

Creating and Fostering Sustainable Growth

In 2010, we had set out on a 10 x 10 journey; to grow 10 times in 10 years. Based on our CREATE strategy, we have been able to achieve the targets that we had set our eyes on and now we need to consolidate our achievements and nurture this sustainable growth that we have consistently focused and achieved. Going forward, this will enable us to create a brighter living for all our valued stakeholders.



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Board of Directors



A.B. Godrej
Chairman



N.B. Godrej
Managing Director



T.A. Dubash
Executive Director &
Chief Brand Officer



A.B. Choudhury



S.A. Ahmadullah



K.K. Dastur



J.N. Godrej



V.M. Crishna



N.S. Nabar
Executive Director &
President (Chemicals)



K.M. Elavia



K.N. Petigara



Aspy Cooper

Corporate Information

AUDITORS : Kalyaniwalla & Mistry, Chartered Accountants

BOARD COMMITTEES

Audit Committee : K. K. Dastur (Chairman)
S. A. Ahmadullah
K. N. Petigara
A. B. Choudhury

Nomination & Compensation Committee : S. A. Ahmadullah (Chairman)
A. B. Choudhury
K. N. Petigara

Stakeholders Relationship/ Shareholders Committee : A. B. Godrej (Chairman)
N. B. Godrej
T. A. Dubash
N. S. Nabar

Corporate Social Responsibility Committee: : N. B. Godrej (Chairman)
T. A. Dubash
K. N. Petigara
A. B. Choudhury

Risk Management Committee : N. B. Godrej (Chairman)
T. A. Dubash
N. S. Nabar

Management Committee : A. B. Godrej (Chairman)
N. B. Godrej
T. A. Dubash
N. S. Nabar

CHIEF FINANCIAL OFFICER : Clement Pinto

COMPANY SECRETARY : Nilufer Shekhawat

REGISTERED OFFICE : Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.
Phone: 022-2518 8010, 2518 8020, 2518 8030
Fax: 022-2518 8066
website: www.godrejindustries.com
CIN No.: L24241MH1988PLC097781

REGISTRARS & TRANSFER AGENT : Computech Sharecap Ltd.
147, Mahatma Gandhi Road,
Opp. Jehangir Art Gallery, Fort,
Mumbai 400 001.
Phone: 022 - 2263 5000 to 2263 5002
Fax: 022 - 2263 5001
E-Mail: helpdesk@computechsharecap.com

FACTORIES

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

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

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

Dombivali : Plot No: W-61, MIDC Phase II,
Sagaon, Sonarpada, Dombivali - East
Thane, Maharashtra, 421204
Phone: 0251 - 2871177

BANKERS

Central Bank of India
State Bank of India
Bank of India
HDFC Bank Ltd.
Citibank N.A.
HSBC Ltd.
DBS Bank Ltd.
Kotak Mahindra Bank Ltd.

Chairman's Statement

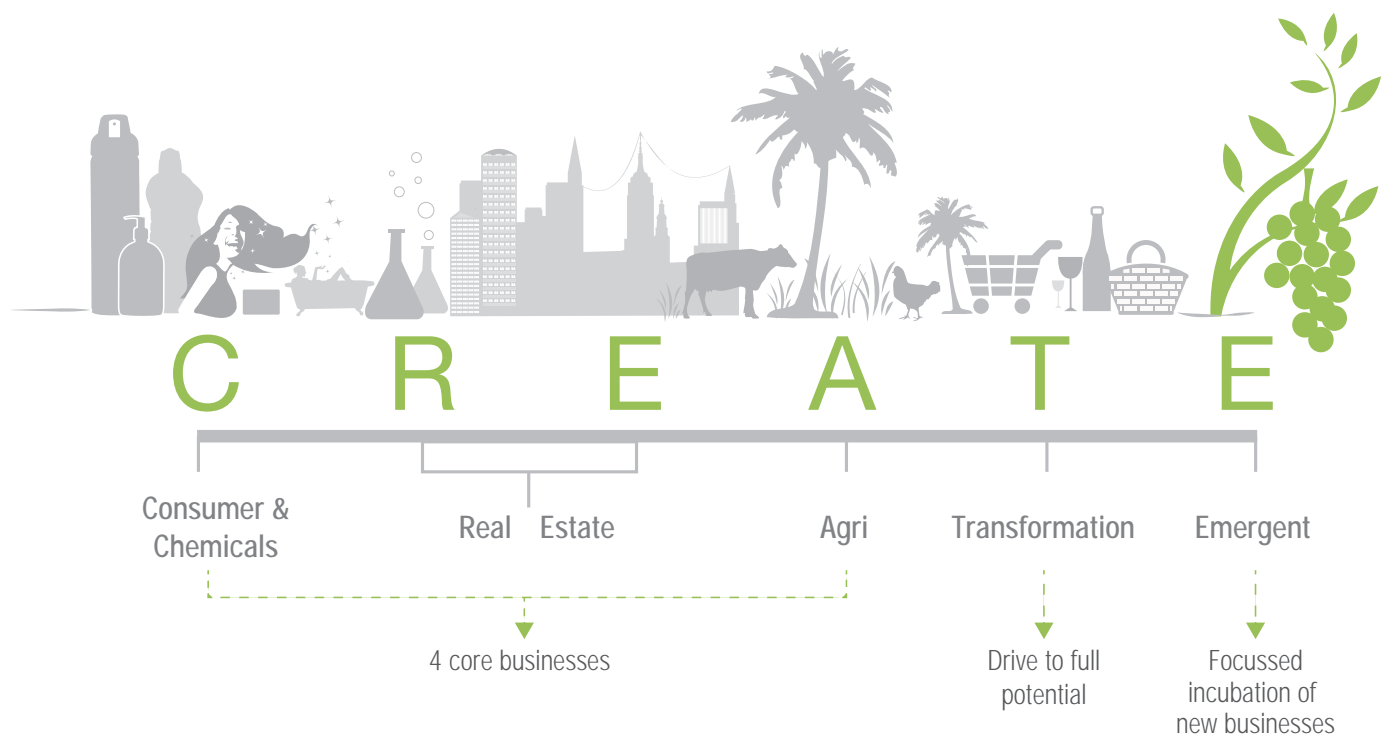


Dear Shareholders,

I am delighted to share with you the events and developments of your Company during course of financial year 2015-16. The overall performance of your Company has witnessed a healthy growth in profits with consolidated Net Profit increasing by 20%. We continued to do well in most of our core businesses. The year gone is representative of the value Godrej Industries continues to create for all its stakeholders.

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

This approach of your Company's business strategy is captured in the approach called CREATE which stands for:



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

C – Consumer and Chemicals Consumer (GCPL)

Godrej Consumer Products Ltd is the largest home-grown home and personal care company in India. In FY15-16 GCPL delivered a strong performance with consolidated net profit increasing by 23%. At GCPL, we are constantly innovating to delight our consumers with more exciting, superior quality products at affordable prices.

One of GCPL's most important imperatives is to extend leadership in our core categories - home care, personal wash and hair care. We remain focused on delivering superior ahead of the market growth, driving consumption and penetration in our core categories, as well as extending into attractive adjacencies. The strategic pillars of GCPL is to sustain leadership position in its core categories, strengthen presence in emerging categories, drive growth in international business, accelerate the pace of innovation, strengthen brand portfolio, create a future ready sales organization, build a global best-in-class supply chain and continue

to execute different initiatives to foster an agile and high performance culture. I am pleased to share that GCPL is recognised among the top 10 best large workplaces in Asia by Great Place to Work. This is highest rank for any FMCG company. We are also ranked among Aon Hewitt's Best Employers in India 2016.

GCPL remains focused on its 3x3 strategy of building a presence in 3 emerging markets (Asia, Africa and Latin America) across 3 categories (home care, personal wash and hair care). This, we believe, will provide us immense opportunities across all our geographies and categories. GCPL is investing strategically in creating new growth vectors for the future, while continuing to drive the core to full potential. We will continue to invest competitively in our brands and enhance our go-to-market infrastructure. The medium and long-term growth prospects in India and our other emerging markets remain robust. I am confident that with our clear strategic focus, differentiated product portfolio, superior execution and top-notch team, we will continue to deliver industry-leading results in the future.

Chemicals

Our Chemicals business has delivered a strong fiscal with PBIT increasing by 114% over the previous year. The chemicals business continued its strong focus on cost control and operational efficiencies. This coupled with a strategic approach to front-end sales contributed to the good performance across product categories.

I am happy to share that our Chemicals business was recognized by Chemexcil (an industry council setup by the Ministry of Commerce and Industry) for its export performance and has received the 'Trishul Award' and 'Gold Award'. I am also happy to share that our Valia plant received the Green Co Best Practices Award 2015 for its carbon neutrality initiatives which include substituting primary energy sources with renewable energy, green power procurement and maximising energy efficiency among others and your company was also awarded the "Energy efficient unit" at the CII's National award for excellence in Energy Management 2015"

R E – Real Estate (GPL)

Godrej Properties, had its best ever financial year across parameters. It recorded highest ever bookings, revenues, EBITDA, net profit, cash flows and deliveries despite a challenging year for the real estate sector. Total income for the year grew by 42% and Net Profit increased by 21%. This performance demonstrates GPL's ability to maintain growth in difficult market conditions. I am happy to share that GPL had its best ever launch '**The Trees**', Vikhroli. In commercial space, GPL entered into the largest ever end-user commercial transaction in India, Godrej BKC where it sold 435,000 sq.ft. for ` 1,479 crore. On the business development front, GPL added 4 new projects to its development portfolio during the year with a saleable area of ~7 million sq. ft. With regards to operations, GPL successfully delivered 6 million sq. ft. in FY15-16 a growth of 71% over the previous year. The real estate sector in India holds huge potential and given our national presence, strong brand and large number

of new projects, we believe, we are well-positioned to fully capitalize on this opportunity.

A – Agri Business (GAVL)

The year at Godrej Agrovet was tough on account of two back to back poor monsoons and subdued commodity prices. Despite this situation, Godrej Agrovet's Total Income for the year has increased by 14% over the previous year. I am happy to share that during the year 2015-16 GAVL made two acquisitions, Astec Life-Science Ltd- a listed niche Agro Chemical Company and Creamline Dairy Products Ltd a prominent dairy company in South India. Astec's acquisition will strengthen GAVL's Agro Chemicals retail presence in the country. With the increase in stake in Creamline Dairy Products Ltd. GAVL intends to build an entire cattle feed to high quality milk/milk product value proposition. We continue our focus on operational efficiencies, R&D initiatives and building a strong relationship with our customers especially the farmers.

The Agri-inputs vertical performed well, growing by 13%, it outperformed the industry in a tough season when most players had a challenging year. With acquisition of Astec Life Sciences the business is expected to clock a healthy growth rate in future. Animal Feeds vertical had a rather challenging year due to muted agri commodity prices and sluggish rural demand for poultry, fish and eggs. In the Oil Palm vertical, sales in FY15-16 remained flat as compared to the previous year. This was mainly because in FY15-16 Crude Palm Oil prices were significantly subdued as compared to FY14-15. However higher production volume helped GAVL to offset the decline in realization in prices of Crude Palm Oil. In the Poultry segment, the business withstood non remunerative broiler prices during the year to deliver a 15% growth in FY15-16 as compared to FY14-15. Our strategy is to focus on building a brand based business and we launched several innovative products under the '**Real Good Chicken**' and '**Yummiez**' brands during the year. Overall, the future prospect of GAVL remains robust and I am confident that we will continue to deliver industry outperforming results in the coming years.