

# Independent Auditors' Report

## To the Members of Godrej Consumer Products Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Godrej Consumer Products Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including 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 Company's branch at Singapore.

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/financial information of such branch as was audited by the branch auditor, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered

Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of report of the branch auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

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

## Revenue recognition

See Note 34 to standalone 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 Company 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 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 Company's general IT controls and key IT application/ manual controls over the Company's systems, with the assistance of our IT specialists. These IT systems enable recording of revenue and computing discounts and volume rebates in the general ledger accounting system;</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 Note 6 to standalone 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 27% of the Company's total assets.</p> <p>The identification of relevant Cash Generating Units (CGUs) for the annual impairment evaluation of Goodwill by the Company involves significant judgement.</p> <p>The annual impairment testing of goodwill and other intangible assets by the Company involves significant estimates and judgment due to the inherent uncertainty involved in forecasting and discounting future cash flows and determining the recoverable amounts.</p> <p>Accordingly, impairment assessment of goodwill and other 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 Company's process of impairment assessment and approval of forecasts;</li><li>• Evaluating Company's basis to identify relevant CGUs;</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 and royalty rates, long-term growth rates with the assistance of our valuation specialists;</li><li>• Assessing the reliability of the financial projections prepared by the Company by comparing projections for previous financial years with actual results realized and analysis of significant variances,</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 in the standalone financial statements.</li></ul>

**Business Combination - Acquisition of business from Raymond Consumer Care Limited**

See Note 55 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Company 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.</p> <p>The Company 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.</p> <p>The measurement of the identifiable assets and liabilities acquired at fair value is inherently judgmental.</p> <p>Fair value of brands was determined by the Company with the assistance of an external valuation expert using income approach (royalty relief method), considering the assets being measured.</p> <p>Given the complexity and judgement involved in fair value measurements and magnitude of the acquisition made by the Company, this is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• We have read the business transfer agreement to understand the key terms and conditions of the acquisition;</li> <li>• We have evaluated the accounting treatment followed by the Company with reference to Ind AS 103;</li> <li>• We have evaluated the design and implementation and tested the operating effectiveness of key internal controls related to the Company's valuation process;</li> <li>• We have involved our valuation specialists;                             <ul style="list-style-type: none"> <li>– to gain an understanding of the work of the experts by examining the valuation reports.</li> <li>– to critically evaluate the key assumptions (including revenue projections, royalty rate, terminal growth rate and discount rate) and purchase price allocation adjustments.</li> <li>– to evaluate the valuation of acquired tangible and intangible assets based on our knowledge of the Company and the industry.</li> </ul> </li> <li>• We have assessed the adequacy of the Company's disclosures in respect of the acquisition in accordance with the requirements of Ind AS 103.</li> </ul>

**Impairment evaluation of Investments in subsidiaries**

See Note 8 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The carrying amount of the investments in subsidiaries (held at cost less impairment) represents 27 % of the Company's total assets.</p> <p>The investments are assessed for impairment when an indicator of impairment exists. Due to restructuring of operations and businesses in overseas geographies, there are impairment triggers requiring evaluation.</p> <p>The impairment assessment involves use of significant estimates and judgements due to the inherent uncertainty involved in forecasting discounting future cash flows and determining the recoverable amounts.</p> <p>In view of the significance of these investments and estimates and judgments involved, we consider impairment evaluation of investments in subsidiaries 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 Company's process of impairment assessment and approval of forecasts;</li> <li>• Assessing the indicators for impairment of the subsidiaries and understanding the Company's assessment of those indicators;</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 and long-term growth rates, with the assistance of our valuation specialists;</li> <li>• Assessing the reliability of the financial projections prepared by the Company by comparing projections for previous financial years with actual results realized and analysis of significant variances;</li> <li>• Performing sensitivity analysis by assessing the effect of possible reductions in the above assumptions on the recoverable amount; and</li> <li>• Comparing the carrying amount of investments with recoverable amount based on discounted cash flow analysis.</li> </ul>

### **Other Information**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone 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 standalone 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 Standalone Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true

and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The Management and Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the ability of the 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the branch of the Company to express an opinion on the standalone financial statements. For the branch included in the standalone financial statements, which has been audited by branch auditor, such branch auditor remains responsible for the direction, supervision and performance of the audit 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 Matter" in this audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Other Matter

- a. We did not audit the financial statements of one branch included in the standalone financial statements of the Company 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 effects to consolidation adjustments, as considered in the standalone financial statements. The financial statements of this branch has been audited by the other auditor whose report has

been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such other auditor.

Our opinion is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on financial statements of such branch as was audited by other auditor, as noted in the "Other Matter" 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.
    - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the report of the other auditor 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 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account and with the return received from the branch not visited by us.
  - e. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - f. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 report of the other auditor on separate financial statements of the branch, as noted in the "Other Matters" paragraph:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 33 and 46 to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which
- there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d (i) The management of the Company represented that, to the best of their knowledge and belief, as disclosed in the Note 58(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the
- Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management of the Company represented that, to the best of their knowledge and belief, as disclosed in the Note 58(ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered

reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The interim dividend declared and paid by the 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 Company has 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/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

**Vijay Mathur**  
Partner  
Membership No: 046476  
ICAI UDIN:24046476BKGPAY7136

Mumbai: 06 May 2024

**Annexure A to the Independent Auditor's Report on the Standalone 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)**

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical

verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company,

there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company,

the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

explanations given to us the Company has provided loans or stood guarantee to any other entity as below:

Particulars	Loan (₹ in Crores)
Aggregate amount during the year Others	0.03
Balance outstanding as at balance sheet date Others	0.03

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in companies and other parties and granted loans, unsecured, to other parties during the year, in respect of which the requisite information is as below. The Company has not provided any loans to companies, provided guarantees or security or granted advances in the nature of loans, secured or unsecured, to companies or any other parties during the year. The Company has not made any investments in, provided guarantees or security, granted loans and advances in the nature of loans, secured or unsecured, to firms and limited liability partnerships during the year.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the schedule of repayment of loans given to employees (which as per the Company's policy are interest free) is stipulated. The repayment of principal has been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(a) Based on the audit procedures carried on by us and as per the information and

(iv) According to the information and explanations given to

us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013. In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with. The Company has not provided any guarantee or security to the parties covered under Section 186 of the Act.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried

out a detailed examination of the records with a view to determine whether these are accurate or complete.

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Profession tax or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Services Tax ('GST'), Excise duty, Sales tax, Service tax and Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in crores)	Amount paid under protest (₹ In crores)	Period to which the amount relates	Forum where dispute is pending
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	1.50	0.04	2002-03 to 2017-18	Supreme Court
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	9.35	4.27	1999-00 to 2007-08, 2009- 10, 2013-14 to 2015-16	High court
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	16.20	8.74	2000-03, 2005- 07, 2008-2018	Tribunal
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	1.28	0.35	2006-2009, 2010 -2018	Appellate Authority
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	0.18	0.17	2000-01, 2005- 06 to 2007-08, 2014-15	Commissioner Appeals
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	3.24	2.02	2016-17	Deputy Commissioner
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	0.01	0.01	2005-06, 1998- 99	Joint Commissioner
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	7.04	2.98	1996-97, 2002- 2012, 2013-2016	Assessing Officer
Central Sales tax Act and Local Sales tax Act	Sales tax (including interest and penalty, if applicable)	1.18	0.73	1997-87, 2005-07	AAC, Cochin
Goods and Service Tax Act	Goods and Service Tax	2.21	0.44	2017-18 & 2023-24	Appeal Filed
Goods and Service Tax Act	Goods and Service Tax	31.03	1.75	2018-19, 2020-21	Commissioner (A)
Goods and Service Tax Act	Goods and Service Tax	4.94	0.35	2017-18, 2020-21	Appellate Authority
Goods and Service Tax Act	Goods and Service Tax	0.17	0.01	2019-20 and 2021-22	GST Authority
Goods and Service Tax Act	Goods and Service Tax	0.26	0.26	2019-20	Tribunal
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	4.19	3.21	2009, 2010-11, 2012-13 to 2016-17	Commissioner (Appeals)
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	24.31	-	2008-09 to 2011-12	Commissioner of Central Excise
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	36.5	1.58	2004-2017	Customs, Excise and Service Tax Appellate Tribunal of various states
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	6.41	-	2006-07, 2008- 09, 2009-10	High Court

Name of the statute	Nature of the dues	Amount (₹ in crores)	Amount paid under protest (₹ In crores)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	14.48	0.54	2007-08 to 2013-14	Supreme Court
Income tax Act, 1961	Income tax (including interest and penalty, if applicable)	6.41	-	AY 2006-07 to 2009-10	High court
Income tax Act, 1961	Income tax (including interest and penalty, if applicable)	6.43	-	AY 2006-07, 2007-08, 2008-09, 2010-11, 2011-12, 2012-13, 2014-15, 2016-17, 2018-19.	Income tax Appellate Tribunal

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix) (c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and

- report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge
- of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the annual report is expected to be made available to us after the date of this auditor's report.
- (xx) To In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

**Vijay Mathur**  
Partner  
Membership No: 046476  
ICAI UDIN:24046476BKGPAY7136

Mumbai: 06 May 2024

**Annexure B to the Independent Auditor's Report on the standalone 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 standalone 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**

We have audited the internal financial controls with reference to financial statements of Godrej Consumer Products Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to 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 the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to 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.

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

*Chartered Accountants*

Firm's Registration No.:

101248W/W-100022

**Vijay Mathur**

*Partner*

Membership No: 046476

ICAI UDIN:24046476BKGPAY7136

Mumbai: 06 May 2024

## Standalone Balance Sheet as at March 31, 2024

	Note No.	As at March 31, 2024	₹ in Crores As at March 31, 2023
<b>I. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	3	646.84	675.52
(b) Capital work-in-progress	4	65.06	21.58
(c) Right-of-use assets	5	94.62	40.10
(d) Goodwill	6	568.78	2.48
(e) Other intangible assets	6	3,005.59	804.49
(f) Intangible assets under development	7	5.21	3.81
(g) Financial assets			
(i) Investments in subsidiaries	8	4,258.96	5,099.13
(ii) Other Investments	9	1,218.85	199.08
(iii) Loans	10	0.01	0.03
(iv) Others	11	19.58	17.53
(h) Deferred tax assets (Net)	12	-	322.03
(i) Non-current Tax assets (Net)	13	53.64	47.91
(j) Other non-current assets	14	92.35	46.46
<b>Total Non-current assets</b>		<b>10,029.49</b>	<b>7,280.15</b>
<b>2. Current assets</b>			
(a) Inventories	15	646.86	591.60
(b) Financial assets			
(i) Investments	16	1,286.61	2,109.59
(ii) Trade receivables	17	491.34	320.79
(iii) Cash and cash equivalents	18	100.06	17.69
(iv) Bank balances other than cash and cash equivalents	19	143.84	32.78
(v) Loans	20	0.01	0.05
(vi) Others	21	50.21	52.69
(c) Other current assets	22	239.90	156.04
<b>Total Current assets</b>		<b>2,958.83</b>	<b>3,281.23</b>
<b>TOTAL ASSETS</b>		<b>12,988.32</b>	<b>10,561.38</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
(a) Equity Share capital	23	102.28	102.27
(b) Other Equity	24	9,450.30	9,283.75
<b>Total Equity</b>		<b>9,552.58</b>	<b>9,386.02</b>
<b>2. LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Lease liabilities	25	14.91	28.80
(b) Provisions	26	89.56	58.93
(c) Deferred tax liabilities (Net)	12	47.17	-
(d) Other non-current liabilities	27	0.71	3.41
<b>Total Non current liabilities</b>		<b>152.35</b>	<b>91.14</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	28	1,979.88	23.82
(ii) Lease liabilities	29	13.90	13.28
(iii) Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	30	51.48	46.40
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	30	821.34	664.69
(iv) Other financial liabilities	31	165.46	111.90
(b) Other current liabilities	32	164.06	157.82
(c) Provisions	33	84.34	65.35
(d) Current tax liabilities (Net)	12	2.93	0.96
<b>Total Current liabilities</b>		<b>3,283.39</b>	<b>1,084.22</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,988.32</b>	<b>10,561.38</b>

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

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

**Vijay Mathur**

Partner

M. No. 046476

Mumbai: May 06, 2024

**Nisaba Godrej**

Executive Chairperson

DIN : 00591503

**Aasif Malbari**

Chief Financial Officer

For and on behalf of the Board

**Sudhir Sitapati**

Managing Director & CEO

DIN: 09197063

**Rahul Botadara**

Company Secretary and Compliance-  
Officer

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

	Note No.	Year ended March 31, 2024	Year ended March 31, 2023	
₹ in Crores				
<b>Revenue</b>				
I	Revenue from Operations	34	8,411.40	7,667.17
II	Other Income	35	455.96	139.48
III	<b>Total Income (I + II)</b>		<b>8,867.36</b>	<b>7,806.65</b>
<b>IV Expenses</b>				
	Cost of Materials Consumed	36	2,965.07	3,366.26
	Purchases of Stock-in-Trade		655.67	295.78
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	37	(91.73)	65.47
	Employee Benefits Expense	38	498.56	372.19
	Finance Costs	39	134.10	3.07
	Depreciation and Amortization Expense	40	126.88	107.99
	Other Expenses	41	2,141.22	1,698.70
	<b>Total Expenses</b>		<b>6,429.77</b>	<b>5,909.46</b>
V	<b>Profit Before Exceptional Items and Tax (III-IV)</b>		<b>2,437.59</b>	<b>1897.19</b>
VI	<b>Exceptional Items (net)</b>	42	<b>1,152.75</b>	<b>27.59</b>
VII	<b>Profit Before Tax (V-VI)</b>		<b>1,284.84</b>	<b>1,869.60</b>
<b>VIII Tax Expense</b>				
	1) Current Tax	12	272.09	328.57
	2) Deferred Tax	12	365.72	27.33
	<b>Total Tax Expense</b>		<b>637.81</b>	<b>355.90</b>
IX	<b>Profit for the Year (VII-VIII)</b>		<b>647.03</b>	<b>1,513.70</b>
<b>X Other Comprehensive Income</b>				
A	<b>(i) Items that will not be reclassified to profit or loss</b>			
	Remeasurements of defined benefit plans		(0.24)	1.40
	<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		<b>0.08</b>	<b>(0.49)</b>
	Remeasurements of defined benefit plans		0.08	(0.49)
	<b>Other Comprehensive Income/ (Loss) for the year (A)</b>		<b>(0.16)</b>	<b>0.91</b>
B	<b>(i) Items that will be reclassified to profit or loss</b>			
	The effective portion of gains on hedging instruments in a cash flow hedge		9.75	0.19
	Debt instruments measured at fair value through other comprehensive income		0.66	-
	<b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>		<b>(3.49)</b>	<b>(0.07)</b>
	The effective portion of gains on hedging instruments in a cash flow hedge		(3.49)	(0.07)
	Debt instruments measured at fair value through other comprehensive income		(0.08)	-
	<b>Other Comprehensive Income for the year (B)</b>		<b>6.84</b>	<b>0.12</b>
	<b>Total Other Comprehensive Income for the year (A+B)</b>		<b>6.68</b>	<b>1.03</b>
	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>653.71</b>	<b>1,514.73</b>
XI	<b>Earnings per Equity Share (Face Value ₹ 1)</b>	43		
	(1) Basic (₹)		6.33	14.80
	(2) Diluted (₹)		6.32	14.80

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

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

**Nisaba Godrej**  
Executive Chairperson  
DIN : 00591503

**Aasif Malbari**  
Chief Financial Officer

For and on behalf of the Board

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

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

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

Mumbai: May 06, 2024

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

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Tax</b>	<b>1,284.84</b>	1,869.60
<b>Adjustment for:</b>		
Non-Cash Items		
Depreciation and amortization expenses	<b>126.88</b>	107.99
Unrealised Foreign Exchange (Gain) / Loss	<b>3.40</b>	(3.95)
Bad Debts Written off	<b>0.03</b>	1.36
Provision / Written off/(back) for Doubtful Debts / Advances	<b>(4.91)</b>	7.15
(Release)/ Provision/ write off for Non Moving Inventory	<b>4.68</b>	(15.17)
(Release)/ Provision towards Litigations	<b>(10.75)</b>	10.62
Charge/(release) of Old Balances	<b>(1.27)</b>	(1.07)
Expenses on Employee Stock Grant Scheme (ESGS)	<b>24.25</b>	20.16
Provision / (Reversal) for diminution in the value of investments	<b>273.90</b>	8.82
Finance cost	<b>134.10</b>	3.07
(Profit) /Loss on sale of Property, Plant & Equipment and Intangible assets (net)	<b>(0.33)</b>	0.03
(Profit) on Sale of Investments (net)	<b>(39.27)</b>	(21.87)
Fair value (Gain) on financial assets measured at FVTPL (net)	<b>(4.44)</b>	(5.83)
Interest Income	<b>(162.78)</b>	(88.93)
Dividend Income	<b>(234.90)</b>	-
(Gain)/Loss on sale of subsidiaries (net)	<b>790.38</b>	-
	<b>898.97</b>	<b>22.38</b>
Operating Cash Flows Before Working Capital Changes	<b>2,183.81</b>	1,891.98
<b>Adjustments for:</b>		
Decrease / (Increase) in inventories	<b>(15.64)</b>	214.41
Decrease / (Increase) in trade receivables	<b>(103.51)</b>	11.94
Decrease in loans	<b>0.06</b>	-
Decrease / (Increase) in other financial assets	<b>(0.33)</b>	9.42
Decrease / (Increase) in other non-financial assets	<b>(63.31)</b>	79.05
Increase in trade payables, Current liabilities and other financial liabilities	<b>132.12</b>	109.06
Increase / (Decrease) in non - financial liabilities and provisions	<b>(34.13)</b>	(8.41)
	<b>(84.74)</b>	<b>415.47</b>
Cash Generated from Operating Activities	<b>2,099.07</b>	2,307.45
<b>Adjustment for :</b>		
Income Taxes paid (net)	<b>(275.85)</b>	(330.46)
<b>Net Cash Flow from Operating Activities ( A )</b>	<b>1,823.22</b>	<b>1,976.99</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant & equipment and intangible assets	<b>5.56</b>	2.50
Amount paid for business combination (net of any cash and cash equivalents taken over)	<b>(2,716.29)</b>	-
Purchase of property, plant & equipment and intangible assets	<b>(190.13)</b>	(164.65)
Purchase of Non-Current Investments	<b>(1,006.16)</b>	(198.88)
Proceeds / (Purchase) of current Investments - net	<b>778.09</b>	(993.61)
Investments in subsidiaries	<b>(244.26)</b>	(698.55)
Proceeds from divestment of subsidiary	<b>30.54</b>	-
Dividend Received	<b>234.90</b>	-
Interest Received	<b>127.72</b>	49.45
<b>Net Cash Flow (used in) in Investing Activities ( B )</b>	<b>(2,980.03)</b>	<b>(2,003.74)</b>

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

	₹ in Crores	
	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 from short term borrowings (Net)	1,950.08	23.82
Finance Cost paid	(125.63)	(0.31)
Dividend Paid	(511.41)	-
Principal Payment of lease liabilities	(71.37)	(11.53)
Finance cost paid towards Lease liabilities	(2.49)	(2.76)
<b>Net Cash Flow generated from / (used in) Financing Activities ( C )</b>	<b>1,239.19</b>	<b>9.23</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>82.38</b>	<b>(17.53)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
As at the beginning of the year	17.69	35.23
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	(0.01)	(0.01)
As at the end of the year	100.06	17.69
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>82.38</b>	<b>(17.53)</b>

\* amount less than ₹ 0.01 crore

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Movement of loans and borrowings and lease liabilities :</b>		
<b>Opening Balance</b>	<b>65.90</b>	<b>31.45</b>
Proceeds from short term borrowings (Net)	1,950.08	23.82
Principal Payment of lease liabilities	(71.37)	(11.53)
Finance cost paid towards Lease liabilities	(2.49)	(2.76)
Add/(Less) : Non Cash Interest/Lease Liability Accrual	66.57	24.92
<b>Closing Balance</b>	<b>2,008.69</b>	<b>65.90</b>

**Notes:**

- The above Standalone 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 Standalone Financial Statements.

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

**Nisaba Godrej**  
 Executive Chairperson  
 DIN : 00591503

**Aasif Malbari**  
 Chief Financial Officer

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

Mumbai: May 06, 2024

For and on behalf of the Board

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

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

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

### (a) Equity share capital

₹ in Crores

	Note No.	
<b>As at April 1, 2022</b>		102.26
Changes in equity share capital during the year		0.01
<b>As at March 31, 2023</b>		<b>102.27</b>
Changes in equity share capital during the year	23	0.01
<b>As at March 31, 2024</b>		<b>102.28</b>

### (b) Other equity (Refer Note 24)

₹ in Crores  
Total

	Reserves & Surplus				Other Comprehensive Income		Total
	Securities Premium	General Reserve	Other reserves	Retained Earnings	Effective portion of Cash Flow Hedges	Debt instruments measured at fair value through other comprehensive income	
<b>Balance at April 1, 2023</b>	1,434.70	154.05	25.17	7,670.46	(0.63)	-	9,283.75
Profit for the year	-	-	-	647.03	-	-	647.03
Remeasurements of defined benefit plans (net of tax)	-	-	-	(0.16)	-	-	(0.16)
Other comprehensive Loss / (Income) for the year (net of tax)	-	-	-	-	6.26	0.58	6.84
<b>Total comprehensive income for the year</b>	-	-	-	646.87	6.26	0.58	653.71
Dividends	-	-	-	(511.41)	-	-	(511.41)
Premium Received on Allotment of Shares / Exercise of Share options	10.92	-	(10.92)	-	-	-	-
Deferred employee compensation expense	-	-	24.25	-	-	-	24.25
<b>Balance at March 31, 2024</b>	1,445.62	154.05	38.50	7,805.92	5.63	0.58	9,450.30

	Reserves & Surplus				Other Comprehensive Income		Total
	Securities Premium	General Reserve	Other reserves	Retained Earnings	Effective portion of Cash Flow Hedges	Debt instruments measured at fair value through other comprehensive income	
<b>Balance at April 1, 2022</b>	1,424.93	154.05	14.78	6,155.85	(0.75)	-	7,748.86
Profit for the year	-	-	-	1,513.70	-	-	1,513.70
Remeasurements of defined benefit plans (net of tax)	-	-	-	0.91	-	-	0.91
Other comprehensive Loss / (Income) for the year (net of tax)	-	-	-	-	0.12	-	0.12
<b>Total comprehensive income for the year</b>	-	-	-	1,514.61	0.12	-	1,514.73
Premium Received on Allotment of Shares / Exercise of Share options	9.77	-	(9.77)	-	-	-	-
Deferred employee compensation expense	-	-	20.16	-	-	-	20.16
<b>Balance at March 31, 2023</b>	1,434.70	154.05	25.17	7,670.46	(0.63)	-	9,283.75

There are no changes in equity share capital and other equity due to prior period errors.

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

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

**Nisaba Godrej**  
Executive Chairperson  
DIN : 00591503

**Aasif Malbari**  
Chief Financial Officer

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

Mumbai: May 06, 2024

For and on behalf of the Board

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

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

**1. Corporate Information**

Godrej Consumer Products Limited (the Company) was incorporated on November 29, 2000, to take over the consumer products business of Godrej Soaps Limited (subsequently renamed as Godrej Industries Limited), pursuant to a Scheme of Arrangement as approved by the High Court, Mumbai. The Company is a fast moving consumer goods Company, manufacturing and marketing Household and Personal Care products. The Company is a public Company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company's registered office is at 4<sup>th</sup> Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079.

**2. Basis of preparation, Measurement and Material Accounting Policies**

**2.1 Basis of Preparation and measurement**

**a) Basis of Preparation**

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards)

Rules, 2015 as amended from time to time and other relevant provisions of the Act.

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

All amounts disclosed in the standalone 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 standalone financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on May 6, 2024.

**Current versus non-current classification**

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

the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

**b) Basis of Measurement**

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

- Certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy regarding financial instruments -2.4.e),
- Defined benefit plans – plan assets/(liability) and cash settled share-based payments measured at fair value (Note 50 & 51).

**2.2 Key judgements, estimates and assumptions**

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

The areas involving critical judgements are:

- i. Financial Instruments: Whether the contractual

<p>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 (e))</p>	<p>v. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; (Note 2.4 (k)(ii)) and Note 51</p>	<p>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.</p>
<p>ii. Lease Term: Whether the company is reasonably certain to exercise extension options. (Note 2.4 (l))</p>	<p>vi. Fair values of financial instruments (Note 2.3)</p> <p>vii. Impairment of financial and Non- Financial assets (Note 2.4.(e)(i) and 2.4(d))</p>	
<p>The areas involving critical estimates/assumptions are:</p>	<p>viii. Recognition of deferred tax assets – availability of future taxable profits against which deferred tax assets (e.g. MAT) can be used (Note 12)</p>	<p>Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.</p>
<p>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))</p>	<p>ix. Estimations of discounts, rebates and sales returns; (Note 2.4(j))</p>	<p>Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.</p>
<p>ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.4 (b))</p>	<p><b>2.3 Measurement of fair values</b> The Company's accounting policies and disclosures require financial instruments to be measured at fair values.</p>	<p>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).</p>
<p>iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 50)</p>	<p>The Company has an established control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.</p>	<p>Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).</p>
<p>iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.4 (i))</p>	<p>The management regularly reviews significant unobservable inputs and</p>	<p>If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.</p>

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair value is included in the Note 2.4.(e).

## 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 and is not depreciated.

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

The cost of property, plant and equipment at 1<sup>st</sup> April 2016, the Company'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 Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

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	30 -60 Years	30 -60 Years
Plant & Equipment	3-25 Years	8-25 Years
Furniture & Fixtures	10 Years	10 Years
Vehicles	5-8 Years	10 Years
Office Equipment	5-10 Years	5 Years
Computers	3 Years	3 Years

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

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

### b) Goodwill and other Intangible Assets

Intangible assets acquired

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

The cost of intangible assets at 1<sup>st</sup> April 2016, the Company'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 is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

#### *Other intangible assets*

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

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

#### *Amortisation*

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

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

Software licences	6 years
Trademarks	10 years
Technical knowhow	10 years
Product registrations	5 years

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

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

#### **c) Borrowing Costs**

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are recognised as an expense in the period in which they are incurred.

#### **d) Impairment of non-financial assets**

An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit

is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events and changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss recognized for goodwill is not reversed in a subsequent period.

#### e) Financial Instruments

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

#### (i) Financial assets

##### *Initial recognition and measurement*

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

##### *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 amortised cost,

- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through 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 amortised cost**

A financial asset is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any

discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 54(B).

**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 Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

**Financial assets at fair value through profit or loss (FVTPL)**

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

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

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. This includes all derivative financial assets.

**Equity investments**

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

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

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

**Investments in Subsidiaries:**

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

**Derecognition**

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

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially

all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

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

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

**(ii) Financial liabilities**

*Initial recognition and measurement*

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

subsequently measured at fair value and net gains and losses including any interest expenses are recognised in the statement of profit or loss.

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

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

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

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged

or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### **Financial guarantee contracts**

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

of Ind-AS 109 and the amount recognised less cumulative amortisation.

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

#### **Offsetting of financial instruments**

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

#### **f) Derivative financial instruments and hedge accounting**

The Company uses derivative financial instruments, such as forward currency contracts and cross currency interest rate swaps, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Any

changes therein are generally recognised in the statement of profit and loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

#### *Cash flow hedges*

When a derivative is designated as a cash flow

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

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for a cash flow hedge is discontinued, the amount that has been accumulated in other equity remains there until it is reclassified to the statement of profit and loss account in the same period or periods as the hedged expected future cash flows affect the statement of profit and loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately re-classified to the statement of profit and loss.

#### **g) Inventories**

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

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

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

Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

If payment for inventory is deferred beyond normal credit terms, then the cost is determined by discounting the future cash flows at an interest

rate determined with reference to market rates. The difference between the total cost and the deemed cost is recognised as interest expense over the period of financing under the effective interest method.

**h) 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.

**i) Provisions, Contingent Liabilities and Contingent Assets**

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

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

Contingent Liabilities are disclosed in respect of possible

obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

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

**j) Income Recognition**

*i) 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 receipts to 180 days barring few customers.

*Sale of goods*

Revenue from sale of goods is recognized when control of goods are transferred to the

buyer which is generally on delivery for domestic sales and on dispatch/delivery for export sales.

The Company recognizes revenues on the sale of products, net of returns, discounts, amounts collected on behalf of third parties (such as GST) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognised where payments are received from customers before transferring control of the goods being sold.

*ii) Royalty & Technical Fees*

Royalty and Technical fees are recognized on accrual basis in accordance with the substance of their relevant agreements.

*iii) Interest income*

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial

asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

iv) *Dividend income*

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

k) **Employee Benefits**

i) **Short-term Employee benefits**

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

past service provided by the employee and the obligation can be estimated reliably.

ii) **Share-based payments**

The cost of equity settled transactions is determined by the fair value at the grant date. 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 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 Company 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 and shortfall, if any, shall be made good by the Company. The Company's liability towards interest shortfall, if any, is actuarially determined at the year end.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

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

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit

or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**iv) Other Long Term Employee Benefits**

The liabilities for earned leaves 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 or based on management estimates.

Actuarial gains and losses in respect of such benefits are charged to the Statement Profit or Loss account in the period in which they arise.

**l) Leases**

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

To assess whether a contract conveys the right to control the use of an identified asset, company assesses whether the

contract involves the use of an identified asset. Use may be specified explicitly or implicitly.

- Use should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- If the supplier has a substantive substitution right, then the asset is not identified.
- Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use
- Company has the right to direct the use of the asset.
- In cases where the usage of the asset is predetermined the right to direct the use of the asset is determined when the company has the right to use the asset or the company designed the asset in a way that predetermines how and for what purpose it will be used.

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

of property, it is elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

**As a Lessee:**

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

Right-of-use asset (ROU):

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

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

Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to

the Company at the end of the lease term or the cost of the right-of-use asset reflects company will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

**Lease liability:**

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

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments), variable lease payments that depends on an index or a rate, initially measured using the index or rate at the commencement date, amount expected to be payable under a residual value guarantee, the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early

termination of a lease unless the Company is reasonably certain not to terminate early.

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

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

Right-of-use asset and lease liabilities are presented separately in the balance sheet

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

**Lessor**

At the commencement or modification of a contract, that contains a lease component,

Company allocates the consideration in the contract, to each lease component, on the basis of its relative standalone prices.

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

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

**m) Income Tax**

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

*Current Tax*

Current tax comprises the expected tax payable or

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

- the Company has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *Deferred Tax*

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

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

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

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

#### **n) Foreign Currency Transactions**

- i) Functional and Presentation currency

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

- ii) Transactions and balances

Foreign currency transactions are recorded

on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which they arise except for the qualifying cash flow hedge, which are recognised in OCI to the extent that the hedges are effective.

**o) Government grants**

Government grants, including non-monetary grants at fair value are recognised when there is reasonable assurance

that the grants will be received and the Company will comply with all the attached conditions.

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

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

**p) Dividend**

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

**q) Earnings Per Share**

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity shareholders by the weighted

average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

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

**r) Segment Reporting**

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

**s) Business Combination**

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, is recognised as Capital reserve. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the noncontrolling

interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of preexisting relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Company 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 Company shall also recognise 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 Company 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.

- t)** For the year ended 31 March 2024, the Ministry of Corporate Affairs has not notified any new standards or amendments to the existing standards applicable to the Company.

### Note 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars	Owned Assets							Assets given on lease	Total		
	₹ in Crores										
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles			Office Equipment	Computers
<b>Year ended March 31, 2024</b>											
<b>Gross Carrying Amount</b>											
Opening Gross Carrying Amount	0.51	14.42	207.22	45.69	686.67	15.45	10.53	24.15	33.22	90.26	1,128.12
Additions	-	-	5.33	1.36	73.99	0.91	2.71	1.86	5.52	-	91.68
Transfer to leases (Refer Note 5)	-	(14.42)	-	-	-	-	-	-	-	-	(14.42)
Additions through business combination (Refer Note 55)	-	-	-	-	1.96	0.25	-	0.60	1.29	-	4.10
(Disposals)	-	-	(0.28)	(1.85)	(30.26)	(0.55)	(1.95)	(0.49)	(5.20)	-	(40.58)
<b>Closing Gross Carrying Amount</b>	<b>0.51</b>	<b>-</b>	<b>212.27</b>	<b>45.20</b>	<b>732.36</b>	<b>16.06</b>	<b>11.29</b>	<b>26.12</b>	<b>34.83</b>	<b>90.26</b>	<b>1,168.90</b>
<b>Accumulated Depreciation</b>											
Opening Accumulated Depreciation	-	4.11	34.62	29.48	316.88	9.94	5.79	14.85	25.08	11.85	452.60
Transfer to leases (Refer Note 5)	-	(4.11)	-	-	-	-	-	-	-	-	(4.11)
Depreciation charge during the year *	-	-	5.92	4.10	86.50	1.60	1.56	2.58	5.16	1.50	108.92
(Disposals)	-	-	(0.10)	(1.80)	(26.81)	(0.55)	(1.31)	(0.13)	(4.65)	-	(35.35)
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>-</b>	<b>40.44</b>	<b>31.78</b>	<b>376.57</b>	<b>10.99</b>	<b>6.04</b>	<b>17.30</b>	<b>25.59</b>	<b>13.35</b>	<b>522.06</b>
<b>Net Carrying Amount</b>	<b>0.51</b>	<b>-</b>	<b>171.83</b>	<b>13.42</b>	<b>355.79</b>	<b>5.07</b>	<b>5.25</b>	<b>8.82</b>	<b>9.24</b>	<b>76.91</b>	<b>646.84</b>
<b>Year ended March 31, 2023</b>											
<b>Gross Carrying Amount</b>											
Opening Gross Carrying Amount	0.51	14.42	187.92	35.84	523.31	15.12	11.10	20.50	34.18	90.26	933.16
Additions	-	-	19.31	10.00	170.41	0.39	2.21	3.81	4.39	-	210.52
(Disposals)	-	-	(0.01)	(0.15)	(7.05)	(0.06)	(2.78)	(0.16)	(5.35)	-	(15.56)
<b>Closing Gross Carrying Amount</b>	<b>0.51</b>	<b>14.42</b>	<b>207.22</b>	<b>45.69</b>	<b>686.67</b>	<b>15.45</b>	<b>10.53</b>	<b>24.15</b>	<b>33.22</b>	<b>90.26</b>	<b>1,128.12</b>
<b>Accumulated Depreciation</b>											
Opening Accumulated Depreciation	-	3.95	29.15	24.81	254.19	8.55	5.91	12.35	25.69	10.35	374.95
Depreciation charge during the year *	-	0.16	5.47	4.81	67.87	1.45	1.79	2.66	4.66	1.50	90.37
(Disposals)	-	-	-	(0.14)	(5.18)	(0.06)	(1.91)	(0.16)	(5.27)	-	(12.72)
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>4.11</b>	<b>34.62</b>	<b>29.48</b>	<b>316.88</b>	<b>9.94</b>	<b>5.79</b>	<b>14.85</b>	<b>25.08</b>	<b>11.85</b>	<b>452.60</b>
<b>Net Carrying Amount</b>	<b>0.51</b>	<b>10.31</b>	<b>172.60</b>	<b>16.21</b>	<b>369.79</b>	<b>5.51</b>	<b>4.74</b>	<b>9.30</b>	<b>8.14</b>	<b>78.41</b>	<b>675.52</b>

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

## Note 4 : Capital Work-In-Progress

₹ in Crores

	Amount
<b>Year ended March 31, 2024</b>	
<b>Gross carrying amount</b>	
Opening Gross carrying amount	22.22
Additions	134.62
Capitalised during the year	(91.68)
<b>Closing Gross carrying amount</b>	<b>65.16</b>
<b>Accumulated Impairment</b>	
Opening Accumulated Impairment	0.64
Add/(Less) Impairment provision during the year	(0.54)
<b>Closing accumulated Impairment</b>	<b>0.10</b>
<b>Closing Net Carrying Amount</b>	<b>65.06</b>

## Capital work-in-Progress ageing schedule

## As At March 31, 2024

₹ in Crores

Capital work in progress ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	49.44	0.31	-	-	49.75
Projects temporarily suspended	-	-	-	-	-
CWIP -assets not categorised as projects	-	-	-	-	15.31
<b>TOTAL</b>	<b>49.44</b>	<b>0.31</b>	<b>-</b>	<b>-</b>	<b>65.06</b>

₹ in Crores

	Amount
<b>Year ended March 31, 2023</b>	
<b>Gross carrying amount</b>	
Opening Gross carrying amount	78.66
Additions	154.09
Capitalised during the year	(210.53)
<b>Closing Gross carrying amount</b>	<b>22.22</b>
<b>Accumulated Impairment</b>	
Opening Accumulated Impairment	2.03
Add/(Less) Impairment provision during the year	(1.39)
<b>Closing accumulated Impairment</b>	<b>0.64</b>
<b>Closing Net Carrying Amount</b>	<b>21.58</b>

## As At March 31, 2023

₹ in Crores

Capital work in progress ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5.28	0.43	-	-	5.71
Projects temporarily suspended	0.07	-	-	-	0.07
CWIP -assets not categorised as projects	-	-	-	-	15.80
<b>TOTAL</b>	<b>5.35</b>	<b>0.43</b>	<b>-</b>	<b>-</b>	<b>21.58</b>

## NOTE :

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

## Note 5 : Leases

### Leases in which the company is a Lessee

#### Office Building & Land

The Company has leasing arrangements for its land, head office and other office buildings. Non-cancellable period for those lease arrangements vary. The Company pays lease charges as fixed amount as per the respective lease agreements. Right-of-use asset is measured, on a lease by lease basis, at carrying amount. Discounting to arrive the value of asset is done based on the incremental borrowing rate at the date of initial application.

#### Factories, Godowns and office buildings

The Company has leasing arrangements for its various factories, godowns and office buildings (other than mentioned above). Non-cancellable period for those leasing arrangements are less than 12 months and the Company elected to apply the recognition exemption for short term leases to these leases. The lease amount is charged as rent. The total lease payments accounted for the year ended March 31, 2024 is ₹ 41.70 crores (previous year ₹ 40.12 crores).

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

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

#### A] As a lessee:

##### (a) Right of use assets - Buildings & Land

	₹ in Crores		
	Office Buildings	Leasehold Land	Total
<b>Year ended March 31, 2024</b>			
<b>Gross carrying amount</b>			
Opening Gross carrying amount	66.23	-	66.23
Additions	-	58.10	58.10
Transfer from Property, Plant and Equipment (Refer Note 3)	-	14.42	14.42
<b>Closing Gross carrying amount</b>	<b>66.23</b>	<b>72.52</b>	<b>138.75</b>
<b>Accumulated Depreciation</b>			
Opening Accumulated Depreciation	26.13	-	26.13
Depreciation charge during the year	13.72	0.17	13.89
Transfer from Property, Plant and Equipment (Refer Note 3)	-	4.11	4.11
<b>Closing Accumulated Depreciation</b>	<b>39.85</b>	<b>4.28</b>	<b>44.13</b>
<b>Net Carrying Amount</b>	<b>26.38</b>	<b>68.24</b>	<b>94.62</b>

	₹ in Crores		
	Office Buildings	Leasehold Land	Total
<b>Year ended March 31, 2023</b>			
<b>Gross carrying amount</b>			
Opening Gross carrying amount	55.32	-	55.32
Additions	23.92	-	23.92
(Disposals)	(13.01)	-	(13.01)
<b>Closing Gross carrying amount</b>	<b>66.23</b>	<b>-</b>	<b>66.23</b>
<b>Accumulated Depreciation</b>			
Opening Accumulated Depreciation	25.48	-	25.48
Depreciation charge during the year	13.66	-	13.66
(Disposals)	(13.01)	-	(13.01)
<b>Closing Accumulated Depreciation</b>	<b>26.13</b>	<b>-</b>	<b>26.13</b>
<b>Net Carrying Amount</b>	<b>40.10</b>	<b>-</b>	<b>40.10</b>

## (b) Lease liabilities

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Less than one year	15.96	17.51
One to three years	16.22	32.57
Three years to five years	0.78	5.28
More than five years	0.23	0.23
<b>Total undiscounted lease liabilities as at 31 March</b>	<b>33.19</b>	<b>55.59</b>

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Lease liabilities (discounted)</b>		
Non-current	14.91	28.80
Current	13.90	13.28
<b>TOTAL</b>	<b>28.81</b>	<b>42.08</b>

## (c) Amounts recognized in statement of profit and loss

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Expenses relating to short-term leases	41.70	40.12
Interest on leases	2.49	2.76
<b>TOTAL</b>	<b>44.19</b>	<b>42.88</b>

## (d) Cash outflow for leases

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Total cash outflow for leases	73.86	14.29
<b>TOTAL</b>	<b>73.86</b>	<b>14.29</b>

## B] As a lessor:

## (a) Amounts recognized in statement of profit and loss

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Operating lease income	11.89	11.30

## (b) Undiscounted lease payments to be received after reporting date

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Less than one year	10.86	10.86
One to three years	1.36	16.65
Three years to five years	0.00	0.00
<b>Total undiscounted lease payments</b>	<b>12.22</b>	<b>27.51</b>

## Note 6 : Intangible Assets

₹ in Crores

	Other Intangible assets					Total Other Intangible assets
	Goodwill	Trademarks and Brands *	Computer Software	Technical Knowhow	Product registrations	
<b>Year ended March 31, 2024</b>						
<b>Gross Carrying Amount</b>						
Opening Gross Carrying Amount	2.48	791.56	54.06	0.10	0.33	846.05
Additions	-	-	4.03	-	1.44	5.47
Additions through business combination (Refer Note 55)	566.30	2,199.69	-	-	-	2,199.69
Disposals	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>568.78</b>	<b>2,991.25</b>	<b>58.09</b>	<b>0.10</b>	<b>1.77</b>	<b>3,051.21</b>
<b>Accumulated Amortisation</b>						
Opening Accumulated Amortisation	-	0.31	40.96	0.10	0.18	41.55
Amortisation recognised for the year	-	-	3.91	-	0.16	4.07
Disposals	-	-	-	-	-	-
<b>Closing Accumulated Amortisation</b>	<b>-</b>	<b>0.31</b>	<b>44.87</b>	<b>0.10</b>	<b>0.34</b>	<b>45.62</b>
<b>Closing Net Carrying Amount</b>	<b>568.78</b>	<b>2,990.94</b>	<b>13.22</b>	<b>-</b>	<b>1.43</b>	<b>3,005.59</b>
<b>Year ended March 31, 2023</b>						
<b>Gross Carrying Amount</b>						
Opening Gross Carrying Amount	2.48	791.56	62.69	0.10	0.33	854.68
Additions	-	-	6.87	-	-	6.87
Disposals	-	-	(15.50)	-	-	(15.50)
<b>Closing Gross Carrying Amount</b>	<b>2.48</b>	<b>791.56</b>	<b>54.06</b>	<b>0.10</b>	<b>0.33</b>	<b>846.05</b>
<b>Accumulated Amortisation</b>						
Opening Accumulated Amortisation	-	0.31	52.88	0.10	0.12	53.41
Amortisation recognised for the year	-	-	3.89	-	0.07	3.96
Disposals	-	-	(15.81)	-	-	(15.81)
<b>Closing Accumulated Amortisation</b>	<b>-</b>	<b>0.31</b>	<b>40.96</b>	<b>0.10</b>	<b>0.19</b>	<b>41.56</b>
<b>Closing Net Carrying Amount</b>	<b>2.48</b>	<b>791.25</b>	<b>13.10</b>	<b>-</b>	<b>0.14</b>	<b>804.49</b>

### Note :

\* Includes brands amounting to ₹ 2,990.94 crores (31-Mar-23 ₹ 791.25 crores) 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.

#### a) Impairment testing for Intangible assets with indefinite life- Goodknight and Hit brands

The recoverable amount of the brands are based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. The measurement using discounted cash flow is level 3 fair value based on inputs to the valuation technique used. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre tax discount rate.

Operating margins and growth rates for the five years cash flow projections have been estimated based on past experience and after considering the financial budgets / forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Following key assumptions were considered while performing Impairment testing:

	As at January 31, 2024	As at January 31, 2023
Annual growth rate	5-10%	5-8%
Terminal Growth Rate	5%	5%
Royalty relief rate	12%	12%
Pre- tax discount rate	10.50%	10.90%

The pre-tax discount rate is based on risk free rate, beta variant adjusted for market premium and company specific risk factors.

According to Ind AS 36 "Impairment of Assets", the annual impairment test for intangible assets with indefinite useful life may be performed at any time during an annual period, provided the test is performed at the same time every year. The Company has decided to perform impairment test for intangible assets with indefinite useful life at January 31 and same is being followed for future years.

With regard to the assessment of value in use, no reasonably possible change in any of the above key assumptions would cause the carrying amount of the Brands to exceed their recoverable amount.

No impairment has been charged to the Statement of Profit and Loss account during the financial year 31 March 2024 (31 March 2023 : Nil).

**b) Impairment testing for Park Avenue and Kamasutra Cash Generating Unit (CGU) containing goodwill**

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.

Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Following key assumptions were considered while performing Impairment testing:

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

The pre-tax discount rate is based on risk free rate, beta variant adjusted for market premium and company specific risk factors.

According to Ind AS 36 "Impairment of Assets", the annual impairment test for CGU containing goodwill may be performed at any time during an annual period, provided the test is performed at the same time every year. Since this year being the first year of business acquisition (refer note 55), the Company has decided to perform impairment test for CGU containing goodwill as at 31<sup>st</sup> March 2024.

With regard to the assessment of fair value less cost of disposal, no reasonably possible change in any of the above key assumptions would cause the carrying amount of the Brands and Goodwill to exceed their recoverable amount.

No impairment has been charged in this regard to the Statement of Profit and Loss account during the financial year 31 March 2024 (31 March 2023 : Nil)

## Note 7 : Intangible Assets Under Development

₹ in Crores

	Amount
<b>Year ended March 31, 2024</b>	
<b>Gross carrying amount</b>	
Opening Gross carrying amount	4.49
Additions	6.87
Capitalised during the year	(5.47)
<b>Closing Gross carrying amount</b>	<b>5.89</b>
<b>Accumulated Impairment</b>	
Opening Accumulated Impairment	0.68
Add/(Less) Impairment provision during the year	-
<b>Closing accumulated Impairment</b>	<b>0.68</b>
<b>Closing Net Carrying Amount</b>	<b>5.21</b>

### Intangible assets under development ageing schedule

As At March 31, 2024

₹ in Crores

Intangible assets under development ageing schedule	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>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.21</b>

₹ in Crores

	Amount
<b>Year ended March 31, 2023</b>	
<b>Gross carrying amount</b>	
Opening Gross carrying amount	2.18
Additions	9.18
Capitalised during the year	(6.87)
<b>Closing Gross carrying amount</b>	<b>4.49</b>
<b>Accumulated Impairment</b>	
Opening Accumulated Impairment	0.49
Add/(Less) Impairment provision during the year	0.19
<b>Closing accumulated Impairment</b>	<b>0.68</b>
<b>Closing Net Carrying Amount</b>	<b>3.81</b>

### Intangible assets under development ageing schedule

As At March 31, 2023

₹ in Crores

Intangible assets under development ageing schedule	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>-</b>	<b>-</b>	<b>-</b>	<b>-</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 8 : Investments In Subsidiaries

₹ in Crores

	Face Value	Numbers		Amounts	
		As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023
<b>Unquoted, fully paid up:</b>					
<b>Carried at cost</b>					
<b>(a) Investments in Equity Instruments</b>					
<b>(i) Subsidiary Companies</b>					
Godrej Netherlands B.V.	EUR 100	200	200	140.93	140.93
Godrej South Africa (Pty) Ltd. (Refer note (a) below))	ZAR 1	-	18,050,000	-	12.67
Godrej Consumer Products Holding (Mauritius) Ltd.	USD 1	185,944,409	185,944,409	982.15	982.14
Godrej Household Products Lanka (Pvt) Ltd.	LKR 10	114,333,457	70,258,458	60.01	47.65
Less : Provision for Diminution in the Value of Investments				(8.82)	(8.82)
<b>Sub total</b>				<b>51.19</b>	<b>38.83</b>
Godrej Consumer Products (Bangladesh) Ltd.	BDT 100	4,999	4,999	0.04	0.04
Godrej Mauritius Africa Holdings Ltd.	USD 1	160,313,941	155,190,990	1,460.18	1,357.80
Less : Provision for Diminution in the Value of Investments. (Refer Note 42)				(273.90)	-
<b>Sub total</b>				<b>1,186.28</b>	<b>1,357.80</b>
Godrej East Africa Holdings Ltd. (Refer note (a) below))	USD 1	-	109,450,001	-	808.25
Godrej Tanzania Holdings Ltd.	USD 1	17,850,001	17,850,001	121.29	121.29
Godrej SON Holdings INC.	USD 1	135,600,000	135,600,000	928.63	928.63
Godrej UK Ltd	GBP 1	9,833,901	-	128.46	-
Godrej Consumer Care Ltd.	₹ 10	10,000,000	10,000,000	10.00	10.00
Godrej Consumer Supplies Ltd	₹ 1	10,500,000	-	1.05	-
Godrej Consumer Products Limited Employees' Stock Option Trust*	-	-	-	-	-
<b>Sub total</b>				<b>3,550.02</b>	<b>4,400.58</b>
<b>Amortised cost</b>					
<b>(b) Investments in Non-convertible Debentures</b>					
<b>(i) Subsidiary Companies</b>					
Godrej Mauritius Africa Holdings Ltd. (Refer note below (b))	USD 1			708.94	698.55
			<b>TOTAL</b>	<b>4,258.96</b>	<b>5,099.13</b>
Aggregate Amount of Unquoted Investments				4,541.68	5,107.95
Aggregate Amount of Quoted Investments				-	-
Aggregate Market Value of Quoted Investments				-	-
Aggregate Provision for Impairment in the Value of Investments				(282.72)	(8.82)

Refer note 47 for percentage holding of the Company in subsidiaries

\* Amounts less than 0.01 crores

**Note:**

- During the year ended March 31, 2024 Godrej East Africa Holdings Limited and Godrej South Africa Proprietary Limited were sold. (Refer Note 42)
- Redeemable Non-convertible debentures classified as at amortised cost have interest rates of 4.80% (31 March 2023 : 4.80%) and mature in two years (31 March 2023 : three years) (Refer Note 8(b)).

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

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Godrej Netherlands B.V.	4.52	4.52
Godrej Consumer Products Holding (Mauritius) Ltd.	11.95	11.95
Godrej Mauritius Africa Holdings Ltd.	29.02	29.02
Godrej East Africa Holdings Ltd.	-	19.62
Godrej Tanzania Holdings Ltd.	3.07	3.07
<b>TOTAL</b>	<b>48.56</b>	<b>68.18</b>

## Note 9 : Other Investments (Non-Current)

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
<b>Quoted :</b>		
Investments in Target Mutual fund	213.80	199.08
<b>Unquoted :</b>		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	997.09	-
<b>At Fair Value through Profit or Loss</b>		
<b>Unquoted :</b>		
Investment in Equity Instruments*	-	-
Godrej One Premises Management Pvt Ltd.* (1400 equity shares of ₹10 each)		
Investment – Early Spring Fund	7.96	-
<b>TOTAL</b>	<b>1,218.85</b>	<b>199.08</b>
Aggregate Amount of Unquoted Investments	1,005.05	-
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 10 : Non-Current Loans

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

## Note 11 : Other Non-Current Financial Assets

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, Considered Good, Unless Otherwise Stated</b>		
Financial Guarantee Fee Receivables	-	1.15
Security Deposits	19.58	16.38
<b>TOTAL</b>	<b>19.58</b>	<b>17.53</b>

## Note 12 : Tax Reconciliations

### Tax expense recognised in the Statement of Profit and Loss

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Current Tax</b>		
Current tax on profits for the year	272.09	328.57
Deferred tax (Net) Others	71.64	0.61
MAT credit utilised (adjustment on account of previous period)	0.62	(6.00)
MAT credit utilised	198.46	32.72
MAT credit derecognised	95.00	-
<b>Total income tax expense</b>	<b>637.81</b>	<b>355.90</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).

### Current Tax and Deferred Tax related to items recognised in Other Comprehensive Income during in the year :

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
On remeasurements of defined benefit plans		
Deferred tax	0.08	(0.49)
On Debt instruments measured at fair value through other comprehensive income		
Deferred tax	(0.08)	-
On Cash Flow Hedge		
Deferred tax	(3.49)	(0.07)
<b>Total</b>	<b>(3.49)</b>	<b>(0.56)</b>

### Reconciliation of tax expense and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate to income tax expense reported in Statement of Profit & Loss is given below:

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Profit before income taxes	1,284.84	1,869.60
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expense	448.98	653.32
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:</b>		
Deduction under Sec 80IC and 80IE (Refer note below)	(108.33)	(300.53)
Effect of other tax offsets	3.47	1.39
Tax impact of income not subject to tax	(82.08)	-
Tax effects of amounts which are not deductible for taxable income	105.66	7.72
Tax effect of long term capital losses for which no deferred tax asset is recognised (Refer note (g))	269.49	-
Adjustments for current tax of prior periods (Excess MAT utilised) (Refer note (d))	0.62	(6.00)
<b>Total income tax expense</b>	<b>637.81</b>	<b>355.90</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.

**Deferred Tax (Liabilities):**

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Property, Plant and Equipment	(12.03)	(19.66)
Intangible assets	(277.49)	(196.19)
Others	(7.56)	0.80
<b>Total deferred tax liabilities</b>	<b>(297.08)</b>	<b>(215.05)</b>

**Deferred Tax Assets:**

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Defined benefit obligations	16.73	16.45
Provisions	44.52	37.89
MAT credit	188.66	482.74
<b>Total deferred tax assets</b>	<b>249.91</b>	<b>537.08</b>
<b>Net Deferred tax (Liabilities) / Assets</b>	<b>(47.17)</b>	<b>322.03</b>

**Movement in Deferred tax Liabilities / Asset**

	₹ in Crores						
	Property, plant and equipment	Intangible assets	Defined benefit obligations	Provisions	Other Deferred Tax Asset	Mat Credit (Refer note)	Deferred Tax Liabilities / Asset (Net)
<b>As at 31<sup>st</sup> March 2022</b>	(22.67)	(193.27)	17.53	38.15	0.71	509.46	349.91
(Charged)/Credited :							
- to profit or loss	3.01	(2.92)	(0.59)	(0.26)	0.16	(26.72)	(27.33)
- to other comprehensive income	-	-	(0.49)	-	(0.07)	-	(0.56)
<b>At 1<sup>st</sup> April 2023</b>	<b>(19.66)</b>	<b>(196.19)</b>	<b>16.45</b>	<b>37.89</b>	<b>0.80</b>	<b>482.74</b>	<b>322.03</b>
(Charged)/Credited :							
- to profit or loss	7.63	(81.30)	0.20	6.63	(4.79)	(294.08)	(365.72)
- to other comprehensive income	-	-	0.08	-	(3.57)	-	(3.49)
<b>As at 31<sup>st</sup> March 2024</b>	<b>(12.03)</b>	<b>(277.49)</b>	<b>16.73</b>	<b>44.52</b>	<b>(7.56)</b>	<b>188.66</b>	<b>(47.17)</b>

**Liabilities for Current Tax (Net)**

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Liabilities for Current Tax (Net)	2.93	0.96
[Net of advance tax of ₹ 601.76 crores (31-Mar-23 ₹ 128.87 crores)]		
<b>TOTAL</b>	<b>2.93</b>	<b>0.96</b>

- (a) The Company offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- (b) Significant management judgment is required in determining provision for income tax, deferred income tax assets (including MAT credit) and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.
- (c) "MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

During the year, the Company has utilised MAT credit of ₹ -(198.46) crores (31-Mar-23 : ₹ -(26.72) crores (net)). The Company has re-assessed its utilization of MAT credit, considering business projections, benefits available from tax holiday, remaining period for such benefits etc based on which the Company is reasonably certain of utilizing MAT credit of ₹ 188.66 crores (31-Mar-23 : ₹ 482.74 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.

- (d) During the year ended March 31, 2024, the Company has reassessed tax benefits under section 80IE of the Income tax Act for financial year 2021-22 based on which incremental Minimum alternate tax credit of ₹ 0.62 crore (31-Mar-23 : ₹ 6 crores) has been recognised in the Standalone Financial Statements.
- (e) New provision inserted in the Income tax Act (Sept 2019) with effect from fiscal year 2019-20, allows any domestic company to pay income tax at the rate of 25.17% subject to condition they will not avail any incentive or exemptions. The lower rate is an option and companies can continue to account based on the old rates. The Company has plants located in North-east region enjoying income tax exemption, and the effective rate based on the tax exemption plants is lower than 25.17%, so company decided to not opt for lower rate in FY 2023-24.
- (f) Based on internal projections the Company plans to opt for the lower tax rate from FY 2025-26.
- (g) Unrecongised 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 Company can use the benefits therefrom.

### Note 13 : Non-Current Tax Assets (Net)

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Advance Tax	53.64	47.91
[Net of Provision for taxation ₹ 2704.27 crores (31-Mar-23 ₹ 2,911.00 crores)]		
<b>TOTAL</b>	<b>53.64</b>	<b>47.91</b>

(Refer Note 12 for tax reconciliations)

### Note 14 : Other Non-Current Assets

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Capital Advances (Refer Note below)</b>		
Considered Good	63.24	15.15
Considered Doubtful	0.64	0.86
Less: Provision for Doubtful Advances	(0.64)	(0.86)
<b>Advances other than capital advances</b>		
Balances with Government Authorities (deposits paid under protest)	28.60	30.83
Other non-current assets (includes prepaid expenses)		
Considered Good	0.51	0.48
Considered Doubtful	-	-
Less: Provision for Doubtful Advances	-	-
	0.51	0.48
<b>TOTAL</b>	<b>92.35</b>	<b>46.46</b>

**Note:**

Capital advances include ₹ Nil crore (31-Mar-2023 ₹ Nil crore) paid to Related Parties. (Refer Note 47)

## Note 15 : Inventories

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realizable value)		
Raw Materials (Including Packing Materials)	178.71	202.22
Goods-in Transit	26.86	41.63
	<b>205.57</b>	243.85
Work-in-Progress	55.76	43.11
Finished Goods (Including Goods in Transit)	246.11	260.76
Stock - in - Trade	125.04	31.31
Stores and Spares	14.38	12.57
<b>TOTAL</b>	<b>646.86</b>	<b>591.60</b>

### NOTE :

During the year ended March 31, 2024 an amount of ₹ 18.82 crores (31-Mar-23 ₹ 15.75 crores) was charged to the statement of Profit and Loss on account of write-down of inventories including damaged and slow moving inventory.

## Note 16 : Investments (Current)

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>At Fair Value through Profit or Loss</b>		
<i>Quoted :</i>		
Investments in Mutual Funds	475.38	863.94
<b>At amortised cost</b>		
<i>Unquoted :</i>		
Investments in Non-convertible Debentures with Non-Banking Financial Companies	433.91	728.37
Investments in Commercial Papers with Non-Banking Financial Companies	-	342.02
Investments in Deposits with Non-Banking Financial Companies	268.83	175.26
<b>At Fair Value through Other Comprehensive Income</b>		
<i>Quoted :</i>		
Investments in government securities	108.49	-
<b>TOTAL</b>	<b>1,286.61</b>	<b>2,109.59</b>
Aggregate Amount of Unquoted Investments	702.74	1,245.65
Aggregate Amount of Quoted Investments	583.87	863.94
Aggregate Market Value of Quoted Investments	583.87	863.94

## Note 17 : Trade Receivables

	As at March 31, 2024	As at March 31, 2023
₹ in Crores		
<b>Secured</b>		
Trade receivables- considered good	2.14	1.65
	2.14	1.65
<b>Unsecured</b>		
Trade receivables- considered good	489.20	319.14
Trade receivables- significant increase in risk	13.16	18.09
Trade receivables- credit impaired	1.33	1.36
Less: Allowance for Bad and Doubtful Debts	(14.49)	(19.45)
<b>TOTAL</b>	<b>491.34</b>	<b>320.79</b>

Refer note 54A & 54B for information on market risk and credit risk.

Refer note 47B for information about receivables from related parties.

**Note :**

There are no outstanding trade receivables which resulted into significant increase in credit risk apart from receivables which are impaired and provided.

**Trade receivables ageing schedule****As At March 31, 2024**

	₹ in Crores						
Trade receivables outstanding from Due date	Not due	Upto 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables- considered good	285.16	172.02	18.05	14.77	0.82	0.52	491.34
Undisputed trade receivables- which have significant increase in risk	-	3.48	3.09	6.59	-	-	13.16
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	0.81	0.52	1.33
Provision for bad and doubtful debts							(14.49)
<b>Total</b>	<b>285.16</b>	<b>175.50</b>	<b>21.14</b>	<b>21.36</b>	<b>1.63</b>	<b>1.04</b>	<b>491.34</b>

**As At March 31, 2023**

	₹ in Crores						
Trade receivables outstanding from Due date	Not due	Upto 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables- considered good	197.83	93.27	7.58	13.00	4.37	4.74	320.79
Undisputed trade receivables- which have significant increase in risk	-	-	7.85	5.64	2.02	2.58	18.09
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	0.75	0.44	0.17	1.36
Provision for bad and doubtful debts							(19.45)
<b>Total</b>	<b>197.83</b>	<b>93.27</b>	<b>15.43</b>	<b>19.39</b>	<b>6.83</b>	<b>7.49</b>	<b>320.79</b>

**NOTE :**

There are no unbilled receivables as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

## Note 18 : Cash and Cash Equivalents

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
- In Current Accounts	48.93	14.20
- Deposits with less than 3 months original maturity	50.01	-
	<b>98.94</b>	14.20
Cheques, Drafts on Hand	1.10	3.46
Cash on Hand	0.02	0.03
<b>TOTAL</b>	<b>100.06</b>	<b>17.69</b>

### Note :

- a) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

## Note 19 : Other Bank Balances

	₹ in Crores	
	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)	129.81	19.10
In Unpaid Dividend Accounts	14.03	13.68
<b>TOTAL</b>	<b>143.84</b>	<b>32.78</b>

### Note:

- (a) The fixed deposits include deposits under lien against bank guarantees ₹ 4.70 crores (31-Mar-23 ₹ 4.36 crores).

## Note 20 : Current Loans

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

## Note 21 : Other Current Financial Assets

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Financial guarantee fee receivable	-	4.04
Interest on Non-convertible Debentures (Related Parties)	18.34	18.07
Refunds/Incentives receivables from Govt. Authorities (Excise duty/GST/Exports incentives)		
Considered Good	24.99	22.75
Considered Doubtful	18.65	18.65
Less: Provision for Doubtful Advances	(18.65)	(18.65)
	<b>24.99</b>	22.75
Derivative assets - forward exchange contracts	-	1.03
Others (includes receivables of insurance claims)	6.03	5.56
Security Deposits	0.85	1.24
<b>TOTAL</b>	<b>50.21</b>	<b>52.69</b>

## Note 22 : Other Current Assets

	As at March 31, 2024	₹ in Crores As at March 31, 2023
Balances with Government Authorities (GST)	188.83	124.47
Right to receive inventory	7.09	7.65
<b>Other Advances (includes prepaid expenses, vendor advances)</b>		
Considered Good	43.98	23.92
Considered Doubtful	0.89	0.62
Less: Provision for Doubtful Advances	(0.89)	(0.62)
<b>TOTAL</b>	<b>239.90</b>	<b>156.04</b>

**Note :**

Refer note 47B for information about advance paid to Related Parties.

## Note 23 : Equity Share Capital

	As at March 31, 2024	₹ in Crores As at March 31, 2023
<b>Authorised</b>		
1,030,000,000 Equity Shares (31-Mar-23: 1,030,000,000) of ₹ 1 each	103.00	103.00
10,000,000 Preference Shares (31-Mar-23: 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-23 : 1,14,239) under the Employee Stock Grant Scheme.
- 31,124 Rights Issue equity shares (31-Mar-23 : 31,124 equity shares) are kept in abeyance due to various suits filed in courts / forums by third parties. No claims in respect of these shares have been received by the company.
- 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	₹ Crores	No. of Shares	₹ Crores
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 March 31, 2024 the amount of per share interim dividend recognised as distribution to equity shareholders was ₹ 5 per share (31-Mar-23 ₹ Nil).

e) **Details of shareholders holding more than 5% shares 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 (31-Mar-23 year 9,90,235) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2024. (As detailed in Note 51)

g) Information regarding aggregate number of equity shares issued during the five years immediately preceding the date of Balance Sheet:

During the year 2018-19, pursuant to the approval of Shareholders, Company has allotted 340,722,032 number of fully paid Bonus shares on Sep 17,2018 in the ratio of one equity share of ₹1 each fully paid up for every two existing equity shares of ₹1 each fully paid up.

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) Details of shares held by promoters

As at 31 March 2024

₹ in Crores

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Godrej Seeds & Genetics Limited	Equity shares of INR 1 each fully paid	280,500,000	280,500,000	-	-
Godrej Industries Limited		242,812,860	242,812,860	-	-
Godrej & Boyce Manufacturing Co. Ltd.		75,011,445	75,011,445	-	-
Rishad Kaikhushru Naoroji & Others (Partners Of Rkn Enterprises)		13,438,500	13,438,500	-	-
Pheroza Jamshyd Godrej		0	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		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	-	-	

₹ in Crores

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Children Trust)	Equity shares of INR 1 each fully paid	1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Children Trust)		1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Nbg Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Rng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Burjis Godrej (Trustees Of Bng Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Sohrab Godrej (Trustees Of Sng Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Jng Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Pjg Family Trust )		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Rjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Raika Lineage Trust)		4,820,351	1	4,820,350	0.47%
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)		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 March 31, 2023

₹ in Crores

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Godrej Seeds & Genetics Limited	Equity shares of INR 1 each fully paid	280,500,000	280,500,000	-	-
Godrej Industries Limited		242,812,860	242,812,860	-	-
Godrej & Boyce Manufacturing Co. Ltd.		75,011,445	75,011,445	-	-
Rishad Kaikhushru Naoroji & Others (Partners Of Rkn Enterprises)		13,438,500	13,438,500	-	-
Pheroza Jamshyd Godrej		9,640,700	9,640,700	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Family Trust)		2,901,200	2,901,200	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Family Trust)		2,901,200	2,901,200	-	-
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Family Trust)		2,843,100	2,843,100	-	-
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Family Trust)		2,843,100	2,843,100	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Family Trust)		2,843,100	2,843,100	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Hng Family Trust)		2,752,299	2,752,299	-	-
Sohrab Nadir Godrej		1,901,184	1,901,184	-	-
Burjis Nadir Godrej		1,901,172	1,901,172	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Successor Trust)		1,312,441	1,312,441	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Successor Trust)		1,312,429	1,312,429	-	-
Hormazd Nadir Godrej		461,314	461,314	-	-
Pirojsha Adi Godrej		370,129	370,129	-	-
Nisaba Godrej		370,087	370,087	-	-
Azaar Arvind Dubash		370,000	370,000	-	-
Adi Barjorji Godrej		1,500	1,500	-	-
Navroze Jamshyd Godrej	77	77	-	-	
Rishad Kaikhushru Naoroji	72	72	-	-	
Freyan Crishna Bieri	70	70	-	-	
Tanya Arvind Dubash	66	66	-	-	
Nyrika Holkar	64	64	-	-	
Nadir Barjorji Godrej	63	63	-	-	
Raika Jamshyd Godrej	50	50	-	-	
Jamshyd Godrej And Others (Trustees Of The Raika Godrej Family Trust)	24	24	-	-	
Adi Godrej, Tanya Dubash, Nisaba Godrej And Pirojsha Godrej (Trustees Of Abg Family Trust)	1	1	-	-	
Tanya Dubash And Pirojsha Godrej (Trustees Of Tad Children Trust)	1	1	-	-	

₹ in Crores

Promoter Name	Class of Shares	No. of shares held at the end of the year	No. of shares held at the beginning of the Year	Change during the year	% Change during the year
Nisaba Godrej And Pirojsha Godrej (Trustees Of Ng Children Trust)	Equity shares of INR 1 each fully paid	1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Children Trust)		1	1	-	-
Pirojsha Godrej And Nisaba Godrej (Trustees Of Pg Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Nbg Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Rng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Bng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Burjis Godrej (Trustees Of Bng Lineage Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Rati Godrej (Trustees Of Sng Family Trust)		1	1	-	-
Nadir Godrej, Hormazd Godrej And Sohrab Godrej (Trustees Of Sng Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Jng Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Pjg Family Trust )		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Rjg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Raika Lineage Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Njg Family Trust)		1	1	-	-
Jamshyd Godrej, Pheroza Godrej And Navroze Godrej (Trustees Of Navroze Lineage Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Sgc Family Trust)		1	1	-	-
Smita Godrej Crishna, V M Crishna, F C Bieri And Nyrika Holkar (Trustees Of Vmc Family Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Fvc Children Trust)		1	1	-	-
Smita Godrej Crishna, Freyan Crishna Bieri And Nyrika Holkar (Trustees Of Nvc Children Trust)		1	1	-	-

## Note 24 : Other Equity

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Securities Premium	1,445.62	1,434.70
General Reserve	154.05	154.05
Other Reserves		
Capital Investment Subsidy Reserve	0.15	0.15
Capital Redemption Reserve	1.46	1.46
Employee Stock Options Outstanding	36.89	23.56
	<b>38.50</b>	25.17
Retained Earnings	7,805.92	7,670.46
<b>Other Comprehensive Income</b>		
Debt instruments measured at fair value through other comprehensive income	0.58	-
Effective portion of cash flow hedges	5.63	(0.63)
<b>TOTAL</b>	<b>9,450.30</b>	<b>9,283.75</b>

## Other Reserves Movement

	₹ in Crores	
	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	0.15	0.15
<b>Capital Redemption Reserve</b>		
Balance as per last financial statements	1.46	1.46
Closing Balance	1.46	1.46
<b>Employee Stock Options Outstanding</b>		
Gross Employee Compensation for Options granted	23.56	13.17
(-) Exercise of Share options	(10.92)	(9.77)
(+) Deferred Employee Compensation Expense (Refer Note 38)	24.25	20.16
Closing Balance	36.89	23.56
<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 Reserve. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

## 2) General reserve

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

### 3) Capital Investment Subsidy Reserve

Capital Investment Subsidy Reserve represents subsidy received from the government for commissioning of Malanpur plant in the nature of capital investment.

### 4) Capital redemption reserve

Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

### 5) Employee Stock Options Outstanding

The shares option outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Grant Scheme which are unvested as on the reporting date and is net of the deferred employee compensation expense.

Refer note 51 for details on ESGS Plans.

### 6) 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.

### 7) Effective portion of Cash Flow Hedges

The cash flow hedging reserve represents the cumulative portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non financial hedged item.

## Note 25 : Non-Current Financial Liabilities

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Lease liabilities (Refer Note 5)	14.91	28.80
<b>TOTAL</b>	<b>14.91</b>	<b>28.80</b>

## Note 26 : Provisions (Non-Current)

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Gratuity (Refer Note 50)	51.55	50.61
Compensated Absences	4.44	4.13
Other long-term incentive (Refer Note 50)	33.57	4.19
<b>TOTAL</b>	<b>89.56</b>	<b>58.93</b>

## Note 27 : Other Non-Current Liabilities

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Unearned premium on guarantees given to subsidiaries	-	1.05
Others (includes deferred grants, sundry deposits)	0.71	2.36
<b>TOTAL</b>	<b>0.71</b>	<b>3.41</b>

## Note 28 : Borrowings

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Unsecured, Working Capital Loan Repayable on Maturity		
From Banks		
Overdraft Facilities (Refer Note (a) below)	-	23.82
Unsecured Other Loans		
Commercial Papers (Refer Note (b) below)	1,979.88	-
<b>TOTAL</b>	<b>1,979.88</b>	<b>23.82</b>

### Notes:

- a) Overdraft facilities ₹ Nil crores (31-Mar-2023 ₹ 23.82 crores) is an unsecured facility and is repayable on demand. Interest would be payable at the rate of 9.55%.
- b) Commercial Paper were listed on the Stock exchange and carried an average interest rate of 7.36%. These are due for maturity within period of 30 days to 365 days.

## Note 29 : Current - Lease Liabilities

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note 5)	13.90	13.28
<b>TOTAL</b>	<b>13.90</b>	<b>13.28</b>

## Note 30 : Trade Payables

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
a) Micro and Small Enterprises	51.48	46.40
b) Other than Micro and Small Enterprises (Refer Note 47B)	821.34	664.69
<b>TOTAL</b>	<b>872.82</b>	<b>711.09</b>

(Refer Note 54C)

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
(a) The principal amount remaining unpaid to any supplier at the end of the accounting year included in trade payables	51.48	46.40
Interest due thereon	-	-
<b>Trade payable dues to Micro and small enterprises</b>		
(b) 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	-	-
(c) 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.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-
(e) 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 MSMED Act 2006.	-	-

### Trade payables ageing schedule

#### As At March 31, 2024

₹ in Crores

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	
i) Micro and Small Enterprises	-	51.32	-	-	-	-	51.32
ii) Other than Micro and Small Enterprises	392.47	199.18	226.68	0.88	0.46	0.91	820.58
iii) Disputed dues -Micro and Small Enterprises	-	0.16	-	-	-	-	0.16
iv) Disputed dues -Others	-	-	-	-	-	0.76	0.76
<b>Total</b>	<b>392.47</b>	<b>250.66</b>	<b>226.68</b>	<b>0.88</b>	<b>0.46</b>	<b>1.67</b>	<b>872.82</b>

#### As At March 31, 2023

₹ in Crores

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	
i) Micro and Small Enterprises	-	45.81	0.56	-	-	0.03	46.40
ii) Other than Micro and Small Enterprises	309.26	218.77	132.69	0.96	0.92	1.33	663.93
iii) Disputed dues -Micro and Small Enterprises	-	-	-	-	-	-	-
iv) Disputed dues -Others	-	-	-	-	-	0.76	0.76
<b>Total</b>	<b>309.26</b>	<b>264.58</b>	<b>133.25</b>	<b>0.96</b>	<b>0.92</b>	<b>2.12</b>	<b>711.09</b>

## Note 31 : Other Current Financial Liabilities

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Security Deposit Received	4.56	4.36
Employee Benefits Payable	106.11	66.21
Derivative Liability - Cross currency interest rate swap used for hedging	13.01	11.95
Unpaid Dividends (Refer Note below)	14.03	13.68
Capital creditors and other payables	27.75	15.70
<b>TOTAL</b>	<b>165.46</b>	<b>111.90</b>

(Refer Note 54C)

**Note:**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

## Note 32 : Other Current Liabilities

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Statutory Dues (TDS, TCS etc)	14.62	11.72
Advance from customers	24.23	20.95
Contractual and constructive obligation	121.78	117.51
Unearned premium on guarantees given to subsidiaries	-	3.60
Others (includes PF, deferred revenue)	3.43	4.04
<b>TOTAL</b>	<b>164.06</b>	<b>157.82</b>

## Note 33 : Provisions (Current)

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Gratuity (Refer Note 50)	9.77	8.15
Compensated Absences	1.42	1.22
<b>Other provisions</b>		
Provision for Sales Returns	54.06	26.14
Provision towards Litigations	19.09	29.84
<b>TOTAL</b>	<b>84.34</b>	<b>65.35</b>

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

	₹ in Crores	
	Sales Returns	Provision towards Litigation
<b>As at April 1, 2022</b>	<b>36.07</b>	<b>19.22</b>
Provisions made during the year	-	10.62
Provisions reversed during the year	(9.93)	-
<b>As at April 1, 2023</b>	<b>26.14</b>	<b>29.84</b>
Additions through business combination (Refer Note 55)	59.02	-
Provisions reversed during the year	(31.10)	(10.75)
<b>As at March 31, 2024</b>	<b>54.06</b>	<b>19.09</b>

### Sales Returns:

When a customer has a right to return the product within a given period, the Company recognises a provision for sales return. This is measured on the basis of average past trend of sales return as a percentage of sales. Revenue is adjusted for the expected value of the returns and cost of sales are adjusted for the value of the corresponding goods to be returned.

### Legal Claims:

The provisions for indirect taxes and legal matters comprises numerous separate cases that arise in the ordinary course of business. A provision is recognised for legal cases if the company assesses that it is probable that an outflow of economic resources will be required. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

## Note 34 : Revenue From Operations

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Sale of Products	8,267.86	7,530.80
Other Operating Revenues		
a) Royalty & Technical Fees	28.15	23.93
b) Government Grants (Refunds/Incentives from Govt. Authorities)	96.32	85.94
c) Miscellaneous Income	19.07	26.50
<b>TOTAL</b>	<b>8,411.40</b>	<b>7,667.17</b>

### Notes :

#### a) Revenue Information

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue by product categories</b>		
Home care	3,748.12	3,540.88
Personal care	4,519.74	3,989.92
<b>TOTAL</b>	<b>8,267.86</b>	<b>7,530.80</b>

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

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue as per contracted price</b>	<b>8,735.88</b>	7,826.82
Sales returns	31.10	9.93
Rebates/Discounts	(499.12)	(305.95)
<b>Revenue from contract with customers</b>	<b>8,267.86</b>	<b>7,530.80</b>

## c) Contract Balances

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Trade receivables (Note 17)	491.34	320.79
Contract liabilities (Note 32)	146.01	138.46

**Note:**

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

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

	₹ in Crores	
	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	24.23	20.95

## Note 35 : Other Income

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income on:		
Fixed deposits with Non-Banking Financial Companies at amortised cost	18.87	16.97
Deposits with banks	9.04	6.88
On Derivative Instruments	18.83	10.32
Commercial Papers	8.19	10.30
Debt instruments securities measured at Fair Value through Other comprehensive income	0.18	-
Non-convertible Debentures (Related parties)	34.73	18.07
On Target Maturity Fund	14.72	-
On Others	0.25	0.48
On Investments in Non-convertible Debentures with Non-Banking Financial Companies	57.97	25.91
Dividend Income From Subsidiaries (Refer Note 47(B))	234.90	-
Net Gain on Sale of Investments ( Mutual funds/ Non-convertible debentures)	39.27	21.87
Fair Value Gain/(Loss) on financial assets measured at fair value through profit or loss	4.44	5.83
Other Non-Operating Income		
Net Gain on Foreign Currency Transactions and Translations	-	6.12
Profit on Sale of Fixed Assets (net)	0.33	-
Guarantee Commission income	0.98	4.79
Rental Income	11.89	11.30
Miscellaneous Non-operating Income	1.37	0.64
<b>TOTAL</b>	<b>455.96</b>	<b>139.48</b>

## Note 36 : Cost Of Materials Consumed

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Raw material and packing material</b>		
Opening Inventory	243.85	376.55
Add : Purchases (Net)	2,926.79	3,233.56
	<b>3,170.64</b>	3,610.11
Less: Closing Inventory	(205.57)	(243.85)
<b>Cost of Materials Consumed</b>	<b>TOTAL 2,965.07</b>	<b>3,366.26</b>

## Note 37 : Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Opening Inventory		
Finished Goods	260.76	305.01
Stock-in-Trade	31.31	38.62
Work-in-Progress	43.11	57.02
	<b>335.18</b>	<b>400.65</b>
Less: Closing Inventory		
Finished Goods	246.11	260.76
Stock-in-Trade	125.04	31.31
Work-in-Progress	55.76	43.11
	<b>426.91</b>	<b>335.18</b>
<b>(Increase)/Decrease in Inventories</b>	<b>TOTAL (91.73)</b>	<b>65.47</b>

## Note 38 : Employee Benefits Expense

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and Wages (Refer Note 50)	440.91	321.46
Compensated Absences	1.91	1.37
Contribution to Provident and Other Funds (Refer Note 50)	22.25	20.18
Share based payments to Employees (Employee Stock Grant Scheme) (Refer Note 51)	24.25	20.16
Staff Welfare Expenses	9.24	9.02
<b>TOTAL</b>	<b>498.56</b>	<b>372.19</b>

## Note 39 : Finance Costs

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease liabilities	2.49	2.76
Others (mainly includes interest on Short-term borrowings)	131.61	0.31
<b>TOTAL</b>	<b>134.10</b>	<b>3.07</b>

## Note 40 : Depreciation and Amortisation Expenses

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	108.92	90.37
Depreciation on Right of use assets - buildings and land	13.89	13.66
Amortisation on intangible assets	4.07	3.96
<b>TOTAL</b>	<b>126.88</b>	<b>107.99</b>

## Note 41 : Other Expenses

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of Stores and Spare Parts	17.27	14.29
Power and Fuel	120.45	122.37
Rent (Net) (Refer Note 5)	41.70	40.12
Repairs and Maintenance		
Plant and Equipment	8.28	6.61
Buildings	4.80	5.04
Others (Net)	41.41	32.92
	54.49	44.57
Insurance	8.51	8.93
Rates and Taxes	7.24	12.75
Processing and Other Manufacturing Charges	174.39	175.47
Travelling and Conveyance	40.52	29.85
Auditors' Remuneration		
As Statutory Auditor	2.13	1.99
For Other audit related services	0.18	0.12
Reimbursement of Expenses	0.01	0.02
	2.32	2.13
Legal and Professional Charges	43.65	42.44
Donations	5.40	0.52
Sales Promotion	60.80	34.94
Advertising and Publicity	1011.00	687.34
Selling and Distribution Expenses	165.21	122.29
Freight	267.69	251.26
Net Loss on Sale/ write off of Property, Plants and Equipment	-	0.03
Net Loss on Foreign Currency Transactions and Translations	1.24	-
Bad Debts Written Off	0.03	1.36
Provision for Doubtful Debts / Advances	-	7.15
CSR expenditure (Refer Note 52)	34.64	31.99
Miscellaneous Expenses (Net) (Refer Note (a) below)	84.67	68.90
<b>TOTAL</b>	<b>2,141.22</b>	<b>1,698.70</b>

### Note :

Miscellaneous Expenses include the Company's share of various expenses incurred by group companies for sharing of services and use of common facilities.

## Note 42 : Exceptional Items

	₹ in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Impairment provision on subsidiaries	273.90	8.82
Settlement of Litigation with tax authorities	(0.01)	18.77
Net loss on sale of subsidiaries	790.38	-
Restructuring costs	0.65	-
Acquisition related costs	87.83	-
<b>TOTAL</b>	<b>1,152.75</b>	<b>27.59</b>

### Note :

During the year ended March 31, 2024 exceptional items comprise an amount of ₹ 273.90 crores on account of Impairment provision for diminution in the value of investments of Godrej Mauritius Africa Holdings Limited, acquisition related cost comprising of stamp duty and other cost in relation to business combination of Raymond Consumer Care business (Refer note 55) of ₹ 87.83 crores, restructuring cost of ₹ 0.64 crore and loss on sale of Godrej East Africa Holdings Limited of ₹ 792.63 crores offset by gain of ₹ 2.25 crores on account of sale of Godrej South Africa Proprietary Limited. (Sale of subsidiaries is pursuant to restructuring activities due to changes in business model and long term strategy within the group's entities in Africa).

During the quarter ended March 31, 2024, the company 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 ₹ 273.90 Crores in the value of investments of Godrej Mauritius Africa Holdings Limited has been recognized under exceptional items in standalone financial statements.

The recoverable amount of such investment is calculated based on its value in use which is estimated using discounted cash flows over a period of 5 years at discount rate of 15.5% and a terminal value growth rate of 6.5%.

During the year ended March 31, 2023 exceptional items comprise an amount of ₹ 18.77 crores on account of litigation settlement under VAT amnesty scheme and amount of ₹ 8.82 crores Impairment provision for diminution in the value of investments of Godrej Household Products Lanka (Pvt) Ltd.

## Note 43 : Earnings Per Share

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Net Profit After Tax (₹ Crores)</b>	<b>647.03</b>	<b>1,513.70</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>		
Shared based payments	413,083	229,629
For calculating Diluted EPS	1,023,178,732	1,022,865,713
<b>Earnings Per Share</b>		
<b>(Face Value ₹ 1)</b>		
Basic (₹)	6.33	14.80
Diluted (₹)	6.32	14.80

## Note 44 : Commitments

Estimated value of contracts remaining to be executed on capital account to the extent not provided for ₹ 274.57 crores (31-Mar-23 ₹ 66.50 crores), net of advances there against of ₹ 63.24 crores (31-Mar-23 ₹ 15.15 crores).

## Note 45 : Dividend

During the year 2023-24, ₹ 511.41 crores (31-Mar-23 ₹ Nil) interim dividend has been paid at the rate of ₹ 5 Per share of ₹ 1 each.

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 46 : Contingent Liabilities

	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>a) CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS</b>		
i) Excise duty and service tax matters	45.65	56.70
ii) Sales tax and VAT matters	27.56	34.29
iii) GST matters	23.87	0.18
iv) Income-tax matters	20.08	12.91
v) Other matters	2.42	3.00
<b>b) GUARANTEES GIVEN ON BEHALF OF SUBSIDIARIES</b>		
i) Guarantee amounting to USD Nil million (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
ii) Guarantee amounting to USD Nil million (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.	-	250.25
iii) Guarantee amounting to USD Nil million (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.	-	198.88
iv) Guarantee amounting to USD Nil million (31-Mar-22 0.58 million ) given by the Company to SMBC Singapore towards IRS facility taken by Godrej Mauritius Africa Holdings Ltd.	-	4.73
	-	<b>868.88</b>
<b>c) OTHER GUARANTEES</b>		
i) Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 4.70 crores.	34.14	27.89
<b>d) 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	-
<b>e) The Company 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 Company does not expect the outcome of the proceedings to have a materially adverse effect on its Standalone financial statements.</b>		
It is not practicable for the Company 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		
<b>f) OTHER MATTERS</b>		

The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. Additionally, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

## Note 47 : Related Party Disclosures

### A) Related Parties and their Relationship

#### a) Holding Company:

None

#### b) Subsidiaries:

Name of the Subsidiary	Country	% Holding as at March 31, 2024	% Holding as at March 31, 2023
Belaza Mozambique LDA	Mozambique	100%	100%
Canon Chemicals Limited	Kenya	100%	100%
Charm Industries Limited (upto 26 <sup>th</sup> March, 2024)	Kenya	0%	100%
Consell (under voluntary Liquidation)	Argentina	100%	100%
Cosmetica National	Chile	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 S.A.	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%
Frika Weave (Pty) Ltd	South Africa	100%	100%
Godrej (UK) Ltd	UK	100%	100%
Godrej Africa Holdings Limited	Mauritius	100%	100%
Godrej Consumer Care Limited	India	100%	100%
Godrej Consumer Supplies Ltd (w.e.f. 15 <sup>th</sup> December, 2023)	India	100%	0%
Godrej Consumer Holdings (Netherlands) B.V.	Netherlands	100%	100%
Godrej Consumer Investments (Chile) Spa	Chile	100%	100%
Godrej Consumer Products (Netherlands) B.V.	Netherlands	100%	100%
Godrej Consumer Products Bangladesh Limited	Bangladesh	100%	100%
Godrej Consumer Products Dutch Cooperatief UA	Netherlands	100%	100%
Godrej Consumer Products Holding (Mauritius) Limited	Mauritius	100%	100%
Godrej Consumer Products International FZCO	Dubai,UAE	100%	100%
Godrej CP Malaysia SDN BHD (Indirectly controlled by GCPL)	Malaysia	100%	100%
Godrej East Africa Holdings Limited (upto 26 <sup>th</sup> March, 2024)	Mauritius	0%	100%
Godrej Global Mideast FZE	Sharjah,UAE	100%	100%
Godrej Holdings (Chile) Limitada	Chile	100%	100%
Godrej Household Products (Bangladesh) Pvt. Ltd.	Bangladesh	100%	100%
Godrej Household Products Lanka (Pvt). Ltd.	Sri Lanka	100%	100%
Godrej Indonesia IP Holdings Ltd	Mauritius	100%	100%
Godrej Mauritius Africa Holdings Limited	Mauritius	100%	100%
Godrej Mid East Holding Limited	Dubai,UAE	100%	100%
Godrej Netherland B.V.	Netherlands	100%	100%
Godrej Nigeria Limited	Nigeria	100%	100%

Name of the Subsidiary	Country	% Holding as at March 31, 2024	% Holding as at March 31, 2023
Godrej Peru SAC (under voluntary liquidation)	Peru	100%	100%
Godrej SON Holdings Inc.	USA	100%	100%
Godrej South Africa Proprietary Limited	South Africa	100%	100%
Godrej Tanzania Holdings Limited	Mauritius	100%	100%
Godrej West Africa Holdings Limited	Mauritius	100%	100%
Hair Credentials Zambia Limited	Zambia	100%	100%
Hair Trading (Offshore) S.A.L.	Lebanon	51%	51%
Indovest Capital (upto 8 <sup>th</sup> February, 2024)	Labuan	0%	100%
Issue Brazil LTDA (under voluntary liquidation)	Brazil	100%	100%
Kinky Group (Proprietary) Limited	South Africa	100%	100%
Laboratorio Cuenca S.A	Argentina	100%	100%
Lorna Nigeria Limited	Nigeria	100%	100%
Old Pro International, Inc.	USA	100%	100%
Panamar Producciones SA (under voluntary liquidation)	Argentina	100%	100%
PT. Godrej Business Service Indonesia	Indonesia	100%	100%
PT Indomas Susemi Jaya	Indonesia	100%	100%
PT. Godrej distribution Indonesia	Indonesia	100%	100%
PT Sarico Indah	Indonesia	100%	100%
PT. Godrej Consumer Products Indonesia	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 Ltd	Kenya	100%	100%
Subinite (Pty) Ltd	South Africa	100%	100%
Weave Ghana	Ghana	100%	100%
Weave IP Holdings Mauritius Pvt. Ltd.	Mauritius	100%	100%
Weave Mozambique Limitada	Mozambique	100%	100%
Weave Senegal (upto 31 <sup>st</sup> March, 2024)	Senegal	100%	100%
Weave Trading Mauritius Pvt. Ltd.	Mauritius	51%	51%
Godrej Consumer Products Limited Employees' Stock Option Trust	India	100%	100%

**c) Investing Entity in which the reporting entity is an Associate**

- i) Godrej Industries Limited
- ii) Godrej Seeds & Genetics Limited

**d) Companies under common Control with whom transactions have taken place during the year**

- i) Godrej & Boyce Mfg. Co. Limited
- ii) Godrej Agrovet Limited
- iii) Godrej Tyson Foods Limited
- iv) Godrej Properties Limited
- v) Godrej Projects Development Private Limited
- vi) Godrej One Premises Management Private Limited

**e) Key Management Personnel and Relatives**

i)	Mr. Adi Godrej	Chairman Emeritus and Father of Ms.Tanya Dubash, Ms. Nisaba Godrej and Mr. Pirojsha Godrej / Brother of Nadir Godrej
ii)	Ms. Nisaba Godrej	Executive Chairperson /Daughter of Mr. Adi Godrej / Sister of Mr. Pirojsha Godrej and Ms. Tanya Dubash
iii)	Mr. Sudhir Sitapati	Managing Director & CEO
iv)	Mr. Aasif Malbari	Chief Financial Officer (From August 10, 2023)
v)	Mr. Sameer Shah	Chief Financial Officer (Till August 10, 2023)
vi)	Mr. Rahul Botadara	Company Secretary and Compliance Officer
vii)	Mr. Pirojsha Godrej	Non-Executive Director / Son of Mr. Adi Godrej / Brother of Ms. Nisaba Godrej and Ms. Tanya Dubash
viii)	Mr. Nadir Godrej	Non-Executive Director/ Brother of Mr. Adi Godrej
ix)	Ms. Tanya Dubash	Non-Executive Director/ Daughter of Mr. Adi Godrej /Sister of Mr. Pirojsha Godrej and Ms. Nisaba Godrej
x)	Mr. Jamshyd Godrej	Non Executive Director (Till January 24, 2024)
xi)	Ms. Shalini Puchalapalli	Independent Director (From November 14, 2023)
xii)	Mr. Omkar Goswami	Independent Director
xiii)	Ms. Ireena Vittal	Independent Director
xiv)	Mr. Narendra Ambwani	Independent Director (Till November 14,2023)
xv)	Ms. Ndidi Nwuneli	Independent Director (Till May 1,2024)
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

**f) 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 :

₹ in Crores

	Subsidiary Companies		Investing Entity in which the reporting entity is an associate		Companies Under Common Control		Key Management Personnel and Relatives		Post employment benefit trust		Total	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Goods	67.52	63.89	12.56	29.63	3.06	2.65	-	-	-	-	83.14	96.17
Sale of Capital Asset	-	-	0.02	0.04	-	0.02	-	-	-	-	0.02	0.06
Purchase of Materials and Spares	3.57	2.73	79.84	99.81	22.59	-	-	-	-	-	106.00	102.54
Purchase of Fixed Asset including Assets under Construction	-	-	-	-	0.07	0.02	-	-	-	-	0.07	0.02
Advance Paid	-	-	-	-	-	-	-	-	-	-	-	-
Advance received back	-	-	-	-	-	-	-	-	-	-	-	-
Royalty and Technical Fees Received	28.15	23.93	-	-	-	-	-	-	-	-	28.15	23.93
Royalty and Technical Fees Paid	0.15	0.16	-	-	-	-	-	-	-	-	0.15	0.16
Establishment & Other Expenses Paid (Including provision for doubtful debts if any)	2.76	3.78	34.96	33.29	6.63	6.47	-	-	-	-	44.35	43.54
Expenses Recovered	18.47	17.71	3.58	1.37	0.61	0.19	-	-	-	-	22.66	19.27
Investments Made	244.25	698.55	-	-	-	-	-	-	-	-	244.25	698.55
Investments Sold / Redeemed	12.67	-	-	-	-	-	-	-	-	-	12.67	-
Interest income	34.73	18.07	-	-	-	-	-	-	-	-	34.73	18.07
Guarantees Cancelled	396.66	4.73	-	-	-	-	-	-	-	-	396.66	4.73
Guarantee Commission Income	0.98	4.79	-	-	-	-	-	-	-	-	0.98	4.79
Income from Business Support Services	-	4.01	-	-	-	-	-	-	-	-	-	4.01
Dividend Received	234.90	-	-	-	-	-	-	-	-	-	234.90	-
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)	-	-	-	-	-	-	-	-	19.16	15.03	19.16	15.03
Commission on Profits and Sitting Fees	-	-	-	-	-	-	3.15	3.00	-	-	3.15	3.00
Short Term Employment Benefits	-	-	-	-	-	-	22.87	18.84	-	-	22.87	18.84
Post Employment Benefits	-	-	-	-	-	-	0.61	0.53	-	-	0.61	0.53
Share Based Payment	-	-	-	-	-	-	8.51	5.04	-	-	8.51	5.04
<b>TOTAL</b>	<b>1,044.81</b>	<b>842.35</b>	<b>159.57</b>	<b>191.65</b>	<b>32.96</b>	<b>9.35</b>	<b>35.14</b>	<b>27.41</b>	<b>19.16</b>	<b>15.03</b>	<b>1,291.64</b>	<b>1,085.79</b>

## Outstanding Balances

₹ in Crores

	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
Subsidiary Companies	66.30	74.20	1.87	2.40	-	868.88	-	-
Investing Entity in which the reporting entity is an associate	4.79	2.97	9.05	10.88	(26.88)	(26.88)	-	-
Companies Under Common Control	1.81	1.07	0.17	0.49	(1.21)	(1.21)	0.24	0.24
Key Management Personnel and Relatives	-	-	2.19	2.22	-	-	-	-
<b>TOTAL</b>	<b>72.90</b>	<b>78.24</b>	<b>13.28</b>	<b>15.99</b>	<b>(28.09)</b>	<b>840.79</b>	<b>0.24</b>	<b>0.24</b>

\* amounts less than ₹ 0.01 crore

**Note :** Refer Note 8 for investments in subsidiaries and Note 46 for Guarantees given on behalf of subsidiaries

## Note 48 : Forward Contracts

The Company uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitments in accordance with its forex policy as determined by its Forex Committee. The Company does not use foreign exchange forward contracts for trading or speculation purposes.

Forward / Spot Contracts outstanding are as follows:

	As at March 31, 2024		As at March 31, 2023	
	In Million	INR crores	In Million	INR crores
Forward Contracts to Sales (USD) - nominal amounts [5 contracts (31-Mar-23 : 2 contract)]	\$7.00	58.39	\$9.41	77.35

## Note 49 : Hedge Accounting

The objective of hedge accounting is to represent, in the Company financial statements, the effect of the Company use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Company makes use of financial derivative instruments namely 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 Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge 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 Company applies cash flow hedge accounting to hedge the variability in a) Floating/Fixed foreign currency instrument.

The Company has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation

of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective 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 Company hedging strategy, typical composition of the Company 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 & Interest Rate Risk	Foreign Currency loans	Floating/Fixed Foreign currency instrument is converted into Fixed Rate local currency instrument	Cross currency - Interest Rate Swap	Cross currency - Interest Rate Swap is a derivative instrument whereby the Company hedges fixed/floating foreign currency instrument into fixed local 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 period ended March 31, 2024**

₹ in Crores

Hedging Instrument	Notional principal amounts outstanding	Derivative Financial Instruments - Assets outstanding	Derivative Financial Instruments - Liabilities outstanding (Refer Note 31)	Gain/ (Loss) due to change in fair value for the year	Change in fair value recognized in OCI	Ineffec- tiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffec- tiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Cross Currency Interest Rate Swap	676.09	-	13.01	0.64	0.64	-	NA	NA	NA

**Note :**

Loss recognized in Other comprehensive income on hedging instrument amounting to ₹ 0.64 crore is offset by gain on hedged item amounting to ₹ 10.39 crores.

**For the period ended March 31, 2023**

Hedging Instrument	Notional principal amounts outstanding	Derivative Financial Instruments - Assets outstanding	Derivative Financial Instruments - Liabilities outstanding (Refer Note 31)	Gain/ (Loss) due to change in fair value for the year	Change in fair value recognized in OCI	Ineffec- tiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffec- tiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Cross Currency Interest Rate Swap	676.09	-	11.95	(22.27)	(22.27)	-	NA	NA	NA

**Note :**

Loss recognized in Other comprehensive income on hedging instrument amounting to ₹ 22.27 crores is offset by gain on hedged item amounting to ₹ 22.46 crores.

The table below provides a profile of the timing of the notional amounts of the Company hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

₹ in Crores

Particulars	As at March 31, 2024			
	Total	Less than 1 year	1-5 years	Over 5 yeras
<b>Cross currency - Interest Rate Swap</b>				
Notional principal amount	676.09	-	676.09	-
Average rate	4.80%	-	4.80%	-

₹ in Crores

Particulars	As at March 31, 2023			
	Total	Less than 1 year	1-5 years	Over 5 yeras
<b>Cross currency - Interest Rate Swap</b>				
Notional principal amount	676.09	-	676.09	-
Average rate	4.80%	-	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:

₹ in Crores

Particulars	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
<b>Opening balance</b>	(0.63)	(0.75)
<b>Gain / (Loss) on the Effective portion of changes in fair value:</b>		
a) Interest rate risk	-	-
b) Currency risk	9.75	0.19
<b>Net amount reclassified to profit or loss:</b>		
a) Interest rate risk	-	-
b) Currency risk	-	-
Tax on movements on reserves during the year	(3.49)	(0.07)
<b>Closing balance</b>	5.63	(0.63)

## Note 50 : Employee Benefits

### a) DEFINED CONTRIBUTION PLAN

#### Provident Fund / Super annuation fund:

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

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 38 under Contribution to Provident and Other Funds.

b) **DEFINED BENEFIT PLAN**1. **Provident Fund:**

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

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

		₹ in Crores	
		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	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)
	Present value of the obligation at the end of the year	197.72	170.02
<b>ii)</b>	<b>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)
	Fair value of Plan Assets at the end of the year	204.66	173.29
<b>iii)</b>	<b>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)
	Net Cost Included in Personnel Expenses	8.04	6.36

₹ in Crores

	As at March 31, 2024	As at March 31, 2023
<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%
Others	3%	2%
<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.

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

₹ in Crores

	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	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:

	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	-	-	-	-

**2. Gratuity:**

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

The Gratuity scheme of the erstwhile Godrej Household Products Ltd., which was obtained pursuant to the Scheme of Amalgamation, is funded through Unit Linked Gratuity Plan with HDFC Standard Life Insurance Company Limited.

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

The Company has a gratuity trust. However, the Company funds its gratuity payouts from its cash flows. Accordingly, the Company creates adequate provision in its books every year based on actuarial valuation.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

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

		₹ in Crores	
		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	59.81	62.04
	Obligation on Transfer of Employees pursuant to Business transfer (Refer Note 55)	3.38	-
	Current Service Cost	4.03	4.25
	Interest Cost	4.37	3.98
	Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions	(0.82)	-
	Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions	(1.46)	0.20
	Actuarial (Gain) / Loss on Obligation- Due to Experience	2.55	(1.67)
	Benefits Paid	(9.23)	(8.99)
	Present value of the obligation at the end of the year	62.63	59.81
<b>ii)</b>	<b>Change in Plan Assets</b>		
	Fair value of Plan Assets at the beginning of the year	1.06	1.99
	Obligation on Transfer of Employees pursuant to Business transfer (Refer Note 55)	3.38	-
	Interest Income	0.08	0.13
	Return on plan assets excluding interest income	0.03	(0.07)
	Contributions by the Employer	5.99	8.00
	Benefits Paid	(9.23)	(8.99)
	Fair value of Plan Assets at the end of the year	1.31	1.06
<b>iii)</b>	<b>Amounts Recognised in the Balance Sheet:</b>		
	Present value of Obligation at the end of the year	62.63	59.81
	Fair value of Plan Assets at the end of the year	1.31	1.06
	Net Liability recognised in the Balance Sheet	61.32	58.76
<b>iv)</b>	<b>Amounts Recognised in the Statement of Profit and Loss:</b>		
	Current Service Cost	4.03	4.25
	Interest Cost/Income on Obligation/ Plan assets (Net)	4.29	3.85
	Net Cost Included in Personnel Expenses	8.32	8.10
<b>v)</b>	<b>Recognised in other comprehensive income for the year</b>		
	Actuarial (Gain) / Loss on Obligation	0.27	(1.47)
	Return on plan assets excluding interest income	(0.03)	0.07
	Recognised in other comprehensive income	0.24	(1.40)
<b>vi)</b>	<b>Weighted average duration of Present Benefit Obligation</b>	5 years	5 years
<b>vii)</b>	<b>Estimated contribution to be made in next financial year</b>	9.77	8.15
<b>viii)</b>	<b>Major categories of Plan Assets as a % of total Plan Assets</b>		
	Insurer Managed Funds	100%	100%
<b>ix)</b>	<b>Actuarial Assumptions</b>		
	i) Discount Rate	7.18% P.A.	7.30% P.A.
	ii) Salary Escalation Rate	9.22% P.A.	10.00% P.A.
	iii) Employee Turnover	18.05% P.A.	16.00% P.A.
	iv) Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	

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

		₹ in Crores	
		As at March 31, 2024	As at March 31, 2023
x)	<b>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	12.17	10.84
	2 <sup>nd</sup> Following Year	9.90	8.24
	3 <sup>rd</sup> Following Year	9.26	8.21
	4 <sup>th</sup> Following Year	8.38	7.39
	5 <sup>th</sup> Following Year	7.75	6.81
	Sum of Years 6 To 10	24.07	26.13

**xi) Sensitivity analysis**

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

	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.13)	2.30	(2.31)	2.53
Future salary growth (1% movement)	2.24	(2.11)	2.44	(2.28)
Employee Turnover (1% movement)	(0.28)	0.30	(0.37)	0.40

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.

**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 ₹ 29.38 crores (31-Mar-23 : ₹ 4.19 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 :

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

## Note 51 : 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 Granted	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:

	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:

	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 52 : Corporate Social Responsibility (CSR) Expenditure

Expenditure related to CSR as per section 135 of the Companies Act, 2013 read with Schedule VII thereof, against the mandatory spend of ₹ 34.55 crores (31-Mar-23 ₹ 31.99 crores):

	Year ended March 31, 2024	Year ended March 31, 2023
Amount required to be spent by the company during the year	34.55	31.99
Amount of expenditure incurred on CSR activities	34.64	31.69
Shortfall at the end of the year	-	0.30
<b>Movement of provision</b>		
<b>Opening</b>	<b>0.66</b>	6.24
Utilised during the year	(0.66)	(5.88)
Provision recognised during the year	-	0.30
<b>Closing</b>	<b>-</b>	0.66

### Reason for Shortfall

₹ Nil (31-Mar-23 ₹ 0.30 crore) unutilised by partners against ongoing projects has been transferred into unspent CSR account. The same will be utilised in FY24.

GCPL has deposited the unspent CSR amount of ₹ Nil crore (31-Mar-23 ₹ 0.30 crore) to the specified bank account post year end and before April 30, 2024 (April 30, 2023).

### Nature of CSR Activities

Promoting preventive healthcare, promoting education, environment sustainability, livelihood enhancement project.

## Note 53 : 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.

₹ in Crores

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 in subsidiaries								
Non-convertible Debentures	-	-	708.94	708.94	-	-	-	-
Other Investments								
Target Mutual Fund	-	-	213.80	213.80	213.76	-	-	213.76
Non Convertible Debentures with Non-Banking Financial Companies	-	-	997.09	997.09	-	-	-	-
Investment - Early Spring Fund	7.96	-	-	7.96	-	7.96	-	7.96
Loans	-	-	0.01	0.01	-	-	-	-
Other non-current financial assets	-	-	19.58	19.58	-	-	-	-
<b>Current</b>								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	433.91	433.91	-	-	-	-
Mutual Funds	475.38	-	-	475.38	475.38	-	-	475.38
Government Securities	108.49	-	-	108.49	108.49	-	-	108.49
Deposits with Non-Banking Financial Companies	-	-	268.83	268.83	-	-	-	-
Trade receivables	-	-	491.34	491.34	-	-	-	-
Cash and cash equivalents	-	-	100.06	100.06	-	-	-	-
Other bank balances	-	-	143.84	143.84	-	-	-	-
Loans	-	-	0.01	0.01	-	-	-	-
Refunds/Incentives receivables from government authorities	-	-	24.99	24.99	-	-	-	-
Other current financial assets	-	-	25.22	25.22	-	-	-	-
<b>TOTAL</b>	<b>591.83</b>	<b>-</b>	<b>3,427.62</b>	<b>4,019.45</b>	<b>797.63</b>	<b>7.96</b>	<b>-</b>	<b>805.59</b>
<b>Financial liabilities</b>								
<b>Non Current</b>								
Lease liabilities	-	-	14.91	14.91	-	-	-	-
<b>Current</b>								
Borrowings	-	-	1,979.88	1,979.88	-	-	-	-
Lease liabilities	-	-	13.90	13.90	-	-	-	-
Trade and other payables	-	-	872.82	872.82	-	-	-	-
Derivative Liabilities - Cross currency interest rate swap used for hedging	-	13.01	-	13.01	-	13.01	-	13.01
Other Current Financial Liabilities	-	-	152.45	152.45	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>13.01</b>	<b>3,033.96</b>	<b>3,046.97</b>	<b>-</b>	<b>13.01</b>	<b>-</b>	<b>13.01</b>

There were no transfers between levels 1 and 2 during the year.

₹ in Crores

As at March 31, 2023	Carrying amount / Fair Value				Fair value Hierarchy			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Financial assets</b>								
<b>Non Current</b>								
Investments in subsidiaries								
Non-convertible Debentures			698.55	698.55	-	-	-	-
Other Investments								
Mutual Fund			199.08	199.08	199.08	-	-	199.08
Loans	-	-	0.03	0.03	-	-	-	-
Other Non-Current Financial Assets	-	-	17.53	17.53	-	-	-	-
<b>Current</b>								
Investments								
Non-convertible Debentures with Non-Banking Financial Companies	-	-	728.37	728.37	-	-	-	-
Mutual Funds	863.94	-	-	863.94	863.94	-	-	863.94
Commercial papers	-	-	342.02	342.02	-	342.02	-	342.02
Deposits with Non-Banking Financial Companies			175.26	175.26	-	-	-	-
Trade receivables	-	-	320.79	320.79	-	-	-	-
Cash and cash equivalents	-	-	17.69	17.69	-	-	-	-
Other Bank balances	-	-	32.78	32.78	-	-	-	-
Loans	-	-	0.05	0.05	-	-	-	-
Refunds/Incentives receivables from Govt. Authorities	-	-	22.75	22.75	-	-	-	-
Derivative assets - forward exchange contracts	-	1.03	-	1.03	-	1.03	-	1.03
Other Current Financial Assets	-	-	29.94	29.94	-	-	-	-
<b>TOTAL</b>	<b>863.94</b>	<b>1.03</b>	<b>2,584.84</b>	<b>3,449.81</b>	<b>1,063.02</b>	<b>343.05</b>	<b>-</b>	<b>1,406.07</b>
<b>Financial liabilities</b>								
<b>Non Current</b>								
Lease liabilities								
Lease liabilities	-	-	28.80	28.80	-	-	-	-
<b>Current</b>								
Borrowings								
Borrowings	-	-	23.82	23.82	-	-	-	-
Lease liabilities								
Lease liabilities	-	-	13.28	13.28	-	-	-	-
Trade and other payables								
Trade and other payables	-	-	711.09	711.09	-	-	-	-
Derivative Liabilities - forward exchange contracts								
Derivative Liabilities - forward exchange contracts	-	11.95	-	11.95	-	11.95	-	11.95
Other Current Financial Liabilities								
Other Current Financial Liabilities	-	-	99.95	99.95	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>11.95</b>	<b>876.94</b>	<b>888.89</b>	<b>-</b>	<b>11.95</b>	<b>-</b>	<b>11.95</b>

There were no transfers between levels 1 and 2 during the year.

**B. Measurement of fair values**

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 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
Investments in Target Maturity Fund	Broker Quote	NA	NA
Commercial papers	Broker Quote	NA	NA
Investment - Early Spring Fund	NAV quoted by the Fund	NA	NA
Government Securities	Price quoted by clearing corporation of India	NA	NA
Derivative Financial Instruments	MTM from Banks	NA	NA

## Note 54 : Financial Risk Management

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company has constituted a Risk Management Committee and risk management policies which are approved by the Board to identify and analyze the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings, foreign currency receivables/payables, EEFC bank account balances, investments and derivative financial instruments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

**(ii) Management of price risk:**

The Company invests its surplus funds in various debt instruments including liquid and short term schemes of debt mutual funds, deposits with banks and financial institutions, commercial papers and non-convertible debentures (NCD's). Investments in mutual funds, deposits and NCD's are susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments. This risk is mitigated by the Company by investing the funds in various tenors depending on the liquidity needs of the Company.

(iii) **Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and investment in non-convertible debentures in subsidiaries and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts and cross currency interest rate swaps. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

**Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)**

The currency profile of financial assets and financial liabilities as at March 31, 2024 is as below:

	₹ in Crores				
	March 31, 2024				
	GBP	USD	EURO	SGD	AED
<b>Financial assets</b>					
Cash and cash equivalents	-	4.08	-	0.05	-
Non-current investments	-	708.94	-	-	-
Less: Currency Swap for NCD Investment	-	(708.94)	-	-	-
Trade and other receivables	-	98.33	22.97	-	-
Less: Forward contracts for trade receivables	-	(58.38)	-	-	-
Other Non-Current Financial Assets	-	-	-	-	-
Other Current Financial Assets	-	-	-	-	-
	-	<b>44.02</b>	<b>22.97</b>	<b>0.05</b>	-
<b>Financial liabilities</b>					
Trade and other payables	0.19	11.34	18.45	(0.01)	-
	<b>0.19</b>	<b>11.34</b>	<b>18.45</b>	<b>(0.01)</b>	-
<b>Net exposure</b>	<b>(0.19)</b>	<b>32.69</b>	<b>4.52</b>	<b>0.06</b>	-

**Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)**

The currency profile of financial assets and financial liabilities as at March 31, 2023 is as below:

	₹ in Crores				
	March 31, 2023				
	GBP	USD	EURO	SGD	AED
<b>Financial assets</b>					
Cash and cash equivalents	-	6.02	-	0.22	-
Non-current investments	-	698.55	-	-	-
Less: Currency Swap for NCD Investment	-	(698.55)	-	-	-
Trade and other receivables	-	97.67	29.01	-	-
Less: Forward contracts for trade receivables	-	(77.35)	-	-	-
Other Non-Current Financial Assets	-	4.78	-	-	-
Other Current Financial Assets	-	4.97	-	-	-
	-	<b>36.09</b>	<b>29.01</b>	<b>0.22</b>	-
<b>Financial liabilities</b>					
Trade and other payables	0.10	2.10	(1.05)	0.03	-
	<b>0.10</b>	<b>2.10</b>	<b>(1.05)</b>	<b>0.03</b>	-
<b>Net exposure</b>	<b>(0.10)</b>	<b>33.99</b>	<b>30.06</b>	<b>0.19</b>	-

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

INR	Year-end spot rate as at	
	March 31, 2024	March 31, 2023
GBP INR	105.29	101.87
USD INR	83.37	82.22
EUR INR	90.22	89.61
SGD INR	61.74	61.33
AED INR	22.71	22.37

#### Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of GBP/USD/EURO against the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in GBP/USD/EURO 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 March 31, 2024	Profit or loss	
	Strengthening	Weakening
5% movement		
GBP	(0.01)	0.01
USD	1.63	(1.63)
EUR	0.23	(0.23)
	1.85	(1.85)

Effect in INR March 31, 2023	Profit or loss	
	Strengthening	Weakening
5% movement		
GBP	-	-
USD	1.70	(1.70)
EUR	1.50	(1.50)
	3.20	(3.20)

#### B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and from its investing activities including investments in mutual funds, commercial papers, deposits with banks and financial institutions and Non-convertible debentures, foreign exchange transactions (including derivatives) and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

Credit risk from investments of surplus funds is managed by the Company's treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements prescribed by the Board. The Company monitors the credit ratings and financial strength of its counter parties and adjusts its exposure accordingly. Derivatives are entered into with banks as counter parties, which have high credit ratings assigned by rating agencies.

Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available. The Company uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers which comprise of large number of small balances.

The movement in the allowance for impairment in respect of trade receivables is as follows

	As at March 31, 2024	As at March 31, 2023
Opening balance	19.45	12.45
Impairment loss recognised / (released) during the year	(4.96)	7.00
Closing balance	14.49	19.45

₹ Crores

### C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a robust cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

March 31, 2024	Carrying amount	Contractual cash flows			
		Total	Less than 1 Year	1-3 years	More than 3 years
<b>Non-derivative financial liabilities</b>					
Lease liabilities	28.81	33.19	15.96	16.22	1.01
Borrowings	1,979.88	2,000.00	2,000.00	-	-
Trade payables	872.82	872.82	872.82	-	-
Other Financial Liabilities	152.45	152.45	152.45	-	-
<b>Total</b>	<b>3,033.96</b>	<b>3,058.46</b>	<b>3,041.23</b>	<b>16.22</b>	<b>1.01</b>
<b>Derivative financial liabilities</b>					
Forward exchange contracts					
- Inflow	-	58.39	58.39	-	-

₹ in Crores

₹ in Crores

March 31, 2023	Carrying amount	Contractual cash flows			
		Total	Less than 1 Year	1-3 years	More than 3 years
<b>Non-derivative financial liabilities</b>					
Lease liabilities	42.08	55.59	17.51	32.57	5.51
Borrowings	23.82	23.82	23.82	-	-
Trade payables	711.09	711.09	711.09	-	-
Other Financial Liabilities	99.95	99.95	99.95	-	-
<b>Total</b>	<b>876.94</b>	<b>890.45</b>	<b>852.37</b>	<b>32.57</b>	<b>5.51</b>
<b>Derivative financial liabilities</b>					
Forward exchange contracts					
- Inflow	-	77.35	77.35	-	-

## Note 55 : Business Combination

### Acquisition of Raymond consumer care business

On May 8, 2023, the Company 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 Company 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 company'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 standalone 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 standalone revenue from sales of products would have been ₹ 8,336.04 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 standalone 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 company, 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 :**

	₹ in Crores
	<b>Amount</b>
<b>Specified Tangible Asset</b>	
Property, Plant and Equipment	
Owned Assets	4.10
<b>Specified Intangibles Assets</b>	
Brands	2199.69
<b>Other Assets</b>	
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>
<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>Goodwill (D-C)</b>	<b>566.30</b>

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 Company's existing personal care business. None of the goodwill recognized is expected to be deductible for tax purposes.

## Note 56 : Capital Management

For the purpose of the company's capital management, capital (total equity) includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the company'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 Company's policy is to keep the gearing ratio less than 1.

The Company 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 Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company 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 company'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
		₹ in Crores
<b>Total Liabilities</b>	<b>3,435.74</b>	1,175.36
Less : Cash and Cash equivalents, Other bank balances and current investments (See Notes 16,18 and 19)	(1,530.51)	(2,160.06)
<b>Adjusted net debt</b>	<b>1,905.23</b>	(984.70)
<b>Total Equity</b>	<b>9,552.58</b>	9,386.02
Less : Effective portion of Cash Flow Hedges	(5.63)	0.63
Less : Debt instruments measured at fair value through other comprehensive income	(0.58)	-
<b>Adjusted equity</b>	<b>9,546.37</b>	9,386.65
<b>Net debt to adjusted equity ratio</b>	<b>0.20</b>	-0.10

Amongst other things, the company'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 Company also takes into consideration the overall net cash of ₹ 769.48 crores (31-Mar-23 ₹ 2,335.32 crores) arrived by reducing the total borrowings from total investments, cash and bank balances for capital management purposes.

## Note 57 : Ratio Analysis And Its Elements

	As At March 31, 2024	As At March 31, 2023	%
Current ratio (Current Assets/ Current Liabilities )	<b>0.90</b>	3.03	-70%
Debt-Equity ratio ((Non-Current + Current Borrowings)/ Total Equity)	<b>0.21</b>	0.00	8067%
Debt service coverage ratio ((PAT + Finance Cost + Depreciation and Amortization expense + Profit/Loss on sale of Fixed assets) / (Finance Cost + Repayment Lease liabilities + Repayment of Long Term borrowings))	<b>4.21</b>	99.31	-96%
Return on Equity Ratio (Net Profits after taxes – Preference Dividend)/Average Share holder's Equity	<b>0.07</b>	0.18	-61%
Inventory turnover (in times) -(Net Sale of products/ Average Inventory)	<b>13.35</b>	10.89	23%
Trade Receivables Turnover ratio (in times)-(Net Sale of products/ Average trade receivables)	<b>20.36</b>	22.90	-11%
Trade Payables turnover Ratio (Total Purchases / Avg. Trade payables)	<b>4.52</b>	5.28	-14%

	As At March 31, 2024	As At March 31, 2023	%
			Change
Net working Capital turnover Ratio ( Net Sales / Working Capital)	(25.47)	3.43	-843%
Net Profit Ratio (Net Profit After Taxes /Net Sale of products)	0.08	0.20	-61%
Return on Capital Employed (Earnings Before Interest and Taxes / Capital Employed)	17.8%	14.9%	20%
<b>Return on Investment :-</b>			
Fixed Deposits with Banks	6.30%	4.95%	27%
Fixed Deposits with NBFCs	7.90%	5.24%	51%
Non - Convertible Debentures	7.92%	6.39%	24%
Mutual Funds	7.24%	5.82%	24%
Commercial Papers	7.74%	7.32%	6%

#### Reasons for Change in Ratios :

- i) Change in the current ratio is due to increase in short term borrowings and decrease in investment.
- ii) Change in the debt-equity ratio is due to increase in short term borrowings.
- iii) Change in the debt service coverage ratio is due to increase in exceptional items (Refer note 42).
- iv) Change in the return on equity ratio is due to increase in exceptional items (Refer note 42).
- v) Net working capital turnover ratio is due to increase in short term borrowings and decrease in investment.
- vi) Change in the net profit ratio is due to increase in exceptional items (Refer note 42).
- vii) Change in Return on investment on fixed deposits with Banks is due to reinvestment in FDs at a higher rate of Interest.
- viii) Change in Return on investment on fixed deposits with NBFCs is due to debt market has seen an upward trend in FY23-24 and hence, all investments were made at higher yields.

#### Note 58 : Utilisation Of Borrowed Funds And Share Premium

- i) To the best of our knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) To the best of our knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Note 59 : 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	0.00	-	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 60 : Disclosure U/S 186 (4) Of The Companies Act, 2013

Details of Investments made are disclosed under Note 8 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 46.

## Note 61 : Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the standalone financial statements except as disclosed in note 45 to the standalone financial statements.

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

**Nisaba Godrej**

Executive Chairperson

DIN : 00591503

**Vijay Mathur**

Partner

M. No. 046476

**Aasif Malbari**

Chief Financial Officer

For and on behalf of the Board

**Sudhir Sitapati**

Managing Director & CEO

DIN: 09197063

**Rahul Botadara**

Company Secretary and Compliance-  
Officer

Mumbai: May 06, 2024