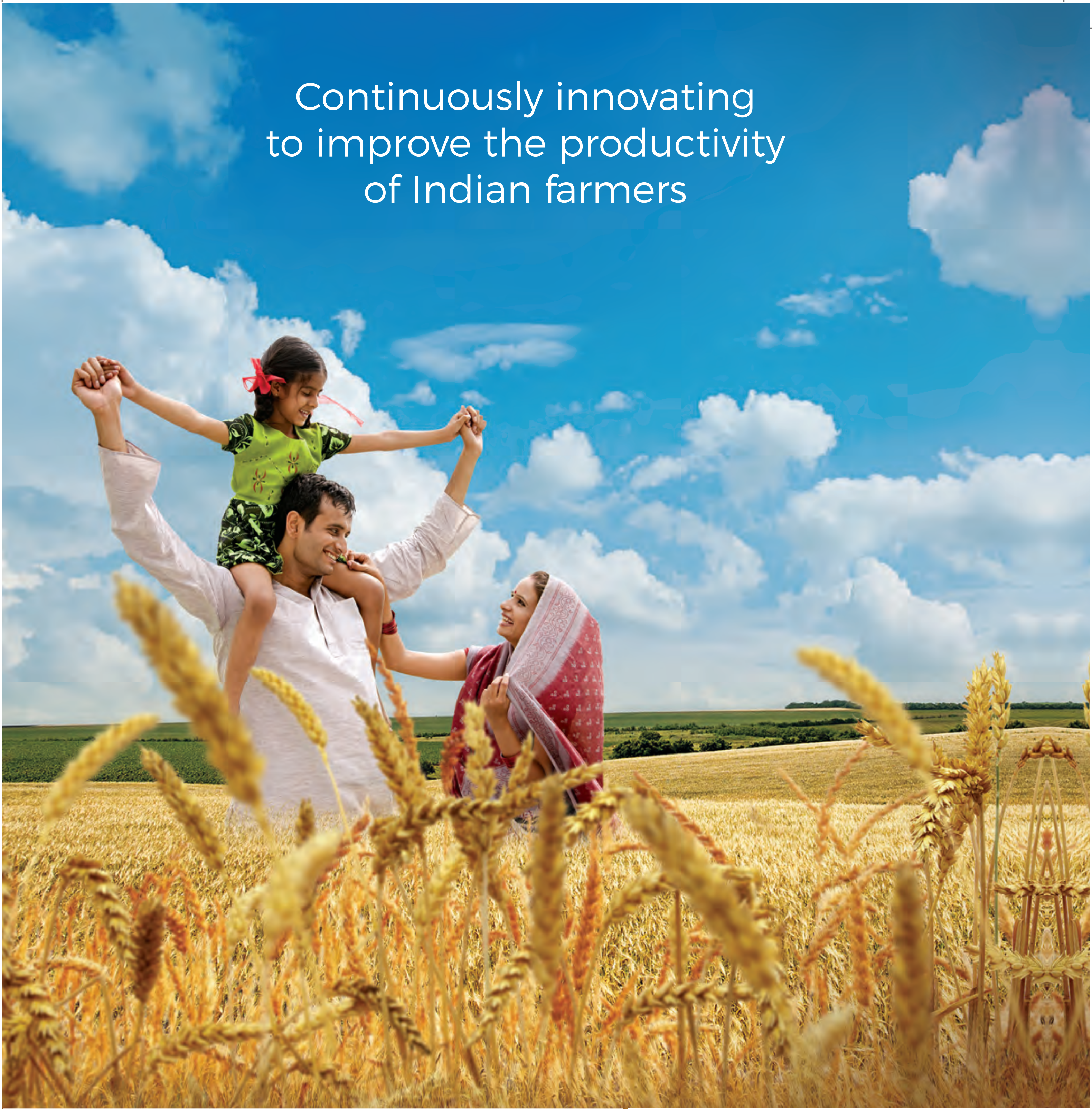
Continuously innovating to improve the productivity of Indian farmers



Annual Report 2016-2017

Godrej agrovet brighter farming

[Corporate Identity Number (CIN): U15410MH1991PLC135359]

Annual Report 2016 - 2017

DIRECTORS

Mr. N. B. Godrej	- Chairman
Mr. A. B. Godrej	- Director
Mr. J. N. Godrej	- Director
Mr. V. M. Crishna	- Director
Ms. T. A. Dubash	- Director
Ms. Nisaba Godrej	- Director
Mr. K. N. Petigara	- Independent Director
Dr. S. L. Anaokar	- Independent Director
Mr. A. B. Choudhury	- Independent Director
Mr. B. S. Yadav	- Managing Director
Mr. Rohit Sipahimalani	- Director

CHIEF FINANCIAL OFFICER
Mr. S. Varadaraj

COMPANY SECRETARY
Mr. Vivek Raizada

AUDITORS
Kalyaniwalla & Mistry LLP

BANKERS
Central Bank of India
Union Bank of India
State Bank of India

REGISTERED OFFICE & CORPORATE OFFICE
"Godrej One," 3rd Floor,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079, Maharashtra.
Tel : (91-22) 25188010/20/30
Fax : (91-22) 25195124

MAJOR FACTORIES

ANIMAL FEED
Khanna (Punjab)
Ikolaha (Punjab)
Miraj (Maharashtra)
Sachin (Gujarat)
Kharagpur (West Bengal)
Hanuman Junction (Andhra Pradesh)
Kondapalli (Andhra Pradesh)
Tumkur (Karanataka)
Hazipur (Bihar)
Erode (Tamil Nadu)
Chandauli (Uttar Pradesh)

AGRI INPUTS
Jammu (Jammu & Kashmir)
Lote Parshuram (Maharashtra)

OIL PALM
Pothepally (Andhra Pradesh)
Chintampally (Andhra Pradesh)
Ariyalur (Tamil Nadu)
Valpoi (Goa)
Kolasib (Mizoram)

TABLE OF CONTENTS **Page No.**

DIRECTORS' REPORT OF GODREJ AGROVET LIMITED

[Corporate Identification Number (CIN): U15410MH1991PLC135359]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

TO THE SHAREHOLDERS:

Your Directors have pleasure in presenting the Board's Report along with the Audited Financial Statements for the Financial Year (F.Y.) 2016-17.

FINANCIAL SUMMARY / HIGHLIGHTS:

Your Company's Standalone performance during the Financial Year 2016-17 is summarized below:-

₹ In Lakh

Particulars	For the Financial Year 2016-17	For the Financial Year 2015-16*
Total Income	367,024.03	342,127.83
Profit Before Taxation (before exceptional and demerger of Seeds business)	26,066.93	21,189.93
Add: Exceptional items	2,000.00	--
Profit before Taxation	28,066.93	21,189.93
Less : Provision for Taxation	7,269.98	5,363.17
Profit After Taxation (PAT)	20,796.95	15,826.76

** Figures for previous year have been re-stated in accordance with Ind AS.*

REVIEW OF OPERATIONS / STATE OF AFFAIRS OF THE COMPANY AND ITS SUBSIDIARIES:

There has been no change in the nature of business of your Company during the Financial Year (F.Y.) 2016-17.

Review of Operations / State of Affairs of the Company:

Animal Feeds:

The Animal feed business had a flat year due to head winds faced in certain feed categories. While cattle feed, layer feed and fish feed recorded robust growth. The business had flat sales in shrimp feed,while the volumes declined in broiler feed. Integration as an operating business model had gained ground in broiler business in last 5 years. The prevalence has increased to an extent that majority of the broiler market share has been captured by Integrators. Your Company is working on multiple solution themes to improve its broiler feed play in coming years. Good monsoons lead to bumper Kharif and Rabi crops in the said Financial Year, keeping the critical raw materials prices mooted in the second half of Financial Year 2016-17, which aided the profitability of the business in Financial Year 2016-17.

Crop Protection Business:

During the Financial Year 2016-17, good south west monsoons helped the Crop protection business clocked a growth of 18% in sales. The business reported sales of ₹ 45,132 Lakh during the Financial Year 2016-17. The Crop protection business started sales of product portfolio of Astec LifeSciences Limited (a subsidiary) during the Financial Year 2016-17 and has seen its market share improve across the Azole product fungicide portfolio.

Vegetable Oil:

During the Financial Year 2016-17, both Crude Palm Oil and Palm Kernel Oil prices were robust which resulted in significant improvement in the performance of Oil Palm business over last year. Operating performance of the business remained strong. The business recorded Sales of ₹ 50,672 Lakh in Financial Year 2016-17, growth of over 25% over Financial Year 2015-16. A project to convert the Oil Palm Biomass into value added product was also commissioned during the Financial Year 2016-17, which will add to the profitability of the Oil Palm Business in times to come.

Review of Operations / State of Affairs of the Subsidiaries of the Company:

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Rules framed thereunder, a statement containing the salient features of the financial statements of our Subsidiaries and Associates in the Form AOC-1 is annexed and form part of the Financial Statement. The statement provides the details of performance and financial position of each of the Subsidiaries and Associates. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the consolidated financial statements, audited accounts of all the subsidiaries and other documents attached thereto are available on our website: www.godrejagrovet.com. Your Directors present herewith a broad overview of the operations and financials of Subsidiaries and Associates of your Company:

Godrej Seeds & Genetics Limited (Subsidiary upto March 18, 2017):

The seeds business of the Company had a muted Financial Year 2016-17. The Company registered sales of ₹ 371 Lakh as compared to sales of ₹ 368 Lakh during the Financial Year 2015-16.

Your Company has sold its entire equity stake in Godrej Seeds & Genetics Limited on March 19, 2017, consequent to which it ceases to be your Company's subsidiary w.e.f. March 18, 2017.

Godvet Agrochem Limited:

For the Financial Year 2016-17, Operating Profit, i.e., EBITDA was ₹ 338.30 Lakh, against Operating Profit of ₹ 236.44 Lakh reported for the Financial Year 2015-16, Profit After Tax is ₹ 40.15 Lakh for the Financial Year 2016-17, as compared to the Profit After Tax of ₹ 59.86 Lakh reported for the Financial Year 2015-16.

Astec LifeSciences Limited & Its Subsidiaries:

The Financial Year 2016-17 was the first full year of consolidation of your subsidiary Astec LifeSciences Limited. The company recorded Sales of ₹ 30,365 Lakh in Financial Year 2016-17, a growth of 30% over the Financial Year 2015-16. Both enterprise and bulk sales and contract manufacturing volumes grew by 30% and 55% respectively. During the Financial Year 2016-17, Astec has successfully implemented SAP and streamlined all the business processes around it to ensure smoother business operations in future.

Subsidiaries of Astec LifeSciences Limited:

Astec LifeSciences Limited had the following 3 (three) subsidiaries during the Financial Year (F.Y.) 2016-17:-

1. Behram Chemicals Private Limited:

During the Financial Year 2016-17, Operating Profit i.e., EBITDA is ₹10.22 Lakh, against Operating Profit of ₹ 9.44 Lakh reported for the Financial Year 2015-16. Profit After Tax is ₹ 6.45 Lakh for the Financial Year 2016-17, as compared to the Profit After Tax of ₹ 5.90 Lakh reported for the Financial Year 2015-16.

2. Comercializadora Agricola Agroastrachem Cia Ltda (Bogota Columbia):

For the period ended 31st March 2017, Operating Profit, i.e., EBIDTA was Profit / (Loss) was ₹ (5.72) Lakh against Operating Profit / (Loss) of ₹ 3.65 Lakh reported for the period ended 30th September, 2015. Profit / (Loss) after Tax was ₹ (5.75) Lakh for the period ended 31st March, 2017, as compared to Profit / (Loss) after Tax of ₹ (3.65) Lakh reported for the period ended 30th September, 2015.

3. Astec Europe Sprl (Belgium, Europe):

For the period ended 31st March 2017, Operating Profit, i.e. EBIDTA was ₹ 8.55 Lakh, against Operating Profit of ₹ 16.28 Lakh reported for the period ended 31st December 2015. Profit After Tax was ₹ 7.77 Lakh for the period ended 31st March, 2017, as compared to Profit After Tax of ₹ 15.90 Lakh reported for the period ended 31st December, 2015.

Creamline Dairy Products Limited & Its Subsidiary:

The Dairy business of Creamline Dairy Products Limited (CDPL) was favourably impacted by softening of the milk price during the year under review. The Financial Year 2016-17 was a robust milk year, with CDPL recording sales of ₹ 1,01,852 Lakh and growth of around 9% over Financial Year 2015-16. Our focus on Value added products has started yielding results with the sales of the products portfolio increasing by 25% during the Financial Year 2016-17 over the Financial Year 2015-16. Overall the salience of the value added products in the portfolio increased to 24% in Financial Year 2016-17 over 21% in the Financial Year 2015-16.

CDPL also acquired assets of Nutraamax Dairy in Andhra Pradesh and RBS Dairy in Southern Tamil Nadu. Both the acquisitions will aid the dairy business expanding and strengthening its footprint across Southern India.

Subsidiary of Creamline Dairy Products Limited:

Nagavalli Milkline Private Limited:

Nagavalli Milkline Private Limited has been a subsidiary of Creamline Dairy Products Limited during the Financial Year 2016-17.

Review of Operations / State of Affairs of Joint Ventures (JVs):

ACI Godrej Agrovet Private Limited, Bangladesh:

The joint venture in Bangladesh recorded a strong volume growth of 16% in the Financial Year 2016-17 over the Financial Year 2015-16. The growth was recorded across all the categories of feed in Bangladesh. The business continues to consolidate and grow its market share in the categories of Feed.

Godrej Tyson Foods Limited:

The processed poultry business recorded sales of ₹ 44,852 Lakh during Financial Year 2016-17 over sales of ₹ 45,147 Lakh during the Financial Year 2015-16. The focus of the business will continue to remain investing and building the Real Good Chicken and Yummiez brands for future growth.

FINANCE & INFORMATION SYSTEMS:

Your Company has been managing its treasury operations efficiently and has been able to borrow funds at competitive rates. During the Financial Year under review, the credit rating granted by ICRA Limited to your Company has been reaffirmed at "[ICRA]AA" in respect of

Long Term Fund Based bank limits and "[ICRA]A1+" in respect of Short Term Fund Based facilities (including for Commercial Paper).

During the year under review the Company have upgraded its Mobility Infrastructure to provide improved functionalities and this solution is getting rolled out to cover all sales users in various businesses of your Company.

The Company have extended its existing SAP ERP to its subsidiary, "Astec LifeSciences Limited" to capture all business processes which has helped to improve timely information flow to all stakeholders thereby helping better decision making in all areas of operations.

We have also upgraded our ERP system to be in line with latest trend in technology and to ensure system readiness for forthcoming GST implementation.

MATERIAL CHANGES AND COMMITMENTS SINCE THE FINANCIAL YEAR END:

There have been no material changes and commitments affecting the financial position of your Company which have occurred between March 31, 2017 and the date of this Directors' Report.

DIVIDEND:

The Board of Directors of your Company recommend Dividend @ 8% per annum on 6,000 (Six Thousand) Preference Shares of ₹10/- (Rupees Ten Only) each, i.e., ₹ 0.80 (Paise Eighty Only) per Preference Share per annum for the Financial Year 2016-17.

Your Directors have recommended a Final Dividend for the Financial Year 2016-17 at the rate of 45% (Forty-five per cent) i.e. ₹ 4.50/- (Rupees Four Paise Fifty Only) per Equity Share of Face Value of ₹10/- each, subject to approval of the Shareholders at the ensuing Annual General Meeting.

The Dividend will be paid to Shareholders whose names appear in the Register of Members of the Company as on the Record Date in respect of shares held in dematerialized form, it will be paid to Shareholders whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as the beneficial owners as on that date.

SHARE CAPITAL:

The Company's Equity Share Capital position as on March 31, 2017 is as follows:-

Category of Share Capital	Authorized Share Capital			Issued, Subscribed & Paid-up Share Capital		
	No. of Shares	Face Value per Share (₹)	Total Amount (₹)	No. of Shares	Face Value per Share(₹)	Total Amount (₹)
Equity	224,994,000	10	2,249,940,000	185,130,876	10	1,851,308,760
Preference	6,000	10	60,000	6,000	10	60,000
TOTAL	225,000,000		2,250,000,000	185,136,876		1,851,368,760

During the Financial Year 2016-17, the Company has issued Bonus Shares to all the existing Shareholders in the ratio of 1:1, i.e., 1 (One) Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) each for every 1 (One) Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) held in the Company, ranking *pari passu* with the existing Equity Shares, aggregating to 92,565,438 (Nine Crore Twenty Five Lakh Sixty Five thousand Four Hundred Thirty Eight) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each.

The Company has neither issued any Equity Shares with differential rights nor issued any Sweat Equity Shares during the Financial Year 2016-17.

The Company has not bought-back any Equity Shares during the Financial Year under review.

EMPLOYEES STOCK OPTION SCHEMES:

The Company has implemented Employee Stock Option Plan I (ESOP Scheme – I) and Employee Stock Option Plan II (ESOP Scheme – II) with a view to promote the long term interest of the Company by means of providing incentive to attract, retain and reward employees performing services for the Company and by motivating such employees to contribute to the growth and profitability of the Company. In December 2012, the Company instituted ESOP as approved by the Board of Directors and the Shareholders, for the allotment of 586,764 options convertible into 586,764 Equity Shares of ₹ 10/- each and Bonus Shares issued against the initial allotment for 3,520,584 Equity Shares of ₹ 10/- each to eligible employees of the Company.

The scheme is administered by an independent Employees Stock Option Trust (ESOP Trust) created. The Company has issued 586,764 Equity Shares and Bonus Shares issued against the initial allotment for 7,627,932 Equity Shares to the said ESOP Trust at face value of ₹ 10/- each amounting to ₹ 58.68 Million. During the Financial Year under review, the Equity Shares which were in the name of Employees Stock Option Trust were vested in the eligible employees pursuant to ESOP Schemes – I and II, who exercised the Options granted to them in entirety. Subsequently, the Equity Shares in the Company held by the ESOP Trust and transferred by March 31, 2017.

a) Options granted	586,764
b) Options vested	586,764
c) Options exercised	586,764
d) Total number of shares arising as a result of exercise of Options	586,764 Equity Shares
e) Options lapsed	Nil
f) Exercise price	₹ 10/- per Equity Share
g) Variation of terms of Options	1. Amendment in the vesting period, i.e., vesting on or before completion of 60 (sixty) months from the date of grant of Options 2. Amendment in the time period of transfer of Equity Shares
h) Money realized by exercise of Options	₹ 5,867,640/-
i) Total number of Options in force	Nil
j) Employee wise details of Options granted	-

DEPOSITS:

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, i.e., deposits within the meaning of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year 2016-17.

HOLDING COMPANIES:

Your Company continues to be a subsidiary of Godrej Industries Limited (GIL) as defined under Section 2(87) of the Companies Act, 2013 as on March 31, 2017.

GIL, which was holding 60.80% Equity Shareholding in the Company as on March 31, 2016, acquired further 2.87% Equity Shareholding during the Financial Year (F.Y.) 2016-17 from Godrej & Boyce Manufacturing Company Limited (G&B), consequent to which, the shareholding of GIL in the Company had increased to 63.67% as on March 31, 2017.

Further, during the year under review, G&B sold its Equity stake in GIL to Vora Soaps Limited (VSL), as a result of which, VSL became the Holding Company of GIL w.e.f. March 30, 2017.

Consequently, VSL is the Ultimate Holding Company of your Company as on March 31, 2017.

SUBSIDIARY COMPANIES:

Your Company had the following subsidiaries [as defined under Section 2(87) of the Companies Act, 2013] during the Financial Year 2016-17:-

1. <u>Godrej Seeds & Genetics Limited (Subsidiary upto March 18, 2017):</u>

   (A subsidiary of your Company upto March 18, 2017, in which your Company held 90% of the Equity Share Capital upto March 18, 2017)

2. <u>Godvet Agrochem Limited:</u>

   (A wholly-owned subsidiary of your Company throughout the Financial Year 2016-17)

3. <u>Astec LifeSciences Limited:</u>

   (A subsidiary of your Company throughout the Financial Year 2016-17, in which your Company holds 55.538% of the Equity Share Capital as on March 31, 2017)

4. <u>Behram Chemicals Private Limited:</u>

   (A 65.63% subsidiary of Astec LifeSciences Limited)

5. <u>Comercializadora Agricola Agroastrachem Cia Ltda (Bogota Columbia):</u>

   (A wholly-owned subsidiary of Astec LifeSciences Limited)

6. <u>Astec Europe Sprl (Belgium, Europe):</u>

   (A 50.10% subsidiary of Astec LifeSciences Limited)

7. <u>Creamline Dairy Products Limited:</u>

   (A subsidiary of your Company throughout the Financial Year 2016-17, in which your Company holds 51.91% of the Equity Share Capital as on March 31, 2017)

8. <u>Nagavalli Milkline Private Limited:</u>

   (A 99.99% subsidiary of Creamline Dairy Products Limited)

ASSOCIATE COMPANIES:

Godrej Tyson Foods Limited (GTFL) is an Associate Company [within the meaning of Section 2(6) of the Companies Act, 2013] of your Company. GTFL is a Joint Venture (JV) between Godrej Agrovet Limited (which holds 49% equity) and Tyson India Holdings Limited (TIHL) (a company belonging to the Tyson Group, USA) (which holds 51% equity stake).

Your Company also holds 50% equity in ACI Godrej Agrovet Private Limited (ACI GAVPL) (a body corporate incorporated in and under the laws of Bangladesh), while the remaining 50% stake in ACI GAVPL is held by Advanced Chemical Industries (ACI) Limited, Bangladesh, pursuant to a JV arrangement.

Polchem Hygiene Laboratories Private Limited (Polchem) ceased to be an Associate Company of your Company during the Financial Year (F.Y.) 2016-17 w.e.f. December 13, 2016, consequent to sale / divestment of the entire 26% equity stake held by your Company in Polchem.

Your Company has 33.33% profit share and 24% shareholding in Al Rahba International Trading LLC, Abu Dhabi, United Arab Emirates (UAE).

DIRECTORS:

The Board of Directors of the Company presently comprises of the following Directors:

1.	Mr. N. B. Godrej	(Chairman)
2.	Mr. A. B. Godrej	(Director)
3.	Mr. J. N. Godrej	(Director)
4.	Mr. V. M. Crishna	(Director)
5.	Ms. Tanya A. Dubash	(Director)
6.	Ms. Nisaba Godrej	(Director)
7.	Mr. B. S. Yadav	(Managing Director)
8.	Mr. K. N. Petigara	(Independent Director)
9.	Dr. S. L. Anaokar	(Independent Director)
10.	Mr. Amit B. Choudhury	(Independent Director)
11.	Mr. Rohit Sipahimalani	(Director)

Mr. J. N. Godrej (Director) and Mr. V. M. Crishna (Director) retire by rotation at the ensuing Twenty-sixth Annual General Meeting (AGM) of the Company in accordance with Section 152 of Companies Act, 2013 and being eligible offer themselves for re-appointment.

PERFORMANCE EVALUATION:

Annual Performance Evaluation was carried out by the Board, of its own performance, Committees thereof and Directors individually and by the Independent Directors, of the Chairman and Non - Independent Directors. This was carried out through structured, confidential, online questionnaires on which vital feedback was received from all Directors. The Board of Directors express their satisfaction about the Performance Evaluation process.

DETAILS OF CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

There were no changes in the Directors of the Company during the Financial Year (F.Y.) 2016-17.

At the Twenty-fifth Annual General Meeting (AGM) of the Company held on August 2, 2016, Mr. A. B. Godrej (Chairman) and Ms. Nisaba Godrej (Director), who then retired by rotation, being eligible, were appointed as “Directors” of the Company.

The following are the Key Managerial Personnel (KMP) of the Company pursuant to the provisions of Section 203 of the Companies Act, 2013, throughout the Financial Year 2016-17:-

1. Mr. B. S. Yadav, Managing Director
2. Mr. S. Varadaraj, Head– Finance, Systems & Legal (Chief Financial Officer)
3. Mr. Vivek P Raizada, Associate Vice President – Legal & Company Secretary

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / confirmation of independence pursuant to Section 149(6) of the said Act from all the following 3 (three) Independent Directors of the Company, viz.:

1. Mr. K. N. Petigara
2. Dr. S. L. Anaokar
3. Mr. Amit B. Choudhury

MEETINGS OF THE BOARD OF DIRECTORS:

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

There were 6 (six) Meetings of the Board of Directors held during the Financial Year (F.Y.) 2016-17 (i.e., May 17, 2016, June 14, 2016, August 2, 2016, September 28, 2016, November 3, 2016 and February 7, 2017). The maximum gap between two Board Meetings did not exceed 120 days.

AUDIT COMMITTEE:

Pursuant to the provisions of Section 177(8) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014, your Company has an Audit Committee of the Board of Directors comprising of the following Members:-

1.	Mr. K. N. Petigara	Chairman – Independent Director
2.	Dr. S. L. Anaokar	Member – Independent Director
3.	Mr. Amit B. Choudhury	Member – Independent Director
4.	Mr. B. S. Yadav	Member – Executive, Non- Independent Director
5.	Mr. Rohit Sipahimalani	Member – Non-Executive, Non-Independent Director

The Audit Committee, pursuant to the terms of reference specified by the Board from time to time and as prescribed under Section 177(4) of the said Act, has made observations and recommendations to the Board of Directors, which have been noted and accepted by the Board.

There were 6 (six) Meetings of the Audit Committee held during the Financial Year (F.Y.) 2016-17 (i.e., May 17, 2016, June 14, 2016, August 2, 2016, September 28, 2016, November 3, 2016 and February 7, 2017).

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Audit Committee has also formulated ‘Whistle Blower Policy’ for the purpose of establishment of Vigil Mechanism as required under sub-sections (9) and (10) of Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board & its Powers) Rules, 2014.

The objective of the Whistle Blower Policy is to allow employees to raise concerns about unacceptable improper practices and/or any unethical practices prevailing in the Company without necessarily informing their superiors and to ensure that when such concern is raised by any employee, proper action is taken and the reporting employee is protected against any adverse action and/or any discrimination for such reporting.

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014, your Company has a Nomination and Remuneration Committee of the Board of Directors comprising of the following Members:-

1.	Mr. K. N. Petigara	Chairman – Independent Director
2.	Dr. S. L. Anaokar	Member – Independent Director
3.	Mr. Amit B. Choudhury	Member – Independent Director

There were two Meetings of the Nomination and Remuneration Committee during the Financial Year 2016-17 (i.e.,on February 7, 2017 and March 15, 2017).

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising of the following Members:-

1.	Mr. N. B. Godrej	Chairman– Non-Executive, Non-Independent Director
2.	Mr. B. S. Yadav	Member– Executive, Non-Independent Director
3.	Dr. S. L. Anaokar	Member – Independent Director

There were two Meetings of the CSR Committee during the Financial Year 2016-17 (i.e., on May 17, 2016 and February 7, 2017).

MANAGING COMMITTEE:

Your Company has constituted the Managing Committee of the Board of Directors consisting of the following Directors, pursuant to Article 144 of the Articles of Association of the Company:-

1.	Mr. N. B. Godrej	Chairman- Non-Executive, Non-Independent Director
2.	Mr. A. B. Godrej	Member - Non-Executive, Non-Independent Director
3.	Mr. B. S. Yadav	Member– Executive, Non-Independent Director
4.	Dr. S. L. Anaokar	Member- Independent Director
5.	Ms. Nisaba Godrej	Member - Non-Executive, Non-Independent Director

INTERNAL COMPLAINTS COMMITTEE:

The Board of Directors of your Company has re-constituted the Internal Complaints Committee (ICC) pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 and the Rules framed thereunder, consisting of the following Members:

1. Ms. Tanya A. Dubash (Chairperson)
2. Ms. Nisaba Godrej (Member)
3. Mr. Sumit Mitra (Member)
4. Mr. S. Varadaraj (Member)
5. Ms. Sanjivani Sadani (Member)
6. Ms. Sushma Sonty (Member)
7. Ms. Neera Nundy (External Member)

The Company has formulated and circulated to all the employees, a policy on prevention of sexual harassment at workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

There were no complaints of sexual harassment received by the ICC during the Financial Year 2016-17.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return in Form MGT-9 pursuant to Section 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management & Administration) Rules, 2014 and forming part of the Directors' Report is annexed hereto as "**ANNEXURE 'A'**".

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions contained in sub-sections (3)(c) and (5) of Section 134 of the Companies Act, 2013, the Directors of your Company confirm that:-

a) in the preparation of the annual accounts for the Financial Year (F.Y.) 2016-17, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., March 31, 2017) and of the profit and loss of the Company for that period (i.e., the Financial Year 2016-17);

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

d) the Directors have prepared the annual accounts on a going concern basis; and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL AUDIT REPORT:

The Board of Directors of your Company has appointed Mr. Prakash K. Pandya of M/s. P. K. Pandya & Co. as the Secretarial Auditor of the Company for the conduct of Secretarial Audit for the Financial Year 2016-17, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

The Report submitted by the Secretarial Auditor is annexed as "**ANNEXURE 'B'**"to this Directors' Report.

RESPONSES TO QUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS & DISCLAIMERS MADE BY THE STATUTORY AUDITORS AND THE SECRETARIAL AUDITOR:

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year (F.Y.) 2016-17.

There are no qualifications, reservations, adverse remarks and disclaimers in the Secretarial Audit Report for the Financial Year (F.Y.) 2016-17 except that the remuneration paid to the Managing Director is in excess of the limits specified in Schedule V and Section 197 of the Companies Act, 2013 due to exercise of ESOP by him and the Company is in the process of making an application with the Central Government for approval of such resultant excess remuneration.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees or investments by the Company under the aforesaid provisions during the Financial Year (F.Y.) 2016-17 are contained in "**ANNEXURE 'C'**" to this Directors' Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013:

The disclosure of particulars of contracts or arrangements with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 ('the Act') including certain arm's length transactions under the third proviso thereto and forming part of the Directors' Report in the prescribed Form No. AOC-2 pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in "**ANNEXURE 'D'**" to this Directors' Report.

All the Related Party transactions which were entered into during the Financial Year (F.Y.) 2016-17 were on arm's length basis and in the ordinary course of business.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information in respect of these matters, as required under Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report is given in the "**ANNEXURE 'E'**"to this Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

The Corporate Social Responsibility (CSR) Committee has formulated the CSR Policy of the Company and the Board of Directors has approved the same, pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The contents / details of the CSR Policy and the CSR initiatives taken by the Company during the Financial Year 2016-17 forming part of the Directors' Report are given in the 'Annual Report on CSR Activities' which is annexed as "**ANNEXURE 'F'**"to this Directors' Report.

Your Company has been at the forefront of undertaking efforts related to Corporate Social Responsibility that are aligned to the "Good and Green Vision" followed by Godrej Group.

During the Financial Year 2016-17, the Company has spent ₹ 405.12 Lakh (1.99%) of the required expenditure for CSR. During this year, the Company has partnered with implementing agencies of repute and has committed to incur expenditure for CSR initiatives in the coming years through structured programs and projects. These projects and programmes are ongoing and have a qualitative longer term impact on the beneficiaries. The company could not meet the required expenditure due to unforeseen circumstances and delays thereof. GAVL stays committed to its corporate social responsibility and intends to continually increase the impact of its CSR initiatives. The Company will make concerted efforts to spend the prescribed CSR amount in the subsequent years.

RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management policy and in the opinion of the Board of Directors, no risks have been identified which may threaten the existence of the Company.

Your Company endeavours to become aware of different kinds of business risks and bring together elements of best practices for risk management in relation to existing and emerging risks. Rather than eliminating these risks, the decision making process at your Company considers it appropriate to take fair and reasonable risk which also enables the Company to effectively leverage market opportunities.

The Board determines the fair and reasonable extent of principal risks that your Company is willing to take to achieve its strategic objectives. With the support of the Audit Committee, it carries out a review of the effectiveness of your Company's risk management process covering all material risks.

Your Company has substantial operations spread all over the country and its competitive position is influenced by the economic, regulatory and political situations and actions of the competitors.

POLICY ON REMUNERATION:

Your Company's framework of total rewards aims at a holistic utilization of elements such as fixed and variable compensation, long-term incentives, benefits and perquisites and non-compensation elements (career development, work life balance and recognition).

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

The total compensation for a given position is influenced by three factors: position, performance and potential.

The policy relating to the remuneration for Directors, Key Managerial Personnel (KMP) and other employees has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors, which is disclosed as "**ANNEXURE 'G'**"to this Directors' Report.

The criteria for determining qualification, positive attributes and independence of Directors is given in "**ANNEXURE 'H'**"to this Directors' Report.

SIGNIFICANT REGULATORY OR COURT ORDERS:

During the Financial Year 2016-17, there are no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS:

Your Company remains committed to improve the effectiveness of internal financial controls and processes which would help in efficient conduct of its business operations, ensure security to its assets and timely preparation of reliable financial information.

The internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors and were operating effectively.

The Company has a proper system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

The Company's Corporate Audit & Assurance Department which is ISO 9001: 2008 certified, issues well documented operating procedures and authorities, with adequate built-in controls at the beginning of any activity and during the continuation of the process, if there is a major change.

The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the Management. This system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

The Audit Committee of the Board of Directors met 6 (six) times during the Financial Year (F.Y.) 2016-17 (i.e., May 17, 2016, June 14, 2016, August 2, 2016, September 28, 2016, November 3, 2016 and February 7, 2017). The Statutory Auditors and the Internal Auditors were, *inter alia*, invited to attend the Audit Committee Meetings and present their observations on adequacy of internal financial controls and the steps required to bridge gaps, if any. The Board of Directors has noted the observations and accepted the recommendations of the Audit Committee.

STATUTORY AUDITORS:

The Statutory Auditors of the Company have been M/s. Kalyaniwalla & Mistry (Firm Registration No.: 104607W) since incorporation till the conclusion of the 26th Annual General Meeting of the Company.

The provisions of Section 139(2) of the Companies Act, 2013 pertaining to mandatory rotation of Statutory Auditors are applicable to the Company and the Company is required to appoint new Statutory Auditors in place of M/s. Kalyaniwalla & Mistry (the existing Statutory Auditors), at the ensuing 26th Annual General Meeting ("AGM") of the Company. The new Statutory Auditors are required to be appointed for a term of 5 (five) years, to hold office from the conclusion of the 26th AGM, till the conclusion of the 31st AGM, subject to ratification at each AGM.

The Board of Directors proposes to appoint M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) as the new Statutory Auditors, pursuant to Sections 139 to 144 & 179 of the Companies Act, 2013 and Rules 3 to 6 of the Companies (Audit And Auditors) Rules, 2014.

M/s. B S R & Co. LLP have conveyed / confirmed their independence and eligibility of for appointment as the Statutory Auditors of the Company.

In the opinion of the Board of Directors, the qualifications and experience of M/s. B S R & Co. LLP are commensurate with the size and requirements of the Company;

The Members are requested to accord their approval for appointment of M/s. B S R & Co. LLP as Statutory Auditors at the forthcoming 26th AGM, for a term of 5 (five) years, to hold office from the conclusion of the 26th AGM, till the conclusion of the 31st AGM.

COST AUDITORS:

M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 00012) have been appointed by the Board of Directors as the Cost Auditors of the Company for all the applicable products pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year (F.Y.) 2017-18. The Shareholders are requested to ratify the remuneration payable to the Cost Auditors in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

ADDITIONAL INFORMATION:

The additional information required to be given under the Companies Act, 2013 and the Rules made thereunder, has been laid out in the Notes attached to and forming part of the Accounts. The Notes to the Accounts referred to the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

HUMAN RESOURCES:

Your Company continues to have amicable employee relations at all locations. This enabled the Management to sign 4 (four) long term settlements of 4 (four) years each and one for 3½ years Pan India with the unionised employees across businesses in a very cordial atmosphere without losing a single man hour. This positive environment encouraged the unionised employees to come forward and share different ideas which can contribute to better efficiency. Your Company continues to drive a strong performance based culture through a well-defined and executed performance management system.

Employee development programs in conjunction with well-known Institutions like IIM Ahmedabad and IIM Indore helped to improve workforce competencies and develop future leaders. To build up on this, your Company covered all Managers in 'Leadership For Peak Performance', an in-house developed program.

Your Company also launched a mobile app for its Godrejite intranet portal for the employees, which will facilitate them to complete various tasks like applying for leave, booking conference rooms, air tickets, etc. on the go. Your Company also launched"Workplace", an application which allows employees to communicate online freely.

The Board of Directors would like to place on record its sincere appreciation for the unstinted support it continues to receive from all its employees.

PARTICULARS OF EMPLOYEES:

The details of the employees covered under the provisions of Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report are contained in "**ANNEXURE 'I'**" to this Directors' Report.

For and on behalf of the Board of Directors of Godrej Agrovet Limited
Sd/-
N. B. Godrej
Chairman
(DIN: 00066195)

Mumbai, May 12, 2017

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

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

To,
The Members,
Godrej Agrovet Limited
Godrej One, 3rd Floor,
Pirojshanagar Eastern Express Highway,
Vikhroli (East)
Mumbai 400079

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godrej Agrovet Limited (hereinafter called the 'Company') for the audit period from 01st April, 2016 to 31st March, 2017 ("the Audit Period"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and Authorized Representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

i. The Companies Act, 2013 ("the Act") and the Rules made thereunder;

ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of equity shares of the Company kept in demat/fungible form;

iii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;

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

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

   b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

v. Other laws as specifically applicable to the Company:

   a) The Insecticides Act, 1968; and Rules made thereunder;

   b) The Andhra Pradesh Oil Palm (Regulation of Production and Processing) Act, 1993.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute Company Secretaries of India.

During the period under review the company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above *except that the remuneration of Managing Director of the Company exceeded the limits as specified in Schedule V and section 197 of the Act due to exercise of ESOP by him and the Company is in the process of making an application with the Central Government for its approval for such resultant excess remuneration.*

During the period under review, provisions of the following Act/ Regulations were not applicable to the Company:-

a) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

b) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowing ('ECB') and Overseas Direct Investment ('ODI');

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

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015;

   ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

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

   iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   vi. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

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

d) The Listing Agreements as none of the securities of the Company are listed on any recognised stock exchange(s) in India.

We further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least 7 (seven) days in advance, and where the same were given at shorter notice than 7 (Seven) days, proper consent thereof were obtained and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and there was no instance of any of the Directors expressing dissent on any of the items placed before it.

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

We further report that during the audit period the Company has following specific events:

a) The Company has allotted 92,565,438 (Nine Crore Twenty-Five Lakh Sixty-Five Thousand Four Hundred Thirty-Eight) Equity shares of Face value of ₹10 each as Bonus shares on 10th March, 2017.

b) The Company has allotted 750 (Seven Hundred Fifty) Unsecured Redeemable, Non-Convertible Debentures of ₹ 1,000,000/- (Rupees Ten Lakh Only) aggregating to ₹ 750,000,000 on 04th May, 2016 and subsequently, on 24th November, 2016, the Company has redeemed the aforesaid Unsecured Debentures.

For P. K. Pandya & Co.

Practising Company Secretary

Sd/-

Prakash K. Pandya

Date: May 12, 2017 FCS No.: 3901

Place: Mumbai CP No.: 2311

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

Annexure A to the Secretarial Audit Report

To,
The Members,
Godrej Agrovet Limited
Godrej One, 3rd Floor,
Pirojshanagar Eastern Express Highway,
Vikhroli (East)
Mumbai 400079

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Godrej Agrovet Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P. K. Pandya & Co.
Practising Company Secretary

Sd/-
Prakash K. Pandya

Place: Mumbai
Date: May 12, 2017

FCS No.: 3901
C P No.: 2311

ANNEXURE 'C' TO THE DIRECTORS' REPORT OF GODREJ AGROVET LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

[Pursuant to Section 186 and Section 134(3)(g) of the Companies Act, 2013]

A. Loans Given: (₹ in Lac)

Name of the Entity	Opening balance	Loan / ICD Given	Adjustment	Loan Repaid	Other transactions	Closing balance	Interest rate	Purposes
Loans:								
TOTAL								
Inter-Corporate Deposits (ICDs):								
ANAMUDI REAL ESTATES LLP	132,500,000	0	0	132,500,000	0	0	10%	For Business requirement of recipient company
NATURES BASKET LIMITED	52,000,000	0	0	52,000,000	0	0	10%	For Business requirement of recipient company
ASTEC LIFESCIENCESLIMITED	0	500,000,000	0	500,000,000	0	0	10%	For Business requirement of recipient company
GODVET AGROCHEM LIMITED	532,325,000	113,082,773	0	546,557,773	0	98,850,000	Apr-16 to Sep-16 10% & Oct-16 to Mar-17 9.5%	For Business requirement of recipient company
TOTAL	**716,825,000**	**613,082,773**	**0**	**1,231,057,773**	**0**	**98,850,000**		

B. Guarantees Issued: (₹ in Lac)

Name of the Entity	Opening balance	Guaran-tee Given	(Adjustment)	Guarantee cancelled	Other transact-ions	Closing balance	Commi-ssion	Purposes
Surety Bond issued for Godrej Consumer Products Limited	120.67	-	-		-	120.67	1.21	For Business requirement of recipient company
TOTAL								

C. Investments made: (₹ in Lac)

Name of the Entity	Value of Investment made	Purpose of Investment
Astec Life Sciences Limited	2,339.93	To increase the share of percentage of holding in subsidiary
Omnivore India Capital Trust	250.00	For Business requirement

For and on behalf of the Board of Directors of
Godrej Agrovet Limited

N. B. Godrej
Chairman
(DIN: 00066195)

Mumbai, May 12, 2017

ANNEXURE 'D' TO THE DIRECTORS' REPORT

FORM NO. AOC-2

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS / ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTIONS UNDER THIRD PROVISO THERETO OF GODREJ AGROVET LIMITED

As at the Financial Year ended on March 31, 2017

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis:

   Not Applicable

   a) Name(s) of the Related Party and nature of relationship
   b) Nature of contracts/arrangements/transactions
   c) Duration of the contracts/arrangements/transactions
   d) Salient terms of the contracts or arrangements or transactions including the value, if any
   e) Justification for entering into such contracts or arrangements or transactions
   f) Date(s) of approval by the Board
   g) Amount paid as advances, if any
   h) Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name of the Company	Nature of contracts/ arrangements/transaction, including Duration, Salient Terms and Justification thereof	Amount (₹ in Lac)
1.	Godrej & Boyce Mfg. Co. Limited	Purchase of Fixed Assets	76.71
2.	Godrej Industries Limited	Sundry Deposits placed	6.60
3.	Godrej One Premises Management Pvt. Ltd.	Sundry Deposits placed	9.00
4.	Godvet Agrochem Limited	Intercorporate Deposits placed during the year	1,119.08
5.	Astec LifeSciences Limited	Intercorporate Deposits placed during the year	5,000.00
6.	Godvet Agrochem Limited	Intercorporate Deposits Returned	5,453.83
7.	Astec LifeSciences Limited	Intercorporate Deposits Returned	5,000.00
8.	ACI Godrej Agrovet Private Limited	Sale of materials / finished goods	916.40
9.	Godrej Seeds & Genetics Limited	Sale of materials / finished goods	0.38
10.	Godrej Tyson Foods Limited	Sale of materials / finished goods	23,182.20
11.	Creamline Dairy Products Limited	Sale of materials / finished goods	361.17
12.	Godrej Industries Limited	Purchase of Materials / Finished Goods	163.73
13.	Godrej Consumer Products Limited	Purchase of Materials / Finished Goods	30.18
14.	Godrej Tyson Foods Limited	Purchase of Materials / Finished Goods	292.64
15.	Godrej Seeds & Genetics Limited	Purchase of Materials / Finished Goods	414.81
16.	Astec LifeSciences Limited	Purchase of Materials / Finished Goods	891.76
17.	Polchem Hygiene Laboratories Private Limited	Purchase of Materials / Finished Goods	574.69
18.	Godrej Industries Limited	Expenses Charged to / Reimbursement made from other companies	11.81
19.	Godrej Seeds & Genetics Limited	Expenses Charged to / Reimbursement made from other companies	53.59
20.	Godrej Tyson Foods Limited	Expenses Charged to / Reimbursement made from other companies	288.16
21.	Godvet Agrochem Limited	Expenses Charged to / Reimbursement made from other companies	79.91
22.	Creamline Dairy Products Limited	Expenses Charged to / Reimbursement made from other companies	16.47
23.	Astec LifeSciences Limited	Expenses Charged to / Reimbursement made from other companies	64.16
24.	Natures Basket Limited	Expenses Charged to / Reimbursement made from other companies	21.39
25.	Godrej Infotech Limited	Expenses Charged by / Reimbursement made to other companies	3.62
26.	Godrej & Boyce Mfg. Co. Limited	Expenses Charged by / Reimbursement made to other companies	13.18
27.	Godrej Consumer Products Limited	Expenses Charged by / Reimbursement made to other companies	13.71
28.	Godrej Industries Limited	Expenses Charged by / Reimbursement made to other companies	743.25
29.	Godrej Tyson Foods Limited	Expenses Charged by / Reimbursement made to other companies	1.48
30.	Godvet Agrochem Limited	Expenses Charged by / Reimbursement made to other companies	282.09
31.	Creamline Dairy Products Limited	Expenses Charged by / Reimbursement made to other companies	1.08
32.	Natures Basket Limited	Expenses Charged by / Reimbursement made to other companies	0.27
33.	Godrej One Premises Management Private Limited	Expenses Charged by / Reimbursement made to other companies	294.63
34.	Astec LifeSciences Ltd.	Expenses Charged by / Reimbursement made to other companies	0.03
35.	Godrej Properties Limited	Expenses Charged by / Reimbursement made to other companies	5,175.00
36.	Godvet Agrochem Limited	Interest income on intercorporate deposits placed	93.86
37.	Natures Basket Limited	Interest income on intercorporate deposits placed	6.98
38.	Anamudi Real Estates LLP	Interest income on intercorporate deposits placed	21.78
39.	Astec LifeSciences Limited	Interest income on intercorporate deposits placed	57.45
40.	Godrej Seeds & Genetics Limited	Interest income on Loans Given	56.91
41.	ACI Godrej Agrovet Private Limited	Sundry Income	247.50
42.	Godrej Consumer Products Limited	Sundry Income	1.39
43.	Godvet Agrochem Limited	Outstanding Intercorporate Deposit Receivable	988.50
44.	Godrej Vikhroli Properties LLP	Capital Advance Given	364.78
45.	Godrej Industries Limited	Outstanding Receivables (Net of Payables)	69.16
46.	Godvet Agrochem Limited	Outstanding Receivables (Net of Payables)	0.03

Sr. No.	Name of the Company	Nature of contracts/ arrangements/transaction, including Duration, Salient Terms and Justification thereof	Amount (₹ in Lac)
47.	Godrej Properties Limited	Outstanding Receivables (Net of Payables)	13.95
48.	Godrej Consumer Products Limited	Outstanding Receivables (Net of Payables)	(2.48)
49.	Gobrej Infotech Limited	Outstanding Receivables (Net of Payables)	(0.43)
50.	Godrej Tyson Foods Limited	Outstanding Receivables (Net of Payables)	72.05
51.	ACI Godrej Agrovet Private Limited	Outstanding Receivables (Net of Payables)	933.29
52.	Creamline Dairy Products Limited	Outstanding Receivables (Net of Payables)	26.80
53.	Astec LifeSciences Limited	Outstanding Receivables (Net of Payables)	56.21
54.	Godrej Consumer Products Limited	Guarantees outstanding	120.67
55.	Short Term Employee Benefit	Remuneration to Key Management Personnel	405.40
56.	Post Employee Gratuity & Medical Benefits	Remuneration to Key Management Personnel	7.89
57.	Shared Based Payment	Remuneration to Key Management Personnel	9,952.12
58.	Mr. A. B. Godrej	Director's Sitting Fees	6.00

The above transactions have been considered / approved by the Board of Directors at their Meetings held during the year, (i.e. May 17, 2016, August 2, 2016, November 3, 2016 and February 7, 2017).

For and on behalf of the Board of Directors of
Godrej Agrovet Limited

Sd/-
N. B. Godrej
Chairman
(DIN: 00066195)

Mumbai, May 12, 2017

ANNEXURE 'E' TO THE DIRECTORS' REPORT

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO OF GODREJ AGROVET LIMITED

As at the Financial Year ended on March 31, 2017

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014]

A. **Conservation of Energy:**

Your Company continues its various endeavors to promote conservation of energy successfully.

Some of the measures adopted by your Company for conservation of energy are as follows:

1. Motor optimization program and Variable Frequency Drive (VFD) across different manufacturing locations.
2. Usage of Rice Husk as Boiler Fuel in certain locations.
3. Diesel Consumption reduced across India (Diesel Generator Usage used to minimum).
4. Timers and control wiring installed in Programmable Logic Controller (PLC) & RLC (Electrical Circuit) to avoid unnecessary usage of motors.
5. Purchase of Imported Spares (Hammers, Sieves) for Aqua resulted in reduction in Energy consumption.
6. Installation of high temperature, high pressure condensate recovery system.
7. Comprehensive Energy Audit at certain locations.
8. Fuel gas and water recovery at certain plants.
9. Power, Purchase Exchange (PPA) – Aqua Hanuman Junction.
10. Reduction in Broiler fuel consumption resulted in reduction in GHC emission.

The adoption of above energy conservation measures has resulted in the following benefits to the Company:-

a) Direct reduction in the levels of energy consumption
b) Decrease in water consumption level
c) Decrease in process losses and storage losses
d) Decrease in idle time running of machines
e) Enhancement in the useful life of plant and machinery and increase in spares life.

The capital investment on energy conservation equipments is approximately ₹40 Lakh.

B. **Technology Absorption, Adaptation and Innovation:**

Your Company continues with its endeavours for technological upgradation in order to obtain improved quality at a low cost.

Your Company's In-house Research & Development (R&D) Centre at Vikhroli, Mumbai (Maharashtra) conducts research related to agriculture and development of environmentally benign agrochemical products and technologies that increase agricultural productivity and farm efficiency in a sustainable manner, thereby enhancing the quality of lives of Indian farmers. Godrej Agrovet Limited continues to remain dedicated to the well-being of Indian farmers with "Right and Innovative Farm Solutions". It has developed several innovative solutions during the year under review.

Your Company also has a R&D Centre for Animal Feed at Nashik (Maharashtra).

The benefits derived out of R&D activities include product improvement and cost reduction.

The Company's expenditure on R&D is given below:-

		Current Year (2016-17) ₹ In Lac	Previous Year (2015-16) ₹ In Lac
(a)	Capital	227.28	119.40
(b)	Recurring	938.61	672.95
(c)	Total	1,165.89	792.35
(d)	Total R&D expenditure as a percentage of total turnover	0.3%	0.2%

C. **Foreign Exchange Earnings and Outgo:**

The details of Foreign Exchange earnings and outgo of the Company during the Year under review are as follows:-

		Current Year (2016-17) ₹ In Lac	Previous Year (2015-16) ₹ In Lac
(a)	Foreign Exchange Earned	1,564.63	1,363.54
(b)	Foreign Exchange Used	6,765.46	7,576.07

For and on behalf of the Board of Directors of
Godrej Agrovet Limited

Sd/-
N. B. Godrej
Chairman
(DIN: 00066195)

Mumbai, May 12, 2017

ANNEXURE ‘F’ TO THE DIRECTORS’ REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

As at the Financial Year ended on March 31, 2017

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. *A brief outline of the company’s CSR policy, including overview of projects or programs to be undertaken and a reference to the web-link to the CSR Policy and projects or programs*

   The Corporate Social Responsibility (CSR) Policy of Godrej Agrovet Limited (GAVL) aligns itself with the Godrej Group’s (Group) ‘Good & Green’ vision of creating a more inclusive and greener India. Each of GAVL’s CSR projects are aligned with the Good & Green goals of the Group and correspond to different items listed in Schedule VII of Companies Act 2013.

   GAVL aspires to become a sustainable company through leadership commitment, multiple stakeholder engagement and disciplined value chain mechanisms. GAVL’s holistic approach towards sustainability not only manages its externalities but also integrates the prevalent social and environmental issues into business strategies to provide tangible solutions which benefit the underserved communities and deliver competitive advantage to the business.

   For instance, GAVL’s employability projects are committed to the Good & Green goal that aims to “Train 1 million rural and urban youth in skills that enhance their earning potential” These projects can be mapped to the second item listed in Schedule VII “Promoting employment and enhancing vocational skill…” Similarly, Greener India projects contributes to goal that aims to “Achieve zero waste to landfill, carbon neutrality, a positive water balance, 30% reduction in specific energy consumption and increase utilization of renewable energy sources”. Activities under these projects can be tagged as those contributing to “Ensuring Environmental Sustainability, Ecological Balance, Protection of Flora and Fauna”

   The web-link to the CSR Policy and projects or programs is www.godrejagrovet.com

2. *The composition of the CSR Committee*

   The company has constituted a CSR Committee of the Board. The members of the CSR committee are:

Name	Designation
Mr. N. B. Godrej	Chairman
Mr. B.S. Yadav	Member
Dr. S.L. Anaokar	Member – Independent Director

3. *Average net profit of the company for last three financial years*

Financial Year (as per Section 198)	2015-16	2014-15	2013-14
Net profit for the year (INR) L	₹ 18583	₹ 22872	₹ 19383

   Average Net Profit of the Company for last three financials years: ₹ 20297 L

4. *Prescribed CSR expenditure (two percent of the amount as in item 3 above)*

   - The prescribed CSR expenditure: ₹ 405.6 Lacs (2 % of average net profit for last three preceding financial years)

5. *Details of CSR Spend during the financial year*

   - Total amount to be spent during the financial year : ₹ 405.6 Lacs
   - Amount unspent, if any: ₹ 0.48
   - Manner in which the amount spent during the financial year is detailed below (all numbers are in ₹):

1	2	3	4	5	6	7	8
S. No.	CSR Project or Activity identified	Sector in which the Project is covered	Project/ Programme: 1.Local area or other 2.Specify the State and district where the projects or programs were undertaken	Amount outlay (budget) project or programs wise (in INR)	Amount spent on projects 1. Direct expenditure 2. Overheads (in INR)	Cumulative expenditure up to the reporting period (in INR)	Amount spent direct or through the implementing agency (Implementing agency name; Legal structure of the agency; Year of establishment of implementing agency) (in INR)
1.	A 3 fold intervention to enhance farmer’s productivity and income by making them collaborate as farmer producer institutions	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement (iv) Agriculture & animal husbandry	1. Other 2. Reheti (Madhya Pradesh), Chickballapur (Karnataka)	1. 60L – Sehore/Reheti 2. 7L - Chickballapur	1. Direct expenditure – 67 L 2. Overheads - NIL	67 L	Implementing Agency: Vrutti Livelihoods Resource Center, Bangalore; Registered Society, 1960
2.	Animal Husbandry training for landless, small & marginal farmers	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement (iv) Agriculture & animal husbandry	1. Other 2.Chichkballapur (Karnataka), Aruppakkottai, Vellore & Pudukkottai (Tamil Nadu)	34.3L	1. Direct expenditure – 35.65 L 2. Overheads - NIL	35.65 L	Implementing Agency: Vrutti Livelihoods Resource Center, Bangalore, Registered Society, 1960
3.	Sustainable and Resilient farming system intensification (SRFSI)	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Coochbehar (West Bengal)	22L	1. Direct expenditure – 22 L 2. Overheads – NIL	22 L	Implementing Agency: Satmile Satish Club; Registered Society; 2001
4.	Solar electrification in MP	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement (iv) Environmental Sustainability	1. Other 2. Khargone & Khandwa (Madhya Pradesh)	32.6L	1. Direct expenditure – 32.6 L 2. Overheads - NIL	32.6 L	Implementing Agency: Aga Khan Rural Support Programme India, Registered Section 25 Company, 1983
5.	Addressing malnourishment levels for families through awareness & capacity building through women SHGs	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Nimar region, Khargone & Khandwa (Madhya Pradesh)	13.7L	1. Direct expenditure – 13.7 L 2. Overheads - NIL	13.7 L	Implementing Agency: Aga Khan Rural Support Programme India, Registered Section 25 Company, 1983
6.	Training on goat rearing for men and women.	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Sitapur (Uttar Pradesh)	6L	1. Direct expenditure – 16 L 2. Overheads - NIL	16 L	Implementing Agency: Goat Trust, Lucknow; Registered Trust, 2008
7.	Animal Husbandry training for landless, small & marginal farmers	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Chandauli (Uttar Pradesh), Betul (Madhya Pradesh)	15L	1. Direct expenditure – 15 L 2. Overheads - NIL	15 L	Implementing Agency: Drishtee Foundation; Registered Society, 1860
8.	Animal Husbandry training for landless, small & marginal farmers	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Betul (Madhya Pradesh)	15L	1. Direct expenditure – 6.36 L 2. Overheads - NIL	6.36 L	Direct
9.	Animal Husbandry training for landless, small & marginal farmers for establishing forward & backward linkages & enable micro enterprise building	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Almora (Uttrakhand)	8L	1. Direct expenditure – 8 L 2. Overheads - NIL	8 L	Implementing Agency: Udyogini, Delhi; Registered Society; 1860

10.	Animal Husbandry training for landless, small & marginal farmers for micro enterprise building	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Ahmednagar (Maharashtra)	22.5L	1. Direct expenditure – 22.5 L 2. Overheads - NIL	22.5 L	Implementing Agency: Sampada Trust, Ahmednagar, Maharashtra; Registered Trust; 2002
11.	Agriculture & animal husbandry training for school students from std. 8 -10th	Schedule (VII) (x) Rural development (ii) Promoting Education, Livelihoods enhancement	1. Other 2. Satara (Maharashtra)	12.3L	1. Direct expenditure – 12.3 L 2. Overheads - NIL	12.3 L	Implementing Agency: Lend a Hand India; Registered Society; 2003
12.	Integrated watershed management	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement (iv) Water Conservation	1. Other 2. Magadi (Karnataka)	13.8L	1. Direct expenditure – 13.8 L 2. Overheads - NIL	13.8 L	Implementing Agency: IRIDS (Indian Rural Integrated Development Society);Registered Society; Karnataka; 1960
13.	Animal Husbandry training for integrated watershed management project	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement (iv) Water Conservation	1. Other 2. Beed (Maharashtra)	0.84L	1. Direct expenditure – 0.84 L 2. Overheads - NIL	0.84 L	Implementing Agency: Nisarg Vikas Ambajogai; Registered Trust; 2004
14.	Community development initiatives across GAVL sites	Schedule (VII) (ii) Promoting Education (i) Sanitation, health and hygiene (vii) Promotion of sports and games	1. Local Area 2. 15 Factory locations	30L	1. Direct expenditure – 32.41 L 2. Overheads - NIL	33.71 L	Direct
15.	Animal Husbandry curriculum digitization and training	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Keshavaram (Telangana)	20.58L	1. Direct expenditure – 20.58 L 2. Overheads - NIL	20.58 L	Direct
16.	Future Agricultural Leaders of India	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement	1. Other 2. Coochbehar (West Bengal)	25 L	1. Direct expenditure – 25 L 2. Overheads - NIL	25 L	Implementing Agency: Gandhi Research Foundation; Section 25 Company; 2006
17.	My Village – Model Village	Schedule (VII) (x) Rural development	1. Other 2. Telangana	5 L	1. Direct expenditure – 5 L 2. Overheads - NIL	5 L	Implementing Agency Vande Mataram, Registered Trust, 2005
18.	High Quality Breeding	Schedule (VII) (x) Rural development (iv) Animal Welfare	1. Other 2. Indore (Madhya Pradesh)	29 L	1. Direct expenditure – 29 L 2. Overheads - NIL	29 L	Implementing Agency JK Trust; Registered Trust; 1955;
19.	UDAAN Project	Schedule (VII) (ii) Promoting Education	1. Other 2. Mewat (Haryana)	2 L	1. Direct expenditure – 2 L 2. Overheads - NIL	2 L	Implementing Agency CARE; Section 25 Company; 1946
20.	Study on best practices adopted by farmers growing oil palm	Schedule (VII) (ii) Promoting Education	1. Other 2. Krishna (Andhra Pradesh)	6 L	1. Direct expenditure – 6 L 2. Overheads - NIL	6 L	Direct
21.	Administrative Costs					18.08 L	Direct
22.	TOTAL					405.12 L	

6. *In case the company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report*

During the financial year 2016-17, the company has spent ₹ 405.12 L (1.99%) of the required expenditure for CSR. During this year, the Company has partnered with implementing agencies of repute and has committed to incur expenditure for CSR initiatives in the coming years through structured programs and projects. These projects and programmes are ongoing and have a qualitative longer term impact on the beneficiaries. The company could not meet the required expenditure due to unforeseen circumstances and delays thereof. GAVL stays committed to its corporate social responsibility and intends to continually increase the impact of its CSR initiatives. The Company will make concerted efforts to spend the prescribed CSR amount in the subsequent years.

7. *Responsibility statement of the CSR committee*

Through this report, the company seeks to communicate its commitment towards CSR to the Ministry of Corporate Affairs. The implementation and monitoring of our CSR Policy is in compliance with the CSR objectives and policies as laid down in this report. The Board of the company and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above. All the projects reported have been considered and undertaken with the best of our intentions to contribute to the greater good of the society. We have undertaken and implemented these projects with careful consideration and these projects are aligned with our vision as provided in our CSR Policy. In line with the requirements of the Companies Act, 2013, we have also instituted monitoring mechanisms to ensure the projects go on smoothly as planned.

For and on behalf of the Board of Directors of Godrej Agrovet Limited

B. S. Yadav
Managing Director &
Member of CSR Committee
(DIN: 00294803)

N. B. Godrej
Chairman of the Company &
Chairman of CSR Committee
(DIN: 00066195)

Mumbai, May 12, 2017

ANNEXURE 'G' TO THE DIRECTORS' REPORT

POLICY RELATING TO THE REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND OTHER EMPLOYEES of GODREJ AGROVET LIMITED

As at the Financial Year ended on March 31, 2017

The Total Rewards Framework of Godrej Agrovet Limited ("the Company") aims at holistically utilizing elements such as fixed and variable compensation, long-term incentives, benefits and perquisites and non-compensation elements (career development, work life balance and recognition).

Highlights

The rewards' framework offers the employees, the flexibility to customize different elements, basis need. It is also integrated with the Company's performance and talent management processes and designed to ensure sharply differentiated rewards for best performers.

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

Total Cash Compensation

The total cash compensation has three components:

1. 'Fixed Compensation' comprises basic salary and retirement benefits, like provident fund and gratuity.
2. 'Flexible Compensation' is a fixed pre-determined component of compensation, which can be allocated to different components, as per the grade eligibility defined at the start of each financial year.
3. 'Variable Compensation (Performance Linked Variable Remuneration)' rewards an employee for delivering superior business results and individual performance. It is designed to provide a significant upside earning potential without cap for over achieving business results. It has a 'Collective' component, which is linked to the achievement of specified business results, measured by Economic Value Added or other related metrics, relative to the target set for a given financial year and an 'Individual' component, based on the employee's performance, as measured by the performance management process.

Long Term Incentives (Employee Stock Grant Scheme)

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

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

Sd/-
N. B. Godrej
Chairman
(DIN: 00066195)

Mumbai, May 12, 2017

ANNEXURE 'H' TO THE DIRECTORS' REPORT

CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTORS of GODREJ AGROVET LIMITED

As at the Financial Year ended on March 31, 2017

1. **Qualifications of Independent Director:**

   An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

2. **Positive Attributes of Independent Directors:**

   An Independent Director shall be a person who shall:

   i. uphold ethical standards of integrity and probity;

   ii. act objectively and constructively while exercising his duties;

   iii. exercise his responsibilities in a *bona fide* manner in the interest of the Company;

   iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making;

   v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making;

   vi. not abuse his position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

   vii. refrain from any action that would lead to loss of his independence;

   viii. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;

   ix. assist the Company in implementing the best corporate governance practices.

3. **Independence of Independent Directors:**

   An Independent Director should meet the criteria for independence prescribed under Section 149(6) of the Companies Act, 2013 (as may be amended from time to time).

For and on behalf of the Board of Directors of
Godrej Agrovet Limited

N. B. Godrej
Chairman
(DIN: 00066195)

Mumbai, May 12, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ AGROVET LIMITED.

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of **GODREJ AGROVET LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

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

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

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

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

Basis for Qualified Opinion

The Holding Company has paid remuneration to its Managing Director during the year, which is in excess of limit given under section 197 read with Schedule V of the Companies Act, 2013 by ₹ 8,661.12 Lakh.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effect of matters described in Basis for Qualified Opinion paragraph*, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs(financial position) of the Company as at March 31, 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

a) Note 58 to the Standalone Financial Statements where in Honorable High Court of Judicature at Bombay has approved a Scheme of Arrangement whereby the assets and liabilities of Seeds business of the transferor company (Godrej Seeds & Genetics Limited) have been taken over and record at their book values as on April 01, 2015.

   i. In accordance with the Scheme of Arrangement an amount of ₹ 1,694.46 lakh on account of Goodwill on Merger had been charged to the Surplus in Statement of Profit & Loss of the Holding Company in the previous year.Had the scheme not prescribed this treatment, the Surplus in the Statement of Profit & Loss would have been higher by ₹ 1,694.46 lakh.

b) Note 59 to the Standalone Financial Statements wherein the Honorable High Court of Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Goldmuhor Agrochem & Feeds Limited) have been taken over and recorded at their book values as on October 01, 2013.

   i. In accordance with the Scheme of Arrangement an amount of ₹ 71.11 lakhs on account of Goodwill on Merger has been charged to the General Reserve Account.

   ii. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 40.73 lakhs have been directly charged against the balance in the General Reserve Account of the Company.

   iii. An amount of ₹ 2,000 lac has been transferred from the General Reserve Account and used to increase the Reserve for Employee Compensation Expenses.

Had the scheme not prescribed this treatment the balance in the General Reserve Account would have been higher by ₹ 2,111.84 lac.

c) Note 60 to the standalone financial statements wherein the Honorable High Court of Judicature at Bombay had approved as Scheme of Arrangement whereby the assets and liabilities of the transferor company (Golden Feed Products Limited) have been taken over and recorded at their book values as on March 31, 2014.

   In accordance with the Scheme of Arrangement an amount of ₹ 97.06 lakhs on account of Goodwill on Merger has been charged against the balance in the Surplus in Statement of Profit and Loss. Had the scheme not prescribed this treatment, the balance in the Surplus in Statement of Profit and Loss would have been higher by 97.06 lakhs.

d) Note 61 to the standalone financial statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on April 1, 2011.

   i. Amortisation amounting to ₹ 425.12 lakh on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the Company in the current year and ₹ 425.12 lakh in the previous years. Had this amount been charged to the Statement of Profit and Loss, the profit for the year would have been lower by ₹ 425.12 lakh, the Surplus in statement of Profit and Loss would have been lower by ₹ 425.12 lakh and the balance in the general reserve would have been higher by ₹ 850.24 lakh.

   ii. In accordance with the Scheme of Arrangement, an amount of ₹ 6,055.32 lakh on account of Goodwill on merger has been charged to Securities Premium Account. Had the scheme not prescribed this treatment, the opening balance in the Surplus in statement of Profit and Loss would have been lower by ₹ 6,055.32 lakh and the Securities Premium Account would have been higher by ₹ 6,055.32 lakh.

e) Note 62 to the Consolidated Financial Statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Godrej Gold Coin Aquafeed Limited) have been taken over and recorded at their book values as on April 1, 2010. In accordance with the Scheme of Arrangement, an amount of ₹ 1,669.14 lakhs on account of book values of Intangible Assets and an amount of ₹ 2,505.71 lakhs on account of Goodwill on merger, aggregating to ₹ 4,174.85 lakh has been charged to Securities Premium Account instead of amortising the same in the Statement of Profit & Loss, in case of Intangibles over a period of balance useful life of seven years. Had the scheme not prescribed these treatment the balance in securities premium account would have been higher by ₹ 4,174.85 lakh, the Surplus in Statement of Profit and Loss would have been lower by ₹ 4,174.85 lakh.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"**a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements– Refer Note 50 to the Standalone Ind AS Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company had provided requisite disclosures in its Standalone Ind AS Financials Statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016.However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with book of account maintained by the Company and as produced to us by the Management – Refer Note 68.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W / W100166

Ermin K. Irani
Partner
Membership No.: 35646

Place: Mumbai
Dated: May 12, 2017

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2017.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

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

(b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.

(c) According to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company except:

₹ In Lakhs

Sr. No.	Total No. of Cases	Type of Assets	Gross Block as at March 31, 2017	Net Block as at March 31, 2017	Remarks
1	5	Free Hold Land	1,365.30	1,365.30	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds.
2	1	Free Hold Land	45.89	45.89	Received on demerger of Godrej Soaps Business. Company is in the process of transferring the title deeds.
3	2	Lease Hold Land	820.12	804.32	Company has received the allotment letter from GIDC. Company is in the process of registration.
4	1	Factory Building	123.10	119.04	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds.
5	1	Factory Building	25.43	18.31	Received on demerger of Godrej Soaps Business. Company is in the process of transferring the title deeds.
6	1	Factory Building	33.29	30.61	Building is constructed on processor's premises.
7	1	Office Building	54.64	52.51	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds.
8	1	Office Building	33.83	31.71	Received on demerger of Godrej Soaps Business. Company is in the process of transferring the title deeds.
9	1	Office Building	236.70	228.95	Company is in the process of transferring the title deeds.

ii. In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification and the same have been properly dealt with in the books of account.

iii. The Company has granted unsecured loan to companies and Firm covered in the register maintained under section 189 of the Act. There are no fixed terms of repayment of principle and interest hence the question of regular receipt of principle and interest or any overdue amount does not arise.

iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans or made any investments or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has given loan and made investments in the securities of other body corporate within the limit specified by section 186 of the Act and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government of India, for maintenance of cost records under sub section (1) of section 148 of the Act, and are of the opinion that, prima facie the prescribed accounts and records have generally been made and maintained. We have not, however, made a detailed examination of the records with a view to examine whether they are accurate and complete.

vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues in respect of above as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute except:

₹ In Lakhs

Sr. No.	Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
1	Central Excise Duty Act	Tax	450.91	November 2006 to December 2013	Central Excise and Service Tax Appellate Tribunal - Mumbai
2	Central Excise Duty Act	Interest	380.01	November 2006 to December 2013	Central Excise and Service Tax Appellate Tribunal – Mumbai
3	Central Excise Duty Act	Tax	939.94	June 2006 to March 2008	Central Excise and Service Tax Appellate Tribunal – New Delhi
4	Central Excise Duty Act	Interest	1,438.71	June 2006 to March 2008	Central Excise and Service Tax Appellate Tribunal – New Delhi
5	Central Excise Duty Act	Refund of Duty	748.00	April 2008 to March 2014	Central Excise and Service Tax Appellate Tribunal – New Delhi
6	Central Excise Duty Act	Interest on Refund of Duty	784.39	April 2008 to March 2014	Central Excise and Service Tax Appellate Tribunal – New Delhi
7	Central Excise Duty Act	Tax	200.86	December 2003 to September 2005	The Supreme Court of India, Civil Appellate Jurisdiction.
8	Central Excise Duty Act	Tax	73.15	March to November 2003	The Supreme Court of India, Civil Appellate Jurisdiction.
9	Income Tax Act	Tax & Interest	143.05	A.Y. 2013-14	Commissioner of Income Tax (Appeal)
10	Customs Act	Custom Duty& Interest	85.35	December 2014 to April 2015	Joint Commissioner of Customs Group I – Chennai II
11	Finance Act, 1994	Service Tax and Interest	2.04	April 2014 to March 2014	Central Excise and Service Tax Appellate Tribunal – New Delhi

viii. According to information and explanation given to us and based on examination of the records, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank, government or debenture holders.

ix. The Company has not raised money through initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us and based on the documents and records examined by us on an overall basis, the term loans obtained by the Company were applied for the purpose for which the loans were obtained.

x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.

xi. *According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in excess of limit given in section 197 read with Schedule V to the Act.*

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

xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanation given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.

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

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W / W100166

Ermin K. Irani
Partner
Membership No.: 35646

Place: Mumbai
Dated: May 12, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GODREJ AGROVET LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone Ind AS Financial Statementsof the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W / W100166

Ermin K. Irani
Partner
Membership No.: 35646

Place: Mumbai
Dated: May 12, 2017

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Balance Sheet as at March 31, 2017

(₹ in lakh)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
(I) Non-Current Assets				
(a) Property, Plant and Equipment	2	68,807.81	66,535.05	50,819.72
(b) Capital work-in-progress		3,009.07	3,695.23	13,804.89
(c) Intangible assets	3	1,159.82	1,645.76	2,179.88
(d) Intangible assets under development		23.42	14.86	-
(e) Biological assets other than bearer plants	4	466.98	886.81	1,233.64
(f) Financial Assets				
(i) Investments				
Investments in Subsidiary, Associate and Joint Venture	5 (a)	50,598.40	48,013.87	9,878.39
Other investments	5 (b)	0.41	0.41	850.77
(ii) Trade Receivables	6	-	-	-
(iii) Loans	7	1,090.01	993.53	996.87
(iv) Others	8	174.93	160.69	170.34
(g) Deferred tax assets	9	509.30	823.12	652.81
(h) Other tax assets		1,037.47	936.26	1,183.63
(i) Other non-current assets	10	1,808.66	1,395.96	1,704.20
Total Non Current Assets		**128,686.28**	**125,101.55**	**83,475.14**
(II) Current Assets				
(a) Inventories	11	57,304.35	52,284.00	35,463.70
(b) Financial Assets				
(i) Investments	12	-	162.75	4,699.08
(ii) Trade Receivables	13	40,744.54	36,617.03	25,995.89
(iii) Cash and cash equivalents	14	3,737.19	1,946.48	1,171.31
(iv) Bank balance, other than (iii) above	15	708.97	673.28	445.33
(v) Loans	16	3,435.27	13,631.02	11,455.22
(vi) Others	17	1,047.49	5,488.96	1,368.07
(c) Other current assets	18	4,220.50	3,155.19	3,367.33
Total Current Assets		**111,198.31**	**113,958.71**	**83,965.93**
Total Assets		**239,884.59**	**239,060.26**	**167,441.07**
EQUITY AND LIABILITIES				
(I) Equity				
(a) Equity share capital	19	18,513.09	9,256.54	9,256.54
(b) Other equity	20	71,748.49	60,399.19	51,661.48
Total Equity		**90,261.58**	**69,655.73**	**60,918.02**
(II) Liabilities				
(1) Non Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	21	670.66	689.06	7,193.36
(ii) Other financial liabilities	22	0.06	653.71	445.97
(b) Provisions	23	309.62	183.52	138.39
(c) Deferred tax liabilities	24	7,294.43	6,031.05	5,101.82
(d) Other non-current liabilities	25	1,325.29	1,239.69	720.38
Total Non Current Liabilities		**9,600.06**	**8,797.03**	**13,599.92**
(2) Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	26	47,497.46	114,065.89	59,236.05
(ii) Trade payables	27	74,628.53	23,468.38	19,699.19
(iii) Other financial liabilities	28	12,623.71	17,980.04	10,329.72
(b) Other current liabilities	29	3,203.92	3,856.07	2,460.13
(c) Provisions	30	2,069.33	1,237.12	1,198.04
(d) Current tax liabilities (Net)				
Total Current Liabilities		**140,022.95**	**160,607.50**	**92,923.13**
Total Liabilities		**149,623.01**	**169,404.53**	**106,523.05**
Total Equity and Liabilities		**239,884.59**	**239,060.26**	**167,441.07**

The Notes 1 to 69 form an integral part of the Financial Statements

As per our Report of even date

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

Signatures to Balance Sheet and Notes to the Financial Statements
For and on behalf of the Board

ERMIN K. IRANI
PARTNER
Membership Number: 35646

Mumbai, May 12, 2017.

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Statement of Profit and Loss For The Year Ended March 31,2017

(₹ in lakh)

	Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I.	Revenue From Operations	31	361,605.42	336,598.88
II.	Other Income	32	5,418.61	5,528.95
III.	**Total Income (I + II)**		**367,024.03**	**342,127.83**
IV.	**Expenses**			
	Cost of materials consumed	33	263,891.50	250,416.95
	Purchases of Stock-in-Trade	34	18,360.49	17,452.20
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	35	742.03	(2,482.53)
	Employee benefits expense	36	16,469.95	13,511.68
	Finance costs	37	6,803.58	9,108.13
	Depreciation and amortisation Expenses	38	4,883.70	4,416.22
	Other expenses	39	29,805.85	28,515.25
	Total expenses (IV)		**340,957.10**	**320,937.90**
V.	Profit before exceptional items and tax		26,066.93	21,189.93
VI.	Exceptional Items (Write back of provision for loan given to ESOP Trust of holding company)		2,000.00	-
VII.	**Profit Before Tax (V+VI)**		**28,066.93**	**21,189.93**
VIII.	**Tax expense:**		**7,269.98**	**5,363.17**
	1. Current Tax		5,684.42	4,501.74
	2. Deferred Tax		1,585.56	861.43
IX.	**Profit for the year after tax**		**20,796.95**	**15,826.76**
X.	**Other comprehensive income**			
	(A) (i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit liability		(278.00)	(235.39)
	(ii) Income tax related to Items that will not be reclassified to profit or loss		96.21	81.46
			(181.79)	(153.93)
	(B) (i) Items that will be reclassified to profit or loss			
	Exchange difference arising on currency translation cash flow hedge reserve		321.14	-
	(ii) Income tax related to items that will be reclassified to profit or loss		(111.14)	-
			210.00	-
	Total other comprehensive income		**28.21**	**(153.93)**
XI.	**Total comprehensive income for the year**		**20,825.16**	**15,672.83**
XII.	**Earnings per equity share**			
	Basic	41	10.24	8.13
	Diluted		9.80	7.77

The Notes 1 to 69 form an integral part of the Financial Statements

As per our Report of even date

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

Signatures to Balance Sheet and Notes to the Financial Statements
For and on behalf of the Board

ERMIN K. IRANI
PARTNER
Membership Number: 35646

Mumbai, May 12, 2017.

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Cash Flow Statement For The Year Ended March 31, 2017

(₹ in lakh)

	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A.	**Cash Flow from Operating Activities :**		
	Net Profit Before Taxes	**28,066.93**	**21,189.93**
	Adjustment for:		
	Depreciation and amortisation	4,883.70	4,416.22
	Profit on sale of fixed assets	(133.23)	(488.79)
	Profit on sale of Investments (net)	(2,937.59)	(2,571.94)
	Unrealised foreign exchange gain/loss	44.97	(4.74)
	Dividend income	(0.04)	(190.27)
	Grant amortisation	(81.05)	(87.00)
	Interest income	(1,030.92)	(788.32)
	Actuarial gains and losses	(278.00)	(235.39)
	Guarantee commission	-	(9.50)
	Finance Cost	6,803.57	9,108.12
	Allowances for Doubtful Debts and Advances	325.48	207.22
	Liabilities no longer required written back	(94.79)	(129.44)
	Extraordinary Income	(2,000.00)	-
	Bad Debts Written off	630.13	429.08
		6,132.23	**9,655.25**
	Operating Profit Before Working Capital Changes	**34,199.16**	**30,845.18**
	Adjustments for:		
	Inventories	(5,020.34)	(13,584.27)
	Biological assets other than bearer plants	419.83	346.83
	Trade Receivables	(5,182.56)	(10,587.74)
	Non-current Financial assets- Loans	(111.48)	47.17
	Non-current Financial assets- Others	(14.25)	10.50
	Other non-current assets	(189.18)	95.21
	Current Financial assets- Loans	12,243.52	1,338.96
	Current Financial assets- Others	4,441.48	(4,120.78)
	Other current assets	(1,065.32)	232.74
	Trade Payables	51,243.47	2,256.48
	Long Term Provisions	126.11	24.78
	Non-current Financial liabilities- Others	(653.65)	207.89
	Other non-current liabilities	250.03	-
	Short Term Provisions	832.26	38.51
	Current Financial liabilities- Others	(5,107.73)	506.52
	Other current liabilities	(626.60)	825.76
		51,585.59	(22,361.44)
	Cash Generated from Operations	85,784.75	8,483.74
	Direct Taxes paid (net of refunds received)	**(5,661.80)**	(4,147.52)
	Net Cash Flow from Operating Activities	**80,122.95**	**4,336.22**
B.	**Cash Flow from Investing Activities :**		
	Capital subsidy received	-	300.00
	Acquisition of fixed assets	(7,432.95)	(9,925.22)
	Proceeds from sale of fixed assets	922.11	771.57
	Intercorporate Deposits Given	-	(3,578.00)
	Purchase of Investments	(2,589.93)	(36,900.87)
	Proceeds from sale of investments	3,105.74	6,233.53
	Interest Received	1,030.92	781.59
	Dividend Received	0.04	190.27
	Net Cash Flow from Investing Activities	**(4,964.07)**	**(42,127.13)**

(₹ in lakh)

	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
C.	**Cash Flow from Financing Activities :**		
	Proceeds from exercise of ESOP shares	58.68	-
	Merger Expenses charged directly to Reserves	**-**	(19.38)
	Repayment of Short Term Borrowings	(114,065.89)	(61,921.59)
	Proceeds from Short Term Borrowings	47,497.46	113,686.39
	Repayment of Long Term Borrowings	(377.38)	(6,831.05)
	Proceeds from Long Term Borrowings	670.66	7,500.00
	Finance Cost	(7,151.70)	(8,924.73)
	Dividend Paid	-	(4,100.65)
	Dividend Tax Paid	-	(834.81)
	Net Cash Flow from Financing Activities	**(73,368.17)**	**38,554.18**
	Net increase in Cash and Cash equivalents	**1,790.71**	**763.27**
	Cash and Cash equivalents (Opening balance)	1,946.48	1,171.31
	Cash and Cash equivalents (Opening balance taken over)		
	Seeds business of Godrej Seeds and Genetics Limited	-	11.90
	Cash and Cash equivalents (Closing balance)	**3,737.19**	**1,946.48**

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement notified u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.
2. Figures in bracket indicate cash outflow.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

ERMIN K. IRANI
PARTNER
Membership Number: 35646
Mumbai, May 12, 2017.

For and on behalf of the Board

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

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Statement of changes in equity

(a) Equity share capital

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Balance at the beginning of the reporting period	9,256.54	9,256.54	9,256.54
Changes in equity share capital during the year			
Bonus shares issued	9,256.55	-	-
Balance at the end of the reporting period	**18,513.09**	**9,256.54**	**9,256.54**

(b) Other equity

(₹ in lakh)

	Attributable to the owners of the Company								
	Retained Earnings	**General Reserve**	**Reserve for employee compensation expense**	**Debenture redemption reserve**	**Employee share option outstanding**	**Share Premium Account**	**Treasury Share Reserve**	**Cash Flow Hedge Reserve**	**Total**
Balance at March 31, 2016	45,206.33	372.55	2,389.81	1,875.00	10,614.18	-	(58.68)	-	60,399.19
Total comprehensive income for the year									
Profit for the year	20,796.95	-	-	-	-	-	-	-	20,796.95
Other comprehensive income for the year	(181.79)	-	-	-	-	-	-	-	(181.79)
Exchange difference arising on currency translation cash flow hedge reserve net of Income Tax (Refer Note No. 45)	-	-	-	-	-	-	-	210.00	210.00
Total comprehensive income for the year	20,615.16	-	-	-	-	-	-	210.00	20,825.16
Transactions with the owners of the Company									
Others									
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Refer Note No. 61)	-	**(277.99)**	-	-	-	-	-	-	(277.99)
Adjustment of Employee compensation expenses recognized during the year (Refer Note No. 43)	-	-	**(2,375.71)**	-	**2,375.71**	-	-	-	-
Transfer from Debenture Redemption Reserve	**1,875.00**	-	-	**(1,875.00)**	-	-	-	-	-
Bonus shares issued	**(9,256.55)**	-	-	-	-	-	-	-	(9,256.55)
ESOP shares subscribed by beneficiaries	-	-	-	-	-	-	**58.68**	-	58.68
Transfer to Share Premium on ESOP shares subscribed by beneficiaries	-	-	-	-	**(12,989.89)**	**12,989.89**	-	-	-
Transfer from Reserve for employee compensation expenses	-	**14.10**	**(14.10)**	-	-	-	-	-	-
Balance at March 31, 2017	58,439.94	108.66	-	-	-	12,989.89	-	210.00	71,748.49
Balance at April 1, 2015	38,057.82	658.35	3,526.40	-	9,477.59	-	(58.68)	-	51,661.48
Profit for the year	15,826.76	-	-	-	-	-	-	-	15,826.76
Other comprehensive income for the year	(153.93)	-	-	-	-	-	-	-	(153.93)
Total comprehensive income for the year	15,672.83	-	-	-	-	-	-	-	15,672.83
Transactions with the owners of the Company, recorded directly in equity									
Contributions and distributions									
Interim Dividend	(4,100.65)	-	-	-	-	-	-	-	(4,100.65)
Dividend distribution tax	(834.81)	-	-	-	-	-	-	-	(834.81)
Others									
Excess of Investment over book value of net assets adjusted as per Scheme of Merger (Refer Note No.58)	(1,694.48)	-	-	-	-	-	-	-	(1,694.48)
Expenses on Merger (Refer Note No.58)	(19.38)	-	-	-	-	-	-	-	(19.38)
Transfer to Debenture Redemption Reserve from Retained Earnings	(1,875.00)	-	-	1,875.00	-	-	-	-	-
Adjustment of Employee compensation expenses recognized during the year (Refer Note No. 43)	-	-	(1,136.59)	-	1,136.59	-	-	-	-
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Refer Note No. 61)	-	(285.80)	-	-	-	-	-	-	(285.80)
Balance at March 31, 2016	45,206.33	372.55	2,389.81	1,875.00	10,614.18	-	(58.68)	-	60,399.19

The Notes 1 to 69 form an integral part of the Financial Statements

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

ERMIN K. IRANI
PARTNER
Membership Number: 35646
Mumbai, May 12, 2017.

For and on behalf of the Board

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Significant Accounting Policies

1. **General information**

Godrej Agrovet Ltd. ("the Company") is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at 3rd Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai – 400 079. The Company, an erstwhile division of Godrej Soaps Limited was incorporated under the Companies Act, 1956 on November 25, 1991. The Company is a diversified agribusiness company and its principal activities include manufacturing and marketing of high quality animal feed, innovative agricultural inputs and palm oil & allied products.

2. **Basis of preparation**

(i) **Compliance with Ind AS:**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

The financial statements upto year ended 31st March 2016 were prepared in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and other relevant provisions of the Act as applicable.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's financial position, financial performance and cash flow is provided in Note 69.

The financial statements of the Company for year ended 31st March 2017 were authorized for issue in accordance with a resolution of the Board of Directors on 12th May 2017.

(ii) **Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- asset held for sale and biological Assets – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments

(iii) **Functional and presentation currency**

These financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

3. **Key estimates and assumptions**

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgement, estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of tangible assets**

  Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Fair valuation of employee share options**

  The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

- **Determining whether an arrangement contains a lease**

  At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Rebates and sales incentives**

  Rebates are generally provided to distributors or customers as an incentive to sell the Company's products. Rebates are based on purchases made during the period by distributor / customer. The Company determines the estimates of rebate accruals primarily based on the contracts entered into with their distributors / customers and the information received for sales made by them.

- **Fair value of financial instruments**

  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts, commodity futures and interest rate swaps. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

4. **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Compnay recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5. **Standards issued but not yet effective**

[Not required to be given as per ITFG 8 issued recently]

i) Ind AS 102 Share-based Payment:

In March 2017, the Ministry of Corporate Affairs had made amendments to Classification and Measurement of Share-based Payment Transactions under Ind AS 102. Paragraphs 19, 30–31, 33 and 52 of Ind AS 102 were amended and paragraphs 33A–33H, 59A–59B, 63D and B44A-B44C and their related headings were added. It mainly deals with accounting for a modification of a share-based payment transaction that changes its classification from cash-settled to equity settled.

The Company is in the process of making an assessment of the impact of amendments to Ind AS 102. As at the date of this report, the Company's management does not expect that the impact on the Company's results of operations and financial position will be material upon adoption of amendments to Ind AS 102.

6. **Significant accounting policies**

A. **Revenue**

i. Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

ii. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

iii. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the statement of profit or loss.

B. **Foreign currency**

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the company.

ii. Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in profit or loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

C. **Employee benefits**

i. <u>Short term employee benefits</u>

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed 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. The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

ii. <u>Defined contribution plans</u>

Obligations for contributions to defined contribution plans such as Provident Fund and Family pension maintained with Regional Provident Fund Office are expensed as the related service is provided.

iii. <u>Defined benefit plans</u>

The following post – employment benefit plans are covered under the defined benefit plans:

- Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Company.

  The Company's contribution to the Provident Fund Trust as established by the Company, is also considered as a Defined Benefit Plan because, as per the rules of Company's Provident Fund Scheme, 1952, if the return on investment is less or for any other reason, then the deficiency shall be made good by the Company. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted.

  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.

- Gratuity Fund

  The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually 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.

  Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv. Other long-term employee benefits

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

v. Terminal Benefits:

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

D. **Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in net profit in the statement of profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. **Current tax**

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit ~~or~~ / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

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 used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. 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 used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

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

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

E. **Inventories**

Inventories are carried in the balance sheet as follows:

(a) Raw materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.

(b) Work-in-progress-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

(c) Finished Goods-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

F. **Property, plant and equipment**

i. **Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the statement of profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of all if its property, plant and equipment as recognized as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. **Depreciation/ Amortizations**

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/ up to the month of additions/deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

(a) Plant and Machinery: - 20 Years

(b) Computer Hardware:

Depreciated over its estimated useful life of 4 years.

(c) Leasehold Land:

Amortized over the primary lease period.

(d) Leasehold improvements and equipments:

Amortised over the Primary lease period or 16 years whichever is less

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/ acquisition.

G. **Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

H. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

I. **Intangible assets**

Recognition and measurement

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets viz. Technical Know-how fees, Grant of Licenses and Computer software, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

The cost of intangible assets at 1st April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value at that date.

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 generally recognised in the statement of profit or loss.

The intangible assets are amortised over the estimated useful lives as given below:

- Grant of licenses	:	10 years
- Computer Software	:	6 years
- Tree Development Cost	:	15 years
- Technical Know-how of a capital nature	:	6 years

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

J. **Research and Development Expenditure**

Research Expenditure:

Revenue expenditure on research & development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment.

K. **Share-based payments:**

a. Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit or Loss.

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

L. **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i. **Financial assets**

Classification

The Company classifies its financial assets in the following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

Cash flow characteristics test: 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.

Initial recognition & measurement

At initial recognition, the Company measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset.

Equity investments (other than investments in associates and joint venture)

- All equity investments in 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 FVOCI 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 FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

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

- The rights to receive cash flows from the 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

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. **Financial liabilities**

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

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.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

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 recognized in the statement of profit and loss.

Offsetting of financial instruments

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

Derivative financial instruments

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

M. **Provisions and contingent liabilities**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

N. **Leases**

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

i. **Lease payments**

Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

ii. **Lease assets**

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments.

Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

O. **Impairment of non-financial assets**

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amounts of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

P. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

Q. **Grants / subsidies**

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as a deferred grant which is recognized as income in the Statement of Profit and Loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognized in the Statement of Profit and Loss in the same period as the related cost which they are intended to compensate are accounted for.

R. **Construction contracts**

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract by reference to the stage of completion.

Contract costs are recognized as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.
Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

Measurement of construction contract revenue and expense:

The Company uses the 'percentage-of-completion' method to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

S. **Biological assets**

Biological assets are measured at fair value less costs to sell, with any change therein recognized in Statement of Profit and Loss.

Note 2 Property, Plant & Equipment

(₹ in lakh)

PARTICULARS	Freehold Land	Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office & Other Equipment	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Research Center	Total
As at March 31, 2017												
Gross Block												
At April 1 , 2016	3,371.54	3,072.59	23,589.72	36,650.52	659.22	1,801.85	1,430.96	80.49	29.05	45.82	0.68	70,732.44
Additions	800.39	-	1,944.77	3,663.48	137.75	708.52	480.97	-	80.03	5.57	-	7,821.48
Disposals	(621.25)	-	(0.16)	(85.96)	(25.25)	(131.71)	(8.28)	-	-	(5.70)	(0.57)	(878.88)
As at March 31 , 2017	3,550.68	3,072.59	25,534.33	40,228.04	771.72	2,378.66	1,903.65	80.49	109.08	45.69	0.11	77,675.04
Accumulated Depreciation												
At April 1 , 2016	-	25.41	767.32	2,849.98	68.56	237.21	199.61	40.25	5.37	3.68	-	4,197.39
For the year	-	35.04	902.77	3,143.38	78.70	295.60	249.61	40.24	10.04	4.48	-	4,759.86
Disposals	-	-	(0.02)	(40.93)	(5.72)	(36.57)	(6.01)	-	-	(0.77)	-	(90.02)
As at March 31 , 2017	-	60.45	1,670.07	5,952.43	141.54	496.24	443.21	80.49	15.41	7.39	-	8,867.23
Net Block as at March 31 , 2017	3,550.68	3,012.14	23,864.26	34,275.61	630.18	1,882.42	1,460.44	-	93.67	38.30	0.11	68,807.81
As at March 31, 2016												
Gross Block												
At April1, 2015	3,313.08	1,370.10	12,359.13	31,075.30	236.41	1,428.63	893.72	80.49	17.57	44.49	0.80	50,819.72
Taken over	-	-	2.56	17.71	5.64	89.22	2.98	-	-	-	-	118.11
Additions	110.90	1,702.49	11,292.55	5,652.33	422.48	353.00	541.57	-	11.48	11.55	-	20,098.35
Disposals	(52.44)	-	(64.52)	(94.82)	(5.31)	(69.00)	(7.31)	-	-	(10.22)	(0.12)	(303.74)
As at March 31 ,2016	3,371.54	3,072.59	23,589.72	36,650.52	659.22	1,801.85	1,430.96	80.49	29.05	45.82	0.68	70,732.44
Accumulated Depreciation												
At April 1, 2015												-
For the year	-	25.41	770.37	2,859.07	69.45	243.00	201.22	40.25	5.37	4.20	-	4,218.34
Disposals	-	-	(3.05)	(9.09)	(0.89)	(5.79)	(1.61)	-	-	(0.52)	-	(20.95)
As at March 31 , 2016	-	25.41	767.32	2,849.98	68.56	237.21	199.61	40.25	5.37	3.68	-	4,197.39
Net Block as at March 31, 2016	3,371.54	3,047.18	22,822.40	33,800.54	590.66	1,564.64	1,231.35	40.24	23.68	42.14	0.68	66,535.05

Notes;

Note No. 2.1: Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Hyderabad (as part of the merger of Godrej Plant Biotech Limited), Dhule (as part of the merger of Goldmohur Foods & Feeds Ltd), Hanuman Jn. (as part of the merger of Golden Feed Products Ltd), Chintampalli (as part of the merger of Godrej Gokarna Oil palm Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited) and at Kolkata are being complied with. Stamp duty payable thereon is not presently determinable.

Note No. 2.2 To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account. (Refer Note No. 61(i))

Note No. 2.3 Figures under taken over during the previous year relates to Assets taken over by the company as per the scheme of Arrangement for the demerger of Seeds business of Godrej Seeds and Genetics Limited into Godrej Agrovet Limited. (Refer Note No. 58)

The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence, the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2015 under the previous GAAP

Deemed cost as on 1 April 2015

(₹ in lakh)

PARTICULARS	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Research Center	Total
Gross Block as on 1 April, 2015	3,313.08	1,434.31	14,523.85	40,672.04	540.60	1,785.52	1,318.31	414.81	29.10	46.58	15.83	64,094.03
Accumulated Depreciation till 1 April, 2015	-	64.21	2,164.72	10,335.77	304.19	360.98	434.72	334.32	11.53	2.09	15.03	14,027.56
Net Block treated as Deemed cost upon transition	3,313.08	1,370.10	12,359.13	30,336.27	236.41	1,424.54	883.59	80.49	17.57	44.49	0.80	50,066.47
IND AS Adjustments- Adjustments for grants as on 1 April, 2015	-	-	-	739.03	-	4.09	10.13	-	-	-	-	753.25
Adjusted deemed cost as on 1 April, 2015	3,313.08	1,370.10	12,359.13	31,075.30	236.41	1,428.63	893.72	80.49	17.57	44.49	0.80	50,819.72

Note 3 Intangible Assets

(₹ in lakh)

PARTICULARS	Computer Software	Technical Know-how Fees	Grant of Licenses	Total
As at March 31, 2017				
Gross Block				
At April 1, 2016	568.30	-	1,700.46	2,268.76
Additions	63.02	-	-	63.02
Disposals				-
As at March 31 , 2017	631.32	-	1,700.46	2,331.78
Accumulated amortisation				
At April 1, 2016	197.88	-	425.12	623.00
For the year	123.84	-	425.12	548.96
Disposals				-
As at March 31, 2017	321.72	-	850.24	1,171.96
Net Block as at March 31, 2017	**309.60**	**-**	**850.22**	**1,159.82**
As at March 31, 2016				
Gross Block				
At April 1, 2015	**479.42**	**-**	**1,700.46**	**2,179.88**
Additions	88.88	-	-	88.88
Disposals	-	-	-	-
As at March 31, 2016	568.30	-	1,700.46	2,268.76
Accumulated amortisation				
At April 1, 2015	-	-	-	-
For the year	197.88	-	425.12	623.00
Disposals	-	-	-	-
As at March 31, 2016	197.88	-	425.12	623.00
Net Block as at March 31, 2016	**370.42**	**-**	**1,275.34**	**1,645.76**

The Company has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2015 under the previous GAAP.

Deemed cost as on April 1, 2015

(₹ in lakhs)

PARTICULARS	Computer Software	Technical Know-how Fees	Grant of Licenses	Total
Gross Block as on April 1, 2015	1,197.67	200.00	4,251.18	5,648.85
Accumulated Depreciation upto April 1, 2015	718.25	200.00	2,550.72	3,468.97
Net Block treated as Deemed cost upon transition	479.42	-	1,700.46	2,179.88

Note 4 Biological Assets

A. Reconciliation of carrying amount

March 31, 2017

	Particulars	Note	Poultry		Oil palm saplings		Total
			Qty.	INR Lakhs	Qty.	INR Lakhs	
	Balance as April 1, 2016		-	-	1,205,458	886.81	886.81
	Add:						
i	Purchases		-	-	60,000	12.44	12.44
ii	Production/ Cost of Development		-	-	-	42.19	42.19
	Less:						
i	Sales / Disposals		-	-	(653,286)	(465.83)	(465.83)
ii	Change in fair value less cost to sell:		-	-	-	(8.63)	(8.63)
	Realised		-	-	-	(16.28)	(16.28)
	Unrealised		-	-	-	7.65	7.65
	Balance as at March 31, 2017				**612,172**	**466.98**	**466.98**

March 31, 2016

	Particulars	Poultry		Oil palm saplings		Total
		Qty.	INR Lakhs	Qty.	INR Lakhs	
	Balance as April 1, 2015	325,469	181.22	1,294,667	1,052.42	1,233.64
	Add:					
i	Purchases	14,013	25.31	492,200	178.07	203.38
ii	Production/ Cost of Development	488,736	76.99	-	120.14	197.13
	Less:					
i	Sales/ Disposals	(828,218)	(301.12)	(581,409)	(452.70)	(753.82)
ii	Change in fair value less cost to sell:	-	17.60	-	(11.12)	6.48
	Realised	-	17.60	-	(24.13)	(6.53)
	Unrealised	-	-	-	13.01	13.01
	Balance as at March 31, 2016	**-**	**-**	**1,205,458**	**886.81**	**886.81**

The Company has trading operations in oil plam plantations whereby the Company purchases the saplings and sells the saplings once it has achieved the desired growth. During the year 2016-17, the Company purchased 60,000 (2015-2016: 492,200) number of saplings, out of which 60,000 (2015- 2016: 492,200) were still under cultivation.

B. Measuement of Fair value

i. Fair Value hierarchy

The fair value measurements for poultry and oil palm saplings has been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

The following table shows a break down of the total gains (losses) recognised in respect of Level 3 fair values-

Particulars	March 31, 2017	March 31, 2016
Gain/(loss) included in 'other operating revenue'	(8.63)	6.48
Change in fair value (realised)	(16.28)	(6.53)
Change in fair value (unrealised)	7.65	13.01

iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Poultry stock - it comprises of parent chicken, eggs and livebirds	Discounted cashflows	Discounting is not done considering the plan to sell the inventory is less than one year.	The estimated fair valuation would increase/(decrease) if - Estimated price of each component of poultry stock was higher (lower) - discounting is done for the expected cashflows
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	1. Estimated cost of completing the stock under cultivation ₹ 18.63 to ₹ 41.33 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher) - Estimated selling price per sapling is higher (lower)

B.Risk Management strategies related to agricultural activities

The company is exposed to the following risks relating to its plantations

i. Regulatory and environmental risks

The company is subject to laws and regulations in the country in which it operates. It has established various environmental policies and procedures aimed at compliance with the local environmental and other laws.

ii. Supply and demand risks

"The company is exposed to risks arising from fluctuations in the price and sales volume of plants. When possible, the Company manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing."

iii. Climate and other risks

The company's plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The company has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

A reasonably possible change of 10% in Estimated cost of completing the stock under cultivation at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

	Profit or (loss)		Profit or (loss)	
	March 31,2017		March 31,2016	
	10% increase	**10% decrease**	**10% increase**	**10% decrease**
Estimated cost of completing the stock under cultivation	(0.70)	0.76	(5.57)	5.93
Cash flow sensitivity (net)	**(0.70)**	**0.76**	**(5.57)**	**5.93**

(₹ in lakh)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 5 : Non-current financial assets-Investments				
A.	**Investments at Cost**			
I	**Investment in Equity Instrument (Fully Paid)**			
	(a) Investment in equity of subsidiaries			
	i Quoted			
	Astec LifeSciences Limited. 10,837,139 (Previous year 10,434,880, as of 1.04.2015 nil) Equity shares of ₹ 10/- each. (Acquired 402,259 Equity Shares during 2016-17)	23,406.45	21,066.52	-
	ii Unquoted			
	i Godrej Seeds & Genetics Limited Previous Year and as of 1.04.2015 54,000 Equity Shares of ₹ 10/- each.	-	5.40	5.40
	ii Godvet Agrochem Limited 9,950,000 (Previous Year 9,950,000, as of 1.04.2015 6,050,000) Equity Shares of ₹ 10/- each.	995.00	995.00	605.00
	iii Creamline Dairy Products Limited. 5,879,008 (Previous Year 5,879,008, as of 1.04.2015 classified as current) equity shares of ₹10/- each.	16,207.21	16,207.21	-
	(b) Investment in equity of associates (Unquoted)			
	i Al Rahaba International Trading Limited Liability Company, Abu Dhabi, UAE. 24 (Previous year and as of 1.04.2015 24) Equity Shares of AED. 1500/- each.	4.32	4.32	4.32
	ii Polchem Hygiene Laboratories Private Limited Classified as current during previous year (as of 1.04.2015 455,000 equity shares of 10 each).	-	-	162.75
	(c) Investment in equity of joint ventures (Unquoted)			
	i Godrej Tyson Foods Limited 97,461 (Previous year 97,461, as of 1.04.2015 97,461) Equity Shares of ₹ 10/- each.	6,602.71	6,602.71	6,602.71
	ii ACI Godrej Agrovet Private Limited, Dhaka, Bangladesh. 1,850,000 (Previous year 1,850,000, as of 1.04.2015 185,000) Equity Shares of Tk. 100/- each.	1,258.08	1,258.09	1,248.58
	iii Omnivore India Capital Trust 2,125 (Previous year 1,875, as of 1.04.2015 1,250) units of ₹ 100,000 each. (Acquired 250 units during the year)	2,124.63	1,874.62	1,249.63
	Total (A)	**50,598.40**	**48,013.87**	**9,878.39**
B.	**Investments at Fair Value through Statement of Profit & Loss**			
	(a) Investment in Co-operative Society (Unquoted)	0.27	0.27	0.27
	(b) Investment in Other Corporates (Unquoted)	0.14	0.14	-
	(c) Investment in Limited Liability Partnership	-	-	0.50
	Total B	**0.41**	**0.41**	**0.77**

(₹ in lakh)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
C.	**Investment in Preference Shares (Fully paid, unquoted, valued at cost)**			
	1 Investment in subsidary companies			
	i Godrej Seeds And Genetics Limited (As of 1.04.2015 500,000 preference shares of ₹ 100 each)	-	-	500.00
	ii Godvet Agrochem Limited (As of 1.04.2015 350,000 preference shares of ₹ 100 each)	-	-	350.00
	Total B	**-**	**-**	**850.00**
	TOTAL	**50,598.81**	**48,014.28**	**10,729.16**

Note No. 5.1 Other Disclosures

Aggregate amount of quoted investment	23,406.45	21,066.52	-
Market value of quoted investment	65,394.01	20,629.76	-
Aggregate amount of unquoted investments	27,192.36	26,947.76	10,729.16

Note No. 5.2

	Name of subsidiary, associate and joint ventures - Place of business	**% of holding**	**% of holding**	**% of holding**
1.	Godvet Agrochem Limited -Mumbai	100.00	100.00	100.00
2.	Godrej Seeds & Genetics Limited -Mumbai	-	90.00	90.00
3.	Astec Lifescience Limited -Mumbai	55.54	53.64	-
4.	Creamline Dairy Products Limited Hyderabad Classified as current during April 1,2015	51.91	51.91	26.00
5.	ACI Godrej Agrovet Private Limited - Dhaka, Bangladesh	50.00	50.00	50.00
6.	Godrej Tyson Foods Limited -Mumbai	49.00	49.00	49.00
7.	Al Rahaba International Trading Limited Liability -Abu Dhabi, UAE.	24.00	24.00	24.00
8.	Polchem Hygiene Laboratories Private Limited -Mumbai Classified as current during the year ended March 31,2016	-	26.00	26.00

Investment in units of Omnivore India Capital Trust, a venture capital organization, is considered as a joint venture as the Company participates in the key activities jointly with the Investment Manager.

Note 6 : Non Current Trade Receivables

Unsecured and considered doubtful	777.80	424.52	208.03
Less : Allowance for doubtful receivables	(777.80)	(424.52)	(208.03)
Total	-	-	-

Note 7 : Non Current Financial Assets - Loans

	Unsecured, considered good (unless otherwise stated)			
1	Security deposits			
	i Considered good	1,038.82	947.78	964.47
	ii Considered doubtful	22.61	7.61	2.61
	Less : Allowance for bad and doubtful loans and advances	(22.61)	(7.61)	(2.61)
	Net Deposits	1,038.82	947.78	964.47
2	Loan to employees	51.19	45.75	32.40
	TOTAL	**1,090.01**	**993.53**	**996.87**

Note 8 : Non-current financial assets-Others

1	Claims receivable	146.15	146.15	146.15
2	Interest accrued but not due on fixed deposits (unsecured) - non -current	5.14	4.10	3.25
3	Bank Deposit with more than 12 months maturity	23.64	10.44	20.94
	TOTAL	**174.93**	**160.69**	**170.34**

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 9 : Deferred Tax Assets			
Deferred Tax Assets (Refer Note No. 47)	509.30	823.12	652.81
TOTAL	**509.30**	**823.12**	**652.81**
Note 10 : Other non-current assets			
1 Capital advances	1,008.97	782.93	996.02
2 Balance with Government Authorities	355.43	324.84	351.68
3 Others (Advances recoverable in cash or kind)			
i) Considered good	444.26	288.19	356.50
ii) Considered doubtful	19.81	19.07	18.89
Less : Allowance for doubtful advances	(19.81)	(19.07)	(18.89)
Net Advances Recoverable in cash or kind	444.26	288.19	356.50
Total Advance Other Than Capital Advance	799.69	613.03	708.18
TOTAL	**1,808.66**	**1,395.96**	**1,704.20**
Note 11 : Inventories			
(Valued at lower of cost and net realizable value)			
1 Raw materials	36,714.97	37,148.85	23,940.56
2 Raw Materials in Transit	-	205.85	2.43
3 Project in progress	6,071.91	-	-
4 Finished goods	6,507.61	7,453.81	5,505.95
5 Stock-in-Trade	6,424.65	5,800.65	4,919.15
6 Stores and Spares	1,585.21	1,674.84	1,095.61
TOTAL	**57,304.35**	**52,284.00**	**35,463.70**
Note 12 : Current Financial Assets -Investments			
Trade Investment (At lower of cost and fair value)			
I Investment in equity			
i Polchem Hygiene Laboratories Private Limited (Classified as non current on 1.04.2015)	-	162.75	-
Nil (Previous year 455,000) Equity Shares of ₹ 10/- each			
ii Creamline Dairy Products Limited (classified as non current in current year and previous year, as of 1.04.2015 2,671,993 Equity shares of ₹ 10/- each)	-	-	1,038.00
Total	**-**	**162.75**	**1,038.00**
II Investment at Fair value through statement of Profit and Loss			
Investment in other corporates			
Future Consumer Enterprises Limited	-	-	3,661.08
As of 1.04.2015 30,256,870 Equity shares of ₹ 6/- each			
Total	**-**	**-**	**3,661.08**
TOTAL	**-**	**162.75**	**4,699.08**
Note 13 : Current Trade Receivables			
i Secured and considered good (Refer Note No. 13.1)	7,544.62	8,024.98	7,708.25
ii Unsecured and considered good	33,199.92	28,592.05	18,287.64
TOTAL	**40,744.54**	**36,617.03**	**25,995.89**

Note No. 13.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 14 : Cash and cash equivalents			
1 Cash on hand	62.48	90.51	122.15
2 Cheques, Drafts on Hand	299.01	165.72	38.14
3 Balances with Banks:			
(a) Current Accounts	3,298.47	1,685.62	1,001.59
(b) Saving Bank Account of Company's ESOP Trust	77.23	4.63	9.43
TOTAL	**3,737.19**	**1,946.48**	**1,171.31**
Note 15 : Bank Balances Other Than Cash and Cash Equivalents			
Fixed Deposits -more than 3 months and less than 12 months (Refer Note No. 15.1)	708.97	673.28	445.33
TOTAL	708.97	673.28	445.33

Note No. 15.1: Fixed Deposits of ₹ 77.02 lakh (Previous Year ₹ 27.20 lakh and as of 1.04.2015 26.51 lakh) are pledged with Banks for Guarantees issued

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 16 : Current Financial Assets -Loans			
Unsecured, Considered Good, Unless Otherwise Stated			
1 Loans and advances to related parties (Refer Note No. 67)	63.59	573.33	1,602.61
2 Loans and Advances - Others			
(a) Loans and advances to employees	53.66	51.47	35.71
(b) Loan to ESOP Trust of Holding Company			
(i) Considered good	1,633.76	5,476.79	5,902.45
(ii) Considered doubtful	-	2,083.45	2,083.45
Less : Allowance for Doubtful Advance	-	(2,083.45)	(2,083.45)
Net Loan to ESOP Trust of Holding Company	1,633.76	5,476.79	5,902.45
(c) Intercorporate Deposits	988.50	7,168.25	3,590.25
(d) Deposits	58.34	51.97	40.40
(e) Advance recoverable in cash or kind	637.42	309.21	283.80
TOTAL	**3,435.27**	**13,631.02**	**11,455.22**
Note 17 : Other current financial assets			
1 Interest Accrued on Inter-Corporate Deposits	6.72	848.80	545.29
2 Interest Accrued on other Deposits	2.08	2.03	1.93
3 Non-Trade Receivables	738.70	3,881.78	308.35
4 Other Income Accrued	296.45	751.23	508.45
5 Interest on Bank Fixed Deposit	3.54	5.12	4.05
TOTAL	**1,047.49**	**5,488.96**	**1,368.07**
Note 18 : Other current assets			
1 Advances to suppliers	1,500.17	1,076.27	1,702.83
2 Balance with government authorities	254.53	464.64	405.12
3 Others	2,465.80	1,614.28	1,259.38
TOTAL	**4,220.50**	**3,155.19**	**3,367.33**

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 19 : Share Capital			
1 **Authorised :**			
(a) 224,994,000 (Previous year 99,994,000 and as at April 1, 2015 100,000,000) Equity shares of the par value of ₹ 10 each	22,499.40	9,999.40	10,000.00
(b) 6,000 (Previous year 6,000 and as at April 1, 2015 nil) Preference shares of the par value of ₹ 10 each	0.60	0.60	-
TOTAL	**22,500.00**	**10,000.00**	**10,000.00**
2 **Issued, Subscribed and Paid-up:**			
185,130,876 (Previous year 92,565,438 and as at April 1, 2015 92,565,438) Equity shares of ₹ 10 each fully paid up.	18,513.09	9,256.54	9,256.54
TOTAL	**18,513.09**	**9,256.54**	**9,256.54**

3 **Reconciliation of number of shares outstanding at the beginning and end of the year :**

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
Equity shares :						
Outstanding at the beginning of the year	92,565,438	9,256.54	92,565,438	9,256.54	92,565,438	9,256.54
Bonus Shares issued during the year	92,565,438	9,256.55	-	-	-	-
Outstanding at the end of the year	**185,130,876**	**18,513.09**	**92,565,438**	**9,256.54**	**92,565,438**	**9,256.54**
Preference shares :						
Outstanding at the beginning of the year	6,000	0.60	6,000	0.60	-	-
Issued during the year						
Outstanding at the end of the year	**6,000**	**0.60**	**6,000**	**0.60**	**-**	**-**

4 **Rights, preferences and restrictions attached to Equity shares**

a) **Equity Shares:** The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

b) **Preference Shares:** The Company has Non-Convertible Redeemable Preference Shares having a par value of ₹ 10 per share. Each eligible Shareholder is entitled for 8% dividend on par value of shares. In the event of liquidation, Preference Shareholders have preferential right on the asset over Equity Shareholders.

5 **Shareholders holding more than 5% shares in the company is set out below:**

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
(a) Equity shares	No. of shares	%	No. of shares	%	No. of shares	%
1 Godrej Industries Limited -Holding Company	117,878,964.00	63.67%	56,286,482.00	60.81%	56,286,482.00	60.81%
2 V-Sciences Investments Pvt Ltd	37,007,698.00	19.99%	18,503,849.00	19.99%	18,503,849.00	19.99%

6 There are no shares reserved for issue under options.

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 20 : Other Equity			
1. Retained Earnings	58,439.94	45,206.33	38,057.82
2. General Reserve	108.66	372.55	658.35
3. Debenture Redemption Reserve	-	1,875.00	-
4. Employee Stock Options Outstanding .	-	10,614.18	9,477.59
5. Reserve for employee compensation expenses	-	2,389.81	3,526.40
6. Treasury Share reserve	-	(58.68)	(58.68)
7. Share Premium Account	12,989.89	-	-
8. Cash Flow Hedge Reserve	210.00	-	-
TOTAL EQUITY	**71,748.49**	**60,399.19**	**51,661.48**

Reserve for employee compensation expense:

This reserve was created to give effect to the Honorable Bombay High Court's orders dated March 8, 2013 and September 20, 2013 (refer Note no. 59 (b)(iii)). The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for employee compensation expense.

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Employee share options outstanding

The employee share options outstanding account is used to recognise grant date fair value of options issued to employees under the Company's stock option plan.

Securities Premium Account

Securities Premium Account is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Cash flow hedge reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with foreign currency borrowings. For hedging foreign currency risk, the Company used foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to statement of profit & loss when the hedged item affects the profit & loss.

Treasury Share reserve:

Equity share reserve for ESOP Scheme (Refer Note 43).

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 21 : Non Current Financial Liablities - Borrowings			
Unsecured			
1 6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of ₹10 each (Refer Note No. 19.4.b)	0.60	0.60	-
2 Deferred payment liablities (Refer Note No.21.1)	411.82	420.66	-
3 Deferred Sales Tax Loan (Refer Note No.21.2)	258.24	267.80	393.36
4 Term Loan	-	-	6,800.00
TOTAL	**670.66**	**689.06**	**7,193.36**

Note No.21.1: Deferred Loan against acquisition of Lease hold Land is availed at interest rate 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on an Six monthly (period) basis 6 years from 1st July 2016 up to 1st Jan 2022. Total loan availed was ₹ 617.73 lakh and outstanding for the year 2016-17 was ₹ 514.77 Lakh with current maturity disclosed separately in note no. 28.2 at ₹ 102.96 Lakh .

Note No.21.2: Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, commencing from March 2014 up to March 2021. Total loan availed was ₹ 466.74 lakh and outstanding for the year 2016-17 was 376.78 lakhs with current maturity disclosed separately in note no. 28.2 at ₹ 35.15 lakh .

(₹ in lakh)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 22 : Non-Current Financial Liabilities - Others				
1	Liability towards beneficiaries of Company's ESOP Trust	-	653.71	445.97
2	Preference dividend payable	0.05	0.00	-
3	Tax on preference dividend payable (Refer Note No. 22.1)	0.01	0.00	-
	Total	**0.06**	**653.71**	**445.97**

Note No. 22.1: During previous year ₹ 0.00 represents Preference Dividend payable of ₹ 763 and corresponding tax on distributed profit ₹ 169 provided for

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 23 : Non Current Liablities - Provisions				
	Provision for employee benefits :			
	- Provision for compensated absences	309.62	183.52	138.39
	Total	**309.62**	**183.52**	**138.39**
Note 24 : Deferred Tax Liabilities				
	Deferred Tax Liabilities (Refer Note No. 47)	7,294.43	6,031.05	5,101.82
	Total	**7,294.43**	**6,031.05**	**5,101.82**
Note 25 : Other non-current liabilities				
	Deferred grant	1,325.29	1,239.69	720.38
	Total	**1,325.29**	**1,239.69**	**720.38**
Note 26 : Current Financial Liablities - Borrowings				
1	**Secured**			
	(a) Cash credit from banks (Refer Note 26.1)	-	2,089.06	-
2	**Unsecured**			
	(a) Term loans from Banks (Refer Note 26.2)	17,033.15	71,122.38	43,111.77
	(b) Commercial paper (Refer Note 26.3)	27,500.00	40,000.00	12,500.00
	(c) Cash credit (Refer Note 26.1)	2,964.31	854.45	3,624.28
	Total	**47,497.46**	**114,065.89**	**59,236.05**

Note No. 26.1 : Cash Credit from banks are repayable on demand and carries interest at 9.55% to 11.85 % . This cash credit fom Bank is secured against inventories and receivables.

Note No. 26.2 : Term Loans from Banks for the year 2016 -17 are at an Interest Rate of 5.96% to 13.60 %.

Note No. 26.3 : Commercial Paper carries interest rate of 5.95% to 8.85%

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 27 : Current -Trade Payables				
1	**Trade Payables**			
	a. Due to Micro, Small and Medium Enterprises (Refer Note No. 27.1)	-	-	-
	b. Others	21,818.37	20,800.61	19,699.19
2	**Acceptances**	52,810.16	2,667.77	-
	Total	**74,628.53**	**23,468.38**	**19,699.19**

Note No. 27.1: Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Accordingly, there is no undisputed amount overdue as on March 31, 2017, to Micro, Small and Medium Enterprises on account of principal or interest (previous year ₹ Nil.)

(₹ in lakh)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 28 : Other financial liabilities				
1	Current maturities of long-term debt			
2	Unsecured Loan			
	Debentures -Nil (for the year 2015-16 750 and for the year 2014-15, nil) 8.63% Unsecured Non-convertible Debentures of ₹1,000,000 each (Refer Note No.28.1)	-	7,489.33	-
	From others - Deferred Sales Tax Loan (Refer Note No. 21.2)	35.15	16.58	31.05
	From others - Deferred payment liabilities (Refer Note No. 21.1)	102.96	102.96	-
3	Liabilities towards beneficiaries of Company's ESOP Trust	694.83	-	-
4	Security Deposit	5,477.39	5,488.23	5,247.80
5	Amount due for payment to Gratuity Fund	420.57	353.84	288.91
6	Non Trade Payables	1,458.96	1,673.37	1,124.52
7	Interest accrued but not due on borrowings	33.92	382.05	20.90
8	Derivative liability	44.82	28.40	7.93
9	Others	4,355.11	2,445.28	3,608.61
	Total	**12,623.71**	**17,980.04**	**10,329.72**

Note No 28.1: 8.63% Debentures are redeemable at par at the end of 15 Months from the date of allotment, viz.,7th December 2016.

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 29 : Other current liabilities				
1	Advances from Customers	2,447.92	3,255.56	2,071.97
2	Employee Deductions	8.56	9.06	102.18
3	Statutory Liabilities	640.65	492.91	234.26
4	Deferred Grants - Current	106.79	98.54	51.72
	Total	**3,203.92**	**3,856.07**	**2,460.13**
Note 30 : Current Liablities - Provisions				
1	Provision for employee benefits			
	- Provision for compensated absences	32.78	24.78	44.63
2	Provision for sales return	2,036.55	1,212.34	1,153.41
	Total	**2,069.33**	**1,237.12**	**1,198.04**

(₹ in lakh)

		For the year ended 31st March 2017	For the year ended 31st March 2016
Note 31 : Revenue from operations			
1	**Sale of products**	359,204.57	334,387.29
2	**Other operating revenue**		
	Sale of Scrap and Empties	2,409.48	2,205.11
	Fair value of Biological Assets (Refer Note No. 4)	(8.63)	6.48
		2,400.85	**2,211.59**
	Total	**361,605.42**	**336,598.88**
Note 32 : Other Income			
1	Interest income		
	(a) Instruments measured at amortised cost		
	(i) Interest received on Deposits	313.82	788.32
	(ii) Interest Received on ESOP Loan	717.10	-
2	Dividend income		
	(i) Dividend received from cooperative bank	0.04	0.04
	(ii) Dividend received from Subsidiary Company	-	47.08
	(iii) Dividend from Associate Company	-	143.15

		For the year ended 31st March 2017	For the year ended 31st March 2016
			(₹ in lakh)
3	Profit on sale of Fixed Assets (net)	133.23	488.79
4	Profit on sale of Investments (net)	2,937.59	-
5	Claims received	49.15	41.42
6	Liabilities no longer required written back	94.79	129.44
7	Recovery of Bad Debts written off	28.91	41.64
8	Royalty & Technical Knowhow	247.50	284.50
9	Other Miscellaneous Income and Income from R & D Center	815.43	896.13
10	Grant amortization	81.05	87.00
11	Profit on sale of Investments	-	2,571.94
12	Guarantee commision from Joint Venture	-	9.50
	TOTAL	**5,418.61**	**5,528.95**

Note 33 : Cost of materials consumed

a	Material at the Commencement of the Year	37,354.70	23,942.99
b	Add : Purchases	263,896.46	264,197.08
c	Less : Material sold	644.69	368.42
		300,606.47	287,771.65
d	Less: Material at the Close of the Year	36,714.97	37,354.70
	Total	**263,891.50**	**250,416.95**

Note 34 : Purchase of stock-in-trade

Agri inputs	18,360.49	17,452.20
Total	**18,360.49**	**17,452.20**

Note 35 : Changes In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

1	**Stocks at the Commencement of the Year**		
	(a) Finished Goods	7,453.81	5,505.95
	(b) Stock under cultivation	886.81	1,233.64
	(c) Stock-in-Trade	5,800.65	4,919.15
	Total Stock at the commencement of the Year	14,141.27	11,658.74
2	**Less : Stocks at the Close of the Year**		
	(a) Finished Goods	6,507.61	7,453.81
	(b) Stock under cultivation	466.98	886.81
	(c) Stock-in-Trade	6,424.65	5,800.65
	Total Stock at the close of the Year	13,399.24	14,141.27
	Change in the stock of Finished Goods, Work in Progress, Stock in Trade	**742.03**	**(2,482.53)**

Note 36 : Employee benefit expense

1	Salaries, Wages, Bonus and Allowances	14,125.97	11,386.56
2	Contribution to Provident, Gratuity and Other Funds	962.73	823.51
3	Expense on Employee Stock based payments - net of Adjustment to Reserve for Employee compensation expense	190.00	187.00
4	Staff Welfare Expense	1,191.25	1,114.61
	TOTAL	**16,469.95**	**13,511.68**

Note 37 : Finance Costs

		For the year ended 31st March 2017	For the year ended 31st March 2016
1	Interest Expense		
	i. Paid to Banks on Loans and Cash Credit	1,445.50	4,867.88
	ii. Others	5,120.54	4,120.89
2	Preference dividend and tax on preference dividend	0.07	0.01
3	Exchange differences regarded as a adjustment to borrowing cost	84.01	-
4	Other Borrowing Costs-Loan processing and related charges	153.46	119.35
	TOTAL	**6,803.58**	**9,108.13**

Note No.37.1: Finance costs are net of interest capitalised to Project in Progress ₹ 294.15 lakh (Previous year nil).

Note 38
Depreciation and Amortisation Expenses

1	Depreciation	4,759.86	4,218.34
2	Amortization	548.96	623.00
	Less : Transfer from General Reserve (Refer Note No. 61 (i))	(425.12)	(425.12)
	TOTAL	**4,883.70**	**4,416.22**

Note 39 : Other Expenses

1	Stores and Spares consumed	1,625.87	1,458.13
2	Power and Fuel	4,289.32	4,377.33
3	Processing Charges	6,965.28	6,643.84
4	Rent	993.03	909.25
5	Rates and Taxes	582.74	847.12
6	Repairs and Maintenance		
	(a) Machinery	516.16	477.76
	(b) Buildings	97.42	138.83
	(c) Other assets	108.51	114.60
7	Insurance	173.02	170.45
8	Auditor's Remuneration (Refer Note No. 39.1)	117.60	101.08
9	Freight	2,721.96	2,517.18
10	Advertisement, Selling and Distribution Expenses	3,716.93	4,023.31
11	Bad Debts/Advances Written Off	630.13	429.08
12	Allowances for Doubtful Debts and Advances/(Written back)	325.48	207.22
13	Research Expenses	127.21	141.54
14	Applicable net gain/loss on foreign currency transactions and translation	95.45	75.00
15	Corporate Social Responsibility	406.02	214.68
16	Miscellaneous Expenses	6,313.72	5,668.85
	TOTAL	**29,805.85**	**28,515.25**

Note No. 39.1: Auditor's Remuneration

(a)	Audit Fees	54.98	54.71
(b)	Audit under Other Statutes	19.18	19.09
(c)	Taxation matters	30.83	11.13
(d)	Management Consultancy, Certification & Company Law Matters	2.84	6.22
(e)	Reimbursement of Expenses	9.77	9.93
	Total	**117.60**	**101.08**

Note 40 : Dividend

1	Amount of Interim Dividend (₹ lakh)	-	4,100.65
2	Tax on Distributed Profit (₹ lakh)	-	834.81
3	Dividend per Share (₹)	-	4.43
4	Rate of Dividend	-	0.44

The Board, in its meeting on May 12, 2017 has recommended a final dividend of ₹ 4.50 per equity share for the financial year ended March 31, 2017 the proposal is subject to the approval of shareholders at the annual general meeting to be held on August 4, 2017 and, if approved, would result in a cash outflow of approximately ₹ 10,026.86 Lakh including corporate dividend tax of ₹ 1,695.97 lakh.

Note 41 Earnings per share

Calculation of weighted average number of equity shares - Basic

	Particulars	March 31, 2017	March 31, 2016
1	Calculation of weighted average number of equity shares - Basic		
	(a) Number of shares at the beginning of the year	88,458,090.00	88,458,090.00
	Effect of bonus issue	88,458,090.00	88,458,090.00
	Revised number of shares at the beginning of the year	176,916,180.00	176,916,180.00
	(b) Number of equity shares outstanding at the end of the year	185,130,876.00	88,458,090.00
	Effect of bonus issue	-	88,458,090.00
	Revised number of shares outstanding at the end of the year	185,130,876.00	176,916,180.00
	Weighted average number of equity shares outstanding during the year	**177,141,240.00**	**176,916,180.00**
2	Calculation of weighted average number of equity shares - Diluted		
	(a) Number of potential shares at the beginning of the year	176,916,180	176,916,180
	Effect of potential equity shares	8,214,696	8,214,696
	Revised number of potential shares at the beginning of the year	185,130,876	185,130,876
	(b) Number of potential equity shares outstanding at the end of the year	185,130,876	176,916,180
	Effect of potential equity shares	-	8,214,696
	Revised number of potential equity shares outstanding at the end of the year	185,130,876	185,130,876
	Weighted average number of potential equity shares outstanding during the year	**185,130,876**	**185,130,876**
3	**Profit attributable to ordinary shareholders (Basic/diluted)**		
	Profit (loss) for the year, attributable to the owners of the Company	20,796.95	15,826.76
	Income/(Expense) recognized in Reserves	**(2,653.70)**	**(1,441.77)**
	Amortisation of Intangiable Assets	(277.99)	(285.80)
	Employee Compensation Expenses	(2,375.71)	(1,136.59)
	Merger Expenses	-	(19.38)
	Profit (loss) for the year, attributable to ordinary shareholders	**18,143.25**	**14,384.99**
4	Basic Earnings per share (₹)	**10.24**	**8.13**
5	Diluted Earnings per share (₹)	**9.80**	**7.77**
6	Nominal Value of Shares (₹)	**10**	**10**

Note 41.1

The calculation of diluted earning per share is based on profit attributed to equity shareholders and weigthed average no. of equity shares outstanding after adjustments for the effects of all dilutive potential equity share i.e. shares reserved for employee share based payments. These share, have been fully issued upto 31st March, 2017 under Employee Stock Option Plan.

Note. 42 Employee benefits

The Company contributes to the following post-employment plans in India.

Defined Contribution Plans:

The Company's contributions paid/payable to Regional Provident Fund at certain locations, Super Annuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Company recognised ₹ 682.46 lakh for the year ended March 31, 2017 (Previous Year ₹ 620.26 lakh) towards provident fund contribution and ₹ 57.07 lakh for the year ended March 31, 2017 (Previous year ₹ 54.95 lakhs) towards super-annuation fund contribution in the Statement of Profit and Loss.

Defined Benefit Plan:

The Company's gratuity and leave encashment/long-term compensated absences schemes are defined benefit plans. The Company's liability for the defined benefit schemes is actuarially determined based on the projected unit credit method. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

The company's contribution to the Provident Fund Trust as established by the Company, is also considered as a Defined Benefit Plan because, as per the rules of Company's Provident Fund Scheme, 1952, if the return on investment is less or for any other reason, then the deficiency shall be made good by the Company. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Any actuarial losses are recognised immediately in the Statement of Profit and Loss.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in lakhs)

	March 31, 2017	March 31, 2016	April 1,2015
Defined benefit obligation	(1,822.78)	(1,407.57)	(1,187.50)
Fair value of plan assets	1,402.22	1,054.58	898.59
Net defined benefit (obligation)/assets	(420.56)	(352.99)	(288.91)

i. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	Defined Benefit Obligation		**Fair value of plan assets**		**Net defined benefit (asset) liability**	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Opening balance	1,407.57	1,187.50	1,054.58	898.59	352.99	288.91
Included in profit or loss						
Current service cost	115.02	94.64	-	-	115.02	94.64
Past service cost	-	-	-	-	-	-
Interest cost (income)	113.17	94.40	84.79	71.44	28.38	22.96
Included in OCI						
Remeasurement loss (gain):	-	-	-	-	-	-
Actuarial loss (gain) arising from:	334.26	193.06	-	-	-	-
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	115.37	(10.97)	-	-	115.37	(10.97)
Experience adjustment	218.89	204.03	-	-	218.89	204.03
Return on plan assets excluding interest income	-	-	56.25	(42.33)	(56.25)	42.33
	1,970.02	1,569.60	1,195.62	927.70	774.40	641.90
Other						
Contributions paid by the employer	-	-	353.84	288.91	(353.84)	(288.91)
Benefits paid	(147.24)	(162.03)	(147.24)	(162.03)	-	-
Closing balance	1,822.78	1,407.57	1,402.22	1,054.58	420.56	352.99
Represented by						
Net defined benefit asset						
Net defined benefit liability	420.56	352.99	288.91			
	420.56	352.99	288.91			

ii. Plan assets

Plan assets comprise the following

	March 31, 2017	March 31, 2016	April 1,2015
Insurer managed fund (100%)	1,402.22	1,054.58	898.59
	1,402.22	1,054.58	898.59

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	March 31, 2017	March 31, 2016
Discount rate	7.29%	8.04%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a.	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

iv. Sensitivity analysis

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

	March 31, 2017		**March 31, 2016**	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(150.99)	176.41	(112.60)	130.72
Future salary growth (1% movement)	178.74	(155.41)	133.44	(116.66)
Rate of employee turnover (1% movement)	31.38	(35.91)	31.87	(36.23)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

v. Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2017 were as follows

Expected contribution

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2017, i.e. ₹ 353.83 lakh .

Expected future benefit payments	**March 31, 2017**	**March 31, 2016**
March 31, 2017	-	131.32
March 31, 2018	155.70	53.30
March 31, 2019	110.70	112.43
March 31, 2020	104.93	89.55
March 31, 2021	154.53	141.23
March 31, 2022	130.34	-
Therafter	741.40	598.80

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31 March 2017 based on actuarial valuation using the projected accrued benefit method is ₹ 269.00 lakh (Previous year : ₹ 257.02 lakhs).

Terminal Benefits: All terminal benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss

Incentive Plans: The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Statement of Profit & Loss. The Scheme rewards its employees based on Economic Value Addition (EVA), which is related to actual improvement made in EVA over the previous period when compared with expected improvements.

Note 43: Share-based payment arrangements:

Description of share-based payment arrangements
Employee stock options - cash settled

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is ₹ 1 per equity share as provided in the scheme. The Company has provided ₹ 190 lakh (Previous Year ₹ 187 lakh) for the aforesaid eligible employees for the current financial year.

Employee stock options - equity settled

In December 2012, the Company instituted an Employee Stock Option Plan (GAVL ESOP) as approved by the Board of Directors and the Shareholders, for the allotment of 586,764 options convertible into 586,764 equity shares of ₹ 10 each and Bonus Shares issued against the initial allotment for 3,520,584 shares of ₹ 10 each to eligible employees of the company.

The scheme is administered by an independent ESOP Trust created. The Company has issued 586,764 equity shares and Bonus Shares issued against the initial allotment for 7,627,932 shares to the said ESOP Trust at face value of ₹ 10 each amounting to ₹ 58.68 lakh. During the current year, all the stock options were vested, exercised and transferred to the eligible employees by March 31, 2017.

Category A

Particulars	For the year ended 31 March 2017			
	Shares arising out of options	**Range of exercise prices**	**Weighted average exercise price**	**Weighted average remaining contractual life**
Options outstanding at the beginning of the year	1,843,457.00	10.00	1.43	21.5 months
Add: Options granted during the year	148,463.00	10.00	1.43	
Less: Options lapsed during the year	(148,463.00)	-	-	
Bonus shares issue against the allotment	1,843,457.00	-	-	
Less: Options exercised during the year	(3,686,914.00)	10.00	0.71	-
Options outstanding at the year end	-	-	-	
Exercisable at the end of the period	-	-	-	

Particulars	For the year ended 31 March 2016			
	Shares arising out of options	**Range of exercise prices**	**Weighted average exercise price**	**Weighted average remaining contractual life**
Options outstanding at the beginning of the year	1,843,457.00	10.00	1.43	33.5 months
Add: Options granted during the year	-	-	-	
Less: Options lapsed during the year	-	-	-	
Bonus shares issue against the allotment	-	-	-	
Less: Options exercised during the year	-	-	-	
Options outstanding at the year end	1,843,457.00	10.00	1.43	21.5 months
Exercisable at the end of the period	-	-	-	

The weighted average grant date fair value of par value options granted under Category A during the years ended March 31, 2017 was ₹ 154.60 and 2016 was ₹ 309.20 per option, respectively. The weighted average share price during the years ended March 31, 2017 is ₹ 297.17 per share.

Category B

Particulars	For the year ended 31 March 2017			
	Shares arising out of options	**Range of exercise prices**	**Weighted average exercise price**	**Weighted average remaining contractual life**
Options outstanding at the beginning of the year	2,263,891.00	10.00	1.43	
Add: Options granted during the year	-	-	-	
Less: Options lapsed during the year	-	-	-	
Bonus shares issue against the allotment	2,263,891.00	10.00	-	
Less: Options exercised during the year	(4,527,782.00)	10.00	0.71	-
Options outstanding at the year end	-	-	-	
Exercisable at the end of the period	-	-	-	

Particulars	For the year ended 31 March 2016			
	Shares arising out of options	Range of exercise prices	Weighted average exercise price	Weighted average remaining contractual life
Options outstanding at the beginning of the year	2,263,891.00	10.00	1.43	
Add: Options granted during the year	-	-	-	
Less: Options lapsed during the year	-	-	-	
Less: Options exercised during the year	-	-	-	
Options outstanding at the year end	2,263,891.00	10.00	1.43	
Exercisable at the end of the period	-	-	-	

The weighted average grant date fair value of par value options granted under Category B during the years ended March 31, 2017 was ₹ 154.60 and 2016 was ₹ 309.20 per option, respectively. The weighted average share price during the years ended March 31, 2017 is ₹ 297.17 per share.

Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black–Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. They key inputs and assumptions used are as follows:

Share price: The share price has been obtained through valuation report.

Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Remuneration and Compensation Committee.

Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant.

Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards.The weighted average inputs used in computing the fair value of options granted were as follows:

Grant date	16/01/2013
Fair value	154.14
Share price	154.60
Exercise price	10.00
Expected volatility (weighted-average)	0.00%
Expected life (weighted-average)	5
Expected dividends	0.00%
Risk-free interest rate (based on government bonds)	9.00%

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Note 44: Financial instruments – Fair values and risk management

Note 44.1: Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are 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 lakh)

		Carrying amount				Fair value			
	March 31, 2017	**FVTPL**	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	Financial assets								
I	**Non Current Financial Assets**								
1	Non-current investments	0.41	-	-	0.41	-	0.41	-	0.41
2	Long-term loans and advances	-	-	1,090.01	1,090.01	-	-	-	-
3	Other Non-current financial asset	-	-	174.93	174.93	-	-	-	-
II	**Current Financial Assets**								
1	Trade and other receivables	-	-	40,744.54	40,744.54	-	-	-	-
2	Cash and cash equivalents	-	-	3,737.19	3,737.19	-	-	-	-
3	Bank balance other than (iii) above	-	-	708.97	708.97	-	-	-	-
4	Short-term loans and advances	-	170.28	3,435.27	3,605.55	-	170.28	-	170.28
5	Other current financial assets	-	-	1,047.49	1,047.49	-	-	-	-
		0.41	170.28	50,938.40	51,109.09	-	170.69	-	170.69
	Financial liabilities								
I	**Non Current Financial Liablities**								
1	Long term borrowings	258.24	-	412.42	670.66	-	258.24	-	258.24
2	Other non-current financial liabilities	-	-	0.06	0.06	-	-	-	-
II	**Current Financial liabilities**								
1	Short term borrowings	-	-	47,497.46	47,497.46	-	-	-	-
2	Trade and other payables	-	-	74,628.53	74,628.53	-	-	-	-
3	Other financial liabilities	44.82	-	12,578.89	12,623.71	-	44.82	-	44.82
		303.06	-	135,117.36	135,420.42	-	303.06	-	303.06

		Carrying amount				Fair value			
	March 31, 2016	**FVTPL**	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
I	**Non-current Financial Assets**								
1	Non-current investments	0.41	-	-	0.41	-	0.41	-	0.41
2	Long-term loans and advances	-	-	993.53	993.53	-	-	-	-
3	Other non-current financial assets	-	-	160.69	160.69	-	-	-	-
II	**Current Financial Assets**								
1	Trade and other receivables	-	-	36,617.03	36,617.03	-	-	-	-
2	Cash and cash equivalents	-	-	1,946.48	1,946.48	-	-	-	-
3	Bank balance other than (iii) above	-	-	673.28	673.28	-	-	-	-
4	Short-term loans and advances	-	-	13,631.02	13,631.02	-	-	-	-
5	Other current financial assets	-	-	5,488.96	5,488.96	-	-	-	-
		0.41	**-**	**59,510.99**	**59,511.40**	**-**	**0.41**	**-**	**0.41**
I	**Non-current Financial liabilities**								
1	Long term borrowings	267.80	-	421.26	689.06	-	267.80	-	267.80
2	Other non-current financial liabilities	-	-	653.71	653.71	-	-	-	-
II	**Current Financial liabilities**								
1	Short term borrowings	-	-	114,065.89	114,065.89	-	-	-	-
2	Trade and other payables	-	-	23,468.38	23,468.38	-	-	-	-
3	Other financial liabilities	28.40	-	17,951.64	17,980.04	-	28.40	-	28.40
		296.20	**-**	**156,560.88**	**156,857.08**	**-**	**296.20**	**-**	**296.20**

		Carrying amount				Fair value			
	April 1, 2015	**FVTPL**	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
I	**Non-current Financial Assets**								
1	Non-current investments	0.77	-	850.00	850.77	-	0.77	-	0.77
2	Long-term loans and advances	-	-	996.87	996.87	-	-	-	-
3	Other non-current financial assets	-	-	170.34	170.34	-	-	-	-
II	**Current Financial Assets**								
1	Current investments	3,661.08	-	-	3,661.08	3,661.08	-	-	3,661.08
2	Trade and other receivables	-	-	25,995.89	25,995.89	-	-	-	-
3	Cash and cash equivalents	-	-	1,171.31	1,171.31	-	-	-	-
4	Bank balance other than (iii) above	-	-	445.33	445.33	-	-	-	-
5	Short-term loans and advances	-	-	11,455.22	11,455.22	-	-	-	-
6	Other current financial assets	-	-	1,368.07	1,368.07	-	-	-	-
		3,661.85	**-**	**42,453.03**	**46,114.88**	**3,661.08**	**0.77**	**-**	**3,661.85**
I	**Non-current Financial liabilities**								
1	Long term borrowings	-	-	7,193.36	7,193.36	-	302.42	-	302.42
2	Other non-current financial liabilities -	-	-	445.97	445.97	-	-	-	-
II	**Current Financial liabilities**								
1	Short term borrowings	-	-	59,236.05	59,236.05	-	-	-	-
2	Trade and other payables	-	-	19,699.19	19,699.19	-	-	-	-
3	Other financial liabilities	7.93	-	10,321.80	10,329.72	-	7.93	-	7.93
		7.93	**-**	**96,896.37**	**96,904.29**	**-**	**310.35**	**-**	**310.35**

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include :

- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk;
- Market risk;
- Currency risk;

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Note 44.2: Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the company segments the customers into Distributors and Others for credit monitoring.

The Company maintains security deposits for sales made to its distributors. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows.

(₹ in lakh)

	Carrying amount		
	March 31, 2017	**March 31, 2016**	**April 1,2015**
Trade receivables	40,744.54	36,617.03	25,995.89
Exports			
Distributors	-	-	-
Other	372.41	476.54	135.76
Domestic			
Distributors	39,181.71	34,300.19	24,143.13
Other	1,190.42	1,840.30	1,717.00
Total of Trade Receivables	40,744.54	36,617.03	25,995.89
Total of other Receivables	2,672.58	6,424.57	6,866.92

Impairment

The ageing of trade receivables that were not impaired was as follows.

	March 31, 2017	**March 31, 2016**	**April 1 ,2015**
Neither past due nor impaired	25,442.36	22,626.95	9,165.55
Past due 1–30 days	6,045.42	5,105.58	6,596.00
Past due 31–90 days	3,956.31	3,578.82	5,435.46
Past due 91–180 days	1,488.24	1,366.96	3,065.04
> 180 days	3,812.21	3,938.72	1,733.84
	40,744.54	**36,617.03**	**25,995.89**

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

For Trade receivables	**March 31, 2017**	**March 31, 2016**
Balance as at April 1	424.52	208.03
Impairment loss recognised	948.77	632.22
Amounts written off	(595.49)	(415.73)
Balance as at March 31	**777.80**	**424.52**

For other receivables	**March 31, 2017**	**March 31, 2016**
Balance as at April 1	2,091.06	2,086.06
Impairment loss recognised	(2,033.81)	18.35
Amounts written off	(34.64)	(13.35)
Balance as at March 31	**22.61**	**2,091.06**

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 3,737.19 lakh at March 31, 2017 (previous year ₹ 1,946.48 lakh as on April 1,2015 ₹ 1171.31 Lac). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

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Note 44.3: Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

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

		Contractual cash flows					(₹ in lakh)
March 31, 2017	**Carrying amount**	**Total**	**0-6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of ₹10 each	0.60	0.60	-	-	-	-	0.60
Deferred Sales Tax Loan	258.24	341.63	-	-	84.91	256.72	-
Deferred Payment Liability	411.82	411.82	-	-	102.96	308.86	-
Other non-current financial liabilities-Others	0.06	0.06	-	-	-	-	0.06
Current, non derivative financial liabilities							
Cash credit from bank	2,964.31	2,964.31	2,964.31	-	-	-	-
Term loans from banks	17,033.15	17,033.15	17,033.15	-	-	-	-
Commercial papers	27,500.00	27,500.00	27,500.00	-	-	-	-
Trade and other payables- others	21,818.37	21,818.37	21,818.37	-	-	-	-
Acceptances	52,810.16	52,810.16	52,810.16	-	-	-	-
Other current financial liabilities	12,578.88	12,578.88	12,492.25	86.63	-	-	-
Derivative liability	44.82	44.82	-	44.82	-	-	-
Total	**135,420.41**	**135,503.80**	**134,618.24**	**131.45**	**187.87**	**565.58**	**0.66**

		Contractual cash flows					(₹ in lakh)
March 31, 2016	**Carrying amount**	**Total**	**0-6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of ₹10 each	0.60	0.60	-	-	-	-	0.60
Deferred Sales Tax Loan	267.80	376.78	-	-	35.15	341.63	-
Other non-current financial liabilities-Liability towards beneficiaries of Company's ESOP Trust	653.71	653.71	-	-	653.71	-	-
Deferred payment Liabilities	420.66	420.66	-	-	8.85	308.85	102.96
Current, non derivative financial liabilities							
Cash credit from bank	2,943.52	2,943.52	2,943.52	-	-	-	-
Term loans from banks	71,122.38	71,122.38	71,122.38	-	-	-	-
Commercial papers	40,000.00	40,000.00	40,000.00	-	-	-	-
Trade and other payables- others	20,800.61	20,800.61	20,800.61	-	-	-	-
Acceptances	2,667.77	2,667.77	2,667.77	-	-	-	-
Other current financial liabilities	17,951.63	17,951.63	10,242.05	7,709.58	-	-	-
Derivative liability	28.40	28.40	-	28.40	-	-	-
Total	**156,857.08**	**156,966.06**	**147,776.33**	**7,737.98**	**697.71**	**650.48**	**103.56**

		Contractual cash flows					(₹ in lakh)
April 1, 2015	**Carrying amount**	**Total**	**0-6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
Deferred Sales Tax Loan	393.36	393.36	-	-	16.58	376.78	
Term loans	6,800.00	6,800.00	-	-	5,000.00	1,800.00	
Other non-current financial liabilities-Liability towards beneficiaries of Company's ESOP Trust	445.97	445.97	-	-	445.97	-	
Current, non derivative financial liabilities							
Cash credit from bank	3,624.28	3,624.28	3,624.28	-	-	-	-
Term loans from banks	43,111.77	43,111.77	43,111.77	-	-	-	-
Commercial papers	12,500.00	12,500.00	12,500.00	-	-	-	-
Trade and other payables- others	19,699.19	19,699.19	19,699.19	-	-	-	-
Other current financial liabilities	10,321.79	10,321.79	10,290.74	31.05	-	-	-
Derivative liability	7.93	7.93	-	7.93	-	-	-
Total	**96,904.29**	**96,904.29**	**89,225.98**	**38.98**	**5,462.55**	**2,176.78**	**-**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Financial instruments – Fair values and risk management (continued)

Note 44.4 : Currency Risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company adopts a policy of ensuring that between 80 and 90% of its interest rate risk exposure is at a fixed rate. And hence, interest rate risk is covered by entering into fixed-rate instruments to ensure variability in cash flows attributable to interest rate risk is minimised.

Currency risk

The functional currency of Company is primarily the local currency in which it operates. The currencies in which these transactions are primarily denominated are INR. The Company is exposed to currency risk in respect of transactions in foreign currency. Foreign currency revenues and expenses are in the nature of export sales and import purchases.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakh)

	March 31, 2017	March 31, 2016	April 1,2015
	USD	USD	USD
Financial Assets			
Trade receivables	362.40	472.84	136.52
Foreign exchange forward contracts		-	
Net exposure to foreign currency risk (Assets)	**362.40**	**472.84**	**136.52**
Financial Liabilities			
Foreign currency loan	(2,433.15)	-	-
Trade payables	(1,235.93)	(839.43)	(1,619.30)
Foreign exchange forward contracts	3,641.91	839.43	1,494.30
Net exposure to foreign currency risk (Liabilities)	**(27.17)**	**-**	**(125.00)**
Net exposure	**335.23**	**472.84**	**11.52**
Un-hedged foreign currency exposures			
Purchase	(27.17)	-	(125.00)
Sale	362.40	472.84	136.52

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at 31 March 2017 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
Effect in INR lakhs	Strengthening	Weakening	Strengthening	Weakening
March 31, 2017				
USD (1% movement)	3.35	(3.35)	3.35	(3.35)
	3.35	**(3.35)**	**3.35**	**(3.35)**

	Profit or loss		Equity, net of tax	
Effect in INR lakhs	Strengthening	Weakening	Strengthening	Weakening
March 31, 2016				
USD (3% movement)	14.15	(14.15)	14.15	(14.15)
	14.15	**(14.15)**	**14.15**	**(14.15)**

Effect in INR lakhs	Strengthening	Weakening	Strengthening	Weakening
01-Apr-15				
USD (2% movement)	0.23	(0.23)	0.23	(0.23)
	0.23	**(0.23)**	**0.23**	**(0.23)**

Note: Sensitivity has been calculated using standard Deviation % of USD rate movement.

Note 44.5: Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in lakh)

Nominal amount	March 31, 2017	March 31, 2016	April 1,2015
Fixed-rate instruments			
Financial assets			
Loans and Advances	51.19	45.75	32.40
Other financial assets	3,616.38	14,019.39	11,654.43
Total	3,667.57	14,065.14	11,686.83
Financial liabilities			
Borrowings	47,909.88	114,487.15	66,036.05
Other financial liabilities	5,580.35	13,080.52	5,247.80
Total	53,490.23	127,567.67	71,283.85

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

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Note. 45 Hedge accounting

The Company's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The forward exchange contracts are denominated in the same currency as the highly probable future transaction value, therefore the hedge ratio is 1:1. Most of these contracts have a maturity of 18 months from the reporting date. The Company's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

a. Disclosure of effects of hedge accounting on financial position

March 31, 2017 **(₹ in lakh)**

Type of hedge	**Nominal Value (in respective currencies)**		**Carrying amount of hedging instrument**		**Line item in the statement of financial position where the hedging instrument is included**	**Maturity date**	**Hedge ratio**	**Average strike price/ rate**	**Changes in fair value of the hedging instrument**	**Change in the value of hedged item used as the basis for recognising hedge effectiveness**
	Assets	**Liabilities**	**Assets**	**Liabilities**						
Forward exchange forward contracts on outstanding borrowings	-	2,665.30	170.28	-	Current Asset-Others	May 1,2017 to Sep 25,2017	1:1	71.02	237.13	(237.13)
Forward exchange forward contracts on account of future interest payments	-	9.70	0.54	-						
		2,675.00	**170.82**							

b. Disclosure of effects of hedge accounting on financial performance

March 31, 2017	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	(321.14)	-	-	-	-

c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting

Movements in cash flow hedging reserve	**Amount**
As at March 31, 2016	**-**
Add : Changes in fair value	(321.14)
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax relating to the above	111.14
As at March 31, 2017	**(210.00)**

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Note 46. Tax expense

(a) Amounts recognised in profit and loss (₹ in lakh)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Current income tax	5,684.42	4,501.74
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	1,585.56	761.12
Reduction in tax rate	-	100.31
Recognition of previously unrecognised tax losses	-	-
Deferred tax expense	1,585.56	861.43
Tax expense for the year	**7,269.98**	**5,363.17**

(b) Amounts recognised in other comprehensive income

	For the year ended March 31, 2017			For the year ended March 31, 2016		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit liability (asset)	278.00	(96.21)	181.79	235.39	(81.46)	153.93
Exchange difference arising on currency translation cash flow hedge reserve	(321.14)	111.14	(210.00)	-	-	-
	(43.14)	14.93	(28.21)	235.39	(81.46)	153.93

(c) Amounts recognised directly in equity

	For the year ended March 31, 2017			For the year ended March 31, 2016		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
General Reserve						
Less: Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Refer Note No. 61).	425.12	147.13	277.99	425.12	139.32	285.80
	425.12	147.13	277.99	425.12	139.32	285.80

(d) Reconciliation of effective tax rate

	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit before tax.	**28,066.93**	**21,189.93**
Company's domestic tax rate	34.61%	34.61%
Tax using the Company's domestic tax rate (Current year 34.61% and Previous Year 34.61%)	9,713.40	7,333.42
Tax effect of:		
Expense not allowed for tax purposes	295.90	68.35
Additional allowance for tax purpose	(1,617.13)	(853.93)
Brought forward losses on which deferred tax asset not recognised	-	(382.30)
Income not considered for tax purpose	(692.16)	(1,125.10)
Tax paid at lower rate for profit on sales of Investment	(382.87)	-
Change in Tax Rate	-	325.49
Others	(47.16)	(2.76)
	7,269.98	**5,363.17**
Current tax	**5,684.42**	**4,501.74**
Deffered tax	**1,585.56**	**861.43**

The Company's weighted average tax rates for the years ended March 31, 2017 and 2016 were 25.90% and 25.31%, respectively.
The effective tax rate for the year ended March 31, 2017 was higher primarily as a result of a lower tax exempted income as compared to previous year.

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Note. 47 : Movement in deferred tax balances for the year ended March 31, 2017

(₹ in lakh)

	Net balance April 1, 2016	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax liability	Deferred tax asset	Net Deferred Tax
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(6,564.55)	(750.69)	-	119.51	(7,609.34)	413.61	(7,195.73)
Compensated absences	72.07	(20.90)	-	-	51.17	-	51.17
Investments	129.99	(34.30)	-	-	-	95.69	95.69
Biological Assets	(14.01)	2.99	-	-	(11.02)	-	(11.02)
Doubtful Debtors	185.30	98.49	-	-	283.79	-	283.79
Brought forward capital losses	308.67	(308.67)	-	-	-	-	-
MAT Credit Entitlment	606.87	(606.87)	-	-	-	-	-
Other items	67.73	34.39	(111.14)	-	(9.03)	-	(9.03)
Total	**(5,207.93)**	**(1,585.56)**	**(111.14)**	**119.51**	**(7,294.43)**	**509.30**	**(6,785.13)**

Movement in deferred tax balances for the year endeed March 31, 2016

(₹ in lakh)

	Net balance April 1, 2015	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax liability(net)	Deferred tax asset	Net Deferred Tax
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(5,817.65)	(849.40)	-	102.50	(6,949.01)	384.46	(6,564.55)
Compensated absesce	-	72.07	-	-	72.07	-	72.07
Investments	328.83	(198.84)	-	-	-	129.99	129.99
Biological Assets	(11.56)	(2.45)	-	-	(14.01)	-	(14.01)
Doubtful Debtors	106.38	78.92	-	-	185.30	-	185.30
Brought forward capital losses	681.81	(373.14)	-	-	-	308.67	308.67
Employee benefits	61.78	(61.78)	-	-	-	-	-
MAT Credit Entitlment	127.12	479.75	-	-	606.87	-	606.87
Other items	74.28	(6.55)	-	-	67.73	-	67.73
Tax assets (Liabilities)	**(4,449.01)**	**(861.43)**	**-**	**102.50**	**(6,031.05)**	**823.12**	**(5,207.93)**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Given that the Company does not have any intention to dispose investments in subsidiaries in the forseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

Note 48 : Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio at March 31, 2017 was as follows.

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016
Total borrowings	48,306.22	122,363.82
Less : Cash and cash equivalent	3,737.19	1,946.48
Adjusted net debt	44,569.03	120,417.34
Adjusted equity	90,261.58	69,655.73
Adjusted net debt to adjusted equity ratio	0.49	1.73

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Note 49: Segment information for the year ended 31st March 2017

Factors used to identify the entity's reportable segments, including the basis of organisation -

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director (MD) of the Company. The Company has identified the following segments as reporting segments based on the information reviewed by CODM:

1) Animal feed
2) Crop Protection
3) Vegetable Oil
4) Others

(i) Information about Primary business Segments

For the period ended March 31, 2017 **(₹ in lakh)**

Particulars	Animal Feed	Vegetable Oil	Crop Protection	Other Business	Unallocated	Total
Total Sales	262,082.16	50,664.16	45,132.17	3,726.93	-	361,605.42
Result						
Segment Result	16,637.33	10,268.53	11,696.58	(1,160.25)	-	37,442.19
Unallocated expenditure net of unallocated income					(8,540.21)	(8,540.21)
Interest expenses					(6,803.58)	(6,803.58)
Interest Income					1,030.92	1,030.92
Dividend Income and Profit on sale of Investments (net)					2,937.63	2,937.63
Profit before taxation and exceptional Item						26,066.93
Exceptional Items :Write back of provision for loan given to ESOP Trust of holding company					2,000.00	2,000.00
Profit before taxation						28,066.93
Provision for taxation					7,269.98	7,269.98
Profit after taxation	-	-	-	-	-	20,796.95
Other Information						
Segment assets	94,766.14	19,102.05	42,255.50	6,488.45	77,272.49	239,884.63
Segment liabilities	71,989.40	1,730.73	13,784.07	2,192.29	59,926.51	149,623.00
Capital expenditure	4,627.55	1,746.25	694.54	11.41	353.20	7,432.95
Depreciation	2,684.68	1,310.41	253.03	160.15	475.43	4,883.70

(ii) The Segment revenue in each of the above business segments consists of sales (net of returns, sales tax, rebates etc.)

(iii) Segment Revenue,Results,Assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis

(ii) Information about Primary business Segments

For the period ended March 31, 2016 **(₹ in lakh)**

Particulars	Animal Feed	Vegetable Oil	Crop Protection	Other Business	Unallocated	Total
Total Sales	254,420.18	40,419.24	38,257.01	3,502.45	-	336,598.88
Result						
Segment Result	18,468.89	6,168.70	9,595.27	(1,359.68)	-	32,873.18
Unallocated expenditure net of unallocated income					(6,125.66)	(6,125.66)
Interest expenses					(9,108.13)	(9,108.13)
Interest Income					788.32	788.32
Dividend Income and Profit on sale of Investments (net)					2,762.22	2,762.22
Profit before taxation and exceptional item					-	21,189.93
Exceptional Item					-	-
Profit before taxation					-	21,189.93
Provision for taxation					5,363.17	5,363.17
Profit after taxation					-	15,826.76
Other Information						
Segment assets	95,869.86	20,603.04	34,406.28	7,279.87	80,901.19	239,060.24
Segment liabilities	58,299.69	3,110.19	14,622.66	5,337.62	88,034.32	169,404.48
Capital expenditure	5,189.93	3,063.50	347.33	260.77	881.80	9,743.33
Depreciation	2,399.64	1,180.64	203.43	138.98	493.53	4,416.22

Note 50 : Contingent Liabilities (₹ in lakh)

Particulars			March 31,2017	March 31,2016	April 1,2015
Claims against the Company not acknowledged as debts:					
(i)	Excise Matter				
		Excise duty demands relating to disputed classification, assessable values, availment of credit etc. which the Company has contested and is in appeal at various levels	9,988.80	6,298.99	5,455.15
(ii)		Service Tax demand amounting to ₹ 1.02 lakh raised by Central Excise Department at Lote in respect of dispute arising out of works contract transaction. An equal amount is levied by the department towards interest and penalty. The Company has preferred an Appeal against this Order of Assessing Officer.	2.04	-	-
(iii)	Customs Matter				
	a	The Company has preferred an appeal with the Customs Dept. in the matter of Assessable value of imported Capital goods and presently the case is pending with the Commissioner of Customs, Chennai.	85.35	-	12.81
(iv)	Income Tax				
	a	The Company has received a rectification order u/s 154 of Income Tax Act 1961 for AY 2014-15 dated 23.01.2017, as per the said order amount determined to be payable is ₹ 132.43 lakh which includes interest amounting to ₹ 25.45 lakh.	132.43	-	-
	b	The Company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y 2013-14 in which a demand of ₹.143.05 lakh has been determined to be payable by the Company.	143.05	1,059.23	
	c	The Company has preferred an Appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y 2012-13 and A.Y 2013-14 in which a demand of ₹ 1.96 lakh and ₹ 3.00 lakh respectively has been determined to be payable by the Company. The above demand pertains to Dividend Distribution Tax paid by Bahar Agrochem & Feeds Ltd (since merged with Godrej Agrovet Ltd) the credit of which has not been granted by the Income Tax department and disallowances under section 14 A of the Income Tax Act.	-	4.96	1.96
	d	The company has preferred appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y. 2012-13 in which a demand of ₹ 916.18 lakh has been determined to be payable by the company. The above demand includes taxes amounting to ₹ 769.88 lakh towards which credit has not been granted by the Income Tax department	-	-	916.18
(v)	Sales Tax Matters				
		The Company has preferred an appeal before the Deputy Excise and Taxation Commissioner, Jalandhar against the penalty order issued by the VAT officer for the F.Y. 2010-11	-	0.99	0.99
		The Company has preferred an appeal before the Joint Commissioner, Kashipur against the penalty order issued by the VAT officer for the F.Y 2008-09 & F.Y 2012-13	-	12.62	12.62
		The company has preferred an appeal before the VAT Tribunal at Bhatinda against the penalty order issued by the VAT officer for the F.Y. 2013-14	-	-	1.73

Note 50 : Contingent Liabilities (₹ in lakh)

Particulars		March 31,2017	March 31,2016	April 1,2015
(vi)	Buy-back guarantee issued to Industrial Promotional & Development Company on behalf of Joint Venture.	-	411.25	411.25
(vii)	Surety Bond issued on behalf of Fellow Subsidiary.	120.67	120.67	2,028.13
(viii)	Guarantees issued by the Banks and counter guaranteed by the company which have been secured by deposits with bank.	410.12	436.22	354.22
(ix)	Gurantee issued to banks on behalf of the Joint Venture Company	-	-	703.23
(x)	Claims against the Company not acknowledge as Debt	905.87	640.91	671.08

Note 51 : Commitments (₹ in lakh)

Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	6,455.35	3,600.66	2,566.82
Outstanding Export obligation Under EPCG Scheme	3,472.31	3,472.31	3,472.31

Note 52 : Lease taken by the Company

Operating Lease:

The Company's leasing arrangements are in respect of operating leases for premises occupied by the Company. These leasing arrangements are non cancellable, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods :

(₹ in lakh)

Particulars		As at March 31, 2017	As at March 31, 2016
	<u>Future lease commitments</u>		
	- Within one year	295.68	211.94
	- Later than one year and not later than five years	958.85	731.58
	- Later than five years	279.70	425.42
b.	Lease payments recognised in the Statement of Profit & Loss for the year :		
	Minimum lease payments	1,669.42	1,186.55

Note 53 : Grants/subsidies from government

Subsidy amounting to ₹ 200.00 lakh (previous year ₹ 300.00 lakh) received during the year is in the nature of capital subsidy.

Note 54 : Investments in Subsidiary

During the year the company has extinguished its investment in Godrej Seeds And Genetics Limited and accordingly Godrej seeds And Genetics Limited ceased to be subsidiary of the company

Note 55 : Balance confirmation

Current Assets, Loans and Advances, Deposits and Sundry Creditors are subject to confirmation / reconciliation and consequential adjustments, if any.

Note 56 : Common expenses shared by the companies

Expenses include ₹474.45 lakh (Previous Year ₹ 499.46 lakh) charged by Godrej Industries Limited, the Holding Company.

Note 57 : Information in Respect of Current Investment in Associates.

During the previous year , the management has decided to divest its stake in Polchem Hygiene Laboratories Private Limited Consequently, the same has been reclassified as current investment in previous year .During the current year the investment in the said associate company has been extinguished.

Note 58 : Acquisition of Seeds business.

a A scheme of Arrangement ("the Scheme") for the demerger of Seeds business of Godrej Seeds and Genetics Limited ("the Demerged Company) into Godrej Agrovet Limited ("the Resulting Company") effect from April 1st, 2015, ("the Appointed date") was sanctioned by the Honourable High Court of Judicature at Bombay ("the Court"), vide its Order dated January 8th, 2016 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on February 9, 2016 (the "Effective Date").

b To give effect to the Honourable Bombay High Court's Order dated January 8th, 2016 regarding Scheme of the Arrangement, the following actions have been performed.

i The excess of face value of the preference shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, along with face value of preference shares issued on account the amalgamation, amounting to ₹1,694.47 lakh has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

ii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 19.38 lakh had been directly charged against the Surplus in Statement of Profit and Loss of the Resulting Company.

c Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by ₹ 1,694.47 Lakh.

Note 59 : Amalgamation of Goldmuhor Agrochem & Feeds Limited.

a A scheme of Amalgamation ("the Scheme") for the amalgamation of Goldmuhor Agrochem & Feeds Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from October 1st, 2013, ("the Appointed date") was sanctioned by the Honourable High Court of Judicature at Bombay ("the Court"), vide its Order dated September 20th, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on December 13th, 2013 (the "Effective Date").

b To give effect to the Honourable Bombay High Court's Order dated September 20th, 2013 regarding Scheme of the Arrangement, the following actions have been performed:

i The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 71.11 lakh has been debited to the General Reserve Account of the Transferee Company as per the Scheme.

ii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting ₹ 40.73 lakh have been directly charged against the balance in General Reserve Account of the Transferee Company.

iii An amount of ₹ 2,000.00 lakh standing to the credit of the General Reserve Account of the Transferee Company has been utilised to increase the Reserve for Employee Compensation Account of the Transferee Company. The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for Employee Compensation Account.

c Had the Scheme not prescribed the above treatment, the balance in General Reserve would have been higher by ₹ 2,111.84 lakh.

Note 60 : Amalgamation of Golden Feed Products Limited.

a A scheme of Amalgamation ("the Scheme") for the amalgamation of Golden Feed Products Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from March 31st, 2014, ("the Appointed date") was sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated April 29th, 2014 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on May 19th, 2014 (the "Effective Date").

b To give effect to the Honourable Bombay High Court's Order dated April 29th, 2014 regarding Scheme of the Arrangement, the following actions have been performed.

The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to R. 97.06 lakh has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

c Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by ₹97.06 Lakh.

Note 61 : Amalgamation of Oil Palm Companies.

As per the scheme of Amalgamation ("the Scheme") of Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery Palm Oil Ltd (CPOL), ("the Transferor Companies"), with Godrej Agrovet Limited (the " Transferee Company"), with effect from April 1, 2011, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been passed.

i Amortisation on Intangible Assets of the Transferor Companies amounting to ₹ 425.12 Lakh in the current year and ₹ 425.12 Lakh in the previous year recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the transferee Company is ₹ 4,251.18 Lakh

ii The excess of book value of the net assets of the Transferor Company taken over, amounting to ₹ 6,055.32 lakh over the face value of the shares held by the transferee Company has been credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the above treatment, the balance in the Securities Premium Account would have been higher by ₹ 6,055.32 Lakh, the balance in General Reserve would have been higher by ₹ 850.24 Lakh.

Note 62 : Amalgamation of Godrej Gold Coin Aquafeed Limited (GGCAL) .

As per the scheme of Amalgamation ("the Scheme") of Godrej Gold Coin Aquafeed Ltd (the Transferor Company), with Godrej Agrovet Limited with effect from April 1,2010, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated January 5, 2011, the following entries have been passed

i The Intangible assets held by GGCAL amounting to ₹ 1,669.14 lakh were adjusted against the balance in the Securities Premium Account of the Holding Company.

ii The excess of book value of the net assets of the Transferor Company taken over, amounting to ₹ 2,505.71 lakh over the face value of the shares held by the transferee Company was credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the treatment of adjusting Intangibles against the balance in the Securities Premium Account, The balance in Securities Premium Account would have been higher by ₹ 4,174.85 Lakh, the Surplus in Statement of Profit & Loss would have been lower by 4,174.85 Lakh.

Note 63 :Managerial Remuneration .

During the year, the stock options granted under the Company's stock option scheme were fully vested, exercised and transferred to the eligible employees including the Managing Director of the Company. The perquisite value of the said stock options have been included in the managerial remuneration which resulted in the same exceeding the limits prescribed under Section 197 of the Companies Act, 2013 by an amount of ₹8,661.12 lakh. The Company is in the process of obtaining approval from the Shareholders and Central Government of India for ratification of payment of excess remuneration.

Note 64 : Corporate Social Responsibility expenditure.

Total expenditure incurred on Corporate Social Responsibility activities during the current year is ₹406.02 lakh (previous year ₹214.68 lakh).

Amount spent during the year on:				**(₹ in lakh)**
		In cash	Yet to be paid in cash	TOTAL
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	406.02	-	406.02

Note 65 : Comparative Accounts for the Previous Year.

Figures of the previous year have been regrouped & re-classified wherever necessary to conform to the current year's classification

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Note 66 : Research and Development .

Consolidated Summary of Expenditure on Scientific Research

(₹ in lakh)

Particulars	Current Year			Previous Year		
	Vikhroli R & D Centre	Nashik R & D Centre	Total	Vikhroli R&D Centre	Nashik R & D Centre	Total
Revenue Expenditure						
Cost of Materials Consumed	16.12	183.39	199.51	15.62	139.28	154.90
Employee Benefit Expenses	154.19	411.74	565.93	147.67	155.45	303.12
Other Expenses						
i) Power & Fuel	0.65	35.86	36.51	0.66	33.00	33.66
ii)Rates & Taxes	2.65	29.02	31.66	10.46	17.47	27.93
iii)Repairs & Maintenance						
Machinery	0.91	4.53	5.44	1.11	3.38	4.49
Equipments	-	4.18	4.18	-	-	-
Other Assets	-	-	-	0.15	2.41	2.56
iv) Travel & Conveyance	8.19	27.70	35.89	10.50	16.40	26.90
v) Research Expenses	-	-	-	-	-	-
vi) Professional Fees	-	5.73	5.73	-	-	-
vii) Contract charges	-	-	-	-	71.37	71.37
vii) Misc Expenses	11.66	42.09	53.75	24.21	23.81	48.02
Sub Total	**194.37**	**744.24**	**938.61**	**210.38**	**462.57**	**672.95**
Capital Expenditure						
Plant & Machinery	-	81.52	81.52	-	81.41	81.41
Computers	0.86	8.03	8.90	2.04	0.44	2.48
Office & Other Equipments	-	-	-	-	-	-
Laboratory Equipments	-	125.47	125.47	15.53	6.90	22.43
Furniture & Fixtures	-	5.82	5.82	-	1.53	1.53
Livestock/Biological assets	-	5.57	5.57	-	11.55	11.55
Sub Total	**0.86**	**226.41**	**227.28**	**17.57**	**101.83**	**119.40**
Total Expenditure Incurred	**195.24**	**970.65**	**1,165.89**	**227.95**	**564.40**	**792.35**
Less : Income earned by R & D	-	117.60	117.60	-	113.16	113.16
Net Expenditure Incurred	**195.24**	**853.05**	**1,048.29**	**227.95**	**451.24**	**679.19**

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Note No. 67: Related Party Disclosures

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below "

1 **Relationships:**

(i) Holding Companies:

Godrej Industries Limited (GIL), Holding Company holds 63.67% Equity Shareholding in Godrej Agrovet Limited (GAVL) as on March 31, 2017.
GIL was a subsidiary of Godrej & Boyce Manufacturing Company Limited (G&B) till March 29, 2017. Consequently, G&B was also the Ultimate Holding Company of GAVL till March 29, 2017 and ceased to be so w.e.f. March 30, 2017.
GIL became a subsidiary of Vora Soaps Limited (VSL) w.e.f. March 30, 2017. Consequently, VSL is the Ultimate Holding Company of GAVL w.e.f. March 30, 2017.

(ii) Subsidiary Companies:

1 Godvet Agrochem Limited
2 Godrej Seeds & Genetics Limited (upto March 18, 2017)
3 Astec LifeSciences Limited
4 Behram Chemicals Private Limited (a subsidiary of Astec LifeSciences Limited)
5 Astec Europe Sprl (a subsidiary of Astec LifeSciences Limited)
6 Comercializadora Agricola Agroastrachem Cia Ltda (a subsidiary of Astec LifeSciences Limited)
7 Creamline Dairy Products Limited
8 Nagavalli Milkline Private Limited (a subsidiary of Creamline Dairy Products Limited)

(iii) Fellow Subsidiaries:

A. Subsidiaries of Godrej & Boyce Mfg. Co. Ltd. (G&B), Fellow subsidiaries upto March 29, 2017 :

1 Godrej Infotech Ltd.
2 Godrej (Singapore) Pte. Ltd., Singapore
3 Veromatic International BV, Netherlands
4 Busbar Systems (India) Ltd.
5 Mercury Mfg. Co. Ltd.
6 Godrej Americas Inc., USA
7 India Circus Retail Pvt. Ltd.

B. Subsidiaries of Godrej Industries Ltd. (GIL) :

1 Godrej Properties Ltd. (GPL)
2 Ensemble Holdings & Finance Ltd.
3 Godrej International Ltd., Isle of Man
4 Natures Basket Ltd.
5 Godrej International Trading & Investments Pte Ltd., Singapore
6 Godrej International Ltd., Labuan Malaysia

C. Subsidiaries of Godrej Properties Limited (GPL) :

1 City Infraprojects Limited
2 Godrej Realty Pvt. Ltd.
3 Godrej Real Estate Pvt. Ltd.
4 Godrej Buildcon Pvt. Ltd.
5 Godrej Projects Development Pvt. Ltd. (GPDPL)
6 Godrej Redevelopers (Mumbai) Pvt. Ltd. (a subsidiary of GPDPL)
7 Godrej Garden City Properties Pvt. Ltd.
8 Godrej Landmark Redevelopers Pvt. Ltd.
9 Godrej Green Homes Ltd.
10 Godrej Home Developers Pvt. Ltd.
11 Godrej Hillside Properties Pvt. Ltd.
12 Godrej Prakriti Facilities Private Limited (a subsidiary of Happy Highrises Ltd.)
13 Godrej Investment Advisers Private Limited
14 Godrej Highrises Properties Private Limited
15 Godrej Genesis Facilities Management Private Limited (a subsidiary of Happy Highrises Ltd.)
16 Godrej Residency Private Limited
17 Godrej Skyline Developers Private Limited
18 Godrej Vikhroli Properties India Limited (Godrej Vikhroli Properties LLP converted into a Public Limited Company)
19 Prakritiplaza Facilities Management Private Limited
20 Godrej Property Developers LLP
21 Mosiac Landmarks LLP
22 Dream World Landmarks LLP
23 Oxford Realty LLP
24 Godrej SSPDL Green Acres LLP
25 Oasis Landmarks LLP
26 M S Ramaiah Ventures LLP
27 Caroa Properties LLP
28 Godrej Construction Projects LLP
29 Godrej Housing Projects LLP
30 Godrej Land Developers LLP
31 Godrej Developers & Properties LLP
32 Godrej Highrises Realty LLP
33 Godrej Project Developers & Properties LLP
34 Godrej Highview LLP
35 Prakhhyat Dwellings LLP
36 Godrej Skyview LLP
37 Bavdhan Realty @ Pune 21 LLP
38 Godrej Green Properties LLP
39 Godrej Projects (Pune) LLP
40 Godrej Projects (Bluejay) LLP
41 Godrej Projects (Soma) LLP
42 Godrej Century LLP
43 A R Landcraft LLP

D. Subsidiaries of Godrej Infotech Ltd. (Fellow subsidiaries upto March 29, 2017) :

1 Godrej Infotech Americas Inc., North Carolina, USA
2 Godrej Infotech (Singapore) Pte. Ltd., Singapore
3 LVD Godrej Infotech NV, Belgium

E. Subsidiaries of Godrej (Singapore) Pte. Ltd. (Fellow subsidiaries upto March 29, 2017) :

1 JT Dragon Pte. Ltd., Singapore
2 Godrej (Vietnam) Co. Ltd., Vietnam (a wholly owned subsidiary of JT Dragon Pte. Ltd.)

F. Other Fellow Subsidiaries (where Godrej & Boyce Mfg. Co. Ltd. owns directly and/or indirectly through one or more subsidiaries, more than one-half of the equity share capital) (Fellow subsidiaries upto March 29, 2017) :

1 Godrej Consumer Products Ltd. (GCPL)
2 Godrej One Premises Management Private Limited

G. Subsidiaries and Sub-subsidiaries of Godrej Consumer Products Limited (GCPL) (Fellow subsidiaries upto March 29, 2017) :

1 Godrej South Africa (Proprietary) Ltd., South Africa (formerly, Rapidol (Pty) Ltd.)
2 Godrej Netherlands BV, Netherlands
3 Godrej UK Ltd. (a subsidiary of Godrej Netherlands BV)
4 Godrej Consumer Products Holding (Mauritius) Ltd., Mauritius
5 Godrej Global Mid East FZE (incorporated in Sharjah, U.A.E.) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
6 Godrej Consumer Products Mauritius Ltd., Mauritius
7 Godrej Household Products Lanka (Private) Ltd., Sri Lanka
8 Godrej Household Products Bangladesh Pvt. Ltd., Bangladesh
9 Godrej Consumer Products Bangladesh Ltd., Bangladesh
10 Godrej Mauritius Africa Holdings Ltd., Mauritius
11 Godrej West Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)

12 Godrej Consumer Products (UK) Ltd. (a subsidiary of Godrej UK Ltd.)
13 Godrej Consumer Investments (Chile) Spa, Chile (a subsidiary of Godrej Netherlands BV)
14 Godrej Mideast Holdings Limited, Dubai (a subsidiary of Godrej Indonesia IP Holdings Limited)
15 Godrej Holdings (Chile) Limitada, Chile (a subsidiary of Godrej Consumer Investments (Chile) Spa)
16 Cosmetica Nacional, Chile (a subsidiary of Godrej Holdings (Chile) Limitada)
17 Plasticos Nacional, Chile (a subsidiary of Cosmetica Nacional)
18 Kinky Group (Proprietary) Ltd. (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
19 Godrej Nigeria Ltd., Nigeria (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
20 Indovest Capital Ltd., Malaysia (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
21 Godrej Consumer Products Dutch Cooperatief UA, Netherlands (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
22 Godrej Consumer Products (Netherlands) BV, Netherlands (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
23 Godrej Consumer Holdings (Netherlands) BV, Netherlands (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
24 PT Megasari Makmur, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
25 PT Intrasari Raya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
26 PT Ekamas Sarijaya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
27 PT Indomas Susemi Jaya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
28 PT Sarico Indah, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
29 Panamar Produccioness Srl, Argentina (a subsidiary of Godrej Netherlands Argentina BV)
30 Argencos S.A., Argentina (a subsidiary of Godrej Netherlands Argentina BV)
31 Laboratoria Cuenca S.A., Argentina (a subsidiary of Godrej Netherlands Argentina BV)
32 Deciral Ltd., Uruguay (a subsidiary of Laboratoria Cuenca S.A.)
33 Issue Group Brazil Ltda., Brazil (a subsidiary of Godrej Netherlands Argentina BV)
34 Consell S.A ., Argentina (a subsidiary of Laboratoria Cuenca S.A.)
35 Subinite Pty. Ltd., South Africa (a subsidiary of Godrej West Africa Holdings Ltd.)
36 Lorna Nigeria Ltd., Nigeria (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
37 Weave IP Holding Mauritius Pvt. Ltd., Mauritius (a subsidiary of Godrej West Africa Holdings Ltd.)
38 Weave Trading Mauritius Pvt. Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
39 Hair Trading (Offshore) S. A. L., Lebanon (a subsidiary of Weave Trading Mauritius Pvt Ltd.)
40 Weave Mozambique Limitada, Mozambique (a subsidiary of Godrej West Africa Holdings Ltd.)
41 Godrej East Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Ltd.)
42 Style Industries Ltd., Kenya (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd.)
43 DGH Phase Two Mauritius, Mauritius (a subsidiary Godrej East Africa Holdings Ltd.)
44 Godrej Tanzania Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Ltd.)
45 DGH Tanzania Ltd., Tanzania (a subsidiary of Godrej Tanzania Holdings Ltd.)
46 Sigma Hair Ind. Ltd., Tanzania (a subsidiary of DGH Tanzania Ltd.)
47 Weave Ghana Ltd., Ghana (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
48 Godrej Consumer Products US Holding Limited, Mauritius
49 Darling Trading Company Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
50 Godrej Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
51 Godrej Indonesia IP Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
52 Frika Weave (Pty) Ltd., South Africa (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
53 Belaza Mozambique LDA
54 Charm Industries Ltd.
55 Canon Chemicals Ltd.
56 Godrej Hair Weave Nigeria Ltd.
57 Godrej International Trading Company, Sharjah
58 DGH Angola (name changed from ‘Godrej Megasari Holdings’)
59 Godrej Hair Care Nigeria Limited
60 Godrej Household Insecticide Nigeria Ltd.
61 Hair Credentials Zambia Limited
62 Godrej SON Holdings Inc., USA
63 Old Pro International Inc
64 Strength of Nature LLC, USA
65 Strength of Nature South Africa Proprietary Limited
66 Style Industries Uganda Limited
67 Weave Senegal Ltd.
68 DGH Uganda
69 Godrej Consumer Products FZCO

(iv) Joint Ventures of Godrej Agrovet Limited:

1 Godrej Tyson Foods Limited
2 ACI Godrej Agrovet Private Limited, Bangladesh

(v) Associates of Godrej Agrovet Limited:

1 Polchem Hygiene Laboratories Private Limited (upto December 12, 2016)
2 Crop Science Advisors LLP
3 Al Rahba International Trading LLC

(vi) Other related parties

1 Anamudi Real Estates LLP
2 Godrej Agrovet Limited Employees Provident Fund Trust.
3 Godrej Agrovet Limited Employees Superannuation Scheme.
4 Godrej Agrovet Limited Employees Group Gratuity Trust.

(vii) Individuals owning, directly or indirectly, an interest in the voting power of Godrej Agrovet Limited that gives them control or significant influence over the enterprise and relatives of any such individual.

1 Mr. Adi B. Godrej
2 Mr. Nadir B. Godrej
3 Mrs. Rati Nadir Godrej (Wife of Mr. Nadir B. Godrej)
4 Ms. Tanya Dubash (Daughter of Mr. Adi B. Godrej)
5 Mr. Arvind Darab Dubash (Husband of Ms. Tanya Dubash)
6 Ms. Nisaba Godrej (Daughter of Mr. Adi B. Godrej)
7 Mr. Kalpesh Mehta (Husband of Ms. Nisaba Godrej)
8 Mr. Pirojsha Godrej (Son of Mr. Adi B. Godrej)
9 Mrs. Karla Godrej (Wife of Mr. Pirojsha Godrej)
10 Mr. Burjis Nadir Godrej (Son of Mr. Nadir B. Godrej)
11 Mr. Sohrab Nadir Godrej (Son of Mr. Nadir B. Godrej)
12 Mr. Hormazad Nadir Godrej (Son of Mr. Nadir B. Godrej)

Key Management Personnel and relatives of such Personnel

1 Mr. B. S. Yadav (Managing Director)
2 Mrs. Upassna Singh
3 Mrs. Kamal Yadav
4 Mr. Anirudh Singh
5 Ms. Anika Singh
6 Mrs. Monica Yadav
7 Ms. Charu Yadav
8 Mr. S. Varadaraj (Chief Financial Officer)
9 Mr. Vivek Raizada (Company Secretary)

Note No. 67: Related Party Disclosures (Contd.)

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below "

3. Significant Related Party Transactions :

(₹ in lakh)

Sr. No.	Nature of Transaction	As at March 31,2017	As at March 31,2016
1	**Purchase of Fixed Assets**		
	Godrej & Boyce Mfg Co Limited	**76.71**	211.86
	Godrej Industries Limited	**-**	32.85
2	**Sale / Transfer of Fixed Assets**		
	Godrej Tyson Foods Limited	**-**	14.17
3	**Investment in Share Capital**		
	Godvet Agrochem Limited	**-**	390.00
	Godrej One Premises Management Pvt. Ltd.	**-**	0.14
4	**Investment in Preference Share Redeemed**		
	Godvet Agrochem Limited	**-**	350.00
5	**Sundry Deposits placed**		
	Godrej Industries Limited	**6.60**	14.21
	Godrej One Premises Management Pvt. Ltd.	**9.00**	-
6	**Intercorporate Deposits placed during the year**		
	Godvet Agrochem Limited	**1,119.08**	3,595.00
	Astec LifeSciences Ltd.	**5,000.00**	1,000.00
7	**Intercorporate Deposits Returned**		
	Godvet Agrochem Limited	**5,453.83**	17.00
	Astec LifeSciences Ltd.	**5,000.00**	1,000.00
8	**Sale of materials / finished goods**		
	ACI Godrej Agrovet Private Limited	**916.40**	486.94
	Creamline Dairy Products Limited (Associates)	**-**	78.32
	Godrej Consumer Products Limited	**-**	144.06
	Godrej Seeds & Genetics Limited	**0.38**	1.87
	Godrej Tyson Foods Limited	**23,182.20**	24,798.50
	Creamline Dairy Products Limited (Subsidiary)	**361.17**	58.11
9	**Purchase of Materials / Finished Goods**		
	Godrej Industries Limited	**163.73**	5.36
	Godrej Consumer Products Limited	**30.18**	41.02
	Godrej Tyson Foods Limited	**292.64**	384.78
	Godrej Seeds & Genetics Limited	**414.81**	-
	Astec LifeSciences Ltd.	**891.76**	37.13
	Polchem Hygiene Laboratories (P) Ltd	**574.69**	319.73
10	**Expenses Charged to / Reimbursement made from other companies**		
	Crop Science Advisors LLP	**-**	0.11
	Godrej Consumer Products Limited	**-**	1.67
	Godrej Industries Limited	**11.81**	0.09
	Godrej Seeds & Genetics Limited	**53.59**	26.83
	Godrej Tyson Foods Limited	**288.16**	258.20
	Godvet Agrochem Limited	**79.91**	78.16
	Creamline Dairy Products Limited (Subsidiary)	**16.47**	4.71
	Astec LifeSciences Ltd.	**64.16**	20.86
	Natures Basket Limited	**21.39**	-
11	**Expenses Charged by / Reimbursement made to other companies**		
	Godrej Infotech Limited	**3.62**	3.94
	Godrej & Boyce Mfg Co Limited	**13.18**	30.40
	Godrej Consumer Products Limited	**13.71**	4.37
	Godrej Industries Limited	**743.25**	773.61
	Godrej Tyson Foods Limited	**1.48**	42.75
	Godvet Agrochem Limited	**282.09**	116.21
	Creamline Dairy Products Limited (Subsidiary)	**1.08**	0.09
	Natures Basket Limited	**0.27**	-
	Polchem Hygiene Laboratories (P) Ltd	**-**	1.67
	Godrej One Premises Management Pvt. Ltd.	**294.63**	137.64
	Creamline Dairy Products Limited (Associates)	**-**	0.47
	Astec LifeSciences Ltd.	**0.03**	-
	Godrej Properties Limited	**5,175.00**	-
12	**Dividend Income**		
	Godvet Agrochem Limited	**-**	47.08
	Creamline Dairy Products Limited (Associates)	**-**	133.60
	Polchem Hygiene Laboratories (P) Ltd	**-**	9.56
13	**Dividend Paid**		
	Godrej & Boyce Mfg Co Limited	**-**	117.53
	Godrej Industries Limited	**-**	2,493.49
	Mr. N. B. Godrej	**-**	91.84
	Mr. A. B. Godrej	**-**	0.11
	Mr. B. S. Yadav	**-**	28.65
14	**Interest income on intercorporate deposits placed**		
	Godvet Agrochem Limited	**93.86**	176.25
	Natures Basket Limited	**6.98**	52.14
	Anamudi Real Estates LLP	**21.78**	132.86
	Astec LifeSciences Ltd.	**57.45**	7.40
15	**Interest income on Loans Given**		
	Godrej Seeds & Genetics Limited	**56.91**	29.01
16	**Sundry Income**		
	ACI Godrej Agrovet Private Limited	**247.50**	284.50
	Godrej Consumer Products Limited	**1.39**	39.01
17	**Outstanding Intercorporate Deposit Receivable**		
	Godvet Agrochem Limited	**988.50**	5,323.25
	Natures Basket Limited	**-**	520.00
	Anamudi Real Estates LLP	**-**	1,325.00
18	**Capital Advance Given**		
	Godrej & Boyce Mfg Co Limited	**-**	27.31
	Godrej Vikhroli Properties India Limited	**364.78**	179.54
19	**Outstanding Receivables (Net of Payables)**		
	Godrej & Boyce Mfg Co Limited	**-**	47.47
	Godrej Industries Limited	**69.16**	65.60
	Godrej Seeds & Genetics Limited	**-**	488.42
	Godvet Agrochem Limited	**0.03**	254.81
	Godrej Properties Limited	**13.95**	-
	Godrej Consumer Products Limited	**(2.48)**	5.61
	Godrej Infotech Limited	**(0.43)**	-
	Natures Basket Limited	**0.00**	115.68
	Godrej Tyson Foods Limited	**72.05**	236.86
	ACI Godrej Agrovet Private Limited	**933.29**	739.54
	Creamline Dairy Products Limited (Subsidiary)	**26.80**	35.41
	Polchem Hygiene Laboratories (P) Ltd	**-**	0.36
	Astec LifeSciences Ltd.	**56.21**	20.86
	Anamudi Real Estates LLP	**-**	837.51
	Godrej One Premises Management Pvt. Ltd.	**-**	(1.13)
	Godrej Agrovet Limited Employees Group Gratuity Trust.	**(420.57)**	(353.84)
20	**Guarantees outstanding**		
	Godrej Consumer Products Limited	**120.67**	120.67
21	**Remuneration to Key Management Personnel**		
	Short Term Employee Benefit	**405.40**	484.45
	Post Employee Gratuity & Medical Benefits	**7.89**	7.27
	Shared Based Payment	**9,952.12**	-
22	**Director's Sitting Fees**		
	Mr. A.B. Godrej	**6.00**	6.00
23	**Contribution to Post-employment Benefit Plans**		
	Godrej Agrovet Limited Employees Provident Fund Trust.	**1,456.19**	1,313.02
	Godrej Agrovet Limited Employees Superannuation Scheme.	**57.07**	54.95
	Godrej Agrovet Limited Employees Group Gratuity Trust.	**353.84**	288.91

Note No. 67: Related Party Disclosures (Contd.)

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below "

2. The following transactions were carried out with the related parties in the ordinary course of business :

(i) Details relating to parties referred to in items 1 (i), (ii), (iii), (iv), (v)

(₹ in lakh)

Sr. NO.	Nature of Transactions	Holding Companies (i)	Subsidiaries & LLP (ii)	Fellow Subsidiaries (iii)	Joint Ventures (iv)	Associates (v)	Other related Parties (vi)
1	Purchase / Transfer of fixed assets	**76.71**	**-**	**-**	**-**	-	-
		244.71	-	-	14.17	-	-
2	Investment in share capital	**-**	**-**	**-**	**-**	**-**	**-**
		-	390.00	-	-	-	0.14
3	Investment in Preference Share Redeemed	**-**	**-**	**-**	**-**	**-**	**-**
		-	350.00	-	-	-	-
4	Sundry Deposits Placed	**6.60**	-	-	-	-	**9.00**
		14.21	-	-	-	-	-
5	Intercorporate Deposits Placed during the year	-	**6,119.08**	**-**	-	-	**-**
		-	4,595.00	-	-	-	-
6	Intercorporate Deposits Returned	-	**10,453.83**	**-**	-	-	**-**
		-	1,017.00	-	-	-	-
7	Sale of materials / finished goods	-	**361.55**	**-**	**24,098.59**	**-**	-
		-	59.98	144.06	25,285.44	78.32	-
8	Purchase of materials / finished goods	**188.12**	**1,306.58**	**30.18**	**292.64**	**574.69**	**-**
		5.36	37.13	41.02	384.78	319.73	-
9	Expenses Charged to / Reimbursement made from other companies	**11.81**	**214.13**	**21.39**	**288.16**	**-**	**-**
		0.09	130.67	1.67	258.20	-	-
10	Expenses Charged by / Reimbursement made to other companies	**756.43**	**283.19**	**5,192.60**	**1.48**	**-**	**294.63**
		804.01	116.30	8.32	42.75	2.14	137.64
11	Dividend Income	-	**-**	-	-	**-**	-
		-	47.08	-	-	143.15	-
12	Dividend Paid	**-**	-	-	-	-	-
		2,611.02	-	-	-	-	-
13	Interest income on intercorporate deposits placed	-	**208.23**	**6.98**	-	-	**21.78**
		-	212.65	52.14	-	-	132.86
14	Sundry Income	-	**-**	**1.39**	**247.50**	-	**-**
		-	-	39.01	284.50	-	-
15	Outstanding Intercorporate Deposit Receivable	-	**988.50**	**-**	-	-	**-**
		-	5,323.25	520.00	-	-	1,325.00
16	Capital Advance Given	**-**	**-**	**364.78**	**-**	**-**	**-**
		27.31	-	179.54	-	-	-
17	Outstanding receivables (Net of Payables)	**69.16**	**83.04**	**11.04**	**1,005.34**	**-**	**(420.57)**
		113.06	799.51	121.29	976.40	0.36	482.55
18	Guarantees Outstanding	**-**	**-**	**120.67**	**-**	**-**	**-**
		-	-	120.67	-	-	-
19	Contribution to Post-employment Benefit Plans	**-**	**-**	**-**	**-**	**-**	**1,867.10**
		-	-	-	-	-	1,656.88

(ii) Details relating to persons referred to in items 1 (iv) & (v) above		**As at March 31, 2017**	As at March 31, 2016
1	**Remuneration to Key Management Personnel**		
	Short Term Employee Benefit	**405.40**	484.45
	Post Employee Gratuity & Medical Benefits	**7.89**	7.27
	Shared Based Payment	**9,952.12**	-
2	Dividend Paid	**-**	120.60
3	Director's Sitting Fees	**6.00**	6.00

Note 68 : Specified Bank Notes

Disclosure of the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, required as per Notification G.S.R 308 (E) dated 30 March 2017 issued by the Ministry of Corporate Affairs.

GAVL (₹ In lakhs)

SBNs Other denomination notes Total	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	117.01	30.25	147.26
(+) Permitted receipts	-	968.78	968.78
(-) Permitted payments	11.37	507.53	518.90
(-) Amount deposited in Banks	105.64	371.29	476.93
Closing cash in hand as on 30.12.2016	-	120.21	120.21

The opening balance includes imprest/advance with employees and amounts collected by field staff on or before 8th November 2016, which has been deposited into the group's bank account subsequently.

Note 69 : First Time Adoption

A. Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following table represents the equity reconciliation from previous GAAP to Ind AS:

Reconciliation of equity as at April 01, 2015 **(₹ in lakh)**

		Amount as per previous GAAP	Reclassification - Ind AS	Sch III	Measurement - Ind AS	Ind AS
ASSETS						
(1) Non-current assets						
(a) Property, Plant and Equipment	1a, 1b	50,066.47	-	50,066.47	753.25	50,819.72
(b) Capital work-in-progress		13,804.89	-	13,804.89	-	13,804.89
(c) Other Intangible Asset		2,179.88	-	2,179.88	-	2,179.88
(d) Intangible assets under development		-	-	-	-	-
(e) Biological assets other than bearer plants	2	-	1,199.63	1,199.63	34.01	1,233.64
(f) Financial Assets						
(i) Investments						
Investments in Subsidiary, Associate and Joint Venture		9,878.39	-	9,878.39	-	9,878.39
Other investments		850.77	-	850.77	-	850.77
(ii) Trade Receivables						
(iii) Loans	3	4,022.14	(2,978.67)	1,043.47	(46.60)	996.87
(iv) Others		170.34	-	170.34	-	170.34
(g) Deferred tax assets (net)	4	-	-	-	652.81	652.81
(h) Other tax assets		-	1,310.74	1,310.74	(127.11)	1,183.63
(i) Other non - current assets	3	-	1,667.88	1,667.88	36.32	1,704.20
Total non current assets		**80,972.88**	**1,199.58**	**82,172.46**	**1,302.68**	**83,475.14**
(2) Current Assets						
(a) Inventories	9	37,204.92	(1,199.63)	36,005.29	(541.59)	35,463.70
(b) Financial Assets		-	-	-	-	-
(i) Investment		4,699.08	-	4,699.08	-	4,699.08
(ii) Trade and other receivables		25,995.90	-	25,995.90	(0.01)	25,995.89
(iii) Cash and cash equivalents	7	1,227.59	(65.71)	1,161.88	9.43	1,171.31
(iv) Bank balances other than (iii) above	7	-	65.71	65.71	379.62	445.33
(v) Loans		13,897.72	(2,442.49)	11,455.23	(0.01)	11,455.22
(vi) Others	7	-	1,369.83	1,369.83	(1.76)	1,368.07
(c) Other current assets	3,11	1,369.83	1,072.71	2,442.54	924.79	3,367.33
Total current assets		**84,395.04**	**(1,199.58)**	**83,195.46**	**770.47**	**83,965.93**
TOTAL ASSETS		**165,367.92**	**-**	**165,367.92**	**2,073.15**	**167,441.07**

		Amount as per previous GAAP	Reclassification - Ind AS	Sch III	Measurement - Ind AS	Ind AS
EQUITY AND LIABILITIES						
(1) Equity						
(a) Equity share capital		9,256.54	-	9,256.54	-	9,256.54
(b) Other equity	1 to 12	51,245.99	-	51,245.99	415.49	51,661.48
Total equity		**60,502.53**	**-**	**60,502.53**	**415.49**	**60,918.02**
(2) Liabilities						
(1) Non Current liabilities						
(a) Financial liabilities						
(i) Borrowings		7,193.36	-	7,193.36	-	7,193.36
(ii) Other financial liabilities	7	-	-	-	445.97	445.97
(b) Provisions		138.39	-	138.39	-	138.39
(c) Deferred tax liabilities	4	5,249.18	-	5,249.18	(147.36)	5,101.82
(d) Other non-current liabilities	1b	-	-	-	720.38	720.38
Total non current liabilities		**12,580.93**	**-**	**12,580.93**	**1,018.99**	**13,599.92**
(2) Current liabilities						
(a) Financial liabilities						
(i) Borrowings	9	18,624.28	41,176.72	59,801.00	(564.95)	59,236.05
(ii) Trade and other payables	9	60,875.92	(41,176.72)	19,699.20	(0.01)	19,699.19
(iii) Other financial liabilities	10	-	10,331.22	10,331.22	(1.50)	10,329.72
(b) Other current liabilities	1b,7	12,739.63	(10,331.22)	2,408.41	51.72	2,460.13
(c) Provisions	11	44.63	-	44.63	1,153.41	1,198.04
(d) Current tax Liabilities (Net)		-	-	-	-	-
Total current liabilities		**92,284.46**	**-**	**92,284.46**	**638.67**	**92,923.13**
Total liabilities		**104,865.39**	**-**	**104,865.39**	**1,657.66**	**106,523.05**
Total Equity and Liabilities		**165,367.92**	**-**	**165,367.92**	**2,073.15**	**167,441.07**

Reconciliation of equity as at March 31, 2016 (₹ in lakh)

		Amount as per previous GAAP	Reclassification - Ind AS	Sch III	Measurement - Ind AS	Ind AS
ASSETS						
(1) Non-current assets						
(a) Property, Plant and Equipment	1b	65,585.25	-	65,585.25	949.80	66,535.05
(b) Capital work-in-progress		3,695.23	-	3,695.23	-	3,695.23
(c) Other Intangible assets		1,645.76	-	1,645.76	-	1,645.76
(d) Intangible assets under development		14.86	-	14.86	-	14.86
(e) Biological assets other than bearer plants	2	-	846.32	846.32	40.49	886.81
(f) Financial Assets						
(i) Investments		48,004.36	-	48,004.36	9.51	48,013.87
(ii) Trade Receivables		0.41	-	0.41	-	0.41
(iii) Loans	3	4,025.73	(2,991.38)	1,034.35	(40.82)	993.53
(iv) Others		-	160.69	160.69	-	160.69
(g) Deferred tax assets (net)	4	-	-	-	823.12	823.12
(h) Other tax assets		-	1,625.84	1,625.84	(689.58)	936.26
(i) Other Non Current Asset	3	160.69	1,204.85	1,365.54	30.42	1,395.96
Total non current assets		**123,132.29**	**846.32**	**123,978.61**	**1,122.94**	**125,101.55**
(2) Current Assets						
(a) Inventories	9	53,604.52	(846.32)	52,758.20	(474.20)	52,284.00
(b) Financial Assets						
(i) Investments		162.75	-	162.75	-	162.75
(ii) Trade Receivables		36,617.03	-	36,617.03	-	36,617.03
(iii) Cash and cash equivalents	7	2,013.24	(71.39)	1,941.85	4.63	1,946.48
(iv) Bank balances other than (iii) above	7	-	71.39	71.39	601.89	673.28
(v) Loans		15,757.64	(2,126.62)	13,631.02	-	13,631.02
(vi) Others	7	5,488.91	-	5,488.91	0.05	5,488.96
(c) Other current assets	3,11	-	2,126.62	2,126.62	1,028.57	3,155.19
Total current assets		**113,644.09**	**(846.32)**	**112,797.77**	**1,160.94**	**113,958.71**
TOTAL ASSETS		**236,776.38**	**-**	**236,776.38**	**2,283.88**	**239,060.26**

		Amount as per previous GAAP	Reclassification - Ind AS	Sch III	Measurement - Ind AS	Ind AS
EQUITY AND LIABILITIES						
(1) Equity						
(a) Equity share capital	5	9,257.14	(0.60)	9,256.54	-	9,256.54
(b) Other equity	1 to 12	60,103.13	-	60,103.13	296.06	60,399.19
Total equity		**69,360.27**	**(0.60)**	**69,359.67**	**296.06**	**69,655.73**
(2) Liabilities						
(1) Non Current Liabilities						
(a) Financial liabilities						
(i) Borrowings	5	376.78	524.22	901.00	(211.94)	689.06
(ii) Trade Payables		-	-	-	-	-
(iii) Other financial liabilities	7	-	-	-	653.71	653.71
(b) Provisions		183.52	-	183.52	-	183.52
(c) Deferred tax liabilities(net)	4	6,354.49	-	6,354.49	(323.44)	6,031.05
(d) Other non-current liabilities		-	-	-	1,239.69	1,239.69
Total non current liabilities		**6,914.79**	**524.22**	**7,439.01**	**1,358.02**	**8,797.03**
(2) Current liabilities						
(a) Financial liabilities						-
(i) Borrowings	9	71,943.51	42,606.63	114,550.14	(484.25)	114,065.89
(ii) Trade Payables	9	66,075.00	(42,606.62)	23,468.38	-	23,468.38
(iii) Other financial liabilities	3,6	-	18,105.58	18,105.58	(125.54)	17,980.04
(b) Other current liabilities	1b, 7	22,386.75	(18,629.22)	3,757.53	98.54	3,856.07
(c) Provisions	11	96.06	(71.28)	24.78	1,212.34	1,237.12
(d) Current tax Liabilities (Net)		-	71.29	71.29	(71.29)	-
Total current liabilities		**160,501.32**	**(523.62)**	**159,977.70**	**629.80**	**160,607.50**
Total liabilities		**167,416.11**	**0.60**	**167,416.71**	**1,987.82**	**169,404.53**
Total Equity and Liabilities		**236,776.38**	**-**	**236,776.38**	**2,283.88**	**239,060.26**

Reconciliation of total comprehensive income for the year ended March 31, 2016

(₹ in lakh)

		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind As
I. Revenue from Operations (Gross)	11	353,849.76	(17,250.88)	336,598.88
II. Other income	1b, 12	5,227.65	301.30	5,528.95
III. Total Income		**359,077.41**	**(16,949.58)**	**342,127.83**
IV. Expenses				
Cost of materials consumed	9,11	254,311.47	(3,894.52)	250,416.95
Purchases of Stock-in-Trade	11	16,929.19	523.01	17,452.20
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	9	(2,478.23)	(4.30)	(2,482.53)
Employee Benefits Expenses	13	13,747.07	(235.39)	13,511.68
Finance costs	9	5,260.20	3,847.93	9,108.13
Depreciation and Amortization Expenses	1b	4,358.66	57.56	4,416.22
Other Expenses	9	46,008.46	(17,493.21)	28,515.25
Total Expenses (IV)		**338,136.82**	**(17,198.92)**	**320,937.90**
V. Profit Before Exceptional Items and Tax		20,940.59	249.34	21,189.93
VI. Exceptional Items		-	-	-
VII. Profit Before Tax (V + VI)		**20,940.59**	**249.34**	**21,189.93**
VIII. Tax expense:		**5,009.02**	**354.15**	**5,363.17**
1. Current Tax		4,383.46	118.28	4,501.74
2. Deferred Tax	4	1,105.31	(243.88)	861.43
Less: MAT credit entitlement	4	(479.75)	479.75	-
IX. Profit/(Loss) for the year		**15,931.57**	**(104.81)**	**15,826.76**
Items that will not be reclassed to profit and loss account				-
Remeasurements of defined benefit liability	13	-	(235.39)	(235.39)
Tax on Remeasurements of defined benefit liability		-	81.46	81.46
Total comprehensive income for the year		**15,931.57**	**(258.74)**	**15,672.83**
Attributable to:				
Equity holders of the Company		15,931.57	(258.74)	15,672.83
Non-controlling interest				

B. Reconciliation of Consolidated statement of Equity as previously reported under IGAAP and Ind AS

Particulars	March 31, 2016	April 1, 2015
Total Equity as per Indian GAAP	**69,360.27**	60,502.53
Consolidation of ESOP Trust - Treasury Stock	(58.68)	(58.68)
Fair Valuation of Assets and Provision for returns	(101.97)	(134.27)
Deferred tax	485.95	611.87
Other IND AS adjustments	(29.84)	(3.43)
Total Equity as per IND AS	**69,655.73**	**60,918.02**

C. Reconciliation of Statement of Profit and Loss as previously reported under IGAAP and IND AS

Particulars	March 31,2016
Profit as per IGAAP	15,931.57
Reclass of actuarial loss	235.39
Impact on account of Acceptances reclassified as borrowing	(33.30)
Tax on Ind AS adjustments	(354.15)
Other Ind AS adjustments	(106.68)
	15,672.83

D. Impact of Ind AS adoption on Cash Flows (₹ in lakh)

Particulars	For the year ended March 31, 2016 Previous GAAP	Adjustments	Ind AS
Net Cash flow from Operating Activities	2,019.14	2,317.08	4,336.22
Net Cash flow from Investing Activities	(42,127.13)	(0.00)	(42,127.13)
Net Cash flow from Financing Activities	40,876.06	(2,321.88)	38,554.18
Net Increase in Cash and Cash Equivalent	768.07	(4.80)	763.27
Cash and Cash Equivalent as at April 1, 2015	1,161.88	9.43	1,171.31
Seeds Business of Godrej Seeds and Genetics Limited	11.90	-	11.90
Cash and Cash Equivalent as at March 31, 2016	1,941.85	4.63	1,946.48

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1. **Property Plant and Equipment (PPE)**

   a) On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015 measured as per the IGAAP and use that carrying value as the deemed cost of the property, plant and equipment.

   b) Under Ind AS, government grants relating to property, plant and equipment are required to be presented on a gross basis as an addition to the related asset & as deferred government grant, and the same is recognised in the statement of profit & loss on a systematic basis over the useful life of the asset.

   Under IGAAP, for certain grants the Company presented the amount received as part of the reserves and surplus, while for the remaining grants, the carrying value of the related property plant and equipment are reduced by the amount of the grant.

2. **Biological Assets other than bearer plants:**

   Under IGAAP, biological assets are measured at cost. Ind AS requires all biological assets to be measured on each reporting date at their respective fair values with the fair value changes being recognised in the Statement of Profit and Loss. The impact as of the date of transition has been adjusted through retained earnings.

3. **Financial Assets/ liabilities**:

   Under Ind AS, financial instruments are required to be measured at fair value on initial recognition with the respective instrument being subsequently measured at amortised cost with reference to the discount rate used for determining fair value on initial recognition. The difference between the transaction price and fair value has been appropriately adjusted for the respective arrangement.

4. **Deferred Tax Asset/Liability:**

   Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

   Further, corresponding impact of all Ind AS adjustments (as applicable) has been considered. Minimum Alternate Tax related credit has been reclassified to deferred tax.

5. Under Ind AS, redeemable preference shares are classified as financial liabilities with the dividend payout (if any) being reflected as finance cost.

6. **Interest bearing loans and borrowings**

   Under Indian GAAP, transaction costs incurred in connection with interest bearing loans and borrowings are recognised upfront and charged to profit or loss for the period. Under Ind-AS, transaction costs are included in the initial recognition of financial liability and charged to profit or loss using the effective interest method.

7. **Company's ESOP Trust**

   The Company has set up an ESOP Trust (the Trust) to administer the ESOP scheme for its employees. On consolidation of the Trust, in addition to elimination of transactions between the Company and the Trust, shares of the Company held by the Trust have been presented as a reduction from Shareholders' Funds as Treasury Shares. Other assets and liabilities of the Trust have been presented in the respective sections.

8. **Offsetting:**

   Financial assets and financial liabilities which were offset under Indian GAAP but do not meet the offsetting criteria have been shown gross under Ind AS.

9. **Acceptances:**

   Acceptances earlier classified as trade payables have been reclassified to short term borrowings.

   Application of derecognition requirements prescribed under Ind AS 109 have resulted in derecognition of trade payables and recognition of borrowings towards supplier financing facilities of the Company. Corresponding impact of such derecognition and finance cost have been considered in inventories, borrowings, trade and other payables , cost of materials consumed and finance cost .

10. **Derivative contracts:**

    Under Indian GAAP, the premium and discount on forward contracts were amortised over the contract period. However, under Ind AS such premium or discount is recognised upfront in the profit and loss account and the mark-to-market on such derivative contracts are to be recognised as derivative asset/liability.

11. **Revenue from Operations:**

    Under Ind AS, revenue is required to be measured at the fair value of the consideration receivable net of expected sales returns, rebates, discounts etc.

12. **Other Income:**

    Under Ind AS, corporate guarantee issued on behalf of joint venture without any commission has been measured at fair value with corresponding impact adjusted with investment in the respective joint venture. Consequently, guarantee commission for the respective period has been recognised through income statement.

13. **Employee benefit:**

    Both under Indian GAAP and Ind AS the Company recognised costs related to post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, actuarial gains and losses are charged to profit or loss, however in Ind AS the actuarial gains and losses are recognised through other comprehensive income.

For and on behalf of the Board

N. B. GODREJ Chairman DIN: 00066195	**B.S.YADAV** Managing Director DIN: 00294803
S. VARADARAJ Chief Financial Officer ICAI Memb. No. 047959	**VIVEK RAIZADA** Company Secretary ICSI Memb. No. ACS11787

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ AGROVET LIMITED.

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **GODREJ AGROVET LIMITED** ("hereinafter referred to as the Holding Company") and its subsidiaries(the Holding Company and its subsidiary together referred to as "the Group"), its associates and jointly controlled entities, which comprises the Consolidated Balance Sheet as at March 31, 2017, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated state of affairs (financial position), profit (financial performance including other comprehensive income), consolidated cash flows of the Group including its associates and jointly controlled entities and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

The respective Board of Directors of the Companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group, 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the consolidated audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Basis for Qualified Opinion

The Holding Company has paid remuneration to its Managing Director during the year, which is in excess of limit given under section 198 read with Schedule V of the Companies Act, 2013 by ₹ 8,661.12 Lakh.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effect of matters described in Basis for Qualified Opinion paragraph,* the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Group, its associates and jointly controlled entities as at March 31, 2017, and its consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the consolidated financial statements:

a) Note 58 to the Consolidated Financial Statements where in Honorable High Court of Judicature at Bombay has approved a Scheme of Arrangement whereby the assets and liabilities of Seeds business of the transferor company (Godrej Seeds & Genetics Limited) have been taken over and record at their book values as on April 01, 2015.

   i. In accordance with the Scheme of Arrangement an amount of ₹ 1,694.46 lakh on account of Goodwill on Merger had been charged to the Surplus in Statement of Profit & Loss of the Holding Company in the previous year. Had the scheme not prescribed this treatment, the Surplus in the Statement of Profit & Loss would have been higher by ₹ 1,694.46 lakh.

b) Note 59 to the Consolidated Financial Statements wherein the Honorable High Court of Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Goldmuhor Agrochem & Feeds Limited) have been taken over and recorded at their book values as on October 01, 2013.

   i. In accordance with the Scheme of Arrangement an amount of ₹ 71.11 lakh on account of Goodwill on Merger has been charged to the General Reserve Account.

   ii. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 40.73 lakh have been directly charged against the balance in the General Reserve Account of the Company.

   iii. An amount of ₹ 2,000 lakh has been transferred from the General Reserve Account and used to increase the Reserve for Employee Compensation Expenses.

   Had the scheme not prescribed this treatment the balance in the General Reserve Account would have been higher by ₹ 2,111.84 lakh.

c) Note 60 to the Consolidated Financial Statements wherein the Honorable High Court of Judicature at Bombay had approved as Scheme of Arrangement whereby the assets and liabilities of the transferor company (Golden Feed Products Limited) have been taken over and recorded at their book values as on March 31, 2014.

   In accordance with the Scheme of Arrangement an amount of ₹ 97.06 lakh on account of Goodwill on Merger has been charged against the balance in the Surplus in Statement of Profit and Loss. Had the scheme not prescribed this treatment, the balance in the Surplus in Statement of Profit and Loss would have been higher by 97.06 lakh.

d) Note 61 to the Consolidated Financial Statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on April 1, 2011.

   i. Amortisation amounting to Rs 425.12 lakh on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the Company in the current year and ₹ 425.12 lakh in the previous years. Had this amount been charged to the Statement of Profit and Loss, the profit for the year would have been lower by ₹ 425.12 lakh, the Surplus in statement of Profit and Loss would have been lower by ₹ 425.12 lakh and the balance in the general reserve would have been higher by ₹ 850.24 lakh.

   ii. In accordance with the Scheme of Arrangement, an amount of ₹ 6,055.32 lakh on account of Goodwill on merger has been charged to Securities Premium Account. Had the scheme not prescribed this treatment, the opening balance in the Surplus in statement of Profit and Loss would have been lower by ₹ 6,055.32 lakh and the Securities Premium Account would have been higher by ₹ 6,055.32 lakh.

e) Note 62 to the Consolidated Financial Statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Godrej Gold Coin Aquafeed Limited) have been taken over and recorded at their book values as on April 1, 2010. In accordance with the Scheme of Arrangement, an amount of ₹ 1,669.14 lakhs on account of book values of Intangible Assets and an amount of ₹ 2,505.71 lakhs on account of Goodwill on merger, aggregating to ₹ 4,174.85 lakh has been charged to Securities Premium Account instead of amortising the same in the Statement of Profit & Loss, in case of Intangibles over a period of balance useful life of seven years. Had the scheme not prescribed these treatment the balance in securities premium account would have been higher by ₹ 4,174.85 lakh, the Surplus in Statement of Profit and Loss would have been lower by ₹ 4,174.85 lakh.

   Our report is not qualified in respect of these matters.

Other Matters

(a) We did not audit the financial statements of two subsidiaries, whose Ind AS Financial Statements reflect total assets of ₹ 74,224.52 Lakh as at March 31, 2017, total revenues of ₹ 132,537.89 Lakh and net cash flows amounting to ₹ 461.95 Lakh for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. These Ind AS Financial Statements have been audited by another auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

(b) The Consolidated Ind AS Financial Statements also include the Group's share of net profit ₹ 1,128.06 Lakhs for the year ended March 31, 2017, as considered in the Consolidated Ind AS Financial Statements, in respect of a Jointly Controlled Entity, whose financial statements have not been audited by us. These financial statements has been audited by another auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity is based solely on the report of the other auditor.

(c) The Consolidated Ind AS Financial Statements also include the Group's share of net loss ₹ 351.56 Lakhs for the year ended March 31, 2017, as considered in the Consolidated Ind AS Financial Statements, in respect of an associate and a jointly controlled entity, whose financial statements have not been audited by us. These financial statements are unaudited and have been provided to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of an associates and a jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate and a jointly controlled entity, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the group.

(d) The Consolidated Ind AS Financial Statements also include the Group's share of net profit ₹ 61.98 Lakhs for the year ended March 31, 2017, as considered in the Consolidated Ind AS Financial Statements, in respect of an associates (during the year the Company has sold its investments in this associate), whose financial statements have not been audited by us. These financial statements are unaudited and have been provided to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statement. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the group.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, the said order specifically provides that it shall not apply to the auditor's report on the Consolidated Ind AS Financial Statements.

2. As required by Section 143 (3) of the Act, 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 relating to the preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

   d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Consolidated Ind AS Fiancial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 50 to the Consolidated Ind AS Financial Statements.

      ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. These Consolidated Ind AS Financials Statements have made requisite disclosure as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 by the Holding Company, and its subsidiary companies covered under the Act. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with book of account maintained by the Company and as produced to us by the Management – Refer Note 68.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W / W100166

Ermin K. Irani
Partner
Membership No.: 35646

Place: Mumbai
Dated: May 12, 2017

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Holding Company on the Consolidated Ind AS Financial Statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Group as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of **GODREJ AGROVET LIMITED** (hereinafter referred to as the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W / W100166

Ermin K. Irani
Partner
Membership No.: 35646

Place: Mumbai
Dated: May 12, 2017

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Consolidated Balance Sheet as at March 31, 2017

(₹ in lakh)

	Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS					
(I)	**Non-Current Assets**				
	(a) Property, Plant and Equipment	2	122,205.19	109,872.63	52,245.85
	(b) Capital work-in-progress		5,020.80	6,202.28	13,804.86
	(c) Goodwill		19,486.72	19,486.72	
	(d) Other Intangible assets	3	5,587.78	5,884.06	2,179.88
	(e) Intangible assets under development		23.42	180.46	-
	(f) Biological assets other than bearer plants	4	466.98	886.81	1,233.66
	(g) Equity accounted investees	5 (a)	17,544.99	15,516.70	12,230.61
	(h) Financial Assets				
	(i) Investments	5 (b)	0.93	1.33	0.77
	(ii) Loans	7	1,497.85	1,300.64	1,003.30
	(iii) Others	8	491.94	567.29	170.34
	(i) Deferred tax assets	9	678.05	1,170.88	1,102.48
	(j) Other tax assets		1,385.39	1,035.32	1,181.82
	(k) Other non-current assets	10	4,841.01	3,629.01	1,742.63
	Total Non Current Assets		**179,231.05**	**165,734.13**	**86,896.20**
(II)	**Current Assets**				
	(a) Inventories	11	73,806.86	66,653.98	38,877.81
	(b) Financial Assets				
	(i) Investments	12	-	5,961.16	6,742.18
	(ii) Trade Receivables	13	52,194.99	45,451.20	26,924.89
	(iii) Cash and cash equivalents	14	5,381.95	3,142.99	1,303.95
	(iv) Bank balance other than (iii) above	15	847.75	1,053.34	445.33
	(v) Loans	16	2,553.49	13,809.29	9,505.82
	(vi) Others	17	1,121.37	5,448.71	1,328.45
	(c) Other tax assets		41.28	-	-
	(d) Other current assets	18	6,264.53	5,188.83	3,531.22
	Total Current Assets		**142,212.22**	**146,709.50**	**88,659.65**
	Total Assets		**321,443.27**	**312,443.63**	**175,555.85**
EQUITY AND LIABILITIES					
(I)	**Equity**				
	(a) Equity share capital	19	18,513.09	9,256.54	9,256.54
	(b) Other equity	20	82,364.97	69,050.78	54,741.95
	Equity attributable to equity holders of the parent		100,878.06	78,307.32	63,998.49
	Non-controlling interests		25,406.75	23,290.32	-
	Total equity		**126,284.81**	**101,597.64**	**63,998.49**
(II)	**Liabilities**				
(1)	**Non Current Liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	21	2,055.81	2,077.72	7,193.36
	(ii) Other financial liabilities	22	0.06	653.71	445.97
	(b) Provisions	23	501.50	325.33	158.74
	(c) Deferred tax liabilities	24	16,633.63	14,479.98	5,728.49
	(d) Other non-current liabilities	25	5,056.34	4,710.17	720.38
	Total Non Current Liabilities		**24,247.34**	**22,246.91**	**14,246.94**
(2)	**Current Liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	26	63,925.24	126,049.34	61,236.05
	(ii) Trade Payables	27	84,084.61	33,674.90	21,536.44
	(iii) Other financial liabilities	28	16,926.58	22,105.38	10,485.36
	(b) Other current liabilities	29	3,821.01	5,032.93	2,852.98
	(c) Provisions	30	2,153.68	1,736.53	1,199.59
	Total Current Liabilities		**170,911.12**	**188,599.08**	**97,310.42**
	Total Liabilities		**195,158.46**	**210,845.99**	**111,557.36**
	Total Equity and Liabilities		**321,443.27**	**312,443.63**	**175,555.85**

The Notes 1 to 71 form an integral part of the Financial Statements

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

Signatures to Balance Sheet and Notes to the Financial Statements
For and on behalf of the Board

ERMIN K. IRANI
PARTNER
Membership Number: 35646

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

Mumbai, May 12, 2017.

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated Statement of Profit and Loss for the year ended March 31, 2017

(₹ in lakh)

	Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I.	Revenue from Operations	31	492,640.18	375,495.50
II.	Other income	32	5,899.96	6,394.88
III.	**Total Income (I + II)**		**498,540.14**	**381,890.38**
IV.	**Expenses**			
	Cost of materials consumed	33	361,712.44	285,728.26
	Purchases of Stock-in-Trade	34	18,362.75	17,351.31
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	35	(460.57)	(8,554.07)
	Excise duty		1,531.51	479.79
	Employee benefits Expense	36	23,274.89	15,568.23
	Finance costs	37	8,634.18	9,766.95
	Depreciation and Amortization Expense	38	7,466.48	5,237.49
	Other Expenses	39	44,417.95	34,969.58
	Total Expenses		**464,939.63**	**360,547.54**
V.	**Profit before Exceptional items, Tax & Share of Equity Accounted Investees**		33,600.51	21,342.84
	Share of equity-accounted investees, net of tax		1,855.76	3,269.76
VI.	**Profit Before Exceptional items and Tax**		35,456.27	24,612.60
VII.	Exceptional Items :Write back of provision for loan given to ESOP Trust of holding company		2,000.00	8,851.22
VIII.	**Profit Before Tax (VI + VII)**		**37,456.27**	**33,463.82**
IX.	**Tax expense:**		**10,164.51**	**7,339.59**
	1. Current Tax		7,608.45	4,798.18
	2. Deferred Tax		2,556.06	2,541.41
X.	**Profit/(Loss) for the year after Tax**		**27,291.76**	**26,124.23**
XI.	**Other comprehensive income**			
	(A) (i) Items that will not be reclassified to profit or loss			
	Remeasurements of defined benefit liability		(393.56)	(201.67)
	Income tax on remeasurements of defined benefit liability		136.21	94.46
	Jv / Associate's share of other comprehensive income		(23.69)	15.32
	(ii) Income tax related to items that will not be reclassified to profit or loss		8.20	(5.30)
			(272.84)	(97.19)
	(B) (i) Items that will be reclassified to profit or loss			
	Foreign operations – foreign currency translation differences		5.67	(119.81)
	Deferred gains/(losses) on cash flow hedges		315.17	-
	(ii) Income tax related to items that will be reclassified to profit or loss		(109.07)	-
			211.77	(119.81)
	Other comprehensive income		(61.07)	(217.00)
XII.	**Total comprehensive income for the year**		**27,230.69**	**25,907.23**
	Profit attributable to:			
	Equity holders of the Company		24,881.68	26,392.97
	Non-controlling interest		2,410.08	(268.74)
			27,291.76	26,124.23
XIII.	**Other comprehensive income is attributable to :**			
	Equity holders of the Company		(25.70)	(226.98)
	Non Controlling interests		(35.37)	9.98
			(61.07)	**(217.00)**
XIV.	**Total comprehensive income is attributable to :**			
	Equity holders of the Company		24,855.98	26,165.99
	Non Controlling interests		2,374.71	(258.76)
			27,230.69	**25,907.23**
XV.	**Earnings per equity share**	41		
	Basic		13.91	13.95
	Diluted		13.31	13.33

The Notes 1 to 71 form an integral part of the Financial Statements

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

Signatures to Balance Sheet and Notes to the Financial Statements
For and on behalf of the Board

ERMIN K. IRANI
PARTNER
Membership Number: 35646

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

Mumbai, May 12, 2017.

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated Cash Flow Statement For The Year Ended March 31, 2017

(₹ in lakh)

	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A.	**Cash Flow from Operating Activities :**		
	Net Profit Before Taxes	**37,456.27**	**33,463.82**
	Adjustment for:		
	Depreciation	7,466.48	5,237.49
	Profit on sale of fixed assets	238.07	(492.70)
	Profit on sale of Investments (net)	(2,763.43)	(2,571.94)
	Unrealised foreign exchange gain/loss	(110.45)	57.88
	Dividend income	(0.04)	(0.04)
	Grant amortisation	(116.22)	(121.36)
	Interest income	(1,480.10)	(916.05)
	Employee share based compensation cost	87.66	92.41
	Share of equity-accounted investees, net of tax	(1,855.76)	(3,269.76)
	Guarantee commission	-	(9.50)
	Finance Cost	8,634.18	9,766.95
	Allowances for Doubtful Debts and Advances/ (Written back)	420.62	244.25
	Liabilities no longer required written back	(233.02)	(129.44)
	Exceptional Income/others	(1,983.69)	(8,851.22)
	Fair value of investment	-	(855.44)
	Bad Debts Written off	799.23	455.55
		9,103.53	**(1,362.93)**
	Operating Profit Before Working Capital Changes	**46,559.80**	**32,100.89**
	Adjustments for:		
	Inventories	(7,524.99)	(12,921.31)
	Biological assets other than bearer plants	419.83	346.83
	Trade Receivables	(8,168.37)	(12,171.45)
	Current / Non-current Financial assets- Loans	14,090.51	12,713.66
	Current / Non-current Financial assets- Others	4,386.97	(3,777.41)
	Other Current / non-current assets	3,493.50	(518.67)
	Trade Payables	50,957.65	3,182.05
	Long Term / Short Term Provisions	1,075.35	(935.61)
	Current / Non-current Financial liabilities- Others	(7,198.57)	2,409.88
	Other current / non-current liabilities	(365.55)	963.61
		51,166.33	**(10,708.42)**
	Cash Generated from Operations	**97,726.13**	**21,392.47**
	Direct Taxes paid (net of refunds received)	(7,995.77)	**(4,558.93)**
	Net Cash Flow from Operating Activities	**89,730.36**	**16,833.54**
B.	**Cash Flow from Investing Activities :**		
	Capital subsidy received	-	300.00
	Acquisition of fixed assets	(20,489.75)	(13,318.13)
	Proceeds from sale of fixed assets	998.44	789.46
	Intercorporate Deposits Given	3,000.00	(7,153.00)
	Purchase of Investments	(2,589.93)	(474.90)
	Acquisition of subsidiaries, net of cash acquired (Refer note 70)	-	(30,137.30)
	Sale of Non current Investments	-	1.45
	Proceeds from sale of investments	8,685.70	6,283.53
	Deposits Redeemed	241.27	-
	Other Income	-	49.78
	Interest Received	1,472.36	877.66
	Dividend Received	0.04	0.04
	Net Cash Flow from Investing Activities	**(8,681.87)**	**(42,781.41)**

(₹ in lakh)

C.	**Cash Flow from Financing Activities :**		
	Proceeds from exercise of ESOP shares	78.33	390.00
	Merger Expenses charged directly to Reserves	-	(19.38)
	Redemption of Preference Share Capital	-	(350.00)
	Repayment of Short Term Borrowings	(114,065.89)	(61,921.58)
	Proceeds from Short Term Borrowings	48,060.96	109,559.74
	Repayment of Long Term Borrowings	(601.85)	(8,233.08)
	Proceeds from Long Term Borrowings	(3,664.09)	8,070.00
	Finance Cost	(8,614.22)	(9,716.19)
	Dividend Paid	-	(4,518.80)
	Transactions with non-controlling interests	-	(4,527.80)
	Dividend Tax Paid	-	(894.19)
	Net Cash Flow from Financing Activities	**(78,806.76)**	**27,838.72**
	Net increase in Cash and Cash equivalents	**2,241.73**	**1,890.85**
	Cash and Cash equivalents (Opening balance)	3,142.99	1,303.95
	Less: Opening Cash & Cash equivalents removed	(2.77)	-
	Cash & Cash Equivalent removed of subsidiary disposed off	-	(51.81)
	Cash and Cash equivalents (Closing balance)	**5,381.95**	**3,142.99**

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement notified u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.
2. During the previous year the group has acquired Creamline Dairy Product Limited and Astec Lifescience Limited (Refer Note No. 69).The figures of the previous year to that extent are not comparable with those of current year.
3. Figures in bracket indicate cash outflow.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

ERMIN K. IRANI
PARTNER
Membership Number: 35646
Mumbai, May 12, 2017.

For and on behalf of the Board

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

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Statement of changes in equity

(a) Equity share capital

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balance at the beginning of the reporting period	9,256.54	9,256.54	9,256.54
Changes in equity share capital during the year			
Bonus shares issued	9,256.55	-	-
Balance at the end of the reporting period	**18,513.09**	**9,256.54**	**9,256.54**

(b) Other equity

(₹ in lakh)

	Attributable to the owners of the Company												
	Retained earnings	**Capital Reserve**	**General reserve**	**Reserve for employee compensation expense**	**Debenture redemption reserve**	**Employee share option outstanding**	**Share Premium Account**	**Treasury Share Reserve**	**Cash Flow Hedge Reserve**	**Foreign Currency Translation Reserve**	**Total**	**Non - controlling interest**	**Total**
Balance at March 31, 2016	**54,303.94**	**-**	**507.30**	**2,389.82**	**1,875.00**	**10,747.04**	**-**	**(58.68)**	**-**	**(713.64)**	**69,050.78**	**23,290.32**	**92,341.10**
Total comprehensive income for the year													
Profit for the year	24,881.68	-	-	-	-	-	-	-	-	-	24,881.68	2,410.08	27,291.76
Other comprehensive income for the year	(236.66)	-	-	-	-	-	-	-	-	-	(236.66)	(35.37)	(272.03)
Foreign currency translation differences	-	-	-	-	-	-	-	-	-	**3.07**	3.07	-	3.07
Exchange difference arising on currency translation cash flow hedge reserve (Refer Note No. 45)	-	-	-	-	-	-	-	-	**207.89**	-	207.89	-	207.89
Total comprehensive income for the year	**24,645.02**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**207.89**	**3.07**	**24,855.98**	**2,374.71**	**27,230.69**
Others													
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Refer Note No. 61)	-	-	**(277.99)**	-	-	-	-	-	-	-	(277.99)	-	(277.99)
Adjustment of employee compensation expenses recoganised during the period (Refer Note No. 43)	-	-	-	**(2,375.72)**	-	**2,463.38**	-	-	-	-	87.66	-	87.66
Transfer from Debenture Redemption Reserve	**1,875.00**	-	-	-	**(1,875.00)**	-	-	-	-	-	-	-	-
Bonus shares issued	**(9,256.55)**	-	-	-	-	-	-	-	-	-	(9,256.55)	-	(9,256.55)
ESOP shares subscribed by beneficiaries	-	-	-	-	-	-	-	**58.68**	-	-	58.68	-	58.68
Transfer to Share Premium on ESOP shares subscribed by beneficiaries	-	-	-	-	-	**(12,989.89)**	**13,062.14**	-	-	-	72.25	-	72.25
Transfer from Reserve for employee compensation expenses	-	-	**14.10**	**(14.10)**	-	-	-	-	-	-	-	-	-
Other Adjustments related to subsidiary	**16.24**	-	-	-	-	-	-	-	-	-	16.24	-	16.24
Exercise of Stock Options	-	-	-	-	-	**(58.37)**	-	-	-	-	(58.37)	-	(58.37)
Liability towards Put Option arrangement	**(266.90)**	-	-	-	-	-	-	-	-	-	(266.90)	-	(266.90)
Adjustment for excess of investment over share of non controlling interest	**(2,089.76)**	-	-	-	-	-	-	-	-	-	(2,089.76)	-	(2,089.76)
Transfer from Profit and Loss Account	**(125.00)**	-	**125.00**	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-		-	(258.28)	(258.28)
Additions during the year	-	**172.95**	-	-	-	-	-	-	-	-	172.95	-	172.95
Balance at March 31, 2017	**69,101.99**	**172.95**	**368.41**	**-**	**-**	**162.16**	**13,062.14**	**-**	**207.89**	**(710.57)**	**82,364.97**	**25,406.75**	**107,771.72**

(₹ in lakh)

	Attributable to the owners of the Company												
	Retained earnings	Capital Reserve	General reserve	Reserve for employee compensation expense	Debenture redemption reserve	Employee share option outstanding	Share Premium Account	Treasury Share Reserve	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	Total	Non - controlling interest	Total
Balance at April 1, 2015	**41,722.37**	**-**	**668.10**	**3,526.40**	**-**	**9,477.59**	**-**	**(58.68)**	**-**	**(593.83)**	**54,741.95**	**-**	**54,741.95**
Profit for the year	26,392.97	-	-	-	-	-	-	-	-	-	26,392.97	(268.74)	**26,124.23**
Other comprehensive income for the year	(107.17)	-	-	-	-	-	-	-	-	-	(107.17)	9.98	**(97.19)**
Foreign currency translation differences	-	-	-	-	-	-	-	-	-	(119.81)	(119.81)	-	**(119.81)**
Total comprehensive income for the year	**26,285.80**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(119.81)**	**26,165.99**	**(258.76)**	**25,907.23**
As Per Godrej Seeds and Genetics Limited Merger Scheme approved by Bombay High Court													
Transactions with the owners of the Company, recorded directly in equity													
Contributions and distributions													
Dividends	(4,113.23)	-	-	-	-	-	-	-	-	-	(4,113.23)	-	(4,113.23)
Dividend distribution tax	(844.40)	-	-	-	-	-	-	-	-	-	(844.40)	-	(844.40)
Others													
Excess of Investment over book value of net assets adjusted as per scheme of Merger (Refer Note No. 58)	(0.60)	-	-	-	-	-	-	-	-	-	(0.60)	-	(0.60)
Expenses on Merger (Refer Note No. 58)	(19.38)	-	-	-	-	-	-	-	-	-	(19.38)	-	(19.38)
Transfer to Debenture Redemption Reserve from Retained Earnings	(1,875.00)	-	-	-	1,875.00	-	-	-	-	-	-	-	-
Adjustment of Employee compensation expenses recognised during the period (Refer Note No. 43)	-	-	-	(1,136.58)	-	1,269.45	-	-	-	-	132.87	-	132.87
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Refer Note No. 61)	-	-	(285.80)	-	-	-	-	-	-	-	(285.80)	-	(285.80)
Acquired during the year	(4.39)	-	-	-	-	-	-	-	-	-	(4.39)	-	(4.39)
Income recoganised during the period on deferred government grant	(36.39)	-	-	-	-	-	-	-	-	-	(36.39)	-	(36.39)
Transfer to general reserve	(125.00)	-	125.00	-	-	-	-	-	-	-	-	-	-
Adjustment in respect of overseas subsidiaries	(9.44)	-	-	-	-	-	-	-	-	-	(9.44)	-	(9.44)
Acquisition of non-controlling interests	(3,410.65)	-	-	-	-	-	-	-	-	-	(3,410.65)	23,549.08	20,138.43
Put option liability created with interest accrued thereon	(3,265.75)	-	-	-		-	-	-	-	-	(3,265.75)	-	(3,265.75)
Balance at March 31, 2016	**54,303.94**	**-**	**507.30**	**2,389.82**	**1,875.00**	**10,747.04**	**-**	**(58.68)**	**-**	**(713.64)**	**69,050.78**	**23,290.32**	**92,341.10**

The Notes 1 to 71 form an integral part of the Financial Statements

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

ERMIN K. IRANI
PARTNER
Membership Number: 35646
Mumbai, May 12, 2017.

For and on behalf of the Board

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. Significant Accounting Policies.

1. **General information**

Godrej Agrovet Ltd. ("the Company" or "Parent") is a public limited Company, which is domiciled and incorporated in the Republic of India with its registered office situated at 3rd Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai – 400 079. The Company and its subsidiaries, joint ventures and associates (the "Group") is a diversified agribusiness Group and its principal activities include manufacturing and marketing of high quality animal feed, innovative crop protection & agricultural inputs, palm oil & allied products & milk and milk products.

2. **Basis of preparation**

(i) Compliance with Ind AS:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

The financial statements upto year ended 31st March 2016 were prepared in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and other relevant provisions of the Act as applicable.

These financial statements are the Group's first Ind AS financial statements and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Group's financial position, financial performance and cash flow is provided in Note No.71.

The financial statements of the Group for year ended 31st March 2017 were authorized for issue in accordance with a resolution of the Board of Directors on 12th May 2017.

(ii) **Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- asset held for sale and biological Assets – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments – measured at fair value

(iii) **Functional and presentation currency**

These financial statements are presented in Indian rupees, which is the Group's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

3. **Basis of consolidation**

(i) **Subsidiaries :**

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) **Equity method :**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in the Statement of Profit and Loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the unless it has incurred obligations or made payments on behalf of the other entitygroup does not recognise further losses, Unrealised gains on transactions between the group and its subsidiaries are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

4. **Business combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- Fair value of the assets transferred;
- Liabilities incurred to the former owners of the acquired business;
- Equity interests issued by the group
- Fair value of any asset or liability resulting from contingent consideration arrangement Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at their fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

  Acquisition related costs are expenses as incurred.

  The excess of the

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest is remeasured to fair value at the acquisition date. Any gains arising from such remeasurement are recognized in the Statement of Profit and Loss or Other Comprehensive Income, as appropriate.

5. **Key estimates and assumptions**

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgement, estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of tangible assets**

  Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Fair valuation of employee share options**

  The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

- **Determining whether an arrangement contains a lease**

  At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Rebates and sales incentives**

  Rebates are generally provided to distributors or customers as an incentive to sell the Group's products. Rebates are based on purchases made during the period by distributor / customer. The Group determines the estimates of rebate accruals primarily based on the contracts entered into with their distributors / customers and the information received for sales made by them.

- **Fair value of financial instruments**

  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts, commodity futures and interest rate swaps. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

6. **Measurement of fair values**

The Group's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

  If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

  The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

7. **Standards issued but not yet effective**

i) Ind AS 102 Share-based Payment:

In March 2017, the Ministry of Corporate Affairs had made amendments to Classification and Measurement of Share-based Payment Transactions under Ind AS 102. Paragraphs 19, 30–31, 33 and 52 of Ind AS 102 were amended and paragraphs 33A–33H, 59A–59B, 63D and B44A-B44C and their related headings were added. It mainly deals with accounting for a modification of a share-based payment transaction that changes its classification from cash-settled to equity settled.

The Group is in the process of making an assessment of the impact of amendments to Ind AS 102. As at the date of this report, the Group's management does not expect that the impact on the Group's results of operations and financial position will be material upon adoption of amendments to Ind AS 102.

8. **Significant accounting policies**

A. **Revenue**

i. Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

ii. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

iii. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

B. **Foreign currency**

i. Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the Group.

ii. Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

C. **Employee benefits**

i. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Group has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund and Family pension maintained with Regional Provident Fund Office are expensed as the related service is provided.

iii. Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

- Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Group.

The Group's contribution to the Provident Fund Trust as established by the Group, is also considered as a Defined Benefit Plan because, as per the rules of Group's Provident Fund Scheme, 1952, if the return on investment is less or for any other reason, then the deficiency shall be made good by the Group. The Group's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted.

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

Gratuity Fund

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv. Other long-term employee benefits

Liability toward long-term Compensated Absences are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

v. Terminal Benefits:

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

D. **Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. **Current tax**

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

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 used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. 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 used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

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

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

E. **Inventories**

Inventories are carried in the balance sheet as follows:

(a) Raw materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.

(b) Work-in-progress-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

(c) Finished Goods-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at lower of cost and net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

(d) Land development project in progress includes cost of land, development management fees, construction cost, allocated interest and expenses attributable to the construction of the project undertaken by the Group.

F. **Property, plant and equipment**

i. **Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

On transition to Ind AS, the Group has elected to continue with the carrying value of all if its property, plant and equipment as recognized as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. **Depreciation/ Amortizations**

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/ up to the month of additions/deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

(a) Plant and Machinery: - 20 Years

(b) Computer HardwareCrates, cans and milko testers:
Depreciated over the estimated useful life of 4 years.

(c) Leasehold Land:
Amortized over the primary lease period.

(d) Leasehold improvements and equipments:
Amortised over the Primary lease period or 16 years whichever is less
Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition.

G. **Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

H. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

I. **Intangible assets**

Recognition and measurement

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets viz. Technical Know-how fees, Grant of Licenses and Computer software, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

The cost of intangible assets at 1st April 2015, the Group's date of transition to Ind AS, was determined with reference to its carrying value at that date.

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 generally recognised in the Statement of Profit and Loss.

The intangible assets are amortised over the estimated useful lives as given below:

- Grant of licenses : 10 years
- Computer Software : 6 years
- Tree Development Cost : 15 years
- Technical Know-how of a capital nature & Product Registration expenses : 6 years

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

Research and Development Expenditure

Research Expenditure:

Revenue expenditure on research & development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment.

J. **Share-based payments:**

a. Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

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

K. **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i. **Financial assets**

Classification

The Group classifies its financial assets in the following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option. Business model test: The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: 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.

Initial recognition & measurement

At initial recognition, the Group measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Equity investments (other than investments in associates and joint venture)

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

OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

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

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. **Financial liabilities**

Classification

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

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

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

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 recognized in the statement of profit and loss.

Offsetting of financial instruments

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

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

L. **Provisions and contingent liabilities**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

M. **Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

N. **Leases**

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

i. **Lease payments**

Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

ii. **Lease assets**

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

O. **Impairment of non-financial assets**

Goodwill and intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

P. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Q. **Grants / subsidies**

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as a deferred grant which is recognized as income in the statement of profit and loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognized in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

R. **Construction contracts**

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract by reference to the stage of completion.
Contract costs are recognized as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized immediately.
When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.
Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.
Measurement of construction contract revenue and expense:
The Group uses the 'percentage-of-completion' method to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

S. **Biological assets**

Biological assets are measured at fair value less costs to sell, with any change therein recognized in profit or loss.

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Note 2: Property, Plant & Equipment

(₹ in lakh)

PARTICULARS	Freehold Land	Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office & Others Equipment	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Research Center	Total
As at March 31,2016												
Gross Block												
At April 1, 2015	4,621.11	1,370.10	12,361.69	31,092.99	242.05	1,517.86	896.71	80.49	17.57	44.49	0.79	52,245.85
Taken over	25,020.74	250.00	6,174.19	7,225.43	139.43	289.67	194.31	-	-	-	-	39,293.77
Additions	279.44	1,702.49	11,534.47	8,411.90	451.33	549.26	576.01	-	11.48	11.55	-	23,527.93
Disposals	(52.44)	-	(64.52)	(108.67)	(5.31)	(70.75)	(7.31)	-	-	(10.22)	(0.12)	(319.34)
As at March 31, 2016	29,868.85	3,322.59	30,005.83	46,621.65	827.50	2,286.04	1,659.72	80.49	29.05	45.82	0.67	114,748.21
Accumulated Depreciation												
For the year	-	26.37	838.92	3,408.01	77.63	270.97	226.48	40.25	5.37	4.20	-	4,898.20
Taken over	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(3.05)	(10.55)	(0.89)	(6.00)	(1.61)	-	-	(0.52)	-	(22.62)
Closing Accumulated Depreciation	-	26.37	835.87	3,397.46	76.74	264.97	224.87	40.25	5.37	3.68	-	4,875.58
Net Block as at March 31, 2016	29,868.85	3,296.22	29,169.96	43,224.19	750.76	2,021.07	1,434.85	40.24	23.68	42.14	0.67	109,872.63
As at March 31, 2017												
Gross Block												
Cost as at April 1, 2016	29,868.85	3,322.59	30,005.83	46,621.65	827.50	2,286.04	1,659.72	80.49	29.05	45.82	0.67	114,748.21
Taken over	1,638.78	-	2,480.31	1,841.89	9.43	472.53	22.09	-	-	-	-	6,465.03
Additions	1,644.04	-	2,990.08	7,913.59	141.60	827.63	692.83	-	80.03	5.57	-	14,295.37
Disposals	(621.56)	-	(0.20)	(591.72)	(27.00)	(202.55)	(27.86)	-	-	(5.70)	(0.57)	(1,477.16)
As at March 31, 2017	32,530.11	3,322.59	35,476.02	55,785.41	951.53	3,383.65	2,346.78	80.49	109.08	45.69	0.10	134,031.45
Accumulated Depreciation												
As at April 1, 2016	-	26.37	835.87	3,397.46	76.74	264.97	224.87	40.25	5.37	3.68	-	4,875.58
For the year	-	37.81	1,185.41	5,070.92	111.78	389.01	339.07	40.24	10.04	4.48	-	7,188.76
Taken over	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(0.04)	(176.20)	(5.95)	(47.10)	(8.02)	-	-	(0.77)	-	(238.08)
Closing Accumulated Depreciation	-	64.18	2,021.24	8,292.18	182.57	606.88	555.92	80.49	15.41	7.39	-	11,826.26
Net Block	32,530.11	3,258.41	33,454.78	47,493.23	768.96	2,776.77	1,790.86	-	93.67	38.30	0.10	122,205.19

Note No. 2.1: Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Hyderabad (as part of the merger of Godrej Plant Biotech Limited), Dhule (as part of the merger of Goldmohur Foods & Feeds Ltd), Hanuman Jn. (as part of the merger of Golden Feed Products Ltd), Chintampalli (as part of the merger of Godrej Gokarna Oilpalm Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited) and at Kolkata are being complied with. Stamp duty payable thereon is not presently determinable.

Note No. 2.2 To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account. (Refer Note No. 61(i))

Note No. 2.3 Figures takenover during the previous year are pertaining to Creamline Dairy Products Limited and Astec Lifescience Limited , which were acquired during the previous year.

The group has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2015 under the previous GAAP.

Deemed cost as on 1 April 2015

(₹ in lakh)

PARTICULARS	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Research Center	Total
Gross Block as on 1 April, 2015	4,621.11	1,434.31	14,526.45	41,491.24	547.93	1,902.16	1,333.49	414.81	29.10	46.58	15.83	66,363.01
Accumulated Depreciation till 1, April 2015	-	64.21	2,164.76	10,398.25	305.88	384.30	436.78	334.32	11.53	2.09	15.04	14,117.16
Net Block treated as Deemed cost upon transition	4,621.11	1,370.10	12,361.69	31,092.99	242.05	1,517.86	896.71	80.49	17.57	44.49	0.79	52,245.85

Note 3: Intangible Assets

(₹ in lakh)

PARTICULARS	Computer Software	Brand	Tech Know How Fees	Grant of Licences	Product Registration	Total
As at March 31, 2016						
Gross Block						
As at April 1, 2015	479.42	-	-	1,700.46	-	2,179.88
Taken over	160.62	3,822.17	-	-	244.94	4,227.73
Additions	215.25	-	-	-	25.61	240.86
Disposals	-	-	-	-	-	-
Closing Gross Block	855.29	3,822.17	-	1,700.46	270.55	6,648.47
Accumulated Depreciation						
For the year	223.87	-	-	425.12	115.42	764.41
Taken over	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2016	223.87	-	-	425.12	115.42	764.41
Net Block as at March 31, 2016	**631.42**	**3,822.17**	**-**	**1,275.34**	**155.13**	**5,884.06**
As at March 31, 2017						
Gross Block						
As at April 1, 2016	855.29	3,822.17	-	1,700.46	270.55	6,648.47
Additions	406.56	-	-	-	-	406.56
Assets classified as held for sale	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2017	1,261.85	3,822.17	-	1,700.46	270.55	7,055.03
Accumulated Depreciation						
As at April 1. 2016	223.87	-	-	425.12	115.42	764.41
For the year	221.31	-	-	425.12	56.41	702.84
Disposals	-	-	-	-	-	-
As at March 31, 2017	445.18	-	-	850.24	171.83	1,467.25
Net Block as at March 31,2017	**816.67**	**3,822.17**	**-**	**850.22**	**98.72**	**5,587.78**

Note No. 3.1 Figures takenover during the previous year are pertaining to Creamline Dairy Products Limited and Astec Lifescience Limited , which were acquired during the previous year.

The group has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated amortisation on April 1, 2015 under the previous GAAP

Deemed cost as on April 1, 2015

(₹ in lakhs)

PARTICULARS	Computer Software	Brand	Tech Know How Fees	Grant of Licences	Product Registration	Total
Gross Block as on 1 April, 2015	1,197.67	-	200.00	4,251.18	-	5,648.85
Accumulated Depreciation till 1 April, 2015	718.25	-	200.00	2,550.72	-	3,468.97
Net Block treated as Deemed cost upon transition	479.42	-	-	1,700.46	-	2,179.88

Note 4: Biological Assets

A. Reconciliation of carrying amount

March 31, 2017

(₹ in lakh)

	Particulars	**Poultry Qty.**	**Poultry Amt.**	**Oil palm saplings Qty.**	**Oil palm saplings Amt.**	**Total**
	Balance as April 1, 2016	-	-	1,205,458	886.81	886.81
	Add:					
i	Purchases	-	-	60,000	12.44	12.44
ii	Production/ Cost of Development	-	-	-	42.19	42.19
	Less:					
i	Sales / Disposals	-	-	(653,286)	(465.83)	(465.83)
ii	Change in fair value less cost to sell:	-	-	-	(8.63)	(8.63)
	Realised	-	-	-	(16.28)	(16.28)
	Unrealised	-	-	-	7.65	7.65
	Balance as at March 31, 2017			**612,172**	**466.98**	**466.98**

March 31, 2016

	Particulars	**Poultry Qty.**	**Poultry Amt.**	**Oil palm saplings Qty.**	**Oil palm saplings Amt.**	**Total**
	Balance as April 1, 2015	325,469	181.22	1,294,667	1,052.44	1,233.66
	Add:					
i	Purchases	14,013	25.31	492,200	178.07	203.38
ii	Production/ Cost of Development	488,736	76.99	-	120.12	197.11
	Less:					
i	Sales/ Disposals	(828,218)	(301.12)	(581,409)	(452.70)	(753.82)
ii	Change in fair value less cost to sell:	-	17.60	-	(11.12)	6.48
	Realised	-	17.60	-	(24.13)	(6.53)
	Unrealised	-	-	-	13.01	13.01
	Balance as at March 31, 2016	**-**	**-**	**1,205,458**	**886.81**	**886.81**

The Group has trading operations in oil palm plantations whereby the group purchases the saplings and sell the saplings once it has achieved the desired growth. During the year 2016-17, the group purchased 60,000 (2015-16: 492,200) number of saplings, out of which 60,000 (2015-2016: 492,200) were still under cultivation .

B. Measuement of Fair value

i. Fair Value hierarchy

The fair value measurements for poultry and oil palm saplings has been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

The following table shows a break down of the total gains (losses) recognised in respect of Level 3 fair values-

Particulars	**March 31, 2017**	**March 31, 2016**
Gain/(loss) included in 'other operating revenue'	(8.63)	6.48
Change in fair value (realised)	(16.28)	(6.53)
Change in fair value (unrealised)	7.65	13.01

iii. **Valuation techniques and significant unobservable inputs**

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Poultry stock - it comprises of parent chicken, eggs and livebirds	Discounted cashflows	Discounting is not done considering the plan to sell the inventory is less than one year.	The estimated fair valuation would increase/ (decrease) if - Estimated price of each component of poultry stock was higher (lower) - discounting is done for the expected cashflows
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	1. Estimated cost of completing the stock under cultivation ₹ 18.63 to ₹ 41.33 per sapling	The estimated fair valuation would increase/ (decrease) if - Estimated cost to complete was lower (higher) - Estimated selling price per sapling is higher (lower)

B. Risk Management strategies related to agricultural activities

The group is exposed to the following risks relating to its plantations

i. Regulatory and enviromental risks

The group is subject to laws and regulations in the country in which it operates. It has established various enviromental policies and procedures aimed at compliance with the local enviromental and other laws.

ii. Supply and demand risks

The group is exposed to risks arising from fluctuations in the price and sales volume of plants. When possible, the group manages this risk by aligning its harvest volume to market supply.

iii. Climate and other risks

The group's plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The group has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

A reasonably possible change of 10% in Estimated cost of completing the stock under cultivation at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

	Profit or (loss) March 31,2017		Profit or (loss) March 31,2016	
	10% increase	**10% decrease**	**10% increase**	**10% decrease**
Variable-rate instruments	(0.70)	0.76	(5.57)	5.93
Cash flow sensitivity (net)	(0.70)	0.76	(5.57)	5.93

(₹ in lakh)

Note 5 : Non-current financial assets- Investments

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A.	**Investments at Cost**			
(a)	**Investment in equity of associates (Unquoted)**			
i	Polchem Hygiene Laboratories Private Limited	-	-	584.57
	(classified as current during previous year as of 1.04.2015 455,000 equity shares of 10 each)			
ii	Al Rahaba International Trading Limited Liability Company			
	24 (Previous year 24 as of 1.04.2015 24) Equity Shares of AED. 1500/- each	20.36	315.76	406.52
(b)	**Investment in equity of joint ventures (Unquoted)**			
i	Godrej Tyson Foods Limited	8,465.42	7,463.63	6,550.68
	97,461 (Previous year 97,461, as of 1.04.2015 97,461) Equity Shares of ₹10/- each			
ii	ACI Godrej Agrovet Private Limited	6,272.82	5,144.77	3,477.91
	1,850,000 (Previous year 1,850,000, as of 1.04.2015 185,000) Equity Shares of Tk. 100/- each			
iii	Omnivore India Capital Trust	2,786.39	2,592.54	1,210.93
	2,125 (Previous year 1,875 as of 1.04.2015 1,250) units of ₹ 100,000 each.			
	Total (A)	**17,544.99**	**15,516.70**	**12,230.61**
B.	**Investments at Fair Value through Statement of Profit & Loss**			
(a)	Investment in Co-operative Society (Unquoted)	0.79	0.79	0.27
(b)	Investment in Other Corporates (Unquoted)	0.14	0.14	-
(c)	Investment in Limited Liability Partnership	-	-	0.50
	Total B	**0.93**	**0.93**	**0.77**
C.	**Other Investment (Valued at Cost)**			
	Investments in Government or Trust Securities	-	0.40	0
	TOTAL	**17,545.92**	**15,518.03**	**12,231.38**

Note 6 : Non Current Trade Receivables

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured and considered doubtful	777.80	424.52	208.03
Less : Allowance for doubtful receivables	(777.80)	(424.52)	(208.03)
Total	-	-	-

Note 7 : Non Current Financial Assets - Loans

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Unsecured, considered good (unless otherwise stated)			
1	Security deposits			
	i Considered good	1,438.50	1,254.89	970.90
	ii Considered doubtful	59.31	7.61	2.61
	Less : Allowance for bad and doubtful loans and advances	(59.31)	(7.61)	(2.61)
	Net Deposits	1,438.50	1,254.89	970.90
2	Loan to employees	59.35	45.75	32.40
	TOTAL	**1,497.85**	**1,300.64**	**1,003.30**

Note 8 : Non-current financial assets-Others

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
1	Claims receivable	146.15	146.15	146.15
2	Lease receivable	316.08	380.45	-
3	Interest accrued but not due on fixed deposits (unsecured) - non -current	5.14	4.32	3.25
4	Bank Deposit with more than 12 months maturity	24.57	36.37	20.94
	TOTAL	**491.94**	**567.29**	**170.34**

Note 9 : Deferred Tax Assets

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Assets (Refer Note No. 47)	678.05	1,170.88	1,102.48
TOTAL	**678.05**	**1,170.88**	**1,102.48**

(₹ in lakh)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 10 : Other non-current assets				
1	Capital advances	2,675.28	1,330.12	1,003.40
2	Balance with Government Authorities	1,694.66	1,895.74	351.68
3	Others (Advances recoverable in cash or kind)			
	i) Considered good	471.07	403.15	387.55
	ii) Considered doubtful	98.27	58.20	18.89
	Less : Allowance for doubtful advances	(98.27)	(58.20)	(18.89)
	Net Advances Recoverable in cash or kind	471.07	403.15	387.55
	Total Advance Other Than Capital Advance	2,165.73	2,298.89	739.23
	TOTAL	**4,841.01**	**3,629.01**	**1,742.63**
Note 11 : Inventories				
(Valued at lower of cost and net realizable value)				
1	Raw materials	42,641.57	42,262.00	24,160.83
2	Raw Materials in Transit	-	205.85	2.43
3	Work in progress	3,729.83	2,236.97	2,302.30
4	Project in progress	6,071.91	-	-
5	Finished goods	12,816.74	13,653.00	6,219.40
6	Stock-in-Trade	6,385.65	6,161.85	5,097.24
7	Stores and Spares	2,161.16	2,134.31	1,095.61
	TOTAL	**73,806.86**	**66,653.98**	**38,877.81**
Note 12 : Current Financial Assets -Investments				
Trade Investment (At lower of cost and fair value)				
I	**Investment in equity**			
i.	Creamline Dairy Products Limited (classified as non current in current year and previous year)	-	-	3,081.10
	As of 1.04.2015 2,671,993 Equity shares of ₹ 10/- each)			
ii.	Polchem Hygiene Laboratories Private Limited (Classified as	-	762.23	-
	non current during the 1.04.2015.)			
	Nil (Previous year 455,000) Equity Shares of ₹ 10/- each			
II	**Investment at Fair value through statement of Profit and Loss**			
i.	**Investment in mutual funds**			
	i. Unquoted, fully paid-up:	-	-	-
	ICICI Prudential Liquid - Direct - Growth	-	5,198.93	-
II	**Investment in other corporates**			
i)	Future Consumer Enterprises Limited	-	-	3,661.08
	(As of 1.04.2015 30,256,870 Equity shares of ₹ 6/- each)			
	Total	**-**	**5,198.93**	**3,661.08**
	TOTAL	**-**	**5,961.16**	**6,742.18**
Note 13 : Current Trade Receivables				
i	Secured and considered good (Refer Note No. 13.1)	7,544.62	8,221.49	7,776.61
ii	Unsecured and considered good	44,650.37	37,229.71	19,148.28
	TOTAL	**52,194.99**	**45,451.20**	**26,924.89**

Note No. 13.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.

(₹ in lakh)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 14 : Cash and cash equivalents				
1	Cash on hand	444.82	419.97	122.30
2	Cheques, Drafts on Hand	299.01	165.72	38.14
3	Balances with Banks:			
	On Current Accounts	4,560.89	2,552.67	1,134.08
	Saving Bank Account of Company's ESOP Trust	77.23	4.63	9.43
	TOTAL	**5,381.95**	**3,142.99**	**1,303.95**
Note 15 : Bank Balances Other Than Cash and Cash Equivalents				
1	Fixed Deposits -more than 3 months and less than 12 months Refer Note No. 15.1	708.97	673.28	445.33
2	Margin Money deposits	133.46	375.57	-
3	Unclaimed dividend accounts	5.32	4.49	-
	TOTAL	**847.75**	**1,053.34**	**445.33**

Note No. 15.1: Fixed Deposits of ₹ 77.02 lakh (Previous Year ₹ 27.20 lakh and as of 1.04.2015 26.51 lakh) are pledged with Banks for Guarantees issued

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 16 : Current Financial Assets -Loans				
Unsecured, Considered Good, Unless Otherwise Stated				
1	Loans and advances to related parties (Refer Note No. 66)	63.59	1,071.72	68.83
2	Loans and Advances - Others			
	(a) Loans and advances to employees	65.22	52.21	35.71
	(b) Loan to ESOP Trust of Holding Company			
	(i) Considered good	1,633.76	5,476.79	5,902.45
	(ii) Considered doubtful	-	2,083.45	2,083.45
	Less : Allowance for Doubtful Advance	-	(2,083.45)	(2,083.45)
	Net Loan to ESOP Trust of Holding Company	1,633.76	5,476.79	5,902.45
	(c) Loan to LLP	-	-	210.00
	(d) Intercorporate Deposits	-	6,749.63	2,964.63
	(e) Deposits	150.49	127.74	40.40
	(f) Advances Recoverable in cash or kind	640.43	331.20	283.80
	TOTAL	**2,553.49**	**13,809.29**	**9,505.82**
Note 17 : Other current financial assets				
1	Interest Accrued on Inter-Corporate Deposits	6.69	766.98	498.81
2	Interest Accrued on other Deposits	12.87	2.03	5.98
3	Interest on Bank Fixed Deposit	3.54	5.12	-
4	Lease receivable	56.08	41.56	-
5	Interest receivable on Loans & Advances	-	-	6.86
6	Non-Trade Receivables	746.13	3,881.79	308.35
7	Other Income Accrued	296.06	751.23	508.45
	TOTAL	**1,121.37**	**5,448.71**	**1,328.45**
Note 18 : Other current assets				
1	Advances to suppliers	1,706.49	1,340.53	1,849.40
2	Balance with government authorities	1,847.94	1,584.47	405.12
	(i) Cenvat credit receivable	-	-	-
	(ii) VAT credit receivable	-	-	-
	(iii) Service tax credit receivable	-	-	-
	Prepaid Interest	-	-	-
	Prepaid rent	-	-	-
	Prepayments and others	-	-	-
3	Others	2,710.10	2,263.83	1,276.70
	TOTAL	**6,264.53**	**5,188.83**	**3,531.22**

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 19 : Share Capital			
1 **Authorised :**			
(a) 224,994,000 (As at March 31, 2017 99,994,000 and as at April 1, 2015 100,000,000) Equity shares of the par value of ₹ 10 each	22,499.40	9,999.40	10,000.00
(b) 6,000 (Previous year 6,000 and as at April 1, 2015 nil) Preference shares of the par value of ₹ 10 each	0.60	0.60	-
TOTAL	22,500.00	10,000.00	10,000.00
2 **Issued, Subscribed and Paid-up:**			
185,130,876 (As at March 21, 2017 92,565,438 and as at April 1, 2015 92,565,438) Equity shares of ₹ 10 each fully paid up.	18,513.09	9,256.54	9,256.54
TOTAL	18,513.09	9,256.54	9,256.54

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
3 **Reconciliation of number of shares outstanding at the beginning and end of the year :**						
Equity shares :						
Outstanding at the beginning of the year	92,565,438.00	9,256.54	92,565,438.00	9,256.54	92,565,438.00	9,256.54
Issued during the year Bonus Shares	92,565,438.00	9,256.55				
Outstanding at the end of the year	185,130,876.00	18,513.09	92,565,438.00	9,256.54	92,565,438.00	9,256.54
Preference shares :						
Outstanding at the beginning of the year	6,000.00	0.06	6,000.00	0.06	-	-
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	6,000.00	0.06	6,000.00	0.06	-	-

4 **Rights, preferences and restrictions attached to Equity shares**

a) Equity Shares: The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their share holding.

b) Preference Shares: The group has Non-Convertible Redeemable Preference Shares having a par value of ₹ 10 per share. Each eligible Shareholder is entitled for 8% dividend on par value of shares. In the event of liquidation, Preference Shareholders have preferential right on the asset over Equity Shareholders.

5 **Shareholders holding more than 5% shares in the company is set out below:**

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
(a) **Equity shares**	No. of shares	%	No. of shares	%	No. of shares	%
1. Godrej Industries Limited (the holding Company)	117,878,964.00	63.67%	56,286,482.00	60.81%	56,286,482.00	60.81%
2. V-Sciences Investments Pvt Ltd	37,007,698.00	19.99%	18,503,849.00	19.99%	18,503,849.00	19.99%

6 **There are no shares reserved for issue under options.**

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Note 20 : Other Reserves			
1 **Retained Earnings**	69,101.99	54,303.94	41,722.37
2 **Capital Reserve**	172.95	-	-
3 **General Reserve**	368.41	507.30	668.10
4 **Debenture Redemption Reserve**	-	1,875.00	-
5 **Foreign Currency Translation Reserve**	(710.57)	(713.64)	(593.83)
6 **Cash Flow hedging reserve**	207.89	-	-
7 **Employee Stock Options Outstanding**	162.16	10,747.04	9,477.59
8 **Reserve for employee compensation expenses**	-	2,389.82	3,526.40
9 **Treasury Share reserve**	-	(58.68)	(58.68)
10 **Share Premium Account**	13,062.14	-	-
	82,364.97	69,050.78	54,741.95

Capital Reserve

Excess of assets recognised over consideration paid on business acquisition made by Creamline Dairy Products Limited. (Refer Note. No. 70)

Debenture redemption reserve:

The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations, if any, are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Cash flow hedge reserve:

The Company uses hedging instruments as part of its management of foreign currency risk associated with foreign currency borrowings. For hedging foreign currency risk, the Company used foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to statement of profit & loss when the hedged item affects the profit & loss.

Employee stock options outstanding:

The employee share options outstanding account is used to recognise grant date fair value of options issued to employees under the Company's stock option plan.

Reserve for employee compensation expense:

This reserve was created to give effect to the Honorable Bombay High Court's orders dated March 8, 2013 and September 20, 2013 (refer Note no. 59 (b)(iii)). The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for employee compensation expense.

Treasury Share reserve:

Equity share reserve for ESOP Scheme (Refer Note 43).

Share Premium Account:

Securities Premium Account is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

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(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Note 21 : Non Current Financial Liablities - Borrowings			
1 Secured			
a. Term loans from Bank and NBFC (Refer Note No. 21.1)	57.55	881.99	-
2 Unsecured			
a. Term loans from banks (Refer Note No. 21.2)	1,327.60	506.67	6,800.00
b. 6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of ₹10 each (Refer Note No. 19.4.b)	0.60	0.60	-
c. Deferred payment liablities (Refer Note No.21.3)	411.82	420.66	-
d. Deferred Sales Tax Loan (Refer Note No.21.4)	258.24	267.80	393.36
TOTAL	**2,055.81**	**2,077.72**	**7,193.36**

Note no. 21.1: Vehicle Loans/Term loans from Banks for ₹120.26 Lakhs are at an Interest Rate of 9.5% to 11.50%, which are payable in 36 instalments from the date of disbursements with current maturity disclosed seperately in note no. 28.1.ii at ₹62.71 Lakhs.

Note No.21.2: Unsecured Term loans from Banks for ₹1,490.56 Lakhs of which ₹520.00 lakhs are with an interest rate of 5.97% and 50% repayable at the end of 18 months from the date of drawn down and 50% at the end of 36 months from the date of drawn down, ₹375.00 Lakhs are with an interest rate of 9.1% and repayable at Post Moratorium Repayable in 16 structured quarterly instalments commencing from 1st January 2018 and ₹595.56 Lakhs are with an interest rate of 9.5% and Repayable in 18 equal quarterly instalments commencing from six months from the date of first disbursement with current maturity of all those loans are disclosed seperately in note no. 28.1.ii at ₹162.95 Lakhs.

During the previous year, Term loans from Banks for Astec Lifescience Limited are at an Interest Rate of BBR plus 3% to BBR plus 3.50%, which are payable on or before December 31, 2018 for ₹ 736.06 lakhs.

Note No.21.3: Deferred Loan against acquisition of Lease hold Land is availed at interest rate 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on an Six monthly (period) basis 6years from 1st July 2016 up to 1st Jan 2022. Total loan availed was ₹617.73 lakh and outstanding for the year 2016-17 was ₹514.77 Lakh with current maturity disclosed separately in note no. at ₹ 102.95 Lakh .

Note No.21.4: Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, commencing from March 2014 up to March 2021. Total loan availed was ₹ 466.74 lakh and outstanding for the year 2016-17 was 376.78 lakhs with current maturity disclosed seperately in note no. 28.1 at ₹ 35.15 lakh .

The Group does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 22 : Non-Current Financial Liabilities - Others			
1 Liability towards beneficiaries of Company's ESOP Trust	-	653.71	445.97
2 Preference dividend payable	0.05	0.00	-
3 Tax on preference dividend payable (Refer Note No. 22.1)	0.01	0.00	-
Total	**0.06**	**653.71**	**445.97**

Note No. 22.1:During previous year INR 0.00 represent Preference Dividend payable of ₹ 763 and corresponding tax on distributed profit ₹ 169 provided for.

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 23 : Non Current Liablities - Provisions			
Provision for employee benefits :			
- Provision for gratuity	116.79	58.30	
- Provision for compensated absences	384.71	267.03	158.74
Total	**501.50**	**325.33**	**158.74**
Note 24 : Deferred Tax Liabilities			
Deferred Tax Liabilities (Refer Note No. 47)	16,633.63	14,479.98	5,728.49
Total	**16,633.63**	**14,479.98**	**5,728.49**
Note 25 : Other non-current liabilities			
1 Deferred grant	1,523.69	1,444.42	720.38
2 Put option liability	3,532.65	3,265.75	-
Total	**5,056.34**	**4,710.17**	**720.38**
Note 26 : Current Financial Liablities - Borrowings			
1 Secured			
(a) Cash credit from banks (Refer Note 26.1)	2,142.09	2,089.06	-
(b) Buyers credit	99.80	-	-
(c) Working Capital loan	1,453.78	1,517.42	-
2 Unsecured			
(a) Term loans from Banks (Refer Note 26.2)	20,033.15	39,395.38	4,500.00
(b) Commercial paper (Refer Note 26.3)	27,500.00	40,000.00	12,500.00
(c) Cash credit (Refer Note 26.1)	2,964.31	923.24	3,624.28
(d) Working Capital Loans from Banks (Refer Note No. 26.4)	9,732.11	42,122.38	40,611.77
(e) Others	-	1.86	-
Total	**63,925.24**	**126,049.34**	**61,236.05**

Note No. 26.1 : Cash Credit from banks are repayable on demand and carries interest at 9.55% to 11.85 % . This cash credit fom Bank is secured against inventories and receivables. Cash Credit Loan by Astec Lifescience Limited are repayable on demand and carries interest at BBR + 3.75% to 4% . This cash credit fom Bank is secured by way of First Pari passu Charge on the Current Assets of Astec Lifescience Limited, including inventory and receivables both present & future and second charge on Fixed Assets of the Astec Lifescience Limited present & future (including Equitable Mortgage/Hypothecation of Factory Land & Bldg/Plant & Machinery).

Note No. 26.2 : Term Loans from Banks for the year 2016 -17 are at an Interest Rate of 5.9% to 13.60 %.

Note No. 26.3 : Commercial Paper carries interest rate of 5.95% to 8.85%

Note No. 26.4 : Working Capital Loans from Banks for ₹ 827.90 Lakh are payable on demand and at an Interest Rate of HDFC Bank Base rate + 0.25%. Secured Working Capital Loans by Astec Lifesciencce Limited are payable on 90 to 365 days and at an Interest Rate of LIBOR + 116 bps, which are secured by way of First Pari passu Charge on the Current Assets of Astec Lifescience Limited, including inventory and receivables both present & future and second charge on Fixed Assets of the Astec Lifescience Limited present & future (including Equitable Mortgage/Hypothecation of Factory Land & Bldg/Plant & Machinery). Unsecured Working Capital Loans by Astec Lifesciencce Limited are payable on 60 to 365 days at an Interest Rate of LIBOR + 108 bps for ₹ 1904.21 Lakhs and 15 to 180 days at an Interest Rate of 7.85% to 14% for ₹ 7000.00 Lakhs.

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(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 27 : Current -Trade Payables			
1 **Trade Payables**			
a. Due to Micro, Small and Medium Enterprises (Refer Note No. 27.1)	220.65	97.20	-
b. Others	31,053.80	30,700.52	20,595.34
2 **Acceptances**	52,810.16	2,877.18	941.10
Total	84,084.61	33,674.90	21,536.44

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
A Principal amount remaining unpaid	220.65	97.2	-
B Interest due thereon	-	-	
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-	-
D Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
E Interest accrued and remaining unpaid	-	-	-
F Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-	-

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 28 : Other financial liabilities			
1 Current maturities of long-term debt			
i) Debentures -Nil (for the year 2015-16 750 and for the year 2014-15 nil) 8.63% Unsecured Non-convertible Debentures of ₹10,00,000 each (Refer Note No.28.1)	-	7,489.33	-
ii) From others - Deferred Sales Tax Loan (Refer Note No. 21.3)	35.15	16.58	31.05
From others - Deferred payment liabilities (Refer Note No. 21.2)	102.96	102.96	-
Current maturities of long-term debt - Secured loans	62.71	1,381.54	-
Current maturities of long-term debt - term loan	162.95	63.33	-
2 Liabilities towards beneficiaries of companies ESOP Trust	694.83	-	-
3 Security Deposit	6,413.11	6,230.90	5,316.17
4 Amount due for payment to Gratuity Fund	420.57	353.84	288.91
5 Non Trade Payables	3,392.11	2,966.56	1,131.85
6 Interest accrued but not due	62.95	384.42	20.90
7 Unpaid dividends	5.32	4.49	-
8 Derivative liability	222.90	39.91	7.93
9 Others	5,351.02	3,071.52	3,688.55
Total	16,926.58	22,105.38	10,485.36

Note No 28.1: 8.63% Debentures are redeemable at par at the end of 15 Months from the date of allotment, viz.,7th December 2016.

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Note 29 : Other current Liabilities			
1 Advances from Customers	2,560.47	3,696.39	2,446.48
2 Employee Deductions	255.73	477.50	104.76
3 Statutory Liabilities	870.67	626.84	250.02
4 Other liabilities - current	21.20	133.02	-
5 Deferred Grants - Current	112.94	99.18	51.72
Total	3,821.01	5,032.93	2,852.98
Note 30 : Current Liabilities - Provisions			
1 Provision for employee benefits			
- Provision for compensated absences	57.06	66.97	46.03
- Provision for gratuity	21.49	9.45	0.15
2 Provision for others	-	-	-
3 Provision for sales return	2,075.13	1,660.11	1,153.41
Total	2,153.68	1,736.53	1,199.59

(₹ in lakh)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Note 31 : Revenue from operations		
A **Sale of products**	489,210.81	372,891.00
B **Other operating revenue**	-	-
Sale of Scrap and Empties	2,457.41	2,222.43
Export Incentives	389.71	254.87
Conversion,Handling and Storage Charges	6.20	120.72
Service tax rebate	17.72	-
Duty Drawback	19.79	-
Processing income - Nufarm	547.17	-
Other operating revenue	**3,438.00**	**2,598.02**
Change in fair value of biological assets	**(8.63)**	**6.48**
Total Other operating income	**492,640.18**	**375,495.50**
Note 32 : Other Income		
1 Interest income		
(a) Instruments measured at amortised cost		
(i) Interest received on Deposits	271.37	738.18
(ii) Interest Received on Loans & Advance	747.29	143.79
(iii) Interest received from Income Tax	-	0.16
(iv) Interest - Others	461.44	33.92
2 Dividend received		
(i) Dividend received from cooperative bank	0.04	0.04
(ii) Dividend received from mutual fund	-	1.65
3 Profit on sale of Fixed Assets (net)	-	492.70
4 Profit on sale of Investments (net) (Refer Note No. 32.1)	2,763.43	2,571.94
5 Claims received	49.15	41.42
6 Liabilities no longer required written back	233.02	129.40
7 Recovery of Bad Debts written off	28.91	41.64
8 Royalty & Technical Knowhow	247.50	284.50
9 Other Miscellaneous Income and Income from R & D Center	981.59	929.24
10 Grant amortization	116.22	121.36
11 Change in fair valuation of investments	-	855.44
12 Guarantee Commission from Joint Venture	-	9.50
TOTAL	**5,899.96**	**6,394.88**

Note No. 32.1: Profit on sale of investment includes profit of ₹ 220.98 lakhs on extinguishion of investment in subsidiary company Godrej Seeds And Genetics Limited

		For the year ended March 31, 2017	For the year ended March 31, 2016
		(₹ in lakh)	
Note 33 : Cost of materials consumed			
(a)	Raw Material Stocks at the Commencement of the Year	42,467.85	24,163.26
(b)	Add : Purchases	362,552.48	304,401.27
(c)	Less : Raw Material sold	666.32	368.42
		404,354.01	328,196.11
(d)	Less: Raw Material Stocks at the Close of the Year	42,641.57	42,467.85
(e)	Add/less: Expected sales return - asset	-	-
	Total	**361,712.44**	**285,728.26**
	Total Cost of Raw Material Consumed	**361,712.44**	**285,728.26**
Note 34 : Purchase of stock-in-trade			
1	Agri inputs	18,360.49	16,929.19
2	Others	2.26	422.12
	Total	**18,362.75**	**17,351.31**
Note 35 : Changes In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade			
1	**Stocks at the Commencement of the Year**		
	a) Finished Goods	13,653.00	6,219.40
	b) Work In Progress	2,236.97	2,302.30
	c) Poultry Stock	-	181.25
	d) Stock under cultivation	886.81	1,052.40
	e) Stock-in-Trade	6,161.85	5,097.24
	Total Stock at the commencement of the Year	**22,938.63**	**14,852.59**
2	**Less : Stocks at the Close of the Year**		
	a) Finished Goods	12,816.74	13,653.00
	b) Work In Progress	3,729.83	2,236.97
	c) Poultry Stock	-	-
	d) Stock under cultivation	466.98	886.81
	e) Stock-in-Trade	6,385.65	6,161.85
	Total Stock at the close of the Year	**23,399.20**	**22,938.63**
	Stock Adjustment for subsidiaries merged	-	(468.03)
	Change in the stock of Finished Goods, Work in Progress, Stock in Trade	**(460.57)**	**(8,554.07)**
Note 36 : Employee benefit expense			
1	Salaries, Wages, Bonus and Allowances	20,162.11	13,095.35
2	Contribution to Provident, Gratuity and Other Funds	1,343.78	1,053.46
3	Expense on Employee Stock based payments - net of Adjustment to Reserve for Employee compensation expense	355.35	279.41
4	Staff Welfare Expense	1,413.65	1,140.01
	TOTAL	**23,274.89**	**15,568.23**
Note 37 : Finance Costs			
1	Interest Expense		
	i. Paid to Banks on Loans and Cash Credit	1,869.52	1,191.80
	ii. Others	6,364.32	4,579.85
2	Other Borrowing Costs	316.26	3,995.30
3	Exchange differences regarded as a adjustment to borrowing cost	84.01	-
4	Preference dividend and tax on preference dividend	0.07	-
	TOTAL	**8,634.18**	**9,766.95**

Note No.37.1: Finance costs are net of interest capitalised to Project in Progress 294.15 lakh (previous year nil).

		For the year ended March 31, 2017	For the year ended March 31, 2016
		(₹ in lakh)	
Note 38 : Depreciation and Amortisation Expenses			
1	Depreciation	7,188.76	4,898.20
2	Amortization	702.84	764.41
	Less : Transfer from General Reserve (Refer Note No. 61 (i))	(425.12)	(425.12)
	TOTAL	**7,466.48**	**5,237.49**
Note 39 : Other Expenses			
1	Stores and Spares consumed	2,138.84	1,357.58
2	Power and Fuel	7,686.34	6,407.57
3	Processing Charges	8,890.61	6,677.64
4	Carriage Inwards	129.83	90.82
5	Rent	942.70	896.33
6	Rates and Taxes	865.01	1,069.44
7	Repairs and Maintenance		
	(a) Machinery	1,095.38	605.55
	(b) Buildings	204.13	475.38
	(c) Other assets	422.75	163.98
8	Insurance	281.90	214.80
9	Auditor's Remuneration (Refer Note No. 39.1)	119.47	105.36
10	Freight	2,728.03	2,530.12
11	Advertisement, Selling and Distribution Expenses	7,584.59	6,218.39
12	Bad Debts/Advances Written Off	799.23	455.55
13	Allowances for Doubtful Debts and Advances/ (Written back)	454.30	244.25
14	Acquisition cost	-	146.68
15	Loss on Sale/Write off of Fixed Assets	238.07	-
16	Research Expenses	182.48	168.78
17	Applicable net gain/loss on foreign currency transactions and translation	95.45	218.84
18	Corporate Social Responsibility Expenses	484.03	227.56
19	Miscellaneous Expenses	9,074.81	6,694.96
	TOTAL	**44,417.95**	**34,969.58**
Note No. 39.1: Auditor's Remuneration			
(a)	Audit Fees	56.85	57.82
(b)	Audit under Other Statutes	19.18	19.61
(c)	Taxation matters	30.83	11.50
(d)	Management Consultancy , Certification & Company Law Matters	2.84	6.22
(e)	Reimbursement of Expenses	9.77	10.21
	Total	**119.47**	**105.36**
Note 40 : Dividend			
	Amount of Interim Dividend (Rs lakh)	-	4,100.65
	Tax on Distributed Profit (Rs lakh)	-	834.81
	Dividend per Share (Rs)	-	4.43
	Rate of Dividend	-	44.30%

The Board, in its meeting on May 12, 2017 has recommended a final dividend of ₹ 4.50 per equity share for the financial year ended March 31, 2017 the proposal is subject to the approval of shareholders at the annual general meeting to be held on August 4, 2017 and, if approved, would result in a cash outflow of approximately ₹ 10,026.86 Lakh including corporate dividend tax of ₹ 1,695.97 lakh.

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Note 41 Earnings per share

Calculation of weighted average number of equity shares - Basic

	Particulars	March 31, 2017	March 31, 2016
1	Calculation of weighted average number of equity shares - Basic		
	(a) Number of shares at the beginning of the year	88,458,090	88,458,090
	Effect of bonus issue	88,458,090	88,458,090
	Revised number of shares at the beginning of the year	176,916,180	176,916,180
	(b) Number of equity shares outstanding at the end of the year	185,130,876	88,458,090
	Effect of bonus issue	-	88,458,090
	Revised number of shares outstanding at the end of the year	185,130,876	176,916,180
	Weighted average number of equity shares outstanding during the year	**177,141,240**	**176,916,180**
2	Calculation of weighted average number of equity shares - Diluted		
	(a) Number of potential shares at the beginning of the year	176,916,180	176,916,180
	Effect of potential equity shares	8,214,696	8,214,696
	Revised number of potential shares at the beginning of the year	185,130,876	185,130,876
	(b) Number of potential equity shares outstanding at the end of the year	185,130,876	176,916,180
	Effect of potential equity shares	-	8,214,696
	Revised number of potential equity shares outstanding at the end of the year	185,130,876	185,130,876
	Weighted average number of potential equity shares outstanding during the year	**185,130,876**	**185,130,876**
3	**Profit attributable to ordinary shareholders (Basic/diluted)**		
	Profit (loss) for the year, attributable to the owners of the Company	27,291.76	26,124.23
	Income/(Expense) recognized in Reserves	**(2,653.71)**	**(1,441.77)**
	Amortisation of Intangiable Assets	(277.99)	(285.80)
	Employee Compensation Expenses	(2,375.71)	(1,136.59)
	Merger Expenses	-	(19.38)
	Profit (loss) for the year, attributable to ordinary shareholders	**24,638.05**	**24,682.46**
4	Basic Earnings per share (₹)	**13.91**	**13.95**
5	Diluted Earnings per share (₹)	**13.31**	**13.33**
6	Nominal Value of Shares (₹)	**10.00**	**10.00**

Note 41.1

The calculation of diluted earning per share is based on profit attributed to equity shareholders and weigthed average no. of equity shares outstanding after adjustments for the effects of all dilutive potential equity share i.e. shares reserved for employee share based payments. These share, have been fully issued upto 31st March, 2017 under Employee Stock Option Plan.

Note. 42 Employee benefits

The group contributes to the following post-employment plans in India.

Defined Contribution Plans:

The group's contributions paid/payable to Regional Provident Fund at certain locations, Super Annuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The group recognised ₹ 929.08 lakh for the year ended March 31, 2017 (Previous Year ₹ 775.17 lakh) towards provident fund contribution and ₹ 57.94 lakh for the year ended March 31, 2017 (Previous year ₹ 55.68 lakh) towards super-annuation fund contribution in the Statement of Profit and Loss.

Defined Benefit Plan:

The group's gratuity and leave encashment/long-term compensated absences schemes are defined benefit plans. The group's liability for the defined benefit schemes is actuarially determined based on the projected unit credit method. The group's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

The group's contribution to the Provident Fund Trust as established by the group, is also considered as a Defined Benefit Plan because, as per the rules of Company's Provident Fund Scheme, 1952, if the return on investment is less or for any other reason, then the deficiency shall be made good by the group. The group's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Any actuarial losses are recognised immediately in the Statement of Profit and Loss.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the group has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the group.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administer by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the group to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in lakhs)

	March 31, 2017	March 31, 2016	April 1,2015
Defined benefit obligation	(2,264.86)	(1,708.54)	(1,423.72)
Fair value of plan assets	1,706.87	1,288.36	1,105.60
Net defined benefit (obligation)/assets	(557.99)	(420.18)	(318.12)

i. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Opening balance	1,708.54	1,423.72	1,288.36	1,105.60	420.18	318.12
Included in profit or loss	-	-	-	-	-	-
Current service cost	151.48	112.02	-	-	151.48	112.02
Past service cost	-	-	-	-	-	-
Interest cost (income)	137.23	110.11	103.97	84.46	33.26	25.65
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	439.97	240.41	-	-	439.97	240.41
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	118.22	(10.97)	-	-	118.22	(10.97)
Experience adjustment	321.75	251.38	-	-	321.75	251.38
Return on plan assets excluding interest income	-	-	59.78	(42.12)	(59.78)	42.12
	2,437.22	1,886.26	1,452.11	1,147.94	985.11	738.32
Other						
Contributions paid by the employer	-	-	427.12	318.14	(427.12)	(318.14)
Benefits paid	(172.36)	(177.72)	(172.36)	(177.72)	-	-
Closing balance	2,264.86	1,708.54	1,706.87	1,288.36	557.99	420.18
Represented by						
Net defined benefit asset	-	(0.56)	-			
Net defined benefit liability	557.99	420.74	318.12			
	557.99	420.18	318.12			

ii. Plan assets

Plan assets comprise the following

	March 31, 2017	March 31, 2016	April 1,2015
Insurer managed fund (100%)	1,706.87	1,288.36	1,105.60
	1,706.87	1,288.36	1,105.60

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	March 31, 2017	March 31, 2016
Discount rate	7.56%	8.00%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a.	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

iv. Sensitivity analysis

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

	March 31, 2017		**March 31, 2016**	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(195.37)	229.28	(144.97)	169.41
Future salary growth (1% movement)	230.50	(199.19)	173.70	(150.35)
Rate of employee turnover (1% movement)	71.92	(84.24)	61.60	(71.82)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

v. Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2017 were as follows

Expected contribution

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2017, i.e. ₹ 747.64 lakh .

Expected future benefit payments	**March 31, 2017**	**March 31, 2016**
March 31, 2017	-	143.68
March 31, 2018	176.62	99.90
March 31, 2019	172.27	170.15
March 31, 2020	169.24	148.71
March 31, 2021	239.34	187.17
March 31, 2022	133.95	-
Therafter	917.93	628.32

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31 March 2017 based on actuarial valuation using the projected accrued benefit method is ₹ 368.75 lakh (Previou year : ₹ 305.90 lakhs)."

Terminal Benefits: All terminal benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss

Incentive Plans: The group has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Statement of Profit & Loss. The Scheme rewards its employees based on Economic Value Addition (EVA), which is related to actual improvement made in EVA over the previous period when compared with expected improvements.

Note 43: Share-based payment arrangements:

Description of share-based payment arrangements

A.Godrej Agrovet Limited

Employee stock options - cash settled

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is Re. 1 per equity share as provided in the scheme. The Company has provided ₹ 190 lakh (Previous Year ₹ 187 lakh) for the aforesaid eligible employees for the current financial year.

Employee stock options - equity settled

In December 2012, the Company instituted an Employee Stock Option Plan (GAVL ESOP) as approved by the Board of Directors and the Shareholders, for the allotment of 586,764 options convertible into 586,764 equity shares of ₹ 10 each and Bonus Shares issued against the initial allotment for 3,520,584 shares of ₹ 10 each to eligible employees of the company.

The scheme is administered by an independent ESOP Trust created. The Company has issued 586,764 equity shares and Bonus Shares issued against the initial allotment for 7,627,932 shares to the said ESOP Trust at face value of ₹ 10 each amounting to ₹ 58.68 lakh. During the current year, all the stock options were vested, exercised and transferred to the eligible employees by March 31, 2017.

Category A

Particulars	**For the year ended 31 March 2017**			
	Shares arising out of options	**Range of exercise prices**	**Weighted average exercise price**	**Weighted average remaining contractual life**
Options outstanding at the beginning of the year	1,843,457.00	10.00	1.43	21.5 months
Add: Options granted during the year	148,463.00	10.00	1.43	
Less: Options lapsed during the year	(148,463.00)	-		
Bonus shares issue against the allotment	1,843,457.00	-		
Less: Options exercised during the year	(3,686,914.00)	10.00	0.71	-
Options outstanding at the year end	-			
Exercisable at the end of the period				

Particulars	**For the year ended 31 March 2016**			
	Shares arising out of options	**Range of exercise prices**	**Weighted average exercise price**	**Weighted average remaining contractual life**
Options outstanding at the beginning of the year	1,843,457.00	10.00	1.43	33.5 months
Add: Options granted during the year	-	-		
Less: Options lapsed during the year	-	-		
Bonus shares issue against the allotment	-	-		
Less: Options exercised during the year	-	-		
Options outstanding at the year end	1,843,457.00	10.00	1.43	21.5 months
Exercisable at the end of the period				

The weighted average grant date fair value of par value options granted under Category A during the years ended March 31, 2017 was ₹ 154.60 and 2016 was Rs 309.20 per option, respectively. The weighted average share price during the years ended March 31, 2017 is ₹ 297.17 per share.

Category B

Particulars	**For the year ended 31 March 2017**			
	Shares arising out of options	**Range of exercise prices**	**Weighted average exercise price**	**Weighted average remaining contractual life**
Options outstanding at the beginning of the year	2,263,891.00	10.00	1.43	
Add: Options granted during the year	-	-	-	
Less: Options lapsed during the year	-	-	-	
Bonus shares issue against the allotment	2,263,891.00	10.00	-	
Less: Options exercised during the year	(4,527,782.00)	10.00	0.71	-
Options outstanding at the year end	-			
Exercisable at the end of the period				

Particulars	For the year ended 31 March 2016			
	Shares arising out of options	Range of exercise prices	Weighted average exercise price	Weighted average remaining contractual life
Options outstanding at the beginning of the year	2,263,891.00	10	1.43	
Add: Options granted during the year	-			
Less: Options lapsed during the year	-			
Less: Options exercised during the year	-			
Options outstanding at the year end	2,263,891.00	10	1.43	
Exercisable at the end of the period				

The weighted average grant date fair value of par value options granted under Category B during the years ended March 31, 2017 was ₹ 154.60 and 2016 was Rs 309.20 per option, respectively. The weighted average share price during the years ended March 31, 2017 is ₹ 297.17 per share .

Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black–Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

Share price: The share price has been obtained through valuation report.

Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Remuneration and Compensation Committee.

Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant.

Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards.The weighted average inputs used in computing the fair value of options granted were as follows:

Grant date	16/01/2013
Fair value	154.14
Share price	154.60
Exercise price	10.00
Expected volatility (weighted-average)	0.00%
Expected life (weighted-average)	5
Expected dividends	0.00%
Risk-free interest rate (based on government bonds)	9.00%

B. Astec Lifescience Limited

(a) Employee stock option scheme (ESOS,2015)

The Company has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the company.

Once vested, the options remains exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

(b) Employee stock option plan (ESOP,2012)

The company has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the company in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the company.

Once vested, the options remains exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of INR 34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under the plan:

	March 31, 2017		March 31, 2016	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	34.00	121,000	34.00	86,000
Granted during the year	387.35	50,000	34.00	40,000
Exercised during the year	34.00	57,800	-	-
Lapsed during the year	34.00	13,200	34.00	5,000
Closing balance		**100,000**		**121,000**
Vested and exercisable		**11,900**		**32,400**

No options expired during the periods covered in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2017	March 31, 2016	April 01, 2015
			Share options	Share options	Share options
January 31, 2015	January 30, 2023	34.00	800	32,400	34,400
January 31, 2015	January 30, 2024	34.00	11,100	24,300	25,800
January 31, 2015	January 30, 2025	34.00	13,400	16,200	17,200
January 31, 2015	January 30, 2026	34.00	6,700	8,100	8,600
May 16, 2015	May 15, 2023	34.00	-	16,000	-
May 16, 2015	May 15, 2024	34.00	9,000	12,000	-
May 16, 2015	May 15, 2025	34.00	6,000	8,000	-
May 16, 2015	May 15, 2026	34.00	3,000	4,000	-
July 26, 2016	July 25, 2020	387.35	20,000		
July 26, 2016	July 25, 2021	387.35	15,000		
July 26, 2016	July 25, 2022	387.35	10,000		
July 26, 2016	July 25, 2023	387.35	5,000		
Total			**100,000**	**121,000**	**86,000**
Weighted average remaining contractual life of options outstanding at end of period			6.02	6.94	8.84

(i) Fair value of options granted

The fair value of grant date of options granted during the year ended March 31, 2017 is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2017	March 31, 2016	April 01, 2015
			Share options	Share options	Share options
January 31, 2015	January 30, 2023	95.84	800	32,400	34,400
January 31, 2015	January 30, 2024	109.41	11,100	24,300	25,800
January 31, 2015	January 30, 2025	109.91	13,400	16,200	17,200
January 31, 2015	January 30, 2026	110.49	6,700	8,100	8,600
May 16, 2015	May 15, 2023	105.77	-	16,000	-
May 16, 2015	May 15, 2024	118.18	9,000	12,000	-
May 16, 2015	May 15, 2025	119.30	6,000	8,000	-
May 16, 2015	May 15, 2026	119.67	3,000	4,000	-
July 26, 2016	July 25, 2020	100.00	20,000		
July 26, 2016	July 25, 2021	159.00	15,000		
July 26, 2016	July 25, 2022	278.00	10,000		
July 26, 2016	July 25, 2023	297.00	5,000		
Total			**100,000**	**121,000**	**86,000**

The model inputs for options granted during the year ended March 31, 2017 included:

ESOS, 2015 granted on 26 July 2016

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	INR 387.35	INR 387.35	INR 387.35	INR 387.35
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	INR 387.35/-	INR 387.35/-	INR 387.35/-	INR 387.35/-
Expected price volatility of the company's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

ESOP, 2012- Option B granted on 16 May 2015

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)
Grant Date	16 May 2015	16 May 2015	16 May 2015	16 May 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	INR 138/-	INR 138/-	INR 138/-	INR 138/-
Expected price volatility of the company's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

ESOP, 2012- Option A granted on 31 January 2015

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	INR 127.70/-	INR 127.70/-	INR 127.70/-	INR 127.70/-
Expected price volatility of the company's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

b) Expense arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

(₹ in lakh)

	March 31, 2017	March 31, 2016
Employee stock option plan	56.53	66.55
TOTAL	**56.53**	**66.55**

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Note 44: Financial instruments – Fair values and risk management

Note 44.1: Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are 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 lakh)

		Carrying amount				**Fair value**			
	March 31, 2017	**FVTPL**	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	Financial assets								
I	**Non Current Financial Assets**								
1	Non-current investments	0.93	-	-	0.93	-	0.93	-	0.93
2	Long-term loans and advances	-	-	1,497.85	1,497.85	-	-	-	-
3	Other Non-current financial asset	-	-	491.94	491.94	-	447.85	-	447.85
II	**Current Financial Assets**								
1	Current investments	-	-	-	-	-	-	-	-
2	Trade and other receivables	-	-	52,194.99	52,194.99	-	-	-	-
3	Cash and cash equivalents	-	-	5,381.95	5,381.95	-	-	-	-
4	Bank balance other than above	-	-	847.75	847.75	-	-	-	-
5	Short-term loans and advances	-	170.28	2,383.21	2,553.49	-	170.28	-	170.28
6	Other current financial assets	-	-	1,121.37	1,121.37	-	-	-	-
		0.93	170.28	63,919.05	64,090.26	-	619.06	-	619.06
	Financial liabilities								
I	**Non Current Financial Liablities**								
1	Long term borrowings	258.24	-	1,797.57	2,055.81	-	298.43	-	298.43
2	Other non-current financial liabilities	-	-	0.06	0.06	-		-	-
II	**Current Financial liabilities**								
1	Short term borrowings	-	-	63,925.24	63,925.24	-	12,615.78	-	12,615.78
2	Trade and other payables	-	-	84,084.61	84,084.61	-	-	-	-
3	Other financial liabilities	222.90	-	16,703.68	16,926.58	-	222.90	-	222.90
		481.14	-	166,511.16	166,992.30	-	13,137.11	-	13,137.11

		Carrying amount				**Fair value**			
	March 31, 2016	**FVTPL**	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
I	**Non-current Financial Assets**								
1	Non-current investments	1.33	-	-	1.33	-	1.33	-	1.33
2	Long-term loans and advances	-	-	1,300.64	1,300.64	-	-	-	-
3	Other non-current financial assets	-	-	567.29	567.29	-	508.21	-	508.21
II	**Current Financial Assets**								
1	Current investments	5,198.93	-	-	5,198.93	5,198.93	-	-	5,198.93
2	Trade and other receivables	-	-	45,451.20	45,451.20	-	-	-	-
3	Cash and cash equivalents	-	-	3,142.99	3,142.99	-	-	-	-
4	Bank balance other than above	-	-	1,053.34	1,053.34	-	-	-	
5	Short-term loans and advances	34.28	-	13,775.01	13,809.29	-	34.28	-	34.28
6	Other current financial assets	-	-	5,448.71	5,448.71	-	-	-	-
		5,234.54	**-**	**70,739.18**	**75,973.72**	**5,198.93**	**543.83**	**-**	**5,742.75**
I	**Non-current Financial liabilities**								
1	Long term borrowings	267.80	-	1,809.92	2,077.72	-	1,085.50	-	1,085.50
2	Other non-current financial liabilities -	-	-	653.71	653.71	-	-	-	-
II	**Current Financial liabilities**	-	-	-	-	-		-	-
1	Short term borrowings	-	-	126,049.34	126,049.34	-	11,877.40	-	11,877.40
2	Trade and other payables	-	-	33,674.90	33,674.90	-	-	-	-
3	Other financial liabilities	39.91	-	22,065.47	22,105.38	-	39.91	-	39.91
		307.71	**-**	**184,253.34**	**184,561.05**	**-**	**13,002.81**	**-**	**13,002.81**

		Carrying amount				**Fair value**			
	April 1, 2015	**FVTPL**	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
I	**Non-current Financial Assets**								
1	Non-current investments	0.77	-	-	0.77	-	0.77	-	0.77
2	Long-term loans and advances	-	-	1,003.30	1,003.30	-	-	-	-
3	Other non-current financial assets	-	-	170.34	170.34	-	-	-	-
II	**Current Financial Assets**								-
1	Current investments	3,661.08	-	-	3,661.08	3,661.08	-	-	3,661.08
2	Trade and other receivables	-	-	26,924.89	26,924.89	-	-	-	-
3	Cash and cash equivalents	-	-	1,303.95	1,303.95	-	-	-	-
4	Bank balance other than above	-	-	445.33	445.33	-	-	-	
5	Short-term loans and advances	-	-	9,505.82	9,505.82	-	-	-	-
6	Other current financial assets	-	-	1,328.45	1,328.45	-	-	-	-
		3,661.85	**-**	**40,682.08**	**44,343.93**	**3,661.08**	**0.77**	**-**	**3,661.85**
I	**Non-current Financial liabilities**								
1	Long term borrowings	-	-	7,193.36	7,193.36	-	302.42	-	302.42
2	Other non-current financial liabilities -	-	-	445.97	445.97	-	-	-	-
II	**Current Financial liabilities**								
1	Short term borrowings	-	-	61,236.05	61,236.05	-	-	-	-
2	Trade and other payables	-	-	21,536.44	21,536.44	-	-	-	-
3	Other financial liabilities	7.93	-	10,477.43	10,485.36	-	7.93	-	7.93
		7.93	**-**	**100,889.25**	**100,897.18**	**-**	**310.35**	**-**	**310.35**

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include :

- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market risk; and
- Currency risk;

i. Risk management framework

The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports regularly to the board of directors on its activities.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Note 44.2: Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. The group's export sales are backed by letters of credit, Export Credit Guarantee Corporation and accordingly no provision has been made on the same. Further for domestic sales, the group segments the customers into Distributors and Others for credit monitoring.

The group maintains adequate security deposits for sales made to its distributo₹ For other trade receivables, the group individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows:

(₹ in lakh)

	Carrying amount		
	March 31, 2017	**March 31, 2016**	**April 01,2015**
Trade Receivables	52,194.99	45,451.20	26,924.89
Exports			
Distributors	-	-	-
Other	4,088.01	2,972.01	135.76
Domestic	-	-	-
Distributors	39,223.86	34,379.52	25,072.13
Other	8,883.12	8,099.67	1,717.00
	52,194.99	45,451.20	26,924.89
Other Receivables	3,072.00	6,731.68	6,873.35

Impairment

The ageing of trade receivables that were not impaired was as follows.

	March 31, 2017	March 31, 2016	April 01,2015
Neither past due nor impaired	31,795.75	26,676.16	9,589.01
Past due 1–30 days	7,253.16	6,718.41	6,748.87
Past due 31–90 days	6,935.67	4,582.28	5,610.77
Past due 91–180 days	2,090.93	3,244.65	3,138.40
> 180 days	4,119.48	4,229.70	1,837.84
	52,194.99	45,451.20	26,924.89

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

For Trade Receivable	March 31, 2017	March 31, 2016
Balance as at April 1	424.52	208.03
Impairment loss recognised	1,119.01	643.14
Amounts written off	(765.73)	(426.65)
Balance as at March 31	777.80	424.52

For Other Receivable	March 31, 2017	March 31, 2016
Balance as at April 1	2,091.06	2,086.06
Impairment loss recognised	(1,998.25)	33.90
Amounts written off	(33.50)	(28.90)
Balance as at March 31	59.31	2,091.06

Cash and cash equivalents

The group held cash and cash equivalents of ₹ 5381.94 Lakh at March 31, 2017 (previous year ₹ 3,142.99 Lakh as on April 1,2015 ₹ 1,303.95 Lakh) . The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

Other than trade and other receivables, the group has no other financial assets that is past due but not impaired.

Note 44.3: Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

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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 exclude the impact of netting agreements.

(₹ in lakh)

March 31, 2017		Contractual cash flows					
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of ₹10 each	0.60	0.60	-	-	-	-	0.60
Deferred Sales Tax Loan	258.24	341.63	-	-	84.91	256.72	-
Deferred payment liablities	411.82	411.82	-	-	102.96	308.87	-
Term Loan from Bank	1,327.60	1,327.60	-	-	474.51	853.09	-
Term loans from Bank and NBFC - Secured	57.55	57.55	-	-	31.68	25.88	-
Other non-current financial liabilities-Others	0.06	0.06	-	-	-	-	0.06
Current, non derivative financial liabilities							
Cash credit from bank	5,106.39	5,106.39	5,106.39	-	-	-	-
Term loans from banks	20,033.15	20,033.15	20,033.15	-	-	-	-
Commercial papers	27,500.00	27,500.00	27,500.00	-	-	-	-
Buyers Credit	99.80	99.80	99.80	-	-	-	-
Working Capital Loans from Banks	11,185.89	11,185.89	11,185.89	-	-	-	-
Trade and other payables- others	31,274.46	31,274.46	31,274.46	-	-	-	-
Acceptances	52,810.16	52,810.16	52,810.16	-	-	-	-
Other current financial liabilities	16,703.67	16,703.67	16,498.24	205.43	-	-	-
Derivative liability	222.90	222.90	-	222.90	-	-	-
Total	**166,992.29**	**167,075.68**	**164,508.09**	**428.33**	**694.06**	**1,444.56**	**0.66**

March 31, 2016		Contractual cash flows					
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of ₹10 each	0.60	0.60	-	-	-	-	0.60
Deferred Sales Tax Loan	267.80	376.78	-	-	35.15	341.63	-
Other non-current financial liabilities-Liability towards beneficiaries of Company's ESOP Trust	653.71	653.71	-	-	653.71	-	-
Term Loan from Bank	506.67	506.67	-	-	190.00	316.67	-
Term Loan From NBFC	881.99	881.99	-	-	807.16	74.83	-
Other Loan	-	-	-	-			
Deferred payment liability	420.66	420.66	-	-	8.85	308.85	102.96
Current, non derivative financial liabilities							
Cash credit from bank	3,012.31	3,012.31	3,012.31	-	-	-	-
Term loans from banks	39,395.38	39,395.38	39,395.38	-	-	-	-
Commercial papers	40,000.00	40,000.00	40,000.00	-	-	-	-
Trade and other payables- others	30,797.72	30,797.72	30,797.72	-	-	-	-
Acceptances	2,877.18	2,877.18	2,877.18	-	-	-	-
Working Capital Loans from Banks	43,639.82	43,639.82	43,639.82	-	-	-	-
Others	1.86	1.86	1.86	-	-	-	-
Other current financial liabilities	22,065.47	22,065.47	13,823.24	8,242.24	-	-	-
Derivative liability	39.91	39.91	11.51	28.40	-	-	-
Total	**184,561.06**	**184,670.06**	**173,559.02**	**8,270.64**	**1,694.87**	**1,041.98**	**103.56**

April 1,2015		Contractual cash flows					
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
Deferred Sales Tax Loan	393.36	393.36	-	-	16.58	376.78	-
Term Loan from Bank	6,800.00	6,800.00	-	-	5,000.00	1,800.00	-
Other non-current financial liabilities-Liability towards beneficiaries of Company's ESOP Trust	445.97	445.97	-	-	445.97	-	-
Current, non derivative financial liabilities							
Cash credit from bank	3,624.28	3,624.28	3,624.28	-	-	-	-
Term loans from banks	4,500.00	4,500.00	4,500.00	-	-	-	-
Commercial papers	12,500.00	12,500.00	12,500.00	-	-	-	-
Working Capital Loans from Banks	40,611.77	40,611.77	40,611.77	-	-	-	-
Trade and other payables- others	20,595.34	20,595.34	20,595.34	-	-	-	-
Acceptances	941.10	941.10	941.10	-	-	-	-
Other current financial liabilities	10,477.40	10,477.40	10,446.35	31.05	-	-	-
Derivative liability	7.93	7.93	-	7.93	-	-	-
Total	**100,897.17**	**100,897.17**	**93,218.84**	**38.98**	**5,462.55**	**2,176.78**	**-**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Note 44.4 : Currency Risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The group adopts a policy of ensuring that between 80 and 90% of its interest rate risk exposure is at a fixed rate. And hence, interest rate risk is covered by entering into fixed-rate instruments to ensure variability in cash flows attributable to interest rate risk is minimised.

Currency risk

The functional currency of group is primarily the local currency in which it operates. The currencies in which these transactions are primarily denominated are INR. The Company is exposed to currency risk in respect of transactions in foreign currency. Foreign currency revenues and expenses are in the nature of export sales and import purchases.

Exposure to currency risk

The summary quantitative data about the group's exposure to currency risk as reported to the management of the Company is as follows.The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakh)

	March 31, 2017			**March 31, 2016**		**April 01,2015**	
	USD	**EUR**	**GBP**	**USD**	**EUR**	**USD**	**EUR**
Financial Assets							
Trade receivables	3,954.01	91.61	-	4,207.35	205.09	136.52	-
Foreign exchange forward contracts	-	-	-	(58.41)	-	-	-
Net exposure to foreign currency risk (Assets)	**3,954.01**	**91.61**	**-**	**4,148.94**	**205.09**	**136.52**	**-**
Financial Liabilities							
Borrowings	(5,791.14)	-	-	(2,582.77)	-	-	-
Buyers Credit	(99.80)	-	-	(263.44)	-	-	-
Trade payables	(3,341.72)	-	(7.01)	(4,440.42)	-	(1,619.30)	-
Derivative liabilities	-	-	-	-	-	-	-
Foreign exchange forward contracts	7,328.81	-	-	2,203.97	-	1,494.30	-
Net exposure to foreign currency risk (Liabilities)	**(1,903.85)**	**-**	**(7.01)**	**(5,082.66)**	**-**	**(125.00)**	**-**
Net exposure	**2,050.16**	**91.61**	**(7.01)**	**(933.72)**	**205.09**	**11.52**	**-**
Un-hedged foreign currency exposures							
Purchase	(1,903.85)	-	(7.01)	(5,082.66)	-	(125.00)	-
Sale	3,954.01	91.61	-	4,148.94	205.09	136.52	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at 31 March 2017 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		**Equity, net of tax**	
Effect in INR lacs	Strengthening	Weakening	Strengthening	Weakening
March 31, 2017				
USD (1% movement)	21.29	(21.29)	21.29	(21.29)
EUR (2% movement)	(1.83)	1.83	(1.83)	1.83
GBP (2% movement)	0.14	(0.14)	0.14	(0.14)
	19.60	**(19.60)**	**19.60**	**(19.60)**

	Profit or loss		**Equity, net of tax**	
Effect in INR lacs	Strengthening	Weakening	Strengthening	Weakening
March 31, 2016				
USD (3% movement)	94.56	(94.56)	94.56	(94.56)
EUR (2% movement)	(4.10)	4.10	(4.10)	4.10
	90.46	**(90.46)**	**90.46**	**(90.46)**

	Profit or loss		**Equity, net of tax**	
Effect in INR lacs	Strengthening	Weakening	Strengthening	Weakening
April 01,2015				
USD (2% movement)	0.23	(0.23)	0.23	(0.23)
	0.23	**(0.23)**	**0.23**	**(0.23)**

Note: Sensitivity has been calculated using standard Deviation % of USD rate movement.

Note 44.5: Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

(₹ in lakh)

Nominal amount	March 31, 2017	March 31, 2016	April 1,2015
Fixed-rate instruments			
Loans and Advances	51.19	45.75	32.40
Other financial assets	2,761.34	13,976.33	11,028.81
Borrowings	49,520.70	122,650.24	66,036.05
Other financial liabilities	5,580.35	13,080.52	5,316.16
Total	57,913.58	149,752.85	84,413.41
Variable -rate instruments			
Borrowings	16,428.11	9,699.07	-
Total	16,428.11	9,699.07	-
TOTAL	74,341.68	159,451.92	84,413.41

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or (loss) March 31,2017		Profit or (loss) March 31,2016	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(164.28)	164.28	(97.00)	97.00
Cash flow sensitivity (net)	**(164.28)**	**164.28**	**(97.00)**	**97.00**

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

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Note. 45 Hedge accounting

The group's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The group uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The forward exchange forward contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. Most of these contracts have a maturity of 18 months from the reporting date. The group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

a. Disclosure of effects of hedge accounting on financial position

March 31, 2017 **(₹ in lakh)**

Type of hedge	Nominal Value	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Forward exchange forward contracts on outstanding borrowings	2,675.00	170.82	178.08	Derivative asset and derivative liability	May 1,2017 to September 25, 2017	1:1	71.02	237.13	(237.13)
	3,698.72		-		August 2017 to January 2018		70.26	(142.00)	142.00
	6,373.72	**170.82**	178.08					95.13	(95.13)

b. Disclosure of effects of hedge accounting on financial performance

March 31, 2017	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	315.17	-	-	-	-

c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting

Movements in cash flow hedging reserve	**Amount**
As at March 31, 2016	**-**
Add : Changes in fair value	315.17
Less: Deferred tax relating to the above	(109.07)
As at March 31, 2017	**206.10**

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Note 46. Tax expense

(a) Amounts recognised in profit and loss

(₹ in lakh)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Current income tax	7,608.45	4,798.18
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	2,486.96	2,441.10
Reduction in tax rate	69.10	100.31
Recognition of previously unrecognised tax losses	-	-
Deferred tax expense	2,556.06	2,541.41
Tax expense for the year	**10,164.51**	**7,339.59**

(b) Amounts recognised in other comprehensive income

	For the year ended March 31, 2017			For the year ended March 31, 2016		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability	(393.56)	136.21	(257.35)	(201.67)	94.46	(107.21)
Items that will be reclassified to profit or loss						
Foreign operations – foreign currency translation differences	5.67	-	5.67	(119.81)	-	(119.81)
Deferred gains/(losses) on cash flow hedges	315.17	(109.07)	206.10	-	-	-
Jv / Associate's share of other comprehensive income	(23.69)	8.20	(15.49)	15.32	(5.30)	10.02
	(96.41)	**35.34**	**(61.07)**	**(306.16)**	**89.16**	**(217.00)**

(₹ in lakh)

(c) Amounts recognised directly in equity

	For the year ended March 31, 2017			For the year ended March 31, 2016		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
General Reserve						
Less: Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Refer Note No. 61(i)).	425.12	147.13	277.99	425.12	139.31	285.81
	425.12	**147.13**	**277.99**	**425.12**	**139.31**	**285.81**

(d) Reconciliation of effective tax rate

	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit before tax.	**37,456.27**	**33,463.82**
Company's domestic tax rate	34.61%	34.61%
Tax using the Company's domestic tax rate (Current year 34.61% and Previous Year 33.99%)	12,962.87	11,581.16
Tax effect of:		
Expenses not allowed for tax purpose	351.12	154.34
Additional allowance for tax purpose	(1,783.03)	(639.24)
Brought forward losses on which deferred tax asset not recognised	(31.08)	(382.30)
Income not considered for tax purpose	(692.16)	(1,125.10)
Tax paid at lower rate for profit on sales of Investment	(382.87)	(1,355.41)
Difference in overseas tax rate	(0.88)	(2.63)
Share of profit of JV/Associate	(470.80)	(1,131.60)
Other items	211.34	240.37
	10,164.51	7,339.59

The company's weigthed average tax rates for the year ended March 31, 2017 and 2016 was 27.13% and 21.93% respectively.

The effective tax rate for the year ended March 31, 2017 was higher primarily as a result of lower tax exempted income as compared to previous year.

Note. Others in previous year include adjustments on income tax on account of business combination done during that year.

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Note. 47 : Movement in deferred tax balances for the year ended March 31, 2017

(₹ in lakh)

	Net balance April 1, 2016	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Deferred tax asset	Deferred tax liability	Deferred tax Net
Deferred tax asset/(liabilities)								
Property, plant and equipment & Intangible assets	(13,774.72)	(2,705.93)	-	119.51	-	582.36	(16,943.50)	(16,361.14)
Compensated absences		51.17	-	-	-	-	51.17	51.17
Investments	180.17	(84.48)	-	-	-	95.69	-	95.69
Biological Assets	(14.01)	2.99	-	-	-	-	(11.02)	(11.02)
Doubtful Debts	215.55	108.10	-	-	-	-	323.65	323.65
Brought forward capital losses	376.28	(376.28)	-	-	-	-	-	-
Employee Benefits	13.00	210.94	(112.62)	-	-	-	111.32	111.32
MAT Credit Entitlment	606.87	156.57	-	-	-	-	763.44	763.44
Others	(912.24)	80.86	(97.31)	-	-		(928.69)	(928.69)
Total	**(13,309.10)**	**(2,556.06)**	**(209.93)**	**119.51**	**-**	**678.05**	**(16,633.63)**	**(15,955.58)**

Movement in deferred tax balances for the year endeed March 31, 2016

(₹ in lakh)

	Net balance April 1, 2015	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Deferred tax asset	Deferred tax liability	Deferred tax Net
Deferred tax asset/(liabilities)								
Property, plant and equipment & Intangible assets	(5,791.99)	(710.03)	-	102.50	(7,375.20)	757.35	(14,532.07)	(13,774.72)
Compensated absences	-	-	-	-	-	-	-	-
Investments	126.17	(1,053.20)	-	-	1,107.20	(163.39)	343.56	180.17
Biological Assets	(11.56)	(2.45)	-	-	-	-	(14.01)	(14.01)
Doubtful Debts	106.38	109.17	-	-	-	-	215.55	215.55
Brought forward capital losses	681.81	(305.53)	-	-	-	308.64	67.64	376.28
Employee Benefits	61.78	(72.59)	23.81	-	-	-	13.00	13.00
MAT Credit Entitlement	127.12	479.75	-	-	-	-	606.87	606.87
Others	74.29	(986.53)	-	-	-	268.28	(1,180.52)	(912.24)
Tax assets (Liabilities)	**(4,626.00)**	**(2,541.41)**	**23.81**	**102.50**	**(6,268.00)**	**1,170.88**	**(14,479.98**	**(13,309.10**

The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Given that the group does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

Note 48 Capital Management

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the group's Capital Management is to maximise shareholder value. The group manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The group monitors capital using a ratio of ‘adjusted net debt’ to ‘equity’. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The group's policy is to keep the ratio below 2.00. The group's adjusted net debt to equity ratio at March 31, 2017 was as follows.

(₹ in lakh)

	As at March 31, 2017	As at March 31, 2016
Total Borrowings	66,344.83	137,180.80
Less : Cash and cash equivalent	5,381.95	3,142.99
Adjusted net debt	60,962.88	134,037.81
Adjusted equity	126,284.81	101,597.64
Adjusted net debt to adjusted equity ratio	0.48	1.32

Note 49 Segment Information for the period ending March 31, 2017

Factors used to identify the entity's reportable segments, including the basis of organisation -

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director (MD) of the group. The group has identified the following segments as reporting segments based on the information reviewed by CODM:

1) Animal feed
2) Crop Protection
3) Vegetable Oil
4) Others

(i) Information about Primary business Segments

Segment Information

(i) Information about Primary business Segments **For the year ended March 31, 2017** **(₹ in lakh)**

	Animal Feeds	Vegetable Oil	Crop Protection	Dairy	Other Business	Unallocated	Elimination	Total
Revenue								
Total Sales	262,082.16	50,664.16	76,472.52	100,991.70	4,097.78	-	(1,668.14)	492,640.18
Less : Inter-segment	-	-	-	-	-	-	-	-
External Sales	262,082.16	50,664.16	76,472.52	100,991.70	4,097.78	-	(1,668.14)	492,640.18
Result								
Segment Result	16,637.34	10,268.53	17,079.72	3,666.99	(1,082.22)	-	(39.00)	46,531.36
Unallocated expenditure net of unallocated income	-	-	-	-	-	(8,540.21)	-	(8,540.21)
Interest expenses	-	-	(1,223.53)	(492.96)	(356.39)	(6,803.57)	242.27	(8,634.18)
Interest Income	-	-	99.18	392.44	199.82	1,030.92	(242.26)	1,480.10
Dividend Income and Profit on sale of Investments	-	-	-	266.32	-	2,937.63	(440.52)	2,763.43
Profit before Exceptional, Tax & Share of Equity Accounted Investees	16,637.34	10,268.53	15,955.37	3,832.79	(1,238.79)	(11,375.23)	(479.51)	33,600.50
Share of Equity Accounted Investees Net of Tax						1,855.76		1,855.76
Exceptional Items :Write back of provision for loan given to ESOP Trust of holding company						2,000.00		2,000.00
Profit Before Taxation	16,637.34	10,268.53	15,955.37	3,832.79	(1,238.79)	(7,519.47)	(479.51)	37,456.26
Provision for taxation	-	-	1,446.35	1,509.72	(4.05)	7,269.97	(57.48)	10,164.51
Profit after taxation	16,637.34	10,268.53	14,509.02	2,323.07	(1,234.74)	(14,789.44)	(422.03)	27,291.75
Profit after taxation	16,637.34	10,268.53	14,509.02	2,323.07	(1,234.74)	(14,789.44)	(422.03)	27,291.75
Other Information								
Segment assets	94,766.14	19,102.05	86,737.00	69,356.68	8,590.74	84,610.28	(41,719.20)	321,443.69
Segment liabilities	71,989.40	1,730.73	36,870.76	22,642.06	3,218.65	59,777.82	(1,071.54)	195,157.88
Capital expenditure	4,627.55	1,746.25	2,727.75	11,003.99	542.06	353.20	-	21,000.80
Depreciation	2,684.68	1,310.41	1,216.35	1,619.47	160.15	475.42	-	7,466.48

(i) Information about Primary business Segments **For the year ended March 31, 2016** **(₹ in lakh)**

	Animal Feeds	Vegetable Oil	Crop Protection	Dairy	Other Business	Unallocated	Elimination	Total
Revenue								
Total Sales	254,420.18	40,419.24	49,593.81	27,289.03	3,870.32	-	(97.09)	375,495.50
Less : Inter-segment	-	-	-	-	-	-	-	-
External Sales	254,420.18	40,419.24	49,593.81	27,289.03	3,870.32	-	(97.09)	375,495.50
Result								
Segment Result	18,468.89	6,168.70	9,633.40	147.25	(1,270.28)	-	-	33,147.96
Unallocated expenditure net of unallocated income	-	-	-	-	-	(6,099.35)		(6,099.35)
Interest expenses	-	-	(606.09)	(109.45)	(205.26)	(9,082.01)	261.97	(9,740.84)
Interest Income	-	-	171.89	82.01	135.81	788.32	(261.97)	916.06
Dividend Income and Profit on sale of Investments	-	-	(10.33)	(0.27)	-	3,319.85	(190.24)	3,119.01
Profit before Exceptional, Tax & Share of Equity Accounted Investees	18,468.89	6,168.70	9,188.87	119.54	(1,339.73)	(11,073.19)	(190.24)	21,342.84
Share of Equity Accounted Investees Net of Tax						3,269.76		3,269.76
Exceptional Items :Write back of provision for loan given to ESOP Trust of holding company			(298.78)			9,150.00		8,851.22
Profit Before Taxation	18,468.89	6,168.70	8,890.09	119.54	(1,339.73)	1,346.57	(190.24)	33,463.82
Provision for taxation	-	-	216.30	24.61	44.17	7,054.52	-	7,339.60
Profit after taxation	18,468.89	6,168.70	8,673.79	94.93	(1,383.90)	(5,707.95)	(190.24)	26,124.22
Other Information								
Segment assets	95,869.86	20,603.04	76,625.28	64,955.40	14,479.74	94,290.13	(54,379.97)	312,443.47
Segment liabilities	58,299.69	3,110.19	45,188.54	19,893.59	11,647.02	81,872.22	(9,165.47)	210,845.77
Capital expenditure	5,189.93	3,063.50	16,622.76	11,190.77	421.91	881.80	-	37,370.69
Depreciation	2,399.64	1,180.64	607.48	417.23	138.98	493.54	-	5,237.50

Note 50 : Contingent Liabilities (₹ in lakh)

Particulars		March 31, 2017	March 31, 2016	April 1, 2015
Claims against the group not acknowledged as debts:				
(i)	**Excise Matter**			
	Excise duty demands relating to disputed classification, assessable values, availment of credit etc. which the group has contested and is in appeal at various levels	16,269.85	14,809.38	5,455.15
(ii)	**Service Tax Matter**			
	Service Tax demand amounting to ₹ 1.02 lakh raised by Central Excise Department at Lote in respect of dispute arising out of works contract transaction. An equal amount is levied by the department towards interest and penalty. The group has preferred an Appeal against this Order of Assessing Officer.	2.04	-	-
(iii)	**Customs Matter**			
a	The group has preferred an appeal with the Customs Dept. in the matter of Assessable value of imported Capital goods and presently the case is pending with the Commissioner of Customs, Chennai.	99.05	20.43	12.81
(iv)	**Income Tax**			
a	The group has received a rectification order u/s 154 of Income Tax Act, 1961 for AY 2014-15 dated 23.01.2017, as per the said order amount determined to be payable is ₹ 132.43 lakh which includes interest amounting to ₹ 25.45 lakh.	132.43	-	-
b	The group has preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y 2013-14 in which a demand of ₹143.05 lakh has been determined to be payable by the Company.	143.05	1,059.23	-
c	The Group has preferred appeal before Commisioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y. 2012-13 in which a demand of ₹ 916.18 lakh has been determined to be payable by holding company the above demand includes taxes amounting to ₹ 769.88 lakh towards which credit has not been granted by income tax department.	-	-	916.18
d	The group has preferred an Appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y 2012-13 and A.Y 2013-14 in which a demand of ₹ 1.96 lakh and ₹ 3.00 lakh respectively has been determined to be payable by the group. The above demand pertains to Dividend Distribution Tax paid by Bahar Agrochem & Feeds Ltd (since merged with Godrej Agrovet Ltd) the credit of which has not been granted by the Income Tax department and disallowances under section 14 A of the Income Tax Act.	-	4.96	1.96
e	The Group has preferred appeal against the order of assessing officer and CIT in which demand of ₹ 437.86 Lakh has been determined for various assessment years as under. The said demand also included interest payable up to the date of passing order by the competent authority i.e. assessing officer / CIT.	437.86	149.66	-
f	The group had preferred an Appeal against the dis-allowance of deduction U/s 80-I of the Income Tax Act, 1961, the details of which are given below. The Appellate Tribunal Hyderabad has passed an order to, partly allow deduction under section 80-I of the Income Tax Act, in respect of Milk products manufactured. The Assessing Officer order for part refund of Income tax paid is still pending.	51.30	51.30	-
g	The group has preferred an appeal against the disallowance of deduction U/s 32(1)(iia) of the Income Tax Act, 1961.Against the aforesaid demand, the group has deposited / adjusted payment aggregating to ₹33.72 lakhs.	38.21	38.21	-
				-
h	The group has preferred an appeal against the dis-allowance of deduction U/s 36(1)(iva) of the Income Tax Act, 1961 and other expenditure, the details of which are given below. Against the aforesaid demand, the company has deposited the demand amount of tax.	12.75	12.75	-
i	The group has preferred an appeal against the dis-allowance u/s 14A & u/s 36 of the Income Tax Act, 1961, the details of which are given below. Against the aforesaid demand, the refund has adjusted (Tax Deposited)	10.75	10.75	-
(v)	**Sales Tax Matters**			
a	The group has preferred an appeal before the Deputy Excise and Taxation Commissioner, Jalandhar against the penalty order issued by the VAT officer for the F.Y. 2010-11	-	0.99	0.99
b	The group has preferred an appeal before the Joint Commissioner, Kashipur against the penalty order issued by the VAT officer for the F.Y 2008-09 & F.Y 2012-13	-	12.62	12.62
c	Pending before JSCT(Appeal)	148.47	140.52	
d	Pending before Dy. Comm. Sales tax, Thane	3,613.05	3,396.26	
e	Contingent Liabilities against pending C & H Forms	163.29	154.09	
f	The group has preferred an appeal against levy of Sales Tax on sale of cream and has deposited the entire demand of tax.	26.22	26.22	
g	The group has received assessment orders for the F.Y.2010-11 in respect of assessment of Value Added Tax from the Assistant Commissioner (CT). for ₹1.08 lakh. This pertains to disallowance of VAT input credit claimed. The group has gone on appeal and the same was remanded to assessing officer. The revision order from the assessing officer is awaited.	1.08	1.08	
h	The group has filed writ petition in Telangana High Court against levy of Sales tax on sale of flavoured milk. The details of which are given below.The Honurable High Court of Telangana had passed a favourable order allowing the writ petition filed by the group.The order stating that the writ petition is allowed and impugned order is set aside only in so far as the taxing of flavoured milk @ 14.5%, the miscellaneous petitions, if any pending in this writ petition shall stand closed.	206.05	206.05	
j	The Group has preferred an appeal before the VAT Tribunal at Bhatinda against the penalty order issued by the VAT officer for the F.Y. 2013-14	-	-	1.73

Note 50 : Contingent Liabilities (₹ in lakh)

	Particulars	March 31, 2017	March 31, 2016	April 1, 2015
(vi)	**Civil Matter**			
	Nath Bio-Genes (India) Ltd has filed a suit against the Group alleging that some product supplied by the Group was responsible for the poor germination of its seeds.	6,500.00	6,500.00	
(xii)	Suit was filed by Model Financial Corporation Ltd (O.S. No.479/98) for recovery of dues from Ushodaya Agro Products Ltd and Creamline Dairy Products Ltd (CDPL) as borrowers and as alleged guarantor respectively. However, in case of OS No: 479/98, the company has deposited the title deeds of land along with the buildings therein and equipments pertaining to milk chilling center located at Kothapallimitta village Chittor Dist. as security, pending final orders. CDPL has deposited ₹47.00 lakh as per the orders of Honourable City Civil Court, Hyderabad passed in C.M.P No.2777 of 2007 in C.M.P No.282 of 2006 in C.C.C.A no.94 of 2006 dt.14.6.2007. The Company is also liable to pay Interest at the rate of 6% p.a. on the balance due amount of ₹ 47 Lakh which is coming to ₹ 31.84 lakh. The aggregate contingent liability would be ₹ 78.84 Lakh			
(xiii)	The group has cancelled the Milk distributorhip for Hanamkonda (Warangal) due to large overdue outstanding to the extent of ₹6.07 lakh. Consequent to the cancellation of distributionship, the distributor filed case against the group demanding ₹10 lakh Subseuently the group filed a counter claim and the matter is pending for listing in the Court.			
(xiv)	The complaint has been filed regarding the quality of products in Consumer Court towards grievance and expenses incurred by the applicant seeking damage of ₹ 2 lakhs. The complainant has not appeared before the forum during the last four hearings and the group has requested the President of the Consumer Forum to dismiss the case.			
(xv)	A Complaint has been filed under FSSAI for quality of curd in Guntur on the group and penalty of ₹ 3 lakh has been levied. The group has preferred an appeal in the Guntur sessions Court against the referred order.			
(vii)	Buy-back guarantee issued to Industrial Promotional & Development group on behalf of Joint Venture.	-	411.25	411.25
(viii)	Surety Bond issued on behalf of Fellow Subsidiary.	120.67	120.67	2,028.13
(ix)	Letters of Credit given by Group (Different letter of credits issued to various suppliers for supply of material to us.)	199.90	156.80	-
(x)	Guarantees issued by the Banks and counter guaranteed by the group which have been secured by deposits with bank.	1,218.02	775.28	354.22
(xi)	Gurantee issued to Banks on behalf of the Joint Venture Company	-	-	703.23
(xii)	Claims against the company not acknowledged as debt	987.71	732.30	671.08

Note 51 : Commitments

Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	9,832.89	4,240.02	2,566.82
Outstanding Export obligation Under EPCG Scheme	3,895.62	3,858.84	3,472.31

Note 52 : Lease taken by the Group

Operating Lease:

The group's leasing arrangements are in respect of operating leases for premises occupied by the group. These leasing arrangements are non cancellable, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods :

(₹ in lakh)

	Particulars	As at March 31, 2017	As at March 31, 2016
	Future lease commitments		
	- Within one year	304.30	219.96
	- Later than one year and not later than five years	964.91	743.66
	- Later than five years	279.70	425.42
b.	Lease payments recognised in the Statement of Profit & Loss for the year :		
	Minimum lease payments	1,852.65	1,368.43

Finance leases

A. Leases as lessor

The Group assessed one of its arrangements as an embedded lease transaction and determined the same as finance lease. Accordingly, Property, plant and equipment have been derecognised and finance lease receivable have been accounted at present value of minimum lease payments and resultant difference have been charged to retained earnings. Revenue elements identified as fixed charges towards leasing as per the agreement which are covered under minimum lease receivable definition for finance lease accounting is adjusted partly against finance lease receivable to the extent of principal amount and partly recognised as finance income.

i. Future minimum lease receivables

At March 31, the future minimum lease receivable under finance lease arrangement as follows.

(₹ in lakh)

	March 31, 2017			March 31, 2016		
	Future value of minimum lease receivables	Unearned finance income	Present value of minimum lease receivables	Future value of minimum lease receivables	Unearned finance income	Present value of minimum lease receivables
Less than one year	108.93	52.85	56.08	111.36	61.16	50.20
Between one and five years	435.72	119.64	316.08	445.44	162.49	282.94
More than five years	-	-	-	111.36	13.85	97.51
	544.65	**172.49**	**372.16**	**668.16**	**237.50**	**430.65**

Note 53 : Grants/subsidies from government

Subsidy amounting to ₹ 200.00 lakh (previous year ₹ 300.00 lakh) received during the year is in the nature of capital subsidy.

Note 54 : Investments in Subsidiary

During the year the group has extinguished its investment in Godrej Seeds And Genetics Limited and accordingly Godrej seeds And Genetics Limited ceased to be subsidiary of the company.

Note 55 : Balance confirmation

Current Assets, Loans and Advances, Deposits and Sundry Creditors are subject to confirmation / reconciliation and consequential adjustments, if any.

Note 56 : Common expenses shared by the companies

Expenses include ₹474.45 lakh (Previous Year ₹ 499.46 lakh) charged by Godrej Industries Limited, the Holding Company.

Note 57 : Information in Respect of Current Investment in Associates.

During the previous year, the management has decided to divest its stake in Polchem Hygiene Laboratories Private Limited Consequently, the same has been reclassified as current investment in previous year. During the current year the investment in the said associate company has been extinguished.

Note 58 : Acquisition of Seeds business.

a A scheme of Arrangement ("the Scheme") for the demerger of Seeds business of Godrej Seeds and Genetics Limited ("the Demerged Company) into Godrej Agrovet Limited ("the Resulting Company") effect from April 1st, 2015, ("the Appointed date") was sanctioned by the Honourable High Court of Judicature at Bombay ("the Court"), vide its Order dated January 8th, 2016 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on February 9, 2016 (the "Effective Date").

b To give effect to the Honourable Bombay High Court's Order dated January 8th, 2016 regarding Scheme of the Arrangement, the following actions have been performed.

i The excess of face value of the preference shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, along with face value of preference shares issued on account the amalgamation, amounting to ₹1,694.47 lakh has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

ii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 19.38 lakh had been directly charged against the Surplus in Statement of Profit and Loss of the Resulting Company.

c Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by ₹ 1,694.47 Lakh.

Note 59 : Amalgamation of Goldmuhor Agrochem & Feeds Limited.

a A scheme of Amalgamation ("the Scheme") for the amalgamation of Goldmuhor Agrochem & Feeds Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from October 1st, 2013, ("the Appointed date") was sanctioned by the Honourable High Court of Judicature at Bombay ("the Court"), vide its Order dated September 20th, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on December 13th, 2013 (the "Effective Date").

b To give effect to the Honourable Bombay High Court's Order dated September 20th, 2013 regarding Scheme of the Arrangement, the following actions have been performed:

i The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 71.11 lakh has been debited to the General Reserve Account of the Transferee Company as per the Scheme.

ii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting ₹ 40.73 lakh have been directly charged against the balance in General Reserve Account of the Transferee Company.

iii An amount of ₹ 2,000.00 lakh standing to the credit of the General Reserve Account of the Transferee Company has been utilised to increase the Reserve for Employee Compensation Account of the Transferee Company. The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for Employee Compensation Account.

c Had the Scheme not prescribed the above treatment, the balance in General Reserve would have been higher by ₹ 2,111.84 lakh.

Note 60 : Amalgamation of Golden Feed Products Limited.

a A scheme of Amalgamation ("the Scheme") for the amalgamation of Golden Feed Products Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from March 31st, 2014, ("the Appointed date") was sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated April 29th, 2014 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on May 19th, 2014 (the "Effective Date").

b To give effect to the Honourable Bombay High Court's Order dated April 29th, 2014 regarding Scheme of the Arrangement, the following actions have been performed.

The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 97.06 lakh has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

c Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by ₹97.06 Lakh.

Note 61 : Amalgamation of Oil Palm Companies.

As per the scheme of Amalgamation ("the Scheme") of Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery Palm Oil Ltd (CPOL), ("the Transferor Companies"), with Godrej Agrovet Limited (the " Transferee Company"), with effect from April 1, 2011, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been passed.

i Amortisation on Intangible Assets of the Transferor Companies amounting to ₹ 425.12 Lakh in the current year and ₹ 425.12 Lakh in the previous year recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the transferee Company is ₹ 4,251.18 Lakh

ii The excess of book value of the net assets of the Transferor Company taken over, amounting to ₹ 6,055.32 lakh over the face value of the shares held by the transferee Company has been credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the above treatment, the balance in the Securities Premium Account would have been higher by ₹ 6,055.32 Lakh, the balance in General Reserve would have been higher by ₹ 850.24 Lakh.

Note 62 : Amalgamation of Godrej Gold Coin Aquafeed Limited (GGCAL) .

As per the scheme of Amalgamation ("the Scheme") of Godrej Gold Coin Aquafeed Ltd (the Transferor Company), with Godrej Agrovet Limited with effect from April 1,2010, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated January 5, 2011, the following entries have been passed

i The Intangible assets held by GGCAL amounting to ₹ 1,669.14 lakh were adjusted against the balance in the Securities Premium Account of the Holding Company.

ii The excess of book value of the net assets of the Transferor Company taken over, amounting to ₹ 2,505.71 lakh over the face value of the shares held by the transferee Company was credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the treatment of adjusting Intangibles against the balance in the Securities Premium Account, The balance in Securities Premium Account would have been higher by ₹ 4,174.85 Lakh, the Surplus in Statement of Profit & Loss would have been lower by ₹ 4,174.85 Lakh.

Note 63 :Managerial Remuneration .

During the year, the stock options granted under the Company’s stock option scheme were fully vested, exercised and transferred to the eligible employees including the Managing Director of the Company. The perquisite value of the said stock options have been included in the managerial remuneration which resulted in the same exceeding the limits prescribed under Section 197 of the Companies Act, 2013 by an amount of ₹8,661.12 lakh. The Company is in the process of obtaining approval from the Shareholders and Central Government of India for ratification of payment of excess remuneration.

Note 64 : Corporate Social Responsibility expenditure.

Total expenditure incurred on Corporate Social Responsibility activities during the current year is ₹484.04 lakh (previous year ₹227.56 lakh).

Amount spent during the year on:				**(₹ in lakh)**
		In cash	Yet to be paid in cash	TOTAL
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	484.04	-	484.04

Note 65 Disclosure of Joint Venture and Associates

Equity accounted investees

Financial information of joint ventures and associates that are material to the Group is provided below :

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying Amounts		
					March 31, 2017	**March 31, 2016**	**March 31, 2015**
Godrej Tyson Foods Limited*	Maharashtra	49%	Joint Venture	Equity method	8,465.42	7,463.63	6,550.68
ACI Godrej Agrovet Private Limited*	Bangladesh	50%	Joint Venture	Equity method	6,272.82	5,144.77	3,477.91
Omnivore India Capital Trust	Maharashtra		Investment entity	FVTPL	2,786.39	2,592.54	1,210.93
Polchem Hygiene Laboratories Private Limited	Maharashtra	-	Associate	Equity method	-	-	584.57
Al Rahaba International Trading Limited Liability Company	Abu Dhabi	24%	Associate	Equity method	20.36	315.76	406.52
Total equity accounted investments					**17,544.99**	**15,516.70**	**12,230.61**

* Unlisting equity, no quoted prices available.

Summary financial information of Godrej Tyson Foods Limited and not adjusted for the percentage ownership held by the Company, is as follows:

Pariculars	Godrej Tyson Foods Limited			ACI Godrej Agrovet Private Limited		
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2017	March 31, 2016	March 31, 2015
Ownership	49%	49%	49%	50%	50%	50%
Cash and cash equivalent	1,953.31	554.19	531.17	335.16	294.19	111.73
Other current assets	4,845.70	5,459.79	4,460.03	11,186.33	11,678.42	5,093.53
Total current assets	6,799.01	6,013.98	4,991.19	11,521.48	11,972.61	5,205.26
Total non-current assets	15,935.75	14,881.21	13,851.06	20,004.99	19,312.85	15,360.32
Total assets	**22,734.76**	**20,895.17**	**18,842.25**	**31,526.46**	**31,285.46**	**20,565.58**
Current liabilites						
Financial liabilities (excluidng trade payables and provisions)	2,168.00	1,845.15	1,585.21	8,079.77	11,969.81	3,229.29
Other liabilities	1,497.49	1,772.13	1,557.79	3,173.68	2,958.27	1,901.17
Total current liabilities	3,665.49	3,617.28	3,143.00	11,253.45	14,928.08	5,130.46
Non Current liabilites						
Financial liabilities (excluidng trade payables and provisions)	-	-	-	5,861.03	5,791.02	8,402.40
Other liabilities	1,220.69	1,013.25	821.10	491.55	299.41	84.13
Total non current liabilities	1,220.69	1,013.25	821.10	6,352.58	6,090.43	8,486.53
Total liabilities	**4,886.18**	**4,630.53**	**3,964.10**	**17,606.03**	**21,018.51**	**13,616.99**
Net assets	**17,848.57**	**16,264.64**	**14,878.15**	**13,920.42**	**10,266.95**	**6,948.59**
Groups' share of net assets	**8,745.80**	**7,969.68**	**7,290.29**	**6,960.21**	**5,133.47**	**3,474.29**
Carrying amount of interest in joint venture	**8,465.42**	**7,463.63**	**6,550.68**	**6,272.82**	**5,144.77**	**3,477.91**

Particulars	Godrej Tyson Foods Limited		ACI Godrej Agrovet Private Limited	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Revenues	44,754.42	45,101.42	60,404.72	53,526.79
Interest income	97.22	45.45	7.87	20.22
Depreciation and amortisation	(1,512.38)	(1,432.47)	-	-
Interest expense	(0.69)	(6.18)	(1,090.90)	(553.32)
Income tax expense	(991.81)	(631.31)	(549.44)	(735.59)
Profit from continuing opertaions	**1,599.42**	**1,407.13**	**2,256.12**	**3,489.03**
Profit from discontinued opertaions	-	-	-	-
Profit for the year	**1,599.42**	**1,407.13**	**2,256.12**	**3,489.03**
Other comprehensive income	(15.49)	(20.64)	-	-
Total comprehensive income	**1,583.93**	**1,386.49**	**2,256.12**	**3,489.03**
Group's share of profit - As per JV's books	783.72	689.50	1,128.06	1,744.51
Add: Adjustments at GAVL	233.56	233.56		
Group's share of profit	1,017.28	923.06	-	-
Group's share of Other comprehensive income	(7.59)	(10.11)		
Group's share of Total comprehensive income	1,009.69	912.95	1,128.06	1,744.51

Dividends received

The Company's share of profits in Godrej Tyson Foods Limited for the years ended March 31, 2017 and 2016 was ₹1,017.28 lakh and ₹ 923.06 lakh, respectively. The carrying value of the Company's investment in Godrej Tyson Foods Limited as of March 31, 2017 and 2016 was ₹ 8,465.42 lakh and ₹ 7,463.63 lakh respectively.

The Company's share of profits in ACI Godrej Agrovet Private Limited for the years ended March 31, 2017 and 2016 was ₹ 1,128.06 lakh and ₹ 1,744.51 lakh respectively. The carrying value of the Company's investment in ACI Godrej Agrovet Private Limited as of March 31, 2017 and 2016 was ₹ 6,272.82 lakh and ₹ 5,144.77 lakh respectively.

Note 66: Non Controlling Interest

Non controlling interest

Financial information of subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group			Ownership interest held by non-controlling interest			Principal activities
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2017	March 31, 2016	March 31, 2015	
Godvet Agrochem Limited	India	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%	Investment Property
Godrej Seeds & Genetics Limited	India	-	90.00%	90.00%	-	10.00%	10.00%	Cultivation and marketing of high quality Hybrid Seeds
Astec LifeSciences Ltd.	India	55.54%	53.64%	-	44.46%	46.36%	NA	Manufacturing and Distribution of Agrochemical active ingredients and pharmaceutical intermediates.
Creamline Dairy Products Limited	India	51.91%	51.91%	26%	48.09%	48.09%	NA	The Company is principally engaged in milk procurement, processing of milk and manufacturing of milk products. The Company is also engaged in generation of power through renewable energy sources.

The following table summarises information relating to each of the Group's subsidiary, before any inter-company eliminations

I. Summarised statement of profit or loss

	31 March 2017	31 March 2016
(a) Godvet Agrochem Limited		
Total Revenue	341.00	237.81
Profit for the year	40.15	59.86
Other Comprehensive Income	-	-
Profit allocated to non-controlling interests	**-**	**-**
OCI allocated to non-controlling interests	**-**	**-**
Dividends paid to non-controlling interests	**-**	**-**
(b) Godrej Seeds & Genetics Limited		
Total Revenue	370.85	367.90
Profit for the year	(114.64)	(40.02)
Other Comprehensive Income	-	-
Profit allocated to non-controlling interests	**-**	**-**
OCI allocated to non-controlling interests	**-**	**-**
Dividends paid to non-controlling interests	**-**	**-**
(c) Astec LifeSciences Ltd.		
Total Revenue	31,340.35	11,336.80
Profit for the year	2,812.44	(921.48)
Other Comprehensive Income	(6.74)	(4.61)
Profit allocated to non-controlling interests	**1,292.99**	**315.61**
OCI allocated to non-controlling interests	**(2.28)**	**(2.20)**
Dividends paid to non-controlling interests	**-**	**-**
(d) Creamline Dairy Products Limited		
Total Revenue	100,991.70	27,289.03
Profit for the year	2,323.07	94.94
Other Comprehensive Income	(68.82)	25.33
Profit allocated to non-controlling interests	**2,323.07**	**(46.87)**
OCI allocated to non-controlling interests	**(33.09)**	**12.18**
Dividends paid to non-controlling interests	**-**	**-**

II. Summarised balance sheet

(a) Godvet Agrochem Limited

	31 March 2017	31 March 2016	31 March 2015
Non-current liabilities	-	-	-
Current liabilities	1,026.36	5,583.38	1,855.51
	1,026.36	**5,583.38**	**1,855.51**
Non-current assets	2,067.28	1,520.97	1,341.07
Current assets	35.01	5,098.19	1,507.03
	2,102.29	**6,619.16**	**2,848.10**
Net assets	**1,075.92**	**1,035.78**	**992.59**
Net assets attributable to non-controlling interest	**-**	**-**	**-**

	31 March 2016	1 April 2015
(b) Godrej Seeds & Genetics Limited		
Non-current liabilities	-	20.36
Current liabilities	726.02	5,909.66
	726.02	**5,930.02**
Non-current assets	-	156.34
Current assets	625.09	4,518.90
	625.09	**4,675.24**
Net assets	**(100.93)**	**(1,254.78)**
Net assets attributable to non-controlling interest	**(0.60)**	**(0.60)**
(c) Astec LifeSciences Ltd.		
Non-current liabilities	181.75	637.80
Current liabilities	19,372.29	20,644.04
	19,554.04	**21,281.84**
Non-current assets	12,827.70	13,018.21
Current assets	19,837.30	18,632.46
	32,665.00	**31,650.67**
Net assets	13,110.96	10,368.83
Net assets attributable to non-controlling interest	**5,829.34**	**4,811.28**
(d) Creamline Dairy Products Limited		
Non-current liabilities	9,270.33	9,017.94
Current liabilities	11,560.48	10,759.66
	20,830.81	**19,777.60**
Non-current assets	49,259.04	40,271.33
Current assets	12,252.53	17,934.70
	61,511.57	**58,206.03**
Net assets	40,680.76	38,428.43
Net assets attributable to non-controlling interest	19,562.10	18,479.03

III. Summarised cash flow information

(a) Godvet Agrochem Limited		
Cash flows from(used in) in operating activities	**4,607.35**	117.37
Cash flows from(used in) in invetsing activities	**(330.83)**	(3,607.72)
Cash flows from(used in) in financing activities	**(4,032.55)**	3,385.08
Net increase /(decrease) in cash and cash equivalents	**243.97**	**(105.27)**
(b) Godrej Seeds & Genetics Limited		
Cash flows from(used in) in operating activities	(184.96)	
Cash flows from(used in) in invetsing activities	-	
Cash flows from(used in) in financing activities	187.74	
Net increase /(decrease) in cash and cash equivalents	**2.78**	
(c) Astec LifeSciences Ltd.		
Cash flows from(used in) in operating activities	1,862.97	(1,384.09)
Cash flows from(used in) in invetsing activities	(1,709.05)	(1,605.40)
Cash flows from(used in) in financing activities	(94.34)	3,198.53
Net increase /(decrease) in cash and cash equivalents	**59.58**	**209.04**
(d) Creamline Dairy Products Limited		
Cash flows from(used in) in operating activities	2,208.25	5,166.90
Cash flows from(used in) in invetsing activities	(1,550.88)	(4,970.00)
Cash flows from(used in) in financing activities	(255.00)	160.82
Net increase /(decrease) in cash and cash equivalents	**402.37**	**357.72**

IV. Transactions with non-controlling interests - Astec LifeSciences Limited

During the current year, the Group has acquired 1.90% of subsequent interest in Astec LifeSciences Limited. The carrying amount of such additional NCI stake acquired is ₹258.28 Lakh. During the previous year, the Group had acquired 8.34% of stake in Astec LifeSciences Limited through a series of acquisitions during the previous year. The carrying amount of such NCI stake is ₹838.53 Lakh.

	31 March 2017	31 March 2016
Carrying amount of non-controlling interests acquired	**258.28**	838.53
Consideration paid	**2,348.04**	4,246.74
Decrease in Equity attributable to the owners of the Company	**2,089.76**	3,408.21

Transactions with non-controlling interests - Creamline Dairy Products Limited

During the previous year, the Group had acquired 0.54% of stake in Creamline Dairy Products Limited . The carrying amount of such NCI stake was ₹ 347.33 Lakh.

	31 March 2017	31 March 2016
Carrying amount of non-controlling interests acquired	**-**	347.33
Consideration paid	**-**	349.76
Decrease in Equity attributable to the owners of the Company	**-**	2.43

Note No. 67: Related Party Disclosures

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below

1 **Relationships:**

(i) Holding Companies:

Godrej Industries Limited (GIL), Holding Company holds 63.67% Equity Shareholding in Godrej Agrovet Limited (GAVL) as on March 31, 2017.
GIL was a subsidiary of Godrej & Boyce Manufacturing Company Limited (G&B) till March 29, 2017. Consequently, G&B was also the Ultimate Holding Company of GAVL till March 29, 2017 and ceased to be so w.e.f. March 30, 2017.
GIL became a subsidiary of Vora Soaps Limited (VSL) w.e.f. March 30, 2017. Consequently, VSL is the Ultimate Holding Company of GAVL w.e.f. March 30, 2017.

(ii) Subsidiary Companies:

1 Godvet Agrochem Limited
2 Godrej Seeds & Genetics Limited (upto March 18, 2017)
3 Astec LifeSciences Limited
4 Behram Chemicals Private Limited (a subsidiary of Astec LifeSciences Limited)
5 Astec Europe Sprl (a subsidiary of Astec LifeSciences Limited)
6 Comercializadora Agricola Agroastrachem Cia Ltd (a subsidiary of Astec LifeSciences Limited)
7 Creamline Dairy Products Limited
8 Nagavalli Milkline Private Limited (a subsidiary of Creamline Dairy Products Limited)

(iii) Fellow Subsidiaries:

A. Subsidiaries of Godrej & Boyce Mfg. Co. Ltd. (G&B), Fellow subsidiaries upto March 29, 2017 :

1 Godrej Infotech Ltd.
2 Godrej (Singapore) Pte. Ltd., Singapore
3 Veromatic International BV, Netherlands
4 Busbar Systems (India) Ltd.
5 Mercury Mfg. Co. Ltd.
6 Godrej Americas Inc., USA
7 India Circus Retail Pvt. Ltd.

B. Subsidiaries of Godrej Industries Ltd. (GIL) :

1 Godrej Properties Ltd. (GPL)
2 Ensemble Holdings & Finance Ltd.
3 Godrej International Ltd., Isle of Man
4 Natures Basket Ltd.
5 Godrej International Trading & Investments Pte Ltd., Singapore
6 Godrej International Ltd., Labuan Malaysia

C. Subsidiaries of Godrej Properties Limited (GPL) :

1 City Infraprojects Limited
2 Godrej Realty Pvt. Ltd.
3 Godrej Real Estate Pvt. Ltd.
4 Godrej Buildcon Pvt. Ltd.
5 Godrej Projects Development Pvt. Ltd. (GPDPL)
6 Godrej Redevelopers (Mumbai) Pvt. Ltd. (a subsidiary of GPDPL)
7 Godrej Garden City Properties Pvt. Ltd.
8 Godrej Landmark Redevelopers Pvt. Ltd.
9 Godrej Green Homes Ltd.
10 Godrej Home Developers Pvt. Ltd.
11 Godrej Hillside Properties Pvt. Ltd.
12 Godrej Prakriti Facilities Private Limited (a subsidiary of Happy Highrises Ltd.)
13 Godrej Investment Advisers Private Limited
14 Godrej Highrises Properties Private Limited
15 Godrej Genesis Facilities Management Private Limited (a subsidiary of Happy Highrises Ltd.)
16 Godrej Residency Private Limited
17 Godrej Skyline Developers Private Limited
18 Godrej Vikhroli Properties India Limited (Godrej Vikhroli Properties LLP converted into a Public Limited Company)
19 Prakritiplaza Facilities Management Private Limited
20 Godrej Property Developers LLP
21 Mosiac Landmarks LLP
22 Dream World Landmarks LLP
23 Oxford Realty LLP
24 Godrej SSPDL Green Acres LLP
25 Oasis Landmarks LLP
26 M S Ramaiah Ventures LLP
27 Caroa Properties LLP
28 Godrej Construction Projects LLP
29 Godrej Housing Projects LLP
30 Godrej Land Developers LLP
31 Godrej Developers & Properties LLP
32 Godrej Highrises Realty LLP
33 Godrej Project Developers & Properties LLP
34 Godrej Highview LLP
35 Prakhhyat Dwellings LLP
36 Godrej Skyview LLP
37 Bavdhan Realty @ Pune 21 LLP
38 Godrej Green Properties LLP
39 Godrej Projects (Pune) LLP
40 Godrej Projects (Bluejay) LLP
41 Godrej Projects (Soma) LLP
42 Godrej Century LLP
43 A R Landcraft LLP

D. Subsidiaries of Godrej Infotech Ltd. (Fellow subsidiaries upto March 29, 2017) :

1 Godrej Infotech Americas Inc., North Carolina, USA
2 Godrej Infotech (Singapore) Pte. Ltd., Singapore
3 LVD Godrej Infotech NV, Belgium

E. Subsidiaries of Godrej (Singapore) Pte. Ltd. (Fellow subsidiaries upto March 29, 2017) :

1 JT Dragon Pte. Ltd., Singapore
2 Godrej (Vietnam) Co. Ltd., Vietnam (a wholly owned subsidiary of JT Dragon Pte. Ltd.)

F. Other Fellow Subsidiaries (where Godrej & Boyce Mfg. Co. Ltd. owns directly and/or indirectly through one or more subsidiaries, more than one-half of the equity share capital) (Fellow subsidiaries upto March 29, 2017) :

1 Godrej Consumer Products Ltd. (GCPL)
2 Godrej One Premises Management Private Limited

G. Subsidiaries and Sub-subsidiaries of Godrej Consumer Products Limited (GCPL) (Fellow subsidiaries upto March 29, 2017) :

1 Godrej South Africa (Proprietary) Ltd., South Africa (formerly, Rapidol (Pty) Ltd.)
2 Godrej Netherlands BV, Netherlands
3 Godrej UK Ltd. (a subsidiary of Godrej Netherlands BV)
4 Godrej Consumer Products Holding (Mauritius) Ltd., Mauritius
5 Godrej Global Mid East FZE (incorporated in Sharjah, U.A.E.) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
6 Godrej Consumer Products Mauritius Ltd., Mauritius
7 Godrej Household Products Lanka (Private) Ltd., Sri Lanka
8 Godrej Household Products Bangladesh Pvt. Ltd., Bangladesh
9 Godrej Consumer Products Bangladesh Ltd., Bangladesh
10 Godrej Mauritius Africa Holdings Ltd., Mauritius
11 Godrej West Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
12 Godrej Consumer Products (UK) Ltd. (a subsidiary of Godrej UK Ltd.)
13 Godrej Consumer Investments (Chile) Spa, Chile (a subsidiary of Godrej Netherlands BV)

14 Godrej Mideast Holdings Limited, Dubai (a subsidiary of Godrej Indonesia IP Holdings Limited)
15 Godrej Holdings (Chile) Limitada, Chile (a subsidiary of Godrej Consumer Investments (Chile) Spa)
16 Cosmetica Nacional, Chile (a subsidiary of Godrej Holdings (Chile) Limitada)
17 Plasticos Nacional, Chile (a subsidiary of Cosmetica Nacional)
18 Kinky Group (Proprietary) Ltd. (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
19 Godrej Nigeria Ltd., Nigeria (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
20 Indovest Capital Ltd., Malaysia (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
21 Godrej Consumer Products Dutch Cooperatief UA, Netherlands (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
22 Godrej Consumer Products (Netherlands) BV, Netherlands (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
23 Godrej Consumer Holdings (Netherlands) BV, Netherlands (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
24 PT Megasari Makmur, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
25 PT Intrasari Raya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
26 PT Ekamas Sarijaya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
27 PT Indomas Susemi Jaya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
28 PT Sarico Indah, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
29 Panamar Produccioness Srl, Argentina (a subsidiary of Godrej Netherlands Argentina BV)
30 Argencos S.A., Argentina (a subsidiary of Godrej Netherlands Argentina BV)
31 Laboratoria Cuenca S.A., Argentina (a subsidiary of Godrej Netherlands Argentina BV)
32 Deciral Ltd., Uruguay (a subsidiary of Laboratoria Cuenca S.A.)
33 Issue Group Brazil Ltda., Brazil (a subsidiary of Godrej Netherlands Argentina BV)
34 Consell S.A ., Argentina (a subsidiary of Laboratoria Cuenca S.A.)
35 Subinite Pty. Ltd., South Africa (a subsidiary of Godrej West Africa Holdings Ltd.)
36 Lorna Nigeria Ltd., Nigeria (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
37 Weave IP Holding Mauritius Pvt. Ltd., Mauritius (a subsidiary of Godrej West Africa Holdings Ltd.)
38 Weave Trading Mauritius Pvt. Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
39 Hair Trading (Offshore) S. A. L., Lebanon (a subsidiary of Weave Trading Mauritius Pvt Ltd.)
40 Weave Mozambique Limitada, Mozambique (a subsidiary of Godrej West Africa Holdings Ltd.)
41 Godrej East Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Ltd.)
42 Style Industries Ltd., Kenya (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd.)
43 DGH Phase Two Mauritius, Mauritius (a subsidiary Godrej East Africa Holdings Ltd.)
44 Godrej Tanzania Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Ltd.)
45 DGH Tanzania Ltd., Tanzania (a subsidiary of Godrej Tanzania Holdings Ltd.)
46 Sigma Hair Ind. Ltd., Tanzania (a subsidiary of DGH Tanzania Ltd.)
47 Weave Ghana Ltd., Ghana (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
48 Godrej Consumer Products US Holding Limited, Mauritius
49 Darling Trading Company Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
50 Godrej Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
51 Godrej Indonesia IP Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
52 Frika Weave (Pty) Ltd., South Africa (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
53 Belaza Mozambique LDA
54 Charm Industries Ltd.
55 Canon Chemicals Ltd.
56 Godrej Hair Weave Nigeria Ltd.
57 Godrej International Trading Company, Sharjah
58 DGH Angola (name changed from 'Godrej Megasari Holdings')
59 Godrej Hair Care Nigeria Limited
60 Godrej Household Insecticide Nigeria Ltd.
61 Hair Credentials Zambia Limited
62 Godrej SON Holdings Inc., USA
63 Old Pro International Inc
64 Strength of Nature LLC, USA
65 Strength of Nature South Africa Proprietary Limited
66 Style Industries Uganda Limited
67 Weave Senegal Ltd.
68 DGH Uganda
69 Godrej Consumer Products FZCO

(iv) Joint Ventures of Godrej Agrovet Limited:

1 Godrej Tyson Foods Limited
2 ACI Godrej Agrovet Private Limited, Bangladesh

(v) Associates of Godrej Agrovet Limited:

1 Polchem Hygiene Laboratories Private Limited (upto December 12, 2016)
2 Crop Science Advisors LLP
3 Al Rahba International Trading LLC

(vi) Other related parties

1 Anamudi Real Estates LLP
2 Godrej Agrovet Limited Employees Provident Fund Trust.
3 Godrej Agrovet Limited Employees Superannuation Scheme.
4 Godrej Agrovet Limited Employees Group Gratuity Trust.

(vii) Individuals owning, directly or indirectly, an interest in the voting power of Godrej Agrovet Limited that gives them control or significant influence over the enterprise and relatives of any such individual.

1 Mr. Adi B. Godrej
2 Mr. Nadir B. Godrej
3 Mrs. Rati Nadir Godrej (Wife of Mr. Nadir B. Godrej)
4 Ms. Tanya Dubash (Daughter of Mr. Adi B. Godrej)
5 Mr. Arvind Darab Dubash (Husband of Ms. Tanya Dubash)
6 Ms. Nisaba Godrej (Daughter of Mr. Adi B. Godrej)
7 Mr. Kalpesh Mehta (Husband of Ms. Nisaba Godrej)
8 Mr. Pirojsha Godrej (Son of Mr. Adi B. Godrej)
9 Mrs. Karla Godrej (Wife of Mr. Pirojsha Godrej)
10 Mr. Burjis Nadir Godrej (Son of Mr. Nadir B. Godrej)
11 Mr. Sohrab Nadir Godrej (Son of Mr. Nadir B. Godrej)
12 Mr. Hormazad Nadir Godrej (Son of Mr. Nadir B. Godrej)

Key Management Personnel and relatives of such Personnel

1 Mr. B. S. Yadav (Managing Director)
2 Mrs. Upassna Singh
3 Mrs. Kamal Yadav
4 Mr. Anirudh Singh
5 Ms. Anika Singh
6 Mrs. Monica Yadav
7 Ms. Charu Yadav
8 Mr. S. Varadaraj (Chief Financial Officer)
9 Mr. Vivek Raizada (Company Secretary)

Note No. 67: Related Party Disclosures (Contd.)

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below

3. Significant Related Party Transactions :

(₹ in lakh)

Sr. No.	Nature of Transaction	As at March 31, 2017	As at March 31, 2016
1	**Purchase of Fixed Assets**		
	Godrej & Boyce Mfg Co Limited	**76.71**	211.86
	Godrej Industries Limited	**-**	32.85
2	**Sale / Transfer of Fixed Assets**		
	Godrej Tyson Foods Limited	**-**	14.17
3	**Investment in Share Capital**		
	Godrej One Premises Management Pvt. Ltd.	**-**	0.14
4	**Sundry Deposits placed**		
	Godrej Industries Limited	**6.60**	14.21
	Godrej One Premises Management Pvt. Ltd.	**9.00**	-
5	**Intercorporate Deposits placed during the year**		
	Anamudi Real Estates LLP	**-**	3,575.00
	Natures Basket Limited	**5,000.00**	-
6	**Intercorporate Deposits taken during the year**		
	Natures Basket Limited	**7,700.00**	-
7	**Intercorporate Deposits Returned**		
	Natures Basket Limited	**7,700.00**	-
8	**Sale of materials / finished goods**		
	ACI Godrej Agrovet Private Limited	**916.40**	486.94
	Creamline Dairy Products Limited (Associates)	**-**	78.32
	Godrej Consumer Products Limited	**-**	144.06
	Godrej Tyson Foods Limited	**23,182.20**	24,798.50
	Hikal Ltd	**-**	0.17
	Astec Crop Care Private Limited	**282.64**	(96.88)
	Nichem Solutions	**0.16**	-
	khammam milkline p ltd	**1.35**	-
	kavali milk line p ltd	**5.16**	-
9	**Purchase of Materials / Finished Goods**		
	Godrej & Boyce Mfg Co Limited	**49.60**	-
	Godrej Industries Limited	**163.73**	5.36
	Godrej Consumer Products Limited	**30.18**	41.02
	Godrej Tyson Foods Limited	**292.64**	384.78
	Polchem Hygiene Laboratories (P) Ltd	**574.69**	319.73
	Hikal Ltd	**-**	0.83
	Nichem Solutions	**-**	0.58
	ongole milk line p ltd	**2,556.33**	2,271.39
	mohan milk line p ltd	**3,469.07**	2,914.05
	vidya milkline p ltd	**1,289.59**	1,171.22
	khammam milkline p ltd	**1,889.67**	1,906.56

(₹ in lakh)

Sr. No.	Nature of Transaction	As at March 31, 2017	As at March 31, 2016
	pamuru milkline p ltd	**1,218.35**	1,259.04
	kavali milk line p ltd	**4,710.68**	3,076.31
	pragathi milkline p ltd	**1,202.22**	459.64
	dhulipalla milkline p ltd	**1,023.07**	429.72
	orga farms ltd	**120.04**	239.01
	PVR & PSR Enterprises	**347.02**	225.63
10	**Expenses Charged to / Reimbursement made from other companies**		
	ACI Godrej Agrovet Private Limited	**-**	-
	Crop Science Advisors LLP	**-**	0.11
	Godrej Consumer Products Limited	**-**	1.67
	Godrej Industries Limited	**11.81**	0.09
	Godrej Tyson Foods Limited	**288.16**	258.20
	Natures Basket Limited	**21.39**	-
11	**Expenses Charged by / Reimbursement made to other companies**		
	Gobrej Infotech Limited	**3.62**	3.94
	Godrej & Boyce Mfg Co Limited	**19.67**	30.81
	Godrej Consumer Products Limited	**13.71**	4.37
	Godrej Industries Limited	**744.86**	773.61
	Godrej Tyson Foods Limited	**1.48**	42.75
	Natures Basket Limited	**42.19**	-
	Polchem Hygiene Laboratories (P) Ltd	**-**	1.67
	Godrej One Premises Management Pvt. Ltd.	**294.63**	137.64
	Creamline Dairy Products Limited (Associates)	**-**	0.47
	Godrej Properties Limited	**5,175.00**	-
12	**Dividend Income**		
	Creamline Dairy Products Limited (Associates)	**-**	133.60
	Polchem Hygiene Laboratories (P) Ltd	**-**	9.56
13	**Dividend Paid**		
	Godrej & Boyce Mfg Co Limited	**-**	117.53
	Godrej Industries Limited	**-**	2,493.49
	Mr. N. B. Godrej	**-**	91.84
	Mr. A. B. Godrej	**-**	0.11
	Mr. B. S. Yadav	**-**	28.65
14	**Interest income on intercorporate deposits placed**		
	Natures Basket Limited	**6.98**	52.14
	Anamudi Real Estates LLP	**137.87**	155.12
	Astec Crop Care Private Limited	**13.48**	-
	Vora Soaps Limited	**83.73**	113.39
15	**Interest Expenses on intercorporate deposits Taken**		
	Natures Basket Limited	**208.34**	-

(₹ in lakh)

Sr. No.	Nature of Transaction	As at March 31, 2017	As at March 31, 2016
16	**Sundry Income**		
	ACI Godrej Agrovet Private Limited	**247.50**	284.50
	Godrej Consumer Products Limited	**1.39**	39.01
	Godrej Tyson Foods Limited	**-**	-
17	**Outstanding Intercorporate Deposit Receivable**		
	Natures Basket Limited	**-**	520.00
	Anamudi Real Estates LLP	**-**	5,110.00
	Vora Soaps Limited	**-**	1,119.63
18	**Capital Advance Given**		
	Godrej & Boyce Mfg Co Limited	**-**	29.19
	Godrej Vikhroli Properties India Limited	**364.78**	179.54
	Godrej Properties Limited	**-**	-
19	**Outstanding Receivables (Net of Payables)**		
	Godrej & Boyce Mfg Co Limited	**-**	47.47
	Godrej Industries Limited	**69.16**	65.60
	Godrej Properties Limited	**13.95**	-
	Godrej Consumer Products Limited	**(2.48)**	5.61
	Gobrej Infotech Limited	**(0.43)**	-
	Natures Basket Limited	**0.00**	115.68
	Godrej Tyson Foods Limited	**72.05**	236.86
	ACI Godrej Agrovet Private Limited	**933.29**	739.54
	Polchem Hygiene Laboratories (P) Ltd	**-**	0.36
	Anamudi Real Estates LLP	**-**	984.40
	Godrej One Premises Management Pvt. Ltd.	**-**	(1.13)
	Astec Crop Care Private Limited	**282.64**	957.43
	Hikal Ltd	**(37.97)**	-
	Opus Chemicals Private Limited	**(49.36)**	-
	Altimax Financial Services Private Limited	**(3.73)**	-
	Ongole Milk Line	**-**	(52.98)
	mohan milk line p ltd	**(47.34)**	(91.33)
	vidya milkline p ltd	**(7.89)**	(31.85)
	khammam milkline p ltd	**(77.65)**	(51.78)
	pamuru milkline p ltd	**(27.16)**	(26.48)
	kavali milk line p ltd	**(31.15)**	(45.79)
	pragathi milkline p ltd	**(9.57)**	(6.77)
	dhulipalla milkline p ltd	**(13.74)**	(19.07)
	orga farms ltd	**(4.58)**	(5.54)
	PVR & PSR Enterprises	**(25.47)**	(28.13)
	Godrej Agrovet Limited Employees Group Gratuity Trust.	**(420.57)**	(353.84)
20	**Guarantees outstanding**		
	Godrej Consumer Products Limited	**120.67**	120.67
21	**Remuneration to Key Management Personnel**		
	Short Term Employee Benefit	**405.40**	484.45
	Post Employee Gratuity & Medical Benefits	**7.89**	7.27
	Shared Based Payment	**9,952.12**	-

(₹ in lakh)

Sr. No.	Nature of Transaction	As at March 31, 2017	As at March 31, 2016
22	**Director's Sitting Fees**		
	Mr. A.B. Godrej	**6.00**	6.00
23	**Contribution to Post-employment Benefit Plans**		
	Godrej Agrovet Limited Employees Provident Fund Trust.	**1,456.19**	1,313.02
	Godrej Agrovet Limited Employees Superannuation Scheme.	**57.07**	54.95
	Godrej Agrovet Limited Employees Group Gratuity Trust.	**353.84**	288.91

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Note No. 67: Related Party Disclosures (Contd.)

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below

2. The following transactions were carried out with the related parties in the ordinary course of business :

(i) Details relating to parties referred to in items 1 (i), (ii), (iii), (iv), (v)

(₹ in lakh)

	Nature of Transactions	Holding Companies	Subsidiaries & LLP	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
		(i)	(ii)	(iii)	(iv)	(v)	(vi)
1	Purchase of fixed assets	**76.71**	-	-	-	-	-
		244.71	-	-	-	-	-
2	Sale / Transfer of Fixed Assets	-	-	-	-	-	-
		-	-	-	14.17	-	-
3	Investment in share capital	-	-	-	-	-	-
		-	-	0.14	-	-	-
4	Investment in Preference Share Redeemed	-	-	-	-	-	-
		-	-	-	-	-	-
5	Sundry Deposits Placed	**6.60**	-	9.00	-	-	-
		14.21	-	-	-	-	-
6	Intercorporate Deposits Placed during the year	-	-	**5,000.00**	-	-	-
		-	3,575.00	-	-	-	-
7	Intercorporate Deposits Taken during the year	-	-	**7,700.00**	-	-	-
		-	-	-	-	-	-
8	Intercorporate Deposits Returned	-	-	**7,700.00**	-	-	-
		-	-	-	-	-	-
9	Sale of materials / finished goods	-	-	-	**24,098.59**	-	**289.30**
		-	-	144.06	25,285.44	78.32	(96.72)
10	Purchase of materials / finished goods	**213.33**	-	**30.18**	**292.64**	**574.69**	**17,826.03**
		5.36	-	41.02	384.78	319.73	13,953.99
11	Expenses Charged to / Reimbursement made from other companies	**11.81**	-	**21.39**	**288.16**	-	-
		0.09	0.11	1.67	258.20	-	-
12	Expenses Charged by / Reimbursement made to other companies	**764.53**	-	**5,529.14**	**1.48**	-	-
		804.42	-	145.96	42.75	2.14	-
13	Dividend Income	-	-	-	-	-	-
		-	-	-	-	143.15	-
14	Dividend Paid	-	-	-	-	-	-
		2,611.02	-	-	-	-	-
15	Interest income on intercorporate deposits placed	**83.73**	**137.87**	**6.98**		-	**13.48**
		113.39	155.12	52.14	-	-	- -
16	Interest Expenses on intercorporate deposits Taken	-	-	**208.34**	-	-	-
		-	-	-	-	-	-
17	Sundry Income	-	-	**1.39**	**247.50**	-	-
		-	-	39.01	284.50	-	-
18	Outstanding Intercorporate Deposit Receivable	-	-	-	-	-	-
		1,119.63	5,110.00	520.00	-	-	-
19	Capital Advance Given	-	-	**364.78**	-	-	-
		29.19	-	179.54	-	-	-
20	Outstanding receivables (Net of Payables)	**69.16**	-	**11.04**	**1,005.34**	-	**(473.55)**
		113.06	984.40	120.17	976.40	0.36	243.88
21	Guarantees Outstanding	-	-	**120.67**	-	-	-
		-	-	120.67	-	-	-
22	Contribution to Post-employment Benefit Plans	-	-	-	-	-	**1,867.10**
		-	-	-	-	-	1,656.88

(ii) Details relating to persons referred to in items 1 (iv) & (v) above		**As at March 31, 2017**	As at March 31, 2016
1	**Remuneration to Key Management Personnel**		
	Short Term Employee Benefit	**405.40**	484.45
	Post Employee Gratuity & Medical Benefits	**7.89**	7.27
	Shared Based Payment	**9,952.12**	-
2	Dividend Paid	**-**	120.60
3	Director's Sitting Fees	**6.00**	6.00

Note 68 Specified Bank Notes

Disclosure of the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, required as per Notification G.S.R 308 (E) dated 30 March, 2017 issued by the Ministry of Corporate Affairs.

GAVL Consolidated (₹ In lakh)

SBNs Other denomination notes Total	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	236.10	96.26	332.36
(+) Permitted receipts	844.28	6,770.64	7,614.92
(-) Permitted payments	11.37	796.36	807.72
(-) Amount deposited in Banks	1,069.02	5,773.53	6,842.55
Closing cash in hand as on 30.12.2016	-	297.01	297.01

The opening balance includes imprest/advance with employees and amounts collected by field staff on or before 8th November 2016, which has been deposited into the group's bank account subsequently.

Note 69. Business Combinations.

Business acquisition made by subsidiary company Creamline Dairy Products Limited

Name & Description of Acquiree	Nutramaax Food Specalities Private Limited, located in RR District,Telangana	RBS Dairy Farm, Nellai District, Tamilnadu
Nature of business	Processor of milk and milk products	Processor of milk and milk products
Date of Control	1st July 2016	1st February 2017
Type of Acquisition	Slump Sale of Assets	Slump Sale of Assets
Primary reasons for business combination	The processing facilities and chilling centers from RR district, Telangana is predominently for setup of state of art facilities for manufacture of long shelf life of products including UHT and short shelf life products through cold chain infrastructure.	As regards the acquisition of facility in VK pudur we had considered the catchment area of southern Tamilnadu & Kerala which is being presently operated upon. We have also considered this acquisition due to the available processing infrastructure at strategic locations, running operations, profitability and opportunities to expand the market in the present area of operations & contigous areas.

(a) Summary of acquisition

Details of the purchase consideration, the net assets acquired and goodwill/(Capital Reserve) are as follows:

		(₹ In lakh)
Particulars	**Location - Telangana, RR District**	**Location - Nellai District, Tamilnadu**
Purchase consideration	**3,000.01**	**3,295.00**

The assets and liabilities recognised as a result of the acquisition are as follows:

Particulars	Telangana, RR District	Nellai District, Tamilnadu
	Fair value	**Fair value**
Land & Building	1,737.50	2,381.70
Plant and Machinery	1,099.05	509.48
Other Assets	156.55	90.69
Vehicles	41.77	448.46
Security deposits	2.77	-
	3,037.63	**3,430.33**

Calculation of Capital Reserve	Telangana, RR District	Nellai District, Tamilnadu
Consideration transferred	3,000.01	3,295.00
Less: Net identifiable assets acquired	3,037.63	(3,430.33)
Goodwill/(Capital Reserve)	(37.62)	(135.33)

Acquisition related cost of ₹81.64 Lakh that were not directly attributable to the issue of shares are included in other expenses in profit or loss and in operating cash flows in the statement of cash flows.

During the previous year the group has made two business acquisitions as given below

I. Astec Lifesciences Limited

A. Summary of Acquisition

On 12th October 2015, the Company acquired 45.29% equity stake in Astec Lifesciences Limited ('Astec'), a broad based producer of agrochemicals and pharmaceutical intermediates listed on Bombay Stock Exchange and National Stock Exchange.

The business acquisition was conducted by entering into a Share Purchase Agreement for (SPA), through which the company acquired 45.29% stake in Astec.Consequent to this acquisition, mandatory open offer was made to the shareholders of Astec & the Company acquired a further 6.99% stake in Astec. Subsequently, 1.35% stake in Astec has been acquired through purchase from Open Market.

In accordance with certain covenants of the abovementioned SPA, the Company has deposited part of the consideration aggregating to ₹ 3,170 Lakh in escrow accounts pending completion of certain conditions precedent.

The acquisition is a step towards backward integration of the existing agro checmicals business of the Company which is growing rapidly. Significant process and manufacturing capabilties of Astec and pan-India distribution network of the Company offer opportunities for synergies in this business.

For period ended 31 March 2016, Astec contributed revenue of ₹ 11,336.80 lakh and loss (before tax) of ₹ 705.17 lakh to the group's results.

If the acquisition had occurred on 1 April 2015, management estimates that consolidated revenue would have been ₹ 388,857.93 lakh and consolidated profit before tax would have been ₹33,843.93 lakh.

B. Details of purchase consideration, net assets acquired and goodwill

(₹ In lakh)

Particulars	Amount
Cash Paid	16,741.80
Fair value of Astec ESOP (pre-combination charge)	91.02
Total purchase consideration	16,832.82

Acquisition-related cost

The group incurred acquisition related cost of ₹77.98 lakh on legal fees and due diligence costs.These costs have been included in "other expenses" in statement of profit and loss and in operating cashflows in the statement of cash flows.

Identifiable assets acquired and liabilities assumed

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

(₹ In lakh)

Particulars	Amount
Property, plant and Equipment	7,383.26
Identifiable intangible assets	370.89
Investments	52.03
Inventories	6,393.62
Receivables	7,345.06
Other financial assets	575.32
Loans and advances	42.22
Cash and cash equivalents	701.08
Other cash and bank balances	477.26
Other current assets	485.82
Other non-current assets	2,814.52
Fair value of assets acquired	**26,641.07**
Loans and borrowings	(8,122.19)
Current and deferred tax liabilities	(118.75)
Other current liability	(128.58)
Provisions	(648.55)
Other financial liability	(1,817.29)
Trade payables	(6,116.80)
Fair value of liabilities acquired	**(16,952.14)**
Deferred tax on business combination	**1,387.83**
Total identifiable net assets acquired	**11,076.75**

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 7345.06 lakh. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

Goodwill

(₹ In lakh)

Particulars	Amount
Consideration transferred	16,832.82
Non-controlling interest in the acquired entity	6,060.66
Less: Net identifiable assets acquired	(11,076.75)
Goodwill	**11,816.72**

The goodwill on acquisition can be attributable to Astec's considerable experience in the development and production of intermediates and its enduring relationships with large and small companies all over the world. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

C. Purchase consideration - Cash outflow

(₹ In lakh)

Particulars	Amount
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	16,741.80
Less: Balances acquired	
Cash and cash equivalents	(701.08)
Net outflow of cash - investing activities	**16,040.72**

II. Creamlinbe Dairy Products Limited.

A. Acquisition of subsidiary

On December 21, 2015, the Company acquired 25.91% of the shares and voting rights in Creamline Dairy Products Ltd. ('Creamline').As a result, the Group 's equity interest in Creamline increased from 26% to 51.91%, obtaining control of the entity.

Taking control of Creamline dairy will enable the Group to add value through its association with Indian dairy farmers and in-depth knowledge of agri-businesses & rural marketing. Creamline will also get leverage through the Godrej Agrovet brand, which has strong recall with dairy farmers through the cattle feed business.

For the 12 months ended 31/03/2016 , Creamline contributed revenue of ₹ 27,289.03 lakh and profit before tax of ₹ 119.54 lakh to the group's results.If the acquisition had occurred on 1 April, 2015 , management estimates that consolidated revenue would have been ₹ 440,952.54 lakh and consolidated profit would have been ₹ 36,599.97 lakh.

In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on 1 April, 2015.

B. Details of purchase consideration, net assets acquired and goodwill

(₹ In lakh)

Particulars	Amount
Cash Paid	14,819.24
Equity shares issued	-
Total consideration transferred	14,819.24

Acquisition-related cost

The group incurred acquisition related cost of ₹146.68 lakhs on legal fees and due diligence costs.These costs have been included in "administrative expenses"

Identifiable assets acquired and liabilities assumed

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

(₹ In lakh)

Particulars	Amount
Property, plant and Equipment	34,216.53
Identifiable intangible assets	3,822.17
Inventories	7,223.94
Receivables	882.38
Recoverable Taxes	105.26
Investments	0.21
Other loans & advances	1,691.14
Advance to suppliers/capital advances/employees	491.00
Loans and advances to related parties	38.75
Cash and cash equivalents	722.88
Other cash and bank balances	5,112.40
Fair value of assets acquired	**54,306.65**
Loans and borrowings	(1,180.04)
Current & Deferred tax liabilities	(1,753.45)
Provisions for employee benefits	(84.54)
Advance from customers	(907.26)
Statutory dues and other payables	(847.22)
Security deposits	(728.87)
Trade payables	(2,530.13)
Deferred government grant	(274.09)
Fair value of liabilities acquired	**(8,305.59)**
Deferred tax on acquistion	(7,578.71)
Total identifiable net assets acquired	38,422.35

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 882.38 lakh. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

C. Goodwill

(₹ In lakh)

Particulars	Amount
Consideration transferred	14,819.24
Non-controlled interest in the acquired entity	18,684.76
Fair value of previously held equity interest	12,588.37
Less: Net identifiable assets acquired	(38,422.35)
Goodwill	7,670.00

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

The remeasurement to fair value of the Group's existing 26% interest in Creamline Dairy resulted in a gain of ₹ 9,150.07 lakh, which has been recognised in other income.

C. Purchase consideration - Cash outflow

(₹ In lakh)

Particulars	Amount
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	14,819.24
Less: Balances acquired	
Cash and cash equivalents	(722.88)
Net outflow of cash - investing activities	**14,096.36**

Note 70 - First Time Adoption

A. Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following table represents the equity reconciliation from previous GAAP to Ind AS:

Reconciliation of equity as at April 01, 2015 **(₹ in lakh)**

		Indian GAAP	Reclassification - Ind AS	Sch III	Measurement - Ind AS	Ind AS
ASSETS						
(1) Non-current assets						
(a) Property, Plant and Equipment	1a,1b	59,417.81	-	59,417.81	(7,171.96)	52,245.85
(b) Capital work-in-progress		17,453.37	-	17,453.37	(3,648.51)	13,804.86
(c) Intangible Asset		2,218.46	-	2,218.46	(38.58)	2,179.88
(d) Biological assets other than bearer plants	2	-	1,199.65	1,199.65	34.01	1,233.66
(e) Equity accounted investees		-	991.09	991.09	11,239.52	12,230.61
(f) Financial Assets						
(i) Investments		2,241.49	(991.09)	1,250.40	(1,249.63)	0.77
(ii) Loans	3	4,642.44	(3,017.86)	1,624.58	(621.28)	1,003.30
(iii) Others		-	170.34	170.34	-	170.34
(g) Deferred tax assets	4	-	-	-	1,102.48	1,102.48
(h) Other tax assets		-	1,311.54	1,311.54	(129.72)	1,181.82
(i) Other non - current assets	3	328.88	1,535.97	1,864.85	(122.22)	1,742.63
Total non current assets		**86,302.45**	**1,199.64**	**87,502.09**	**(605.89)**	**86,896.20**
(2) Current Assets						
(a) Inventories	9	44,370.89	(1,199.64)	43,171.25	(4,293.44)	38,877.81
(b) Financial Assets						
(i) Investment		6,742.18	-	6,742.18	-	6,742.18
(ii) Trade and other receivables		28,554.08	-	28,554.08	(1,629.19)	26,924.89
(iii) Cash and cash equivalents	7	1,730.90	(117.93)	1,612.97	(309.02)	1,303.95
(iv) Bank balances other than (iii) above	7	-	117.92	117.92	327.41	445.33
(v) Loans		12,441.77	(2,271.83)	10,169.94	(664.12)	9,505.82
(vi) Others	7	1,130.91	-	1,130.91	197.54	1,328.45
(c) Other current assets	3,11	-	2,271.84	2,271.84	1,259.38	3,531.22
Total current assets		**94,970.73**	**(1,199.64)**	**93,771.09**	**(5,111.44)**	**88,659.65**
Total Assets		**181,273.18**	**-**	**181,273.18**	**(5,717.33)**	**175,555.85**

		Indian GAAP	Reclassification - Ind AS	Sch III	Measurement - Ind AS	Ind AS
EQUITY AND LIABILITIES						
(1) Equity						
(a) Equity share capital		9,256.54	-	9,256.54	-	9,256.54
(b) Other equity	1 to 12	54,292.95	-	54,292.95	449.00	54,741.95
Equity attributable to equity holders of the parent		**63,549.49**	**-**	**63,549.49**	**449.00**	**63,998.49**
Non-controlling interests						
Total equity		**63,549.49**	**-**	**63,549.49**	**449.00**	**63,998.49**
(2) Liabilities						
(1) Non Current liabilities						
(a) Financial liabilities						
(i) Borrowings		11,394.57	-	11,394.57	(4,201.21)	7,193.36
(ii) Other financial liabilities	7	-	-	-	445.97	445.97
(b) Provisions		211.25	-	211.25	(52.51)	158.74
(c) Deferred tax liabilities	4	5,594.94	-	5,594.94	133.55	5,728.49
(d) Other non-current liabilities	1b	-	-	-	720.38	720.38
Total non current liabilities		**17,200.76**	**-**	**17,200.76**	**(2,953.82)**	**14,246.94**
(2) Current liabilities						
(a) Financial liabilities						-
(i) Borrowings	9	21,849.93	41,176.72	63,026.65	(1,790.60)	61,236.05
(ii) Trade and other payables	9	64,147.94	(41,176.72)	22,971.22	(1,434.78)	21,536.44
(iii) Other financial liabilities	10	-	6,788.88	6,788.88	3,696.48	10,485.36
(b) Other current liabilities	1b,7	14,259.91	(6,788.88)	7,471.03	(4,618.05)	2,852.98
(c) Provisions	11	265.15	(2.61)	262.54	937.05	1,199.59
(d) Current tax Liabilities (Net)		-	2.61	2.61	(2.61)	-
Total current liabilities		**100,522.93**	**-**	**100,522.93**	**(3,212.51)**	**97,310.42**
Total liabilities		**117,723.69**	**-**	**117,723.69**	**(6,166.33)**	**111,557.36**
Total Equity and Liabilities		**181,273.18**	**-**	**181,273.18**	**(5,717.33)**	**175,555.85**

Reconciliation of equity as at March 31, 2016 (₹ in lakh)

		Indian GAAP	Reclassification - Ind AS	Sch III	Measurement - Ind AS	Ind AS
ASSETS						
(1) Non-current assets						
(a) Property, Plant and Equipment	1b	94,991.68	1,476.55	96,468.23	13,404.40	109,872.63
(b) Capital work-in-progress		12,390.83	-	12,390.83	(6,188.55)	6,202.28
(c) Goodwill		-	25,317.33	25,317.33	(5,830.61)	19,486.72
(d) Intangible assets		2,143.56	-	2,143.56	3,740.50	5,884.06
(e) Intangible assets under development		180.46	-	180.46	-	180.46
(f) Biological assets other than bearer plants	2	-	846.32	846.32	40.49	886.81
(h) Equity accounted investees		-	315.76	315.76	15,200.94	15,516.70
(g) Financial Assets						
(i) Investments		3,668.29	(1,792.33)	1,875.96	(1,874.63)	1.33
(ii) Loans	3	8,488.49	(6,601.49)	1,887.00	(586.36)	1,300.64
(iii) Others		-	186.84	186.84	380.45	567.29
(iv) Goodwill on Consolidation		25,317.33	(25,317.33)	-	-	-
(h) Deferred tax assets	4	-	-	-	1,170.88	1,170.88
(i) Other tax assets		-	2,000.47	2,000.47	(965.15)	1,035.32
(j) Other Non Current Asset	3	266.43	4,470.94	4,737.37	(1,108.36)	3,629.01
Total non current assets		**147,447.07**	**903.06**	**148,350.13**	**17,384.00**	**165,734.13**
(2) Current Assets						
(a) Inventories	9	74,528.48	(846.33)	73,682.15	(7,028.17)	66,653.98
(b) Financial Assets						
(i) Investments		5,862.33	-	5,862.33	98.83	5,961.16
(ii) Trade Receivables		48,611.67	200.06	48,811.73	(3,360.53)	45,451.20
(iii) Cash and cash equivalents	7	4,144.18	(275.91)	3,868.27	(725.28)	3,142.99
(iv) Bank balance other than (iii) above	7	-	344.70	344.70	708.64	1,053.34
(v) Loans		19,319.24	(5,068.94)	14,250.30	(441.01)	13,809.29
(vi) Others	7	-	5,176.01	5,176.01	272.70	5,448.71
(c) Other current assets	3,11	5,170.55	(1,352.53)	3,818.02	1,370.81	5,188.83
Total current assets		**157,636.45**	**(1,822.94)**	**155,813.51**	**(9,104.01)**	**146,709.50**
Total Assets		**305,083.52**	**(919.88)**	**304,163.64**	**8,279.99**	**312,443.63**

		Amount as per previous GAAP	Reclassification - Ind AS	Sch III	Measurement - Ind AS	Amount as per Ind AS
EQUITY AND LIABILITIES						
(1) Equity						
(a) Equity share capital	5	9,257.14	(0.60)	9,256.54	-	9,256.54
(b) Other equity	1 to 12	67,658.75	-	67,658.75	1,392.03	69,050.78
Equity attributable to equity holders of the parent		76,915.89	(0.60)	76,915.29	1,392.03	78,307.32
Non-controlling interests		13,343.61		13,343.61	9,946.71	23,290.32
Total equity		**90,259.50**	**(0.60)**	**90,258.90**	**11,338.74**	**101,597.64**
(2) Liabilities						
(1) Non Current liabilities						
(a) Financial liabilities						
(i) Borrowings	5	4,634.49	524.22	5,158.71	(3,080.99)	2,077.72
(ii) Other financial liabilities	7	-	-	-	653.71	653.71
(b) Provisions		376.50	-	376.50	(51.17)	325.33
(c) Deferred tax liabilities(net)	4	8,152.00	-	8,152.00	6,327.98	14,479.98
(d) Other non-current liabilities		3,551.34	(742.66)	2,808.68	1,901.49	4,710.17
Total non current liabilities		**16,714.33**	**(218.44)**	**16,495.89**	**5,751.02**	**22,246.91**
(2) Current liabilities						
(a) Financial liabilities						
(i) Borrowings	9	89,249.60	42,675.41	131,925.01	(5,875.67)	126,049.34
(ii) Trade Payables	9	78,497.01	(42,644.53)	35,852.48	(2,177.58)	33,674.90
(iii) Other financial liabilities	3,6	-	22,132.17	22,132.17	(26.79)	22,105.38
(b) Other current liabilities	1b, 7	28,407.83	(21,875.23)	6,532.60	(1,499.67)	5,032.93
(c) Provisions	11	1,955.25	(988.66)	966.59	769.94	1,736.53
Total current liabilities		**198,109.69**	**(700.84)**	**197,408.85**	**(8,809.77)**	**188,599.08**
Total liabilities		**214,824.02**	**(919.28)**	**213,904.74**	**(3,058.75)**	**210,845.99**
Total Equity and Liabilities		**305,083.52**	**(919.88)**	**304,163.64**	**8,279.99**	**312,443.63**

Reconciliation of total comprehensive income for the year ended March 31, 2016 (₹ in lakh)

		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind As
Revenue				
I. Revenue from Operations	11	429,825.17	(54,329.67)	375,495.50
II. Other income	12	5,263.16	1,131.72	6,394.88
III. Total Income		**435,088.33**	**(53,197.95)**	**381,890.38**
IV. Expenses				
Cost of materials consumed	9,11	306,727.21	(20,998.95)	285,728.26
Purchases of Stock-in-Trade	11	18,173.32	(822.01)	17,351.31
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	9	(10,735.19)	2,181.12	(8,554.07)
Employee Benefits Expenses	13	16,812.18	(1,243.95)	15,568.23
Finance costs	9	6,130.17	3,636.78	9,766.95
Depreciation and Amortization Expenses	1b	6,222.58	(985.09)	5,237.49
Other Expenses	9	65,769.68	(30,320.31)	35,449.37
Total Expenses (IV)		**409,099.95**	**(48,552.41)**	**360,547.54**
V. Profit before Exceptional item, Tax & Share of Equity Accounted Investees		25,988.38	(4,645.54)	21,342.84
Share of equity-accounted investees, net of tax		-	3,269.76	3,269.76
VI. Exceptional Items		(627.38)	9,478.60	8,851.22
VII. Profit Before Tax (V + VI)		**25,361.00**	**8,102.82**	**33,463.82**
VIII. Tax expense:		**6,893.39**	446.20	**7,339.59**
1. Current Tax		5,304.43	(506.25)	4,798.18
2. Deferred Tax	4	2,068.71	472.70	2,541.41
Less: MAT credit entitlement	4	(479.75)	479.75	-
IX. Profit/(Loss) for the year		**18,467.61**	**7,656.62**	**26,124.23**
X Share of profit in Associates		**630.27**	**(630.27)**	**-**
XI Minority Interest		**(150.83)**	**150.83**	**-**
XII Profit for the year		**18,947.05**	**7,177.18**	**26,124.23**
XIII Other Comprehensive income				-
(A) (i) Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit liability	13	-	(201.67)	(201.67)
Income tax on remeasurements of defined benefit liability		-	94.46	94.46
JV/ Associate's share of other comprehensive income		-	15.32	15.32
(ii) Income tax related to items that will not be reclassified to profit or loss		-	(5.30)	(5.30)
		-	(97.19)	(97.19)
(B) (i) Items that will be reclassified to profit or loss				
Foreign operations – foreign currency translation differences		-	(119.81)	(119.81)
		-	(119.81)	(119.81)
Other Comprehensive Income		-	(217.00)	(217.00)
Total comprehensive income for the year		19,097.88	6,809.35	25,907.23
XVI. Profit attributable to:				
Equity holders of the Company		-	26,392.97	26,392.97
Non-controlling interest			(268.74)	(268.74)
		-	26,124.23	26,124.23
XVII. Other comprehensive income is attributable to :				
Equity holders of the Company			(226.98)	(226.98)
Non Controlling interests			9.98	9.98
		-	(217.00)	(217.00)
XVIII. Total comprehensive income is attributable to :				
Equity holders of the Company		-	26,165.99	26,165.99
Non Controlling interests		-	(258.76)	(258.76)
		-	25,907.23	25,907.23

(₹ in lakh)

B. Reconciliation of Consolidated statement of Equity as previously reported under IGAAP and Ind AS

Particulars	March 31,2016	April 1,2015
Total Equity as per Indian GAAP	**90,259.50**	63,549.49
Fair valuation of investments including investment in Creamline Dairy Products Limited before business acquisition net of Tax	7,992.34	(29.93)
Fair valuation of Inventories, Biological Assets and other assets	(1,603.88)	21.13
Consolidation of ESOP Trust	(58.68)	-
Share of Ind AS adjustments of Joint ventures	482.94	249.22
Deferred tax	703.39	426.09
Net movement in non controlling interest	10,405.40	-
Put option liability created & interest there on	(3,265.75)	-
Purchase of stake from Non Controlling Interest	(3,410.65)	-
Other IND AS adjustments	93.03	(217.51)
Total Equity as per IND AS	**101,597.64**	**63,998.49**

(₹ in lakh)

C. Reconciliation of Statement of Profit and Loss as previously reported under IGAAP and IND AS

Particulars	March 31,2016
Profit as per IGAAP	19,097.88
Fair valuation of investments including investment in Creamline Dairy Products Limited before business acquisition	10,005.51
Fair valuation of Inventories and Biological Assets	(2,482.23)
Impact on account of Acceptances reclassified as borrowing	(33.30)
Tax on Ind AS adjustments	(928.90)
Share of Ind AS adjustments of Joint ventures	223.70
Other IND AS adjustments	24.58
	25,907.24

D. Impact of Ind AS adoption on the Consolidated statement of Cash Flows (₹ in lakh)

Particulars	For the year ended March 31, 2016		
	Previous GAAP	Adjustments	Ind AS
Net Cash flow from Operating Activities	15,924.59	908.95	16,833.54
Net Cash flow from Investing Activities	(51,961.73)	9,180.32	(42,781.41)
Net Cash flow from Financing Activities	3,6920.31	(9,081.59)	27,838.72
Net Increase in Cash and Cash Equivalent	883.17	1,007.68	1,890.85
Cash and Cash Equivalent as at April 1, 2015	1,612.97	(309.02)	1,303.95
Add: Cash and Cash Equivalent acquired during the year	1,423.94	(1,423.94)	-
Less: Cash and Cash Equivalent removed of subsidiary disposed off	(51.81)	-	(51.81)
Cash and Cash Equivalent as at March 31, 2016	3,868.27	(725.28)	3,142.99

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1. **Property Plant and Equipment (PPE)**

   a) On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015 measured as per the IGAAP and use that carrying value as the deemed cost of the property, plant and equipment.

   b) Under Ind AS, government grants relating to property, plant and equipment are required to be presented on a gross basis as an addition to the related asset & as deferred government grant, and the same is recognised in the statement of profit & loss on a systematic basis over the useful life of the asset.

   Under IGAAP, for certain grants the Company presented the amount received as part of the reserves and surplus, while for the remaining grants, the carrying value of the related property plant and equipment are reduced by the amount of the grant.

2. **Biological Assets other than bearer plants:**

   Under IGAAP, biological assets are measured at cost. Ind AS requires all biological assets to be measured on each reporting date at their respective fair values with the fair value changes being recognised in the Statement of Profit and Loss. The impact as of the date of transition has been adjusted through retained earnings.

3. **Financial Assets/ liabilities:**

   Under Ind AS, financial instruments are required to be measured at fair value on initial recognition with the respective instrument being subsequently measured at amortised cost with reference to the discount rate used for determining fair value on initial recognition. The difference between the transaction price and fair value has been appropriately adjusted for the respective arrangement.

4. **Deferred Tax Asset/Liability:**

   Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

   Further, corresponding impact of all Ind AS adjustments (as applicable) has been considered. Minimum Alternate Tax related credit has been reclassified to deferred tax.

5. Under Ind AS, redeemable preference shares are classified as financial liabilities with the dividend payout (if any) being reflected as finance cost.

6. **Interest bearing loans and borrowings**

   Under Indian GAAP, transaction costs incurred in connection with interest bearing loans and borrowings are recognised upfront and charged to profit or loss for the period. Under Ind-AS, transaction costs are included in the initial recognition of financial liability and charged to profit or loss using the effective interest method.

7. **Company's ESOP Trust**

   The Company has set up an ESOP Trust (the Trust) to administer the ESOP scheme for its employees. On consolidation of the Trust, in addition to elimination of transactions between the Company and the Trust, shares of the Company held by the Trust have been presented as a reduction from Shareholders' Funds as Treasury Shares. Other assets and liabilities of the Trust have been presented in the respective sections.

8. **Offsetting:**

   Financial assets and financial liabilities which were offset under Indian GAAP but do not meet the offsetting criteria have been shown gross under Ind AS.

9. **Acceptances:**

   Acceptances earlier classified as trade payables have been reclassified to short term borrowings.

   Application of derecognition requirements prescribed under Ind AS 109 have resulted in derecognition of trade payables and recognition of borrowings towards supplier financing facilities of the Company. Corresponding impact of such derecognition and finance cost have been considered in inventories, borrowings, trade and other payables , cost of materials consumed and finance cost .

10. **Derivative contracts:**

    Under Indian GAAP, the premium and discount on forward contracts were amortised over the contract period. However, under Ind AS such premium or discount is recognised upfront in the profit and loss account and the mark-to-market on such derivative contracts are to be recognised as derivative asset/liability.

11. **Revenue from Operations:**

    Under Ind AS, revenue is required to be measured at the fair value of the consideration receivable net of expected sales returns, rebates, discounts etc.

12. **Other Income:**

    Under Ind AS, corporate guarantee issued on behalf of joint venture without any commission has been measured at fair value with corresponding impact adjusted with investment in the respective joint venture. Consequently, guarantee commission for the respective period has been recognised through income statement.

13. **Employee benefit:**

    Both under Indian GAAP and Ind AS the Company recognised costs related to post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, actuarial gains and losses are charged to profit or loss, however in Ind AS the actuarial gains and losses are recognised through other comprehensive income.

14. **Business Combinations:**

    Under Ind AS, business combinations are accounted for by applying the acquisition method which inter alia requires recognizing and measuring the identifiable assets acquired and liabilities assumed at acquisition date fair values, acquisition related costs are accounted for as expenses in the period these are incurred and remeasurement of its previously held equity interest at acquisition date fair value.

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Note No. 71 : Additional information, as required under Schedule III to the Companies Act, 2013

(₹ in lakh)

Name of the entity in	Net Assets - total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Godrej Agrovet Limited	50.57%	63,861.91	74.66%	20,374.97	46.18%	28.20	74.93%	20,403.18
Subsidiaries								
Indian								
1. GODREJ SEEDS AND GENETICS LIMITED	0.00%	-	-0.42%	(114.64)	0.00%	-	-0.42%	(114.64)
2. GODVET AGROCHEM LIMITED	0.85%	1,075.93	0.15%	40.15	0.00%	-	0.15%	40.15
3. ASTEC LIFESCIENCES LIMITED	10.38%	13,110.96	10.31%	2,812.45	-8.13%	(4.97)	10.31%	2,807.48
4. CREAMLINE DAIRY PRODUCTS LIMITED	32.21%	40,680.75	8.51%	2,323.07	-112.69%	(68.82)	8.28%	2,254.26
Minority interest in all subsidiaries Associates (Investment as per equity method)								
Indian								
Polchem Hygiene Laboratories Private Limited	0.00%	-	0.23%	61.98	0.00%	-	0.23%	61.98
Foreign								
AL RAHABA INTERNATIONAL TRADING LIMITED LIABILITY COMPANY	0.01%	16.04	-1.08%	(295.41)	0.00%	-	-1.08%	(295.41)
Joint Ventures (as per proportionate consolidation / Investment as per equity method)								
Indian								
Godrej Tyson Foods Limited	1.48%	1,862.72	3.73%	1,017.28	-25.36%	(15.49)	3.68%	1,001.79
Omnivore India Capital Trust	0.52%	661.76	-0.21%	(56.15)	0.00%	-	-0.21%	(56.15)
Foreign								
ACI Godrej Agrovet Private Limited	3.97%	5,014.74	4.13%	1,128.06	0.00%	-	4.14%	1,128.06
TOTAL	100.00%	126,284.81	100.00%	27,291.76	-100.00%	(61.07)	100.00%	27,230.69

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FORM AOC-1, in (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries **(₹ in lakh)**

1. Sl. No.	1.	2	3	4
2. Name of the subsidiary	GODVET AGROCHEM LIMITED	ASTEC LIFESCIENCES LIMITED	CREAMLINE DAIRY PRODUCTS LIMITED	GODREJ SEEDS AND GENETICS LIMITED
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR.	INR.	INR.	INR.
5. Share capital	995.00	1,951.29	1,132.47	NA
6. Reserves & surplus	80.93	11,850.89	18,205.27	NA
7. Total assets	2,102.30	33,359.01	33,130.22	NA
8. Total Liabilities	1,026.36	19,556.84	13,792.41	NA
9. Investments	-	0.53	-	NA
10. Turnover	-	31,340.35	100,991.70	370.85
11. Profit before taxation	36.10	2,874.31	4,262.12	(114.64)
12. Provision for taxation	(4.05)	956.44	1,658.30	-
13. Profit after taxation	40.15	1,917.87	2,603.82	(114.64)
14. Other comprehensive income before tax	-	(10.62)	(105.24)	-
15. Tax on Other comprehensive income	-	(5.65)	(36.42)	-
16. Other comprehensive income	-	(4.97)	(68.82)	-
17. Proposed Dividend	-	-	-	-
18. % of shareholding	100.0%	55.5%	51.9%	NA

Names of subsidiaries which have been liquidated or sold during the year	GODREJ SEEDS AND GENETICS LIMITED

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures **(₹ in lakh)**

Name of Associates/Joint Ventures	ACI Godrej Agrovet Private Limited	Godrej Tyson Foods Limited	Omnivore India Capital Trust	Al Rahaba International Trading Limited Liability Company	Polchem Hygiene Laboratories Private Limited
1. Latest audited Balance Sheet Date	31.03.2017	31.03.2017	31.03.2016	31.03.2016	31.03.2016
2. Shares of Associate/Joint Ventures held by the company on the year end	50%	49%	10%	24%	NA
No.	1,850,000	97,461	2125 Units	24	NA
Amount of Investment in Associates	1,248.58	6,602.71	2,124.63	4.32	NA
3. Description of how there is significant influence	due to percentage(%) of Share Capital	due to percentage(%) of Share Capital	The Company participates in the key activities jointly with the Investment Manager.	due to percentage(%) of Share Capital	NA
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	6,960.21	8,745.80	1,626.44	498.01	NA
6. Profit / Loss for the year - 2016-17					
i. Considered in Consolidation	1,128.06	1,017.28	(56.15)	(295.41)	61.98
ii. Not Considered in Consolidation	-	-	-	-	-

Names of associate which have been liquidated or sold during the year	POLCHEM HYGIENE LABORATORIES PRIVATE LIMITED

Names of associate which have been liquidated or sold during the year POLCHEM HYGIENE LABORATORIES PRIVATE LIMITED

For and on behalf of the Board

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

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