2024	USD	83.41	0.21	807.71	826.34	18.42	806.87	42.22	(0.03)	-	(0.03)	-	100%	

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	Reporting Currency	Exchange rate	Share capital & surplus	Reserves	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
16	Godrej Consumer Investments (Chile) Spa	28-03-2012	01-Apr-2023 To 31-Mar-2024	USD	83.41	451.53	(19.22)	432.35	0.04	432.33	-	(0.02)	-	(0.02)	-	-	100%
17	Godrej Consumer Products (Netherlands) B.V.	31-03-2010	01-Apr-2023 To 31-Mar-2024	USD	83.41	0.19	47.56	47.84	0.09	47.57	-	(0.47)	-	(0.47)	-	-	100%
18	Godrej Consumer Products Bangladesh Limited	13-04-2010	01-Apr-2023 To 31-Mar-2024	Taka	0.76	0.04	(0.23)	0.04	0.23	-	-	(0.02)	-	(0.02)	-	-	100%
19	Godrej Consumer Products Dutch Coöperatief U.A. (Netherlands)	24-03-2010	01-Apr-2023 To 31-Mar-2024	USD	83.41	741.38	137.56	879.24	0.30	879.08	-	(0.81)	0.03	(0.84)	-	-	100%
20	Godrej Consumer Products Holding (Mauritius) Limited	23-04-2010	01-Apr-2023 To 31-Mar-2024	USD	83.41	1,565.90	(213.53)	1,352.80	0.43	1,343.57	34.42	(773.58)	1.00	(774.58)	-	-	100%
21	Godrej Consumer Products International (FZCO)	28-02-2017	01-Apr-2023 To 31-Mar-2024	USD	83.41	8.34	33.17	358.11	316.60	-	747.57	6.84	-	6.84	-	-	100%
22	Godrej East Africa Holdings Ltd **	20-07-2012	01-Apr-2023 To 31-Mar-2024	USD	83.41	-	-	-	-	-	-	285.55	-	285.55	-	-	0%
23	Godrej Global Mid East FZE	05-07-2011	01-Apr-2023 To 31-Mar-2024	AED	22.71	10.42	7.45	69.46	51.59	-	178.21	27.63	-	27.63	-	-	100%
24	Godrej Holdings (Chile) Limitada	29-03-2012	01-Apr-2023 To 31-Mar-2024	USD	83.41	432.65	78.42	511.07	-	510.73	0.60	0.38	-	0.38	-	-	100%
25	Godrej Household Products (Bangladesh) Pvt. Ltd	01-04-2010	01-Apr-2023 To 31-Mar-2024	Taka	0.76	81.36	(109.45)	34.17	62.26	-	118.10	(12.20)	3.11	(15.32)	-	-	100%
26	Godrej Household Products Lanka (Pvt.) Ltd.	01-04-2010	01-Apr-2023 To 31-Mar-2024	LKR	0.28	32.21	(5.02)	40.45	13.26	-	67.26	7.37	0.89	6.48	-	-	100%
27	Godrej Indonesia IP Holdings Ltd (Mauritius)	17-03-2015	01-Apr-2023 To 31-Mar-2024	USD	83.41	792.35	(777.93)	14.48	0.06	0.83	0.01	(778.80)	-	(778.80)	-	-	100%
28	Godrej Mauritius Africa Holdings Ltd.	14-03-2011	01-Apr-2023 To 31-Mar-2024	USD	83.41	1,374.83	(267.17)	2,738.72	1,631.06	2,511.57	42.61	(1,168.91)	0.27	(1,169.18)	-	-	100%
29	Godrej MID East Holdings Limited	28-07-2015	01-Apr-2023 To 31-Mar-2024	USD	83.41	0.83	0.83	1.66	-	-	-	(0.02)	-	(0.02)	-	-	100%
30	Godrej Netherlands B.V.	19-10-2005	01-Apr-2023 To 31-Mar-2024	USD	83.41	5.08	440.03	445.48	0.37	292.52	8.71	3.68	-	3.68	-	-	100%
31	Godrej Nigeria Limited	26-03-2010	01-Apr-2023 To 31-Mar-2024	Naira	0.06	0.10	(30.19)	51.18	81.27	-	95.67	(9.42)	1.58	(11.00)	-	-	100%
32	Godrej Peru SAC	11-04-2017	01-Apr-2023 To 31-Mar-2024	ARS	0.10	13.92	(13.52)	0.40	-	-	-	(0.08)	-	(0.08)	-	-	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	Reporting Exchange rate	Share capital & surplus	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
33	Godrej SON Holdings INC	22-03-2016	01-Apr-2023 To 31-Mar-2024	USD	83.41	1,716.47	(897.97)	1,113.44	294.94	1,113.30	14.10	(997.56)	-	(997.56)	-	100%
34	Godrej South Africa Proprietary Ltd	01-09-2006	01-Apr-2023 To 31-Mar-2024	ZAR	4.41	7.96	2.86	11.00	0.18	-	5.87	3.80	1.09	2.71	-	100%
35	Godrej Tanzania Holdings Ltd	30-11-2012	01-Apr-2023 To 31-Mar-2024	USD	83.41	152.83	(0.11)	215.64	62.92	178.97	140.75	88.03	9.60	78.43	-	100%
36	Godrej (UK) Ltd	24-10-2005	01-Apr-2023 To 31-Mar-2024	GBP	105.21	103.46	1.91	106.06	0.69	104.43	4.39	0.01	0.59	(0.58)	-	100%
37	Godrej West Africa Holdings Ltd.	11-02-2014	01-Apr-2023 To 31-Mar-2024	USD	83.41	299.43	(0.10)	299.39	0.06	299.32	0.54	0.43	-	0.43	-	100%
38	Hair Credentials Zambia Limited	12/23/2015	01-Apr-2023 To 31-Mar-2024	ZMK	3.35	0.01	19.54	33.34	13.79	-	79.94	12.13	2.63	9.50	-	100%
39	Hair Trading (offshore) S. A. L	12/23/2015	01-Apr-2023 To 31-Mar-2024	USD	83.41	0.17	166.52	170.94	4.25	-	130.85	27.79	-	27.78	-	100%
40	Indovest Capital **	17-03-2010	01-Apr-2023 To 31-Mar-2024	USD	83.41	-	-	-	-	-	-	(0.17)	-	(0.17)	-	0%
41	Issue Group Brazil Limited	23-05-2010	01-Apr-2023 To 31-Mar-2024	ARS	0.10	18.55	(17.44)	2.55	1.44	-	0.04	0.01	-	0.01	-	100%
42	Kinky Group (Pty) Limited	01-04-2008	01-Apr-2023 To 31-Mar-2024	ZAR	4.41	-	29.11	29.24	0.13	-	1.42	1.37	0.51	0.87	-	100%
43	Laboratoria Cuenca S.A	02-06-2010	01-Apr-2023 To 31-Mar-2024	ARS	0.10	1.56	94.88	178.39	81.95	1.31	253.25	47.21	(16.27)	63.48	-	100%
44	Lorna Nigeria Ltd.	05-09-2011	01-Apr-2023 To 31-Mar-2024	Naira	0.06	0.07	31.94	332.86	300.85	-	433.77	(8.76)	7.46	(16.22)	-	100%
45	Old Pro International Inc	28-04-2016	01-Apr-2023 To 31-Mar-2024	USD	83.41	-	153.55	153.55	-	-	-	-	-	-	-	100%
46	Panamar Producciones S.A. PT Godrej Business	02-06-2010	01-Apr-2023 To 31-Mar-2024	ARS	0.10	0.01	0.06	0.07	-	0.05	-	-	-	-	-	100%
47	Service Indonesia (Earlier named as "PT Ekamas Sarijaya")	17-05-2010	01-Apr-2023 To 31-Mar-2024	IDR	0.01	77.11	2,218.84	2,800.64	504.69	357.65	1,873.86	362.61	76.88	285.72	-	100%
48	PT Indomas Susemi Java	17-05-2010	01-Apr-2023 To 31-Mar-2024	IDR	0.01	1.51	146.17	160.44	12.76	93.98	51.65	21.57	4.29	17.29	-	100%
49	PT Godrej Distribution Indonesia	17-05-2010	01-Apr-2023 To 31-Mar-2024	IDR	0.01	0.53	222.06	224.01	1.42	100.24	14.03	21.11	3.73	17.38	-	100%
50	PT Godrej Consumer Products Indonesia (Earlier named as "PT Megasari Makmur")	17-05-2010	01-Apr-2023 To 31-Mar-2024	IDR	0.01	77.11	2,218.84	2,800.64	504.69	357.65	1,873.86	362.61	76.88	285.72	-	100%
51	PT Sarico Indah	17-05-2010	01-Apr-2023 To 31-Mar-2024	IDR	0.01	3.53	15.34	19.51	0.64	10.47	22.25	1.72	0.31	1.41	-	100%
52	Sigma Hair Industries Limited **	19-12-2012	01-Apr-2023 To 31-Mar-2024	TZS	0.03	-	-	-	-	-	121.00	40.35	1.25	39.10	-	0%

₹ 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	Reporting Currency	Exchange rate	Share capital & surplus	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
53	Strength of Nature LLC	28-04-2016	01-Apr-2023 To 31-Mar-2024	USD	83.41	-	1,616.14	1,693.84	77.70	37.75	665.58	(801.85)	(10.96)	(790.89)	-	-	100%
54	Style Industries Limited	01-11-2012	01-Apr-2023 To 31-Mar-2024	KES	0.63	84.08	(178.37)	76.03	170.32	-	196.62	(123.43)	-	(123.43)	-	-	100%
55	Subinrite (Pty) Ltd.	06-09-2011	01-Apr-2023 To 31-Mar-2024	ZAR	4.41	115.65	10.11	375.07	249.31	-	849.16	1.09	(1.20)	2.29	-	-	100%
56	Weave Ghana Ltd	16-09-2014	01-Apr-2023 To 31-Mar-2024	CEDI	6.30	64.52	(78.26)	97.94	111.68	-	194.05	(38.41)	-	(38.41)	-	-	100%
57	Weave IP Holdings Mauritius Pvt. Ltd.	11-07-2011	01-Apr-2023 To 31-Mar-2024	USD	83.41	41.89	(38.90)	3.10	0.11	-	3.26	(38.87)	0.45	(39.33)	-	-	100%
58	Weave Mozambique Limitada	13-10-2011	01-Apr-2023 To 31-Mar-2024	MZN	1.30	16.07	31.72	100.90	53.11	-	214.07	(2.91)	(0.76)	(2.15)	-	-	100%
59	Weave Senegal Ltd**	08-04-2016	01-Apr-2023 To 31-Mar-2024	XOF	0.14	-	-	-	-	-	-	-	35.61	-	35.61	-	0%
60	Weave Trading Mauritius Pvt. Ltd.	05-07-2011	01-Apr-2023 To 31-Mar-2024	USD	83.41	0.01	0.32	0.38	0.05	0.17	29.21	29.08	0.87	28.20	-	-	51%*
61	Godrej CP Malaysia SDN. BHD	04-06-2018	01-Apr-2023 To 31-Mar-2024	MYR	17.62	-	-	-	-	-	-	-	-	-	-	-	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:

Charm Industries Limited

Sigma Hair Industries Limited

Godrej East Africa Holdings Ltd

DGH Tanzania Limited

Indovest Capital

Weave Senegal Ltd

\*\*\*Names of subsidiaries which have been merged with other group companies

Darling Trading Company Mauritius Ltd

DGH Phase Two Mauritius

For and on behalf of the Board

**Nisaba Godrej**  
Executive Chairperson  
DIN: 00591503

**Sudhir Sitapati**  
Managing Director & CEO  
DIN: 09197063

**Asif Malbari**  
Chief Financial Officer

**Rahul Botadara**  
Company Secretary and  
Compliance Officer