GODFREY PHILLIPS
INDIA LIMITED

ANNUAL REPORT
2023-2024

TOGETHER WE ASCEND

GODFREY PHILLIPS
INDIA LIMITED

ANNUAL REPORT 2023-24

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GODFREY PHILLIPS
INDIA LIMITED

Corporate Information

Board of Directors

DR. BINA MODI - CHAIRPERSON & MANAGING DIRECTOR
(DIN 00048606)

MR. SAMIR KUMAAR MODI - EXECUTIVE DIRECTOR
(DIN 00029554)

MR. SHARAD AGGARWAL - WHOLE-TIME DIRECTOR
(DIN 07438861)

DR. LALIT BHASIN - INDEPENDENT DIRECTOR
(DIN 00001607)

MR. ATUL KUMAR GUPTA - INDEPENDENT DIRECTOR
(DIN 01734070)

MRS. NIRMALA BAGRI- INDEPENDENT DIRECTOR
(DIN 01081867)

MR. SUMANT BHARADWAJ - INDEPENDENT DIRECTOR
(DIN 08970744)

MR. SUBRAMANIAN LAKSHMINARAYANAN - INDEPENDENT DIRECTOR
(DIN 02808698)

MR. AJAY VOHRA - INDEPENDENT DIRECTOR
(DIN 00012136)

MS. CHARU MODI - ADDITIONAL DIRECTOR
(DIN 00029625)
w.e.f. 6th July 2024

CHIEF FINANCIAL OFFICER
Mr. Sunil Agrawal

COMPANY SECRETARY
Mr. Sanjay Kumar Gupta

REGISTERED OFFICE
Macropolo Building, Ground Floor,
Dr. Babasaheb Ambedkar Road, Lalbaug,
Mumbai-400 033

CORPORATE OFFICE
Omaxe Square, Plot No 14, Jasola District
Centre, Jasola, New Delhi-110025

OTHER OFFICES
Ahmedabad, Chandigarh, Ghaziabad,
Hyderabad, Kolkata, Mumbai, Navi Mumbai,
New Delhi, Jaipur, Jammu & Kashmir.

LEAF DIVISION
Guntur (Andhra Pradesh)

STATUTORY AUDITORS
S.R. Batliboi and Co. LLP, Chartered Accountants

INTERNAL AUDITORS
Lodha and Co., Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENT
Link Intime India Pvt. Ltd., C-101, 247, Park,
L.B.S. Marg, Vikhroli (West),
Mumbai-400083

BANKERS
• State Bank of India • Bank of Baroda
• Bank of India • Citibank N.A.

CORPORATE IDENTIFICATION NUMBER
L16004MH1936PLC008587
www.godfreyphillips.co.in

DR. BINA MODI
Chairperson's Message

Dear Shareholders,

The global economy faced numerous challenges in 2023, with demographic pressures, geoeconomic fragmentation, and structural constraints leading to a downward trend in GDP growth. The International Monetary Fund (IMF) reports that rising borrowing costs, reduced private capital formation, and persistent structural issues have contributed to this slowdown with major economies experiencing varying levels of deceleration. Advanced economies remain the most affected by the slowdown, while many emerging markets, benefiting from global supply chain reconfigurations, are showing better performance. However, low-income developing countries are particularly vulnerable, facing revised growth forecasts and increased inflation.

Despite these challenges, there are opportunities for recovery. Advances in artificial intelligence, supply-enhancing structural reforms, proactive measures to mitigate inflationary pressures, and targeted fiscal policies to support the vulnerable segments can ensure a stable and resilient global economy. Countries must implement credible fiscal consolidations, invest in innovation, and foster international cooperation to address inflation, supply chain constraints, and commodity price fluctuations. The global economic landscape requires coordinated efforts and robust policies to navigate the challenges and capitalize on the opportunities ahead.

Looking ahead, while economic forecasts suggest potential growth moderation in 2024, the insights derived from 2023's resilience provide a robust foundation for navigating future uncertainties and capturing emerging opportunities. Continued investments in digital infrastructure, sustainable practices, and innovative retail solutions will be pivotal in sustaining growth and fostering resilience amidst evolving global economic dynamics.

During FY24, the Indian economy achieved significant growth, with GDP expanding by 8.2%, driven by proactive policy reforms, increased government capital expenditure, substantial industrial output and growth in services sector. Despite global challenges, the nation's resilience and dedication to economic development were clearly demonstrated. Looking ahead, continued growth momentum is anticipated, with a forecasted GDP growth of around 7% for FY25. These factors underscore India's position as a key contributor in the global economic landscape, ready to capitalize on opportunities and effectively navigate challenges.

The Indian tobacco industry continues to play a pivotal role in the nation's economy, contributing significantly to employment, revenue generation, and foreign exchange earnings. The industry engages millions of workers in cultivation, processing, and manufacturing, thereby providing substantial livelihood opportunities and supporting economic stability in various regions. Consumer demand in this sector remains sensitive to price dynamics, which directly influence consumption trends, particularly among price-sensitive demographics. Factors such as income levels, cultural preferences, and regulatory frameworks play decisive roles in shaping market dynamics.

Governmental regulations, particularly through taxation policies, exert a significant influence on the tobacco industry. While higher taxes aim to reduce consumption, promote public health, and generate revenue, they can inadvertently stimulate illicit trade. To support the legal cigarette market, the government has implemented measures, including enforcement actions against illegal trade. Continued collaboration between industry stakeholders and law enforcement agencies remains essential to mitigating these challenges and maintaining a sustainable regulatory environment.

We achieved significant financial milestones in FY24 with a Gross Sales Value of Rs. 11,271 crore and a Net Profit of Rs. 884 crore. Our Gross Profit was Rs. 1,975 crore, resulting in a strong Gross Profit Margin of 17.5%. We are pleased to announce a dividend of Rs. 56 per share, demonstrating our commitment to delivering value to our shareholders. The Tobacco segment continued to be the pillar of our revenue, contributing 95% of the Gross Sales Value, and our international operations contributed Rs. 1,343 crore, indicating our global presence and strategic partnerships.

This year, we have made substantial progress in our Environmental, Social, and Governance (ESG) initiatives, alongside our Corporate Social Responsibility (CSR) commitments. Our sustainability strategy has led to a fourfold increase in our Dow Jones Sustainability Index Score, reflecting our dedication to integrating ESG into our core operations. We continue to prioritize the well-being of the marginalized farming community engaged in tobacco cultivation. Our community development programs have expanded to 170+ villages, addressing critical issues such as access to safe drinking water, sanitation, education, and social protection. Key initiatives include the installation of new RO plants, the establishment and maintenance of biodiversity parks, carrying out volumetric analysis of check dams, construction of new community sheds, creating awareness against child labor through educational camps and scholarships and the conduction of new health camps. Our efforts have positively benefited, directly or indirectly, over 250,000 people.

We are proud to be recognized as a 'Great Place to Work' for the sixth consecutive year. This accolade heralds our commitment to creating a positive and supportive work environment, fostering a culture of excellence and employee well-being.

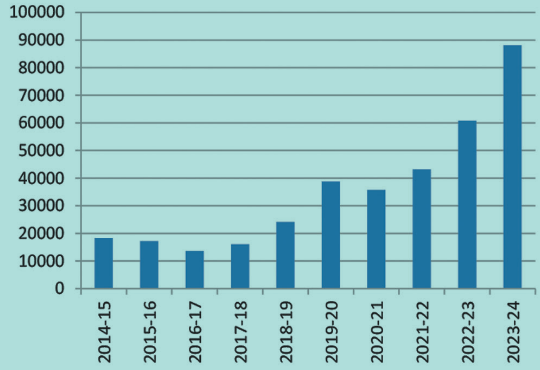
To conclude, I extend my sincere appreciation to our dedicated employees and senior management team for their hard work, commitment, and determination to achieve strong financial results year after year. I am thankful to our esteemed Board of Directors for their invaluable guidance and consistent support. I extend gratitude to our customers, channel partners, farming community, bankers, other stakeholders, and government authorities for their continued confidence in the Company. Finally, I express my heartfelt thanks to you, dear shareholders, for your trust and support, which drives us to strive for excellence and sustainable growth.

Sincerely,
Bina Modi

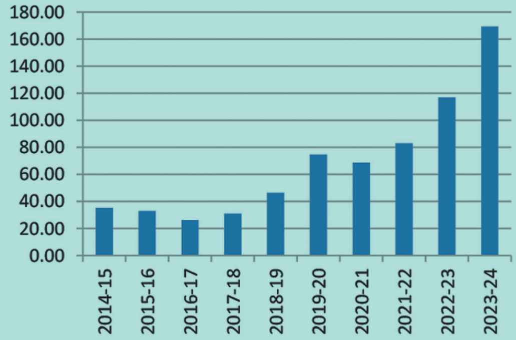
Financial Highlights
Trends

Gross Revenue* (Rs. In lakhs)

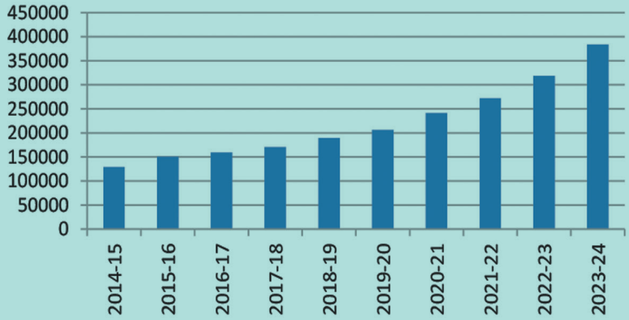
Profit After Tax (Rs. In lakhs)



Earning per Share (In Rs.)

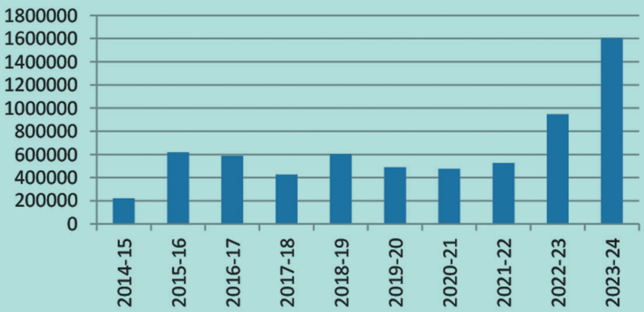


Shareholders' Fund (Rs. In lakhs)



Book value per Equity Share (In Rs.)

Market Capitalization** (Rs. In lakhs)

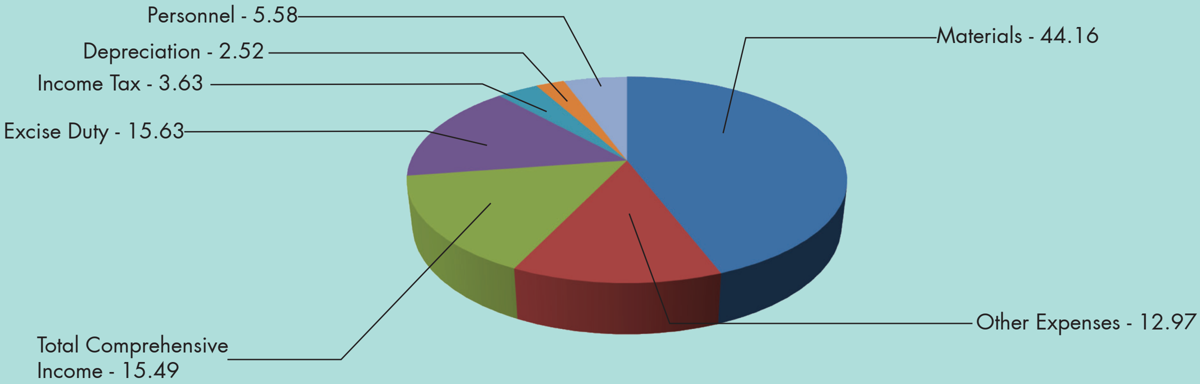


*Gross Revenue figures for the financial years 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 includes all applicable indirect taxes.

** As at 31st March of each financial year.

Financial Highlights

Revenue Distribution



(Rs. In Lakhs)

PARTICULARS	2023-24*	2022-23*	2021-22*	2020-21*	2019-20*	2018-19*	2017-18*	2016-17*	2015-16*	2014-15
CAPITAL EMPLOYED										
Property, Plant and Equipment (including Capital Work-in-Progress, Intangible Assets, Intangible Assets under development & Investment Property)	**64213**	65199	71553	72667	68348	67983	65001	68709	72434	71393
Right Of Use Assets ****	**24592**	27170	27697	30380	34475	-	-	-	-	-
Investments	**258244**	236395	171870	147584	118992	114267	89516	50006	39588	32238
Other Assets (net)	**72451**	25656	35350	31166	20085	11703	18955	47504	50719	51634
Deferred Tax Assets (net)	**-**	-	-	-	-	-	-	180	1186	1653
Total	**419500**	354420	306470	281797	241900	193953	173472	166399	163927	156918
FINANCED BY										
Shareholders' Funds	**384118**	318840	272369	241643	206085	189627	170728	159183	150964	129262
Borrowings	**4396**	3463	2978	7490	1114	4118	2672	7216	12963	27656
Lease Liabilities****	**30008**	31913	30602	31969	34459	-	-	-	-	-
Deferred Tax Liabilities (Net)	**978**	204	521	695	242	208	72	-	-	-
Total	**419500**	354420	306470	281797	241900	193953	173472	166399	163927	156918
OPERATING PERFORMANCE										
Gross Revenue	**566468**	442529	332582	304344	315102	267103	293027	444281	429876	448589
Excise Duty	**88503**	69733	54104	43609	19144	11499	56509	200923	195922	196897
Depreciation	**14268**	15065	14216	13845	15238	9592	9565	9413	10220	10226
Profit Before Taxation	**108656**	78961	56160	46495	51590	36264	23429	19777	24562	27140
Profit After Taxation	**88084**	60838	43197	35694	38788	24097	16076	13635	17166	18308
Total Comprehensive Income**	**87701**	61029	43204	35558	37769	23914	16551	13226	16947	-
Proposed Dividend / Interim Dividend	**29117**	22877	14558	12479	12479	5199	4159	4159	4159	4159
Corporate Dividend Tax	**-**	-	-	-	2565	1069	855	847	847	847
INVESTORS' DATA										
Earning Per Equity Share (Rs)***	**169.41**	117.01	83.08	68.65	74.60	46.35	30.92	26.22	33.02	35.21
Dividend Per Equity Share (%)	**2800**	2200	1400	1200	1200	500	400	400	400	400
Number of Shareholders	**38489**	Above 40000	30821	37921	22371	19079	21707	20000	16825	16169

* The figures reported are Ind - AS compliant.
** Total Comprehensive Income reported as per requirement under Ind-AS.
*** Restated for face value @ Rs.2/- per share post split.
****Upon trasition to IndAS-116, "Leases" w.e.f. 2019-20

DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the 87th Annual Report on the business and operations along with the Audited Financial Statements of the Company for the financial year ended 31st March 2024.

ECONOMIC ENVIRONMENT

The global economy demonstrated resilience and robust performance in 2023. Despite challenges such as high inflation, tightening monetary policies, geopolitical risks, and elevated debt levels, global GDP achieved considerable growth, expanding by an estimated 3.2%. The US economy advanced with a growth rate of 2.5%, marking a significant improvement from the previous year. Similarly, the European Union saw a turnaround, registering a modest expansion of 0.4% after a contraction in 2022. This performance underscores the resilience and adaptability of these economies in navigating through difficult times. Looking ahead, while projections indicate a potential slowdown in growth for 2024, the momentum gained in 2023 provides a strong base for continued economic recovery. (Source: IMF WOE April 2024 Page No.10).

Inflation remained a persistent concern throughout 2023, with global rates showing signs of moderation but remaining elevated overall. From 8.1% in 2022, inflation dropped to an estimated 5.7%, reflecting efforts to mitigate inflationary pressures. Nevertheless, many economies continued to deal with inflation rates exceeding central bank targets, leading to gradual adjustments in monetary policies to achieve desired levels. Factors such as persistent disruptions in supply chains, ongoing adjustments in labor markets, and geopolitical tensions contributed to the inflationary environment, necessitating vigilant monitoring and strategic interventions to ensure stability and sustainable economic growth. (Source: UN WESP 2024 Executive Summary 4 and 5)

On the domestic front, the Indian economy consistently demonstrated strong growth and resilience throughout 2023. With an estimated GDP growth of approximately 6.3%, India maintained its position as one of the fastest-growing large economies globally. This achievement underscores the nation's commitment to economic development and prosperity. However, challenges such as tightening financial conditions, balance of payments concerns, and potential impacts from climate changes posed significant hurdles. Nevertheless, strong domestic demand, along with government initiatives in infrastructure development, drove the economy forward, demonstrating India's potential as a significant contributor to the global economic landscape. Looking ahead, with GDP growth expected to remain strong at 6.8% during 2024-25, India is well-prepared to navigate through challenges and capitalize on the opportunities. (Source: MF WOE April 2024 Page No.10)

TOBACCO INDUSTRY

India continues to maintain its position as the world's second-largest producer of tobacco, a significant indicator of its role in global agricultural markets. With an estimated annual production of approximately 800 million kilograms, the tobacco sector remains a crucial component of India's agricultural landscape, contributing to employment, revenue generation, and foreign exchange earnings. Tobacco cultivation occupies a modest 0.24% of the country's total arable land area, predominantly in semi-arid and rain-fed regions where cultivating alternative crops is mostly economically unviable. Tobacco cultivation in India spans across 13 states, with diverse varieties cultivated under varying agro-ecological conditions. India's production pattern, including Flue-Cured Virginia (FCV), Non-FCV, and Non-Cigarette Tobacco products, deviates from global trends, showcasing its adaptability to meet diverse market demands. India is the third-largest producer of FCV tobacco globally, with an annual production of around 230 million kilograms. (Source: https://www.tiionline.org/facts-sheets/tobacco-production/)

India has a competitive advantage in the global tobacco trade, owing to its low production costs and diverse product offerings. While the country's share in world cigarette exports remains modest, it excels in exporting scented Bidis, Hookah tobacco paste, chewing tobacco, and Zarda, thus catering to diverse consumer preferences worldwide. Over the past five years, exports of tobacco and tobacco products have recorded an increase of 76% and 209% in quantity and value terms, respectively. (Source: https://www.ctri.icar.gov.in/for_tobaccoEconomy.php)

The tobacco industry in India sustains livelihoods for millions of individuals, offering employment opportunities to farmers, laborers, and those involved in processing and manufacturing. Approximately 45.7 million people are directly and indirectly employed in the sector, benefiting small-scale farmers, rural women, and tribal communities. In FY2022-23, tobacco and tobacco products contributed Rs. 72,788 crores to the government's tax revenue, underscoring its significance in fiscal planning and resource allocation. Additionally, tobacco exports generated approximately Rs. 9,700 crores in foreign exchange, highlighting its role in strengthening India's trade balance. (Source: https://www.tiionline.org/facts-sheets/livelihood/)

Despite its economic importance, the tobacco industry in India faces challenges, including heightened health awareness, higher taxes, and regulatory restrictions. The implementation of higher taxes and regulatory measures has inadvertently fueled the growth of the illegal cigarette trade, posing threats to public health and national security. To address these challenges, the government has intensified its efforts to combat the illegal cigarette trade through regular raids and seizures. However, the scale of illegal trade remains significant, necessitating continued vigilance and collaborative efforts between industry stakeholders and law enforcement agencies.(Source: https://www.tiionline.org/publications/tii-booklets/).

Looking ahead, India's tobacco industry remains ready for growth, leveraging its diverse product offerings and improving quality standards. By embracing sustainable practices and fostering innovation, the sector can further strengthen its position in the global tobacco trade, contributing to economic development and livelihood enhancement across the country.

CONSUMER AND RETAIL INDUSTRY

The Indian FMCG segment, plays a key role in propelling India's economic growth. In 2023, the FMCG market was valued at USD 121.8 billion and is projected to surge to approximately USD 615.87 billion by 2027, achieving a compound annual growth rate (CAGR) of 27.9% from 2021. This strong growth trajectory is largely driven by India's expanding internet user base, which reached around 780 million in 2023. This increase in connectivity is enhancing digital market integration and significantly influencing consumer behaviors, with the FMCG online market expected to grow from USD 4,540 million in 2022 to USD 76,761 million by 2032. Additionally, the sector's emphasis on digital marketing is evidenced by its 42% share of the total USD 9.92 billion digital advertising expenditure in 2023, and it has also seen active investment activities aimed at enhancing production capabilities and market expansion. (Source: https://www.ibef.org/download/1714543650_FMCG_March_2024.pdf)

Despite the growth prospects, the sectors face several challenges that could influence their development trajectory in India. These include the need to adapt to rapidly changing technological advancements, need to manage supply chain disruptions effectively, thin margins, surging real estate rent, online business including quick commerce and need to navigate an evolving regulatory landscape. Furthermore, there is a pressing requirement to align with consumer preferences that are increasingly shifting towards more sustainable and health-conscious products. This shift demands continuous innovation and adaptation in product offerings and business models.

SEGMENTWISE PERFORMANCE IN 2023-24

Cigarettes

The domestic cigarettes Industry, after the strong bounce-back of FY23, showcased a volume consolidation on a high base and largely remained stable. The industry faced an increasing impact of the global geopolitical tensions which began last year and has caused further strain on the global supply chain. The industry also experienced sharp escalation in tobacco prices and other input costs which put pressure on margins. However, improving macro-economic indicators. Prospects of normal monsoon and recent trends in rural demand recovery after a long gap is expected to propel volume growth in near term.

During the year, your company not only managed these accentuated challenges but also leveraged our brand equity and regained back shares in one of our core markets. The Company continued its strong performance in Regular Size Filter-Tipped (RSFT) segment with core variants like Four Square Special and Four Square Crush showcasing good growth. Your Company has also established a foothold in King Size Filter-Tipped (KSFT) segment with some of our recent additions in the portfolio like Stellar in a contemporary format. This has been achieved by relentless pursuit of spends efficiency and effectively deploying support to these variants.

In continuation of Company’s mission to deliver consumer delight, the endeavour remains to make our brands more and more relevant to the target consumers. We remain committed to delivering higher value to our shareholders by improving the image equity of our core brands and adding pricing power to them, bringing more cost efficiency in our business, leading with innovation to gain market share and mind share of our consumers while using our sales & distribution strength and expanding our reach further into untapped markets.

Confectionary Products

Your Company's confectionery business has shown growth during the year and gross sales grew by 30% over last year. Growth has largely come from Naturalz Imli which is the flagship brand of the Company, backed by strong distribution network available across markets. Funda Gumshums chewing gum is also gaining consumer traction.

Exports

The following table shows the status of exports for different products during the year under report:

Commodity/Product	2023-24	2022-23
	Value (Rs. in crores)	Value (Rs. in crores)
Cigarettes	108.65	149.71
Unmanufactured tobacco/CLB	1206.38	779.69
Cut tobacco	28.37	25.30
Total	**1343.40**	**954.70**

In line with other business goals, your Company has surpassed targets across all categories.

As like earlier years, unmanufactured tobacco exports have been growing year on year and this year your Company has done commendably well by achieving the highest ever export revenue of Rs. 1206 Crores, which is a 55% increase over the previous year. Your Company has now increased its customer base and started exporting to various new geographies. We are continuously focussing on strengthening our relationship with the non-FCV tobacco farmers and are aiming at bringing efficiency in both tobacco buying and processing processes.

Retail

The Company operates 'round the clock's convenience store format under the name 24Seven having more than 150 stores/kiosks spread largely across Delhi NCR, Punjab, Telangana etc. Gross sales during the year were Rs.484 crores. However, the Board of Directors of the Company at its meeting held on 12th April 2024, after due consideration of the stakeholders' feedback, long-term performance of the retail business since inception, prevailing market conditions of retail sector and long-term business strategy of the Company, has decided to exit from carrying out the business operations of its Retail Business Division. The exit will be subject to completion of the necessary formalities.

HUMAN RESOURCE DEVELOPMENT

Your Company's "People First" philosophy has been at the core of its Human Resources strategy. This has resulted in progressive and contemporary people processes and practices, aimed to deliver best in class business results and exemplary employee experience. Your Company's consistent focus on building leadership and managerial capabilities, enhancing skills and competencies of the workforce, providing a safe and inclusive work environment and sustaining a strong performance culture, has accelerated organizational performance and helped deliver better business results. The recognition of your Company as a Great Place to Work, for the 6th consecutive year, reflects its "High Trust – High Performance" work culture. The Company's unwavering commitment to its people instils a sense of pride and confidence in your workforce as well as all other stakeholders. The Company's operating leadership has always been connected to employees and has played a pivotal role in inspiring and motivating people to do their best, and this has laid the foundation of the rising growth trajectory of the organization.

INFORMATION TECHNOLOGY (IT)

Your Company continues to leverage technology to increase digital footprint and realize operational efficiencies. It has made significant progress in digitization of core processes across the enterprise to improve visibility. There have been substantial initiatives to modernize and upgrade some of the core operational support systems including ERP and Data Lake platforms thereby ensuring scalability and improved user experience. Your Company continues to realize benefits of improved collaboration and productivity through its Digital Supply Chain planning platform.

Also, we have modernized our IT Infrastructure components to improve scalability and offer higher resiliency through deployment of SD-WAN (Software Defined – Wide Area Network) solution across locations. Your Company continues to build on its Green IT journey through cloud adoption and consolidation thereby enabling better manageability, efficiencies, and availability of core operational platforms.

We continue to improve on our IT security footprint across the enterprise by leveraging state-of-the-art solutions for cloud security, network traffic segmentation and ongoing threat assessment across its IT landscape. Your Company continues to emphasize on strong IT governance practices through well-defined processes and has been recently re-certified for ISO-27001.

TREASURY OPERATIONS

Your Company continues to enjoy the highest rating of 'CRISIL A1+' for short term debt program, 'CRISIL AA+/Stable' for long term loan, 'CRISIL AA+/Stable' for fund-based credit facilities and long term non-fund based facilities & 'CRISIL A1+' for short term non-fund-based facilities. With these ratings in place, your Company can raise funds at most competitive terms. Following the principles of liquidity, safety and tax efficient returns, your Company has been deploying its long term surplus funds primarily in debt-oriented schemes of reputed mutual funds. Also, the Company continued to park its temporary surpluses in liquid/short-term schemes of various mutual funds.

FINANCIAL RESULTS

	2023-24 Rs. in Lakhs	2022-23 Rs. in Lakhs
Profit before Depreciation and Tax	**122924.26**	94025.32
Less: Depreciation and amortization	**14267.69**	15064.64
Profit before tax	**108656.57**	78960.68
Less: Provision for tax		
- current tax	**19798.34**	18439.82
- deferred tax	**773.86**	(316.84)
Profit after tax for the year	**88084.37**	60837.70
Add: Other comprehensive income/(loss)-net of tax	**(383.43)**	191.57
Total comprehensive income	**87700.94**	61029.27

During the year, the gross sales value registered a growth of 23.89% by reaching the level of Rs. 5274.68 crores from Rs. 4257.65 crores last year. Similarly, the profit after tax is Rs.880.84 crores as compared to Rs. 608.38 crores last year.

DIVIDEND

Your Directors are pleased to recommend the dividend of 2800% i.e. Rs. 56 per equity share of face value of Rs.2/- each. The proposed dividend will absorb Rs. 291.16 crores. There is no amount proposed to be transferred to the general reserves.

DEPOSITS

Your Company has not accepted any deposits, covered under Chapter V of the Companies Act, 2013 and hence, no details pursuant to Rules 8(v) and 8(vi) of the Companies (Accounts) Rules, 2014 are required to be reported.

ANNUAL RETURN

As required under Section 134(3)(a) and section 92(3) of the Companies Act, 2013, the Annual Return as on 31st March 2024 has been uploaded on the Company's website and the same can be accessed at https://www.godfreyphillips.co.in/sustainabililty/annual-return.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on 31st March 2024, your Company had five operating subsidiaries, two associate companies and a controlled entity. The basic details of these companies form part of the Annual Return as on 31st March 2024, which can be accessed through the link given above.

Form AOC-1 containing the salient features of financial statements of the Company's subsidiaries and associates is attached as **'Annexure - 1'**. Note 47 of the consolidated financial statements shows the share of each subsidiary, associate, and controlled entity in the consolidated net assets and profits of the Company. The audited financial statements of these entities will be available for inspection during business hours at the Registered Office of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Indian Accounting Standard (IndAS-110)-Consolidated Financial Statements, Group Accounts form part of this Annual Report. The Group Accounts have been prepared based on financial statements received from the subsidiary, associate and controlled entities, as approved by their respective Boards.

INTERNAL CONTROL SYSTEMS

Your Company has a robust system of internal controls commensurate with the size of the Company and the nature of its business, which ensures that transactions are recorded, authorised and reported correctly apart from safeguarding its assets against loss from wastage, unauthorised use and disposition.

The internal control systems are supplemented by well documented policies, guidelines and procedures which are in line with the internal financial control framework requirements. There is an extensive programme of internal audit by a firm of chartered accountants followed by periodic management reviews.

The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under report, the Company has made significant progress in its Corporate Social Responsibility (CSR) efforts. The Company focused on analysing and assessing its CSR strategies to better align with its ESG goals and sustainability journey. The initiatives were tailored to address the urgent and long-term needs of the communities served, especially focusing on the well-being of non-FCV tobacco farmers. Efforts included initiatives for water and soil conservation, environmental enhancement, improved healthcare access, eradication of child labour, promotion of education, and support for sustainable agriculture.

The Company advanced toward its goal of providing safe drinking water by constructing 5 new RO water plants, bringing the total to 63 in the region. Additionally, 6 health camps were organized, benefiting 770 individuals, adding to the over 280 health camps that have directly benefited over 50,000 people.

To support livelihoods, the Company built 52 community agri-sheds, providing essential shelter for harvested produce and livestock for over 265 farmers. Since the start of our CSR operations, dedicated to good agriculture practices, the Company has constructed 36 check dams in water-stressed regions, ensuring additional water sources for irrigation and other purposes. Furthering efforts towards water conservation, this year the Company assessed all the existing check dams spread across our areas of operations to measure total and actual water storage capacity, identify needs of repair and map requirements for new check dams.

The commitment to education and eliminating child labour was demonstrated through awareness campaigns in 70 villages and awarding scholarships to 420 deserving students for their academic dedication and high attendance.

Environmental sustainability remained a priority, with the maintenance of 4 biodiversity parks that house 9450 trees of native species and the planting of new 70,000 saplings in a 300+ acres of semi-arid region of Andhra Pradesh with the objective of turning it into a lush green space for the community.

Further, Dr. Bina Modi, Chairperson and Managing Director of the Company has been recognized by the Hon'ble Vice President of India for 'Outstanding Contributions to the cause of Corporate Social Responsibility'. These accomplishments underscore our unwavering commitment to holistic community development and the Company's dedication to making a positive impact in the regions it serves.

The Company has constituted a CSR Committee of the Board in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition, terms of reference and details of meeting of CSR Committee forms part of Corporate Governance Report. The brief outline of the CSR policy, overview of the activities undertaken with amounts spent/unspent thereon during the year, reason for unspent CSR thereof and composition of the Committee has been disclosed in **'Annexure - 2'**.

DIRECTORS

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), Mr. Ajay Vohra was appointed as Non-Executive Independent Director of the Company for a period of five consecutive years w.e.f. 1st July 2023 by the Board at its meeting held on 27th May 2023, which appointment was subsequently approved by the shareholders at the 86th Annual General Meeting held on 1st September 2023.

Based on the recommendation of the NRC, Mrs. Nirmala Bagri, Non-Executive Independent Director was re-appointed for the second term of five consecutive years w.e.f. 1st April 2024 by the Board at its meeting held on 27th May 2023, which appointment was subsequently approved by the shareholders at the 86th Annual General Meeting held on 1st September 2023.

The Independent Directors of your Company have confirmed that:

(a) they meet the criteria of Independence as prescribed under Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015; and

(b) they are not aware of any circumstance or situation which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence.

Further, in the opinion of the Board, the Independent Directors fulfill the conditions prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') are competent, experienced, proficient and possess necessary expertise and integrity to discharge their duties and functions as Independent Directors and are independent of the management of the Company.

PERFORMANCE EVALUATION OF THE BOARD, ETC.

Details pertaining to the manner of evaluation of the Board, its committees and individual Directors including Chairperson has been carried out, form part of Corporate Governance Report.

KEY MANAGERIAL PERSONNEL

Dr. Bina Modi, Chairperson and Managing Director, Mr. Samir Kumaar Modi, Executive Director, Mr. Sharad Aggarwal, Whole-time Director, Mr. Sunil Agrawal, Chief Financial Officer and Mr. Sanjay Kumar Gupta, Company Secretary of the Company are considered to be Key Managerial Personnel of the Company as per the provisions of the Companies Act, 2013 and the rules made thereunder.

BOARD MEETINGS

Details of the meetings of the Board held during the year, form part of the Corporate Governance Report.

AUDIT COMMITTEE

The composition, functions and details of the meetings of the Audit Committee held during the year, form part of the Corporate Governance Report.

RISK MANAGEMENT

Your Company considers that risk is an integral part of its business and therefore, it takes proper steps to manage all risks in a proactive and efficient manner. The Company management periodically assesses risks in the internal and external environment and incorporates suitable risk treatment processes in its strategy and business and operating plans. The details of practices being followed by the Company in this regard, form part of the Corporate Governance Report.

There are no risks which, in the opinion of the Board, threaten the very existence of your Company. However, some of the challenges faced by it have been dealt with under Management Discussion and Analysis which forms part of this Report. Your Company has a Risk Management Policy in place and is available on the Company's website at https://www.godfreyphillips.co.in/sustainabililty/policies. The Risk Management Committee reviews the Policy, its effectiveness and adequacy in periodic manner.

Details regarding constitution of Risk Management Committee and its role and responsibilities, form part of the Corporate Governance Report.

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) COMMITTEE

The Company has made sustainability as part of its ways of working during the year. The Board has set up a committee to monitor progress in this regard and the Business Responsibility and Sustainability Report attached herewith provides the necessary information on it.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 (the 'Act'), the Directors, to the best of their knowledge, confirm that:

(i) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

(ii) Appropriate accounting policies have been applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period;

(iii) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) The Annual Accounts have been prepared on a going concern basis;

(v) The internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and are operating effectively; and

(vi) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

The above statements were also noted by the Audit Committee at its meeting held on 30th May 2024.

RELATED PARTY TRANSACTIONS

Form AOC-2 containing particulars of contracts or arrangements entered into by the Company with related parties referred in Section 188(1) of the Companies Act, 2013 is attached as **'Annexure - 3'**.

Details of related party transactions and related disclosures are given in the notes to the financial statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments covered by the provisions of Section 186 of the Companies Act, 2013 (if any) are given in the notes to the standalone financial statements.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Details of Whistle Blower Policy/Vigil Mechanism form part of the Corporate Governance Report.

NOMINATION AND REMUNERATION POLICY

The appointment and remuneration of the Directors is recommended by the Nomination and Remuneration Committee and approved by the Board, subject to approval of the shareholders.

The remuneration payable to the Directors is decided keeping into consideration long term goals of the Company apart from the individual performance expected from them in pursuit of the overall objectives of the Company.

The remuneration of the Executive Directors including Managing Director and Whole-time Director, may consist of both fixed compensation (which may be subject to annual increments) & variable compensation and shall be paid as salary, commission, performance bonus, perquisites and fringe benefits, as may be approved by the Board and within the overall limits as may be approved by the shareholders.

In accordance with the provisions of the Articles of Association of the Company and the Companies Act, 2013, a sitting fee (presently fixed at Rs. 1,00,000 per meeting) is paid to the Non-executive Directors, including Independent Directors, of the Company who are not drawing any remuneration, for attending any meeting of the Board or of any Committee thereof.

The remuneration payable to the Directors shall be governed by the ceiling limits specified under section 197 of the Companies Act, 2013 and shareholders' approval taken from time to time.

The remuneration policy for other senior management employees including key managerial personnel aims at attracting, retaining and motivating high calibre talent and ensures equity, fairness and consistency in rewarding the employees. The remuneration to management grade employees involves a blend of fixed and variable component with performance forming the core. The components of total remuneration vary for different employee grades and are governed by industry practices, qualifications and experience of the employees, responsibilities handled by them, their potentials, etc. Remuneration of senior management employees is also being looked at by the Nomination and Remuneration Committee.

During the year under review, the Board of Directors reviewed the Nomination and Remuneration Policy and amended it to make it more comprehensive by adding detailed clauses on appointment, tenure, removal of Directors and also added the clause for review of the Policy. The Nomination and Remuneration Policy is available on the Company's website at https://www.godfreyphillips.co.in/sustainabililty/policies.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As mandated by the SEBI Listing Regulations, the Business Responsibility and Sustainability Report has been included separately, as part of the Annual Report.

UNCLAIMED SHARES

Status of the unclaimed shares as on 31st March 2024 has been mentioned in the Corporate Governance Report.

CORPORATE GOVERNANCE

The Company is committed to maximise the value for its stakeholders by adopting the principles of good Corporate Governance in line with the provisions of law and particularly those stipulated in the SEBI Listing Regulations. Its objective and that of its management and employees is to manufacture and market the Company's products in a way so as to create value that can be sustained over the long term for consumers, shareholders, employees, business partners and the national economy in general.

Certificate from the statutory auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, is enclosed.

Certificate from Dr. Bina Modi, Chairperson and Managing Director as the Chief Executive Officer (CEO) and Mr. Sunil Agrawal, Executive Vice President–Finance as the Chief Financial Officer (CFO) in relation to the financial statements for the year along with declaration by the Functional CEO regarding compliance with the code of business conduct of the Company by the Directors and the members of the senior management team of the Company during the year, were submitted to and taken note of by the Board.

STATUTORY AUDITORS

In compliance with the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s)/re-enactment(s)/ amendment(s) thereof, for the time being in force), S. R. Batliboi & Co. LLP, Chartered Accountants, (FRN 301003E/E300005) were re-appointed as the Statutory Auditors for another term of five (5) consecutive years until the date of conclusion of the 90th Annual General Meeting, by the Shareholders in the 85th Annual General Meeting of the Company held on 26th August 2022.

Auditors' Report on the financial statements of the Company forms part of the Annual Report and does not contain any qualification, reservation, adverse remark or disclaimer. However, as an exception, the Auditors' in their report, have commented on the audit trail (edit log) feature of the accounting software used by the Company for maintaining its books of accounts. The Auditors' Report along with Note 54 to the financial statements of the Company, is self-explanatory in this regard. The Audit report is not modified to that extent.

COST AUDIT

The provisions of Cost Audit are not applicable on the Company.

SECRETARIAL AUDIT

The Secretarial Audit Report from Chandrasekaran Associates, Practicing Company Secretaries, for the year under report is attached as **'Annexure - 4'** and does not contain any qualification, reservation, adverse remark or disclaimer.

REPORTING OF FRAUDS BY AUDITORS

During the year under report, the Statutory Auditors and Secretarial Auditors have not reported any instance of fraud committed against your Company by its officers or employees, to the Audit Committee or the Board, under section 143(12) of the Companies Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING

Pursuant to Clause 9 of Revised Secretarial Standard -1 (SS -1), your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India, during the financial year under report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under report, no significant and material order was passed by the Regulators/Courts that could impact the going concern status of the Company and its future operations.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of onetime settlement with any Bank or Financial Institution.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as **'Annexure - 5'**.

Pursuant to the provisions of Section 136(1) of the Companies Act, 2013 and as advised, the statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be available for inspection at the Registered Office of the Company during working hours and Members interested in obtaining a copy of the same may write to the Company Secretary and the same will be furnished on request. Hence, the Annual Report is being sent to the Members excluding the aforesaid information.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars prescribed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are attached as **'Annexure - 6'**.

DIVIDEND DISTRIBUTION POLICY

As mandated by the SEBI Listing Regulations, the Board has formulated a dividend distribution policy and the same is attached as **'Annexure - 7'** and is also available on the Company's website at: https://www.godfreyphillips.co.in/sustainabililty/policies

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year 2023-24 with comparatives for the year 2022-23, are disclosed in **'Annexure - 8'** attached herewith.

EMPLOYEES SHARE PURCHASE SCHEME

During the year under report, the Company has implemented a share-based employee long term incentive plan in the name "Godfrey Phillips Employees Share Purchase Scheme-2023" ("ESPS 2023") which is being administered through an irrevocable Trust formed for this purpose in the name of "Godfrey Phillips ESPS Trust". ESPS 2023 is being supervised by the Nomination and Remuneration Committee.

The ESPS 2023 was implemented in compliance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and there has been no change in the scheme during the year under report. The Company has received a certificate from the Secretarial Auditors that the ESPS 2023 have been implemented in accordance with the applicable SEBI Guidelines and the resolutions passed by the shareholders. The Certificate will be placed at the Annual General Meeting for inspection by Members.

Details of the share based payments made during the year are provided in Note 48 to the financial statements of the Company. Further, the disclosures pursuant to the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations in respect of ESPS 2023 are available on the website of the Company at https://www.godfreyphillips.co.in/sustainabililty/annual-reports

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy on prevention, prohibition and redressal of sexual harassment of women at workplace in line with the requirements of the above Act.

Under the said policy, an Internal Complaints Committee (ICC) has been set up to redress complaints received relating to sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

During the year under report, no complaint was filed with the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF YOUR COMPANY, WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

Subsequent to the year end, the Board of Directors of the Company at its meeting held on 12th April 2024, after due consideration of the stakeholders' feedback, long-term performance of the retail business since inception, prevailing market conditions of retail sector and long-term business strategy of the Company, has decided to exit from carrying out the business operations of its Retail Business Division ('Division). The exit will be subject to completion of the necessary formalities.

THE FUTURE

Availability of best in the class manufacturing facilities with right blend of technology, vast distribution network, adequate financial resources, stable tax regime and motivated manpower backed by 'people first' policy, will facilitate your Company to continue to drive growth across its various product categories both in domestic and international markets. Your Directors are confident that the Company will continue to create value for its shareholders and other stakeholders.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation to the Government authorities, Company's bankers, customers, vendors, investors and all other stakeholders for their continued support during the year. Your Directors are also pleased to record their appreciation for the dedicated services of employees at all levels of operations in the Company.

For and on behalf of the Board

DR. BINA MODI

CHAIRPERSON

Place: New Delhi

Dated: 30th May 2024

Annexure - 1

Form AOC - 1

(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

Rupees In Lakhs

Particulars	International Tobacco Company Limited	Chase Investments Limited	Friendly Reality Projects Limited	Unique Space Developers Limited	Rajputana Infrastructure Corporate Limited	Godfrey Phillips Middle East, DMCC
Date since when subsidiary/ trust was acquired	30-Jun-69	1-Feb-94	31-Jan-91	12-Aug-94	10-Jan-07	22-Mar-15
Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Share Capital	300.00	280.46	33.31	231.96	26.50	-
Reserves and Surplus	5,428.90	35,939.32	6,889.48	(36.69)	6,117.68	0.30
Other Liabilities	1,279.68	9,545.96	17.79	5.61	268.89	1.62
Total Liabilities	7,008.58	45,765.74	6,940.58	200.88	6,413.07	1.92
Total Assets	7,008.58	45,765.74	6,940.58	200.88	6,413.07	1.92
Investments (other than in subsidiaries/fellow subsidiaries)	-	45,013.57	28.77	-	-	-
Turnover/ Total Income	6,258.35	593.41	126.51	4.40	2,308.83	14.10
Profit/(loss) before taxation	300.63	585.54	66.42	(1.43)	1,507.10	(38.21)
Provision for taxation	76.94	72.61	-	-	379.76	-
Profit/(loss) after taxation	223.69	512.93	66.42	(1.43)	1,127.34	(38.21)
Proposed Dividend	-	-	-	-	-	-
% of shareholding	100.00%	100.00%	92.20%	66.67%	92.20%	100.00%

Remarks

1. Rajputana Infrastructure Corporate Limited is a 100% subsidiary of Friendly Reality Projects Limited.
2. Shares in Unique Space Developers Limited are held through Chase Investments Limited and International Tobacco Company Limited.
3. Shares in Friendly Reality Projects Limited are partly held through Chase Investments Limited.
4. Godfrey Phillips Middle East, DMCC is under liquidation

Part B : Associates and Joint Ventures

Rupees in Lakhs

Particulars	KKM Management Centre Pvt. Limited	IPM India Wholesale Trading Pvt. Limited
Latest audited Balance Sheet Date	31-Mar-24	31-Mar-24
Shares of Associate/ Joint Venture held by the Company on the year end		
Number of shares	11,02,500	49,60,000
Amount of Investment	110.25	496.00
Extent of Holding %	36.75	24.80
Description of how there is significant influence	Since the Company holds more than 20% of voting power in these associates	
Reason why the associate is not consolidated	Not Applicable	
Networth attributable to Shareholding as per latest audited Balance Sheet	348.18	7,329.36*
Profit / (Loss) for the year	5.77	64,781.14
Considered in consolidation	2.12	16,065.72
Not considered in consolidation	3.65	48,715.42

*Adjusted for dividend of Rs.17608.00 lakhs received during the year from the Associate company.

For and on behalf of the Board of Directors of Godfrey Phillips India Limited

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

SAMIR KUMAAR MODI
(DIN 00029554)
Executive Director

SHARAD AGGARWAl
(DIN: 07438861)
Whole-time Director

DR. LALIT BHASIN
(DIN 00001607)

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

Place: New Delhi
Date: 30th May 2024

Annexure - 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

Godfrey Phillips India Limited firmly believes and lives the values of Corporate and Social Responsibility and pledges to sustain its effort towards being Responsible and Accountable for its business at all times. The Policy displays the Company and its employees' commitment to the community we work with and the environment from which we extract resources.

The areas identified for focus by the Company have emanated from the core value of 'support and participation in addressing societal and environmental concerns' and these have been solidified with the participation of the business units, employees and the community we work with. Upon prioritisation, the focus areas that emerged are; education, healthcare, sustained livelihood, improved quality of life, rural development, and empowerment of marginalised sections of the community.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Bina Modi	Chairperson/ Executive & Non-Independent	1	1
2.	Dr. Lalit Bhasin	Member/ Non-Executive & Independent	1	1
3.	Mrs. Nirmala Bagri	Member/ Non-Executive & Independent	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Policy	https://www.godfreyphillips.co.in/sustainabililty/policies
CSR Committee Composition	https://www.godfreyphillips.co.in/sustainabililty/board-of-directors-and-committees
CSR Projects	https://www.godfreyphillips.co.in/sustainability/corporate-social-responsibility

4. Executive summary a long with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. – Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135: **Rs. 52,114 Lakhs**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 1,043 Lakhs**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **Nil**

(d) Amount required to be set off for the financial year, if any: **NIL**

(e) Total CSR obligation for the financial year (b+c-d): **Rs. 1,043 Lakhs**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

(i) Details of CSR amount spent against Ongoing Project: (Amount in Rupees Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	**Name of the Project.**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Project duration**	**Amount allocated for the project**	**Amount spent in the current financial Year**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6)**	**Mode of Imple-mentation - Direct (Yes/No).**	**Mode of Implementation Through Implementing Agency**	
				State	**District**						**Name**	**CSR Registration number**
1	Promoting Education including Special Education and Employment Enhancing Vocational Skills	Promotion of Education	No	Chhattisgarh	Raipur	Multi Year	644.84	10.00	634.84	No	Modi Innovative Education Society	CSR00012517

(ii) Details of CSR amount spent against other than ongoing projects for the financial year:

(Amount in Rupees Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent on the project**	**Mode of Implementation - Direct (Yes/No).**	**Mode of Implementation Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration number**
1.	Plantation on common lands for conservation and promotion of Bio-diversity	Rural Development Initiatives	Yes	Andhra Pradesh	Guntur/ Ongole	132.28	No	Society for National Integration through Rural Development	CSR00007511
2.	Biodiversity Projects	Rural Development Initiatives	Yes	Andhra Pradesh	Darsi, Prakasam	234.92	No	Effort	CSR00000628
			Total			**367.20**			

(b) Amount spent in Administrative Overheads: **Rs. 30.96 Lakhs**

(c) Amount spent on Impact Assessment, if applicable: **NA**

(d) Total amount spent for the Financial Year (a+b+c): **Rs. 408.16 Lakhs**

(e) CSR amount spent or unspent for the financial year:

(Amount in Rupees Lakhs)

Total Amount Spent for the Financial Year.	**Amount Unspent**				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.**		
	Amount	**Date of trans-fer**	**Name of the Fund**	**Amount**	**Date of transfer**
408.16	1.00	26.04.2024	NA	NA	NA
	633.84	30.04.2024	NA	NA	NA

(f) Excess amount for set off, if any: Nil

Sl. No.	Particulars	Amount (Rs. In Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	1,043
(ii)	Total amount spent for the Financial Year	408.16
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:**

(Amount in Rupees Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section 135	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeding financial Years	Deficiency, if any
					Amount	Date of transfer		
1	2021-2022	230.00	130.00	130.00	NA	NA	Nil	Nil
2	2022-2023	354.21	354.21	112.00	NA	NA	242.21	Nil

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable**

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:**

The average 2% limit for CSR spending for the year 2023-24 was Rs. 1043 lakhs. During the year, it was planned to spend the entire amount but on the request of one of the implementing agency namely Modi Innovative Education Society, they were sanctioned a sum of Rs. 644.84 Lacs towards an ongoing project for provision of Infrastructure for promotion of education, out of which a sum Rs. 10 Lakhs has been disbursed during the year and the balance unspent amount of Rs. 634.84 Lakhs, pertaining to this ongoing project has been transferred to a separate bank account and will be released in tranches during the tenure of the project

Sharad Aggarwal
(Whole-time Director)

Dr. Bina Modi
(Chairperson of CSR Committee)

Place: New Delhi
Date: 30th May 2024

Annexure - 3

Form No. AOC-2

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

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 arm's length transactions under third proviso thereto.

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

(a)	Name(s) of the related party and nature of relationship	There are no such contracts or arrangements or transactions which are not at arm's length basis.
(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 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:

(a)	Name(s) of the related party and nature of relationship	During the year, the company has not entered into any material related party transaction. Please refer Note 46 of the accompanying standalone financial statements for details of all related party transactions (non-material) which are in the ordinary course of business of the Company and are at arm's length basis.
(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)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	

Place: New Delhi
Date: 30th May 2024

Dr. Bina Modi
Chairperson of the Board

Annexure - 4

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2024

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

To,
The Members
Godfrey Phillips India Limited
Macropolo Building, Ground Floor,
Dr. Babasaheb Ambedkar Road,
Lalbaug Mumbai-400033

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Godfrey Phillips India Limited** (hereinafter referred as "Company"). 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 covering the financial year ended on March 31, 2024, 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 Financial Year ended on March 31, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**;
    (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable;
    (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable**
    (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
    (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable**
    (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable**
(vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:
    1. Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 and the Rules made hereunder.
    2. Tobacco Board Act, 1975 and the Rules made thereunder.
    3. Food Safety and Standards Act, 2006 and the Rules made thereunder.

We have also examined compliance with the applicable clauses/ Regulations of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR), 2015").

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

No Payment of Fines and Penalties were made to Stock Exchanges.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board/ Committee Meetings. Agenda and detailed notes on agenda were sent in advance (and at a shorter notice for which necessary approvals obtained, if any) 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.

All decisions at Board Meetings and Committee Meetings are generally carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 no major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 5715/2024

Lakhan Gupta
Partner
Membership No. F12682
Certificate of Practice No. 26704
UDIN: F012682F000459911

Date: 27th May 2024

Place: Delhi

Note: 1) 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.

2) The management has confirmed that the records submitted to us are true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2024 pertaining to Financial Year 2023-24.

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 Secretarial Audit Report

To,

The Board of Directors

Godfrey Phillips India Limited

Macropolo Building, Ground Floor,

Dr. Babasaheb Ambedkar Road,

Lalbaug Mumbai-400033

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
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 Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 5715/2024

Lakhan Gupta
Partner
Membership No. F12682
Certificate of Practice No. 26704
UDIN: F012682F000459911

Date: 27th May 2024

Place: Delhi

Annexure - 5

Information required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Ratio of remuneration of each Director to the median remuneration of all employees of your Company for the financial year ended 2023-24 is as follows:

Dr. Bina Modi	410.26:1
Mr. Samir Kumaar Modi	610.93:1
Mr. Sharad Aggarwal	145.60:1
Dr. Lalit Bhasin*	2.14:1
Mr. Atul Kumar Gupta*	1.66:1
Mrs. Nirmala Bagri*	1.66:1
Mr. Subramanian Lakshminarayanan*	0.71:1
Mr. Sumant Bharadwaj*	1.07:1
Mr. Ajay Vohra^*	0.36:1

*the ratio has been calculated based on sitting fees paid.
^Mr. Ajay Vohra was appointed as Non-Executive Independent Director with effect from 1st July 2023.

(ii) Percentage increase/(decrease) in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2023-24 is as follows:

DIRECTORS	DESIGNATION	PERCENTAGE
Dr. Bina Modi	Chairperson and Managing Director	107.82
Mr. Samir Kumaar Modi	Executive Director	39.73
Mr. Sharad Aggarwal	Whole-time Director	64.91
Dr. Lalit Bhasin	Independent Director^	(10.00)
Mr. Atul Kumar Gupta	Independent Director^	(12.50)
Mrs. Nirmala Bagri	Independent Director^	7.69
Mr. Subramanian Lakshminarayanan	Independent Director^	(14.29)
Mr. Sumant Bharadwaj	Independent Director^	(10.00)
Mr. Ajay Vohra#	Independent Director^	N.A*

^Only sitting fees has been paid to the Independent Directors.
#Appointed on 1st July 2023
* Remuneration paid for the first time during the year

KEY MANAGERIAL PERSONNEL (other than Directors)

Mr. Sunil Agrawal	Chief Financial Officer	(5.13)
Mr. Sanjay Kumar Gupta	Company Secretary	0.50

(iii) The Percentage increase in the median remuneration of all employees in the financial year 2023-24 was 12.1%.

(iv) The Company had 969 permanent employees on its rolls as on 31st March 2024.

(v) The average percentile increase in salaries of employees other than managerial personnel in the financial year 2023-24 was 7.6% in comparison with 61.4% increase in the managerial remuneration. The managerial remuneration comprises profit linked incentives, therefore with increase in profitability, it increases.

(vi) The Company confirms that remuneration paid during the year 2023-24 is as per the Remuneration Policy of the Company.

Place: New Delhi
Date: 30th May 2024

Dr. Bina Modi
Chairperson of the Board

Annexure - 6

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY

Several measures about the conservation of energy were taken during the year, details of which are given below:

1. Increased share of renewable energy-based Open Access Power for its energy consumption requirements in manufacturing operations from 38% to 48%.
2. Adopted auto condenser tube cleaning system for chiller plant for improved heat exchanger approach by up to 2.5 degree celsius thus improved coefficient of performance.
3. Adopted variable frequency drive on a HVAC Chiller for improved energy efficacy over and above existing pilot valve modulation.

(B) TECHNOLOGICAL ABSORPTION, ADOPTION, AND INNOVATION

Various new technologies and innovations were adopted and absorbed at various manufacturing units during the year. Details are listed below:

1. Upgraded inhouse a cigarette packing machine to 69mm EP SQ format from 64mm SQ.
2. Developed inhouse a Quality Test Module (QTM) format measurement of circumference of cigarettes.
3. Installed EPR code printing device on all cigarette packing machines.
4. Improved capacity of the semi-automatic packing and online wrapping machines for a special pack of cigarettes by inhouse technology development.
5. Adopted a new ring main unit in meter room and near NOCIL substation for improved power reliability.
6. Developed inhouse a quick conversion kit for slow speed cigarette making machines and thereby created manufacturing flexibility.

(C) RESEARCH & DEVELOPMENT

(i) New Product Development

TOBACCO PRODUCTS

1. Work continuous to be done on new product development to launch various new products into different USPs along with improvement in existing products for better competitiveness both domestic and international markets with particular emphasis on speed to market.
2. New equipment's are continuously added to support quality check of various raw materials as well as finished products with the objective of improving product quality and consistency of our products and to make them more appealing to consumers both in domestic as well as international markets.
3. Laboratory has been recommended for continuation of ISO 17025 accreditation by NABL, Delhi.
4. Work continuous to develop new methods in analytical testing to measure various tobacco, smoke and NTM specific parameters which is helping team in new product development.
5. Work continuous to conduct the shelf-life studies on understanding product behavior under different climatic conditions and packaging.

CONFECTIONARY PRODUCTS

1. Chewing gum has been introduced to the confectionery category, expanding beyond the existing hard-boiled candies and soft chews.

2. Product development endeavors are persistently advancing to innovate within the confectionery category of hard-boiled candies, soft chew and chewing gums, driven by consumer insights and market feedback spectrum.

(ii) Benefits derived as result of these developments:

(i) Enhanced brand imagery.

(ii) Achieved some degree of cost competitiveness in the marketplace.

(iii) Optimized product cost.

(iii) Future plan of action:

1. To further strengthen innovation in design and development.
2. To continue endeavors for creating innovative and differentiated products under all categories, thereby maintaining a healthy offer pipeline.
3. To equip the cigarette R & D with the capability to test new components/ingredients for meeting the future regulatory requirements.
4. To continue to work on developing a range of alternative and new generation products including reduced harm products.

(iv) Expenditure incurred on Research & Development **(Rs. In Lakhs)**

		2023-24	2022-23
(a)	Revenue Expenditure	**1140.48**	1080.62
(b)	Capital Expenditure	**162.58**	133.85
	Total	**1303.06**	1214.47

AWARDS AND RECOGNITION

- Rabale factory is successfully re-certified for Integrated Management System (IMS) i.e. ISO 50001, ISO 14001 and ISO 45001.
- Rabale factory is now certified for ISO 26000:2010 (Social Responsibility).
- Received Green Tech Environment Excellence Award.
- Received Green Tech Quality and Innovation Award.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The earnings in freely convertible currency by way of exports and other receipts during the year amounted to Rs. 1130 crores (previous year Rs. 958 crores) as against the foreign exchange outgo on imports, dividends and other expenditure aggregating to Rs. 473 crores (previous year Rs. 344 crores).

Place: New Delhi

Date: 30th May 2024

Dr. Bina Modi

Chairperson of the Board

Annexure - 7

DIVIDEND DISTRIBUTION POLICY

Background

As per Regulation 43A of SEBI (LODR) Regulations, the top 1000 listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites. Godfrey Phillips India Limited being one out of top 1000 listed entities based on market capitalization has formulated a dividend distribution policy as approved by the Board of Directors of the Company.

The intent of the policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend. The policy will be broadly in line with the provisions of the Companies Act read with the relevant clauses in the Articles of Association of the Company and also take into consideration, guidelines issued by the SEBI, to the extent applicable.

Factors considered while declaring Dividend:

The Dividend Distribution Policy ("the policy") establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company.

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value Rs. 2 each currently. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as may be permitted by the Companies Act.

The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth. Clause 149A of the Articles of Association of the Company reads as under:

"Notwithstanding anything contained in these Articles at least twenty- five per cent of the Company's profits available for distribution in respect of each financial year shall be distributed by the Company to its equity shareholders:

a. by way of interim dividends declared by the Board from time to time during that financial year; and/or

b. by way of an annual dividend within thirty (30) days from the Annual General Meeting at which such dividend is declared, (the above, being the "Dividend Policy")".

Apart from the above, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend.

The profits being retained in the business shall be continued to be deployed in various business segments of the Company and thus contributing to the growth to the business and operations of the Company. The Company stands committed to deliver sustainable value to all its stakeholders.

Information on dividends paid in the last 10 years is provided in the Annual Report.

This policy may be reviewed periodically by the Board. Any changes or revisions to the policy will be communicated to shareholders in a timely manner.

The policy will be available on the Company's website and will also be disclosed in the Company's annual report.

Annexure - 8

KEY FINANCIAL RATIOS

[Pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Sl. No.	Description	2023-24	2022-23
(i)	Operating Profit Margin (%)	13.70	15.29
(ii)	Net Profit Margin[3] (%)	16.63	14.33
(iii)	Debtors Turnover Ratio[1] – Based on Gross Value	69.92	61.68
(iv)	Inventory Turnover Ratio	4.70	5.24
(v)	Current Ratio[2]	1.63	1.28
(vi)	Return on net worth[3] (%)	24.95	20.65

Notes:

1. **Debtors Turnover ratio** has been computed for both years on the basis of Gross Sales Value inclusive of all applicable taxes instead of Gross Revenue.
2. The relatively higher current ratio for the year ended 31st March 2024 is largely attributable to increase in inventory of unmanufactured tobacco held for export and which will be sold in next year.
3. **Net Profit Margin** and **Return on Net worth ratios** have been computed based on Total Comprehensive Income.
4. **Interest Coverage Ratio** and **Debt Equity Ratio** are not relevant for the company as it has negligible debt other than that arising out of accounting impact of lease liability as per Ind AS 116 applicable.

Note- The Previous year figures have been regrouped/reclassified /recast, wherever considered necessary.

Dr. Bina Modi
Chairperson of the Board

Place: New Dehi
Date: 30th May 2024

REPORT ON CORPORATE GOVERNANCE
for the year ended 31st March 2024

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter referred to as "SEBI Listing Regulations") the Directors present the Company's Report on Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance aims at creating and enhancing long-term sustainable value for the stakeholders through ethically driven business process. A good Corporate Governance system is key to meaningful and holistic growth of an organization and the foundation through which is nurtured its sustainable progress into the future.

The Corporate Governance initiatives of the Company endeavor to achieve basic objective of wealth creation for the benefit of all its stakeholders i.e. shareholders, employees, business associates and the society at large. The Company believes in giving its executives ample freedom to operate and secure the Company's targets by putting in their best efforts. It aims to offer superior value to consumers by meeting their specific preferences with quality products and services delivered at competitive prices by using best in class systems and processes. The Board of the Company is primarily responsible for protecting and enhancing shareholders' value besides fulfilling the Company's obligations towards other stakeholders. The role of the Board of Directors is to provide strategic superintendence and control over the Company's management.

The day-to-day management of the Company is vested in the managerial personnel and sufficient authority is delegated at different operating levels. Delegation of authority in the operating people helps generation of creativity and innovation. This also helps in harnessing potential of employees to the best advantage of the Company. It is imperative that our Company affairs are managed in a fair and transparent manner. We, therefore, ensure that we evolve and follow the Corporate Governance guidelines and best practices.

2. BOARD OF DIRECTORS

i) Composition of the Board:

The Board consists of an optimal combination of Executive and Non-Executive Directors, including Independent Non-Executive Directors and a Women Independent Director, representing a judicious mix of business acumen, professionalism, knowledge and experience.

The Directors bring in expertise in the fields of strategy, management, taxation, finance and law, among others. They provide leadership, strategic guidance, and objective and independent views to the Company's management while discharging their fiduciary responsibilities, thereby ensuring that the management adheres to highest standards of ethics, transparency and compliance.

As on 31st March 2024, the Board comprised Six Independent Directors (including a woman Director) and Three Executive Directors.

The Independent Directors of the Company have submitted their declarations affirming their status as Independent Directors as on 31st March 2024.

ii) Details of the Board of Directors, their attendance at the Board Meetings/ last Annual General Meeting and their directorships/ memberships/chairmanships in Board/ Board Committees, respectively of other companies are as under:

Sl. No.	Name of Director	Category	No. of Board Meetings attended	Attendance at last AGM	Directorship/ Chairmanship of Board of other Companies@ as at 31st March, 2024	Membership/ Chairmanship of other Board Committees@@ as at 31st March, 2024
1.	Dr. Bina Modi* DIN 00048606	Executive Director (Promoter)	5	Yes	4 (1 as Chairperson)	Nil
2.	Mr. Samir Kumaar Modi* DIN 00029554	Executive Director (Promoter)	5	Yes	5	1 (as Chairman)
3.	Mr. Sharad Aggarwal DIN 07438861	Executive Director	5	Yes	1	Nil
4.	Dr. Lalit Bhasin DIN 00001607	Non Executive & Independent Director	5	Yes	Nil	Nil
5.	Mr. Atul Kumar Gupta DIN 01734070	Non Executive & Independent Director	5	Yes	1	1 (as Chairman)
6.	Mrs. Nirmala Bagri# DIN 01081867	Non Executive & Independent Director	5	Yes	2	2
7.	Mr. Sumant Bharadwaj DIN 08970744	Non Executive & Independent Director	5	Yes	Nil	Nil
8.	Mr. Subramanian Lakshminarayanan DIN 02808698	Non Executive & Independent Director	4	Yes	3	2 (1 as Chairman)
9.	Mr. Ajay Vohra## DIN 00012136	Non Executive & Independent Director	3	Yes	Nil	Nil

* Dr. Bina Modi is Mother of Mr. Samir Kumaar Modi.

\# Mrs. Nirmala Bagri was re-appointed as Non-Executive Independent Director of the Company for the second consecutive term of 5 Years with effect from 1st April 2024 at the 86th Annual General Meeting held on 1st September 2023.

\## Mr. Ajay Vohra was appointed as Non-Executive Independent Director of the Company for a period of Five consecutive years w.e.f. 1st July 2023 by the Board at its Meeting held on 27th May 2023, which appointment was subsequently approved by the Shareholders at the 86th Annual General Meeting held on 1st September 2023. During his tenure as a director only four (4) board meetings were held.

@ Excludes directorships in private limited companies, foreign companies, Section 8 companies, alternate directorships and memberships of managing committees of various chambers/trade bodies.

@@ Represents memberships/chairmanships of only Audit and Stakeholder Relationship Committees of other public limited companies (excluding private companies, foreign companies, section 8 companies and other non-corporate entities).

(iii) Name of the listed entities in which the Directors are holding directorship including category of directorship as on 31st March, 2024:

Sl.No.	Name of the Director	Name of the Listed entity	Category of directorship
1.	Dr. Bina Modi	Godfrey Phillips India Limited Premium Merchants limited	Executive & Non-Independent Director Non-Executive & Non-independent Director
2.	Mr. Samir Kumaar Modi	Godfrey Phillips India Limited	Executive & Non-Independent Director
3.	Mr. Sharad Aggarwal	Godfrey Phillips India Limited	Executive & Non-Independent Director
4.	Dr. Lalit Bhasin	Godfrey Phillips India Limited	Non-Executive & Independent Director
5.	Mr. Atul Kumar Gupta	Godfrey Phillips India Limited Pakka Limited *(Formerly Yash Pakka Limited)*	Non-Executive & Independent Director Non-Executive & Independent Director
6.	Mrs. Nirmala Bagri	Godfrey Phillips India Limited APM Industries Limited	Non-Executive & Independent Director Non-Executive & Independent Director
7.	Mr. Sumant Bharadwaj	Godfrey Phillips India Limited	Non-Executive & Independent Director
8.	Mr. Subramanian Lakshminarayanan	Godfrey Phillips India Limited Cartrade Tech Limited	Non-Executive & Independent Director Non-Executive & Independent Director
9.	Mr. Ajay Vohra	Godfrey Phillips India Limited	Non-Executive & Independent Director

(iv) Board Meetings held during the year:

During the financial year 2023-24, the Board of Directors met 5 (Five) times viz. on 27th May 2023, 26th July 2023, 3rd November 2023, 29th January 2024 and 26th February 2024. The required quorum was present at all the meetings. The gap between two meetings did not exceed one hundred and twenty days.

All information mentioned in Part A of Schedule II to Regulation 17(7) of the SEBI Listing Regulations, was made available to the Board in addition to the regular business items

(v) Disclosure about the Directors being appointed/re-appointed:

The brief resume and other information required to be disclosed under this section shall be provided in the Notice of the Annual General Meeting.

(vi) Legal Compliances:

The Board periodically reviews compliance reports of applicable laws prepared by the Company as well as steps taken by it to rectify the instances of non-compliance.

(vii) Familiarization Program for Directors:

The Company encourages and supports its Directors to update themselves with the rapidly changing regulatory environment.

In case of newly appointed Directors, the Chairperson and Managing Director of the Company has one to one discussion with them in order to familiarize the new inductees with the Company's business operations. Upon appointment, Directors also receive a formal communication describing their roles, functions, duties and responsibilities as a Director and the same is also uploaded on the Company's web-site at https://www.godfreyphillips.co.in/sustainabililty/policies.

From time to time, the senior management personnel make presentations at the Board/Committee meetings about the Company's business and performance updates, strategy, operations, products, regulatory changes, opportunities, threats, etc.

During the year under report, the Directors of the Company were also familiarized in detail about the industry in which the Company is operating and the business & revenue models and various segments in which the Company has been operating. Further, they were also made conversant about their roles, duties and responsibilities.

(viii) Key qualifications, expertise, and attributes :

The Company's Board comprises qualified members who bring in the requisite skills, competence and expertise that allow them to make effective contributions to the Board and its Committees. The Board members are committed to ensuring that the Company's Board is compliant with the highest standards of corporate governance.

The following are the skills/expertise/competencies that are required in the context of the Company's business(es) and sector(s) and the Directors who possess such skills/expertise/competencies:

Sl. No	Name of the Director	Skills/Expertise/Competencies
1.	Dr. Bina Modi	Leadership and Entrepreneurship skills
2.	Mr. Samir Kumaar Modi	Innovation, Leadership and Marketing skills and expertise in Retail
3.	Mr. Sharad Aggarwal	Expertise in Manufacturing, Research & Development, Innovation, Technology and Supply Chain functions
4.	Dr. Lalit Bhasin	Financial and Legal Acumen
5.	Mr. Atul Kumar Gupta	Administration and Public Relations skills
6.	Mrs. Nirmala Bagri	Financial acumen and Administrative skills
7.	Mr. Sumant Bharadwaj	Legal Acumen
8.	Mr. Subramanian Lakshminarayanan	Administration and Public Relations skills
9.	Mr. Ajay Vohra	Financial and Legal Acumen

(ix) The Board of Directors of the Company are of the opinion that the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.

(x) No Independent Director of the Company has resigned from the Company during the year under report.

3. AUDIT COMMITTEE

i) Composition and Terms of Reference :

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 ('the Act').

The terms of reference of the Audit Committee covers all the areas specified in Section 177 of the Act as well as those specified in Part C of Schedule II to the SEBI Listing Regulations, as amended from time to time and inter-alia include overseeing financial reporting process, reviewing the financial statements before submission to the Board for approval, reviewing internal control systems and procedures, approval or any subsequent modification of transactions of the Company with related parties, etc. The Audit Committee also reviews from time to time the information relating to management discussion and analysis of financial condition and result of operations, letters of internal control weaknesses, if any, issued by the statutory auditors and the reports issued by the internal auditors of the Company.

The Audit Committee comprises of Dr. Lalit Bhasin, as its Chairman and Dr. Bina Modi, Mr. Atul Kumar Gupta and Mrs. Nirmala Bagri as its other members. All the members are financially literate and the Chairman possesses the required accounting and financial management expertise. Mr. Sanjay Kumar Gupta, Company Secretary, acts as the Secretary to the Committee.

Dr. Lalit Bhasin, Chairman of the Committee, was present at the Annual General Meeting held on 1st September 2023 to answer the shareholders' queries.

Audit Committee meetings are also attended by the Chief Financial Officer, the Internal Auditors and the Statutory Auditors as invitees.

(ii) Details of meetings and attendance of each member of the Committee:

Audit Committee met 4 (Four) times during the financial year 2023-24 i.e. on 27th May 2023, 26th July 2023, 3rd November 2023 and 29th January 2024.

Sl. No.	Name	No. of Meetings attended
1.	Dr. Lalit Bhasin	4
2.	Dr. Bina Modi	4
3.	Mrs. Nirmala Bagri	4
4.	Mr. Atul Kumar Gupta	4

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Dr. Lalit Bhasin, as its Chairman and Mrs. Nirmala Bagri and Mr. Sumant Bharadwaj as its other members.

Mr. Sanjay Kumar Gupta, Company Secretary, acts as the Secretary of the Committee.

The terms of reference of the Committee are as under:

i) To identify persons who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal.

ii) To carry out evaluation of every Director's performance.

iii) To formulate the criteria for determining qualifications, positive attributes and independence of a Director.

iv) To recommend to the Board a policy, relating to the remuneration for the Directors, key management personnel and the senior management personnel.

v) To recommend to the Board, all remuneration, in whatever form, payable to the senior management personnel.

vi) Any other matter(s) as specified in Part D of the Schedule II of the SEBI Listing Regulations and/or matter(s) that may be assigned by the Board from time to time.

The Committee met three times during the financial year 2023-24 i.e. on 27th May 2023, 3rd November 2023 and 29th January 2024.

S. No.	Name	No. of meetings attended
1.	Dr. Lalit Bhasin	3
2.	Mrs. Nirmala Bagri	3
3.	Mr. Sumant Bharadwaj	3

Performance evaluation:

The Nomination and Remuneration Committee has formulated criteria for evaluation of every Director's performance including that of Independent Directors. The parameters of evaluation include attendance, level of participation in the meetings of the Board / Committees, awareness about their roles, duties and responsibilities, timeliness in submissions of various declarations, etc.

The performance evaluation of the Board, its Committees and individual Directors was carried out on the basis of duly filled-in self-evaluation questionnaire which was prepared under the guidance of Chairperson of the Board and then circulated amongst the Directors.

Independent Directors in their separate meeting held on 18th March 2024 evaluated the replies/ feedback received in response to the above referred questionnaire and expressed their satisfaction with the evaluation process.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of Dr. Lalit Bhasin as its Chairman and Mr. Atul Kumar Gupta and Dr. Bina Modi as its other members.

This Committee, besides sanctioning share transfers/transmissions and other related matters, looks into various aspects of interest of shareholders' and other investors' complaints. Further, the role of the committee has been specified in Part D of the Schedule II of the SEBI Listing Regulations.

Mr. Sanjay Kumar Gupta, Company Secretary, is designated as Compliance Officer.

During the year, one meeting of the Committee was held on 26th July 2023 and all the members attended it.

13 (Thirteen) complaints were received during the year from the Shareholders. All the complaints were disposed of during the year. There is no complaint pending for resolution as at 31st March 2024.

6. RISK MANAGEMENT COMMITTEE

The Company being an old established organization, has in place built-in internal control systems for assessing the risk environment and taking the necessary steps to effectively mitigate the identified risks. The functional heads are reasonably alive to this aspect in their day-to-day functioning. However, with a view to apprise the Board of Directors of the risk management procedures and the steps initiated to shift/reduce/eliminate the same in a structured manner, the Company has formulated a Risk Profile and Risk Register for listing out various risks, risk mitigating factors and risk mitigation plans and the same is periodically reviewed by the respective businesses.

The Risk Management Committee comprises of Dr. Lalit Bhasin as its Chairman and Mr. Atul Kumar Gupta, Mr. Sharad Aggarwal and Mr. Kusumakar Pandey as its other members.

The terms of reference of the Committee are as under:

(i) To review the risk profile and risk registers of the Company from time to time in respect of various business/functions including cyber security.

(ii) All functions as specified in Part-D of Schedule II of the SEBI Listing Regulations and any other function as may be assigned by the Board from time to time.

Details of meetings held and attendance:

The meetings of the Risk Management Committee were held on 26th July 2023 and 3rd November 2023 and were attended by all the members.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee comprises of Dr. Bina Modi as its Chairperson and Dr. Lalit Bhasin and Mrs. Nirmala Bagri as its other members.

The terms of reference of the Committee are as under:

(i) To formulate and recommend to the Board of Directors, the Corporate Social Responsibility Policy (CSR Policy) indicating the activities/programs to be undertaken by the Company in line with those specified in Schedule VII to the Act.

(ii) To recommend the amount of expenditure to be incurred on each of such activities/programs.

(iii) To monitor the CSR activities/programs undertaken by the Company from time to time.

(iv) Any other function as may be assigned by the Board from time to time.

During the year, the Committee met once i.e. on 27th May 2023 and the meeting was attended by all the members.

8. INDEPENDENT DIRECTORS' MEETINGS

The Independent Directors of the Company met on 18th March 2024, inter-alia to deliberate on the following:

(i) Performance of Non-Independent Directors and the Board as a whole;

(ii) Performance of the Chairperson of the Board, taking into account the views of the Executive and Non-Executive Directors; and

(iii) Quality, content, and timeliness of flow of information between the Management and the Board that is necessary for the Board to act effectively and reasonably perform its duties.

9. SENIOR MANAGEMENT

As per Regulation 26(5) of SEBI Listing Regulations, all members of the senior management team are required to disclose their interest in all the material financial and commercial transactions, which may have a potential conflict with the interests of the Company at large.

The senior management team members have disclosed to the Board of Directors about all the material financial and commercial transactions that have taken place during the financial year ended 31st March 2024 in which they had personal interest. These include dealing in/holding of shares of the Company by them/their relatives, transactions entered into by them/their relatives with the Company, transactions entered into by the Company with the companies in which they/their relatives are Directors or Members and transactions entered into by them/their relatives with the subsidiary companies of the Company and these were placed at the Board Meeting held on 30th May 2024.

Particulars of Senior Management Personnel and changes since the close of previous financial year:

Sl. No.	Name of the Senior Man-agement Personnel (SMP)	Designation	Changes, if any, during the Financial Year 2023-2024. (Yes/No)	Nature of change and effective date.
1.	Mr. Amit Kaushal	VP – International Business Division	Yes	Resigned w.e.f. 31-10-2023
2.	Mr. Biswajit Deb	Head – Operations	No	-
3.	Mr. Harmanjit Singh	VP – Corporate Affairs	No	-
4.	Mr. Jithendra D S	SVP – Leaf	No	-
5.	Mr. Kusumakar Pandey	SVP and Head – IBD & SIA and Chief Risk Officer	No	-
6.	Mr. Kunal Gupta	Chief Executive Officer– Retail Business Division	No	Services discon-tinued w.e.f. 16-04-2024
7.	Mr. Lokesh Kumar Singh	VP and Head – Sales & Distribution	No	-
8.	Mr. Mohd. Irfan	GM and Head – IT	No	-
9.	Mr. Nikhilesh Kedari	VP and Head – Cigarette Business	No	-
10.	Mr. Rajeev Kapoor	SVP – Corporate Finance	No	-
11.	Mr. Rajesh Mehrotra	Executive Vice President	No	-
12.	Mr. Rajesh Nair	VP – Legal	No	-
13.	Mr. Ritesh Srivastava	VP and Head – CIMR & Growth Office	No	-
14.	Mr. Rohit Sahni	Head – Sales Transformation	No	-
15.	Ms. Sakshi Anand	SVP and CHRO & Head – ESG	Yes	Appointed w.e.f. 10-07-2023
16.	Mr. Sanjay Kumar Gupta	VP – Finance & Company Secretary	No	-
17.	Mr. Sunil Agrawal	EVP – Finance & CFO	No	-

10. REMUNERATION OF DIRECTORS

i) Remuneration policy:

The appointment and remuneration of Executive Directors including Managing Director, Executive Director and Whole-time Director is governed by the recommendations of Nomination and Remuneration Committee and then decided by the Board subject to approval of the Shareholders. The Nomination and Remuneration Policy is available on the website of the Company viz. https://www.godfreyphillips.co.in/sustainabililty/policies.

ii) Criteria of Making Payment to Non-Executive Director:

In accordance with the provisions of the Articles of Association of the Company and the Act, sitting fees @ Rs. 1,00,000 per meeting is paid to the Directors who are not drawing any remuneration, for attending meetings of the Board or of any Committee thereof.

The Company does not have any stock option scheme for Non-Executive Directors/Independent Directors.

iii) Details of remuneration paid/payable to the Directors: (Amount in Rs.)

Sl. No.	Name of the Director	Salary and Other Allowances*	Perquisites	Commission	Sitting Fees for Board/ Committee Meetings $	Total
1.	Dr. Bina Modi	-	39,600	34,52,87,000	-	**34,53,26,600**
2.	Mr. Samir Kumaar Modi	2,40,00,000	7,39,48,817	41,62,78,000	-	**51,42,26,817**
3.	Mr. Sharad Aggarwal	11,22,92,314	1,02,60,464	-	-	**12,25,52,778**
4.	Dr. Lalit Bhasin	-	-	-	18,00,000	**18,00,000**
5.	Mr. Atul Kumar Gupta	-	-	-	14,00,000	**14,00,000**
6.	Mrs. Nirmala Bagri	-	-	-	14,00,000	**14,00,000**
7.	Mr. Sumant Bharadwaj	-	-	-	9,00,000	**9,00,000**
8.	Mr. Subramanian Lakshminarayanan	-	-	-	6,00,000	**6,00,000**
9.	Mr. Ajay Vohra#	-	-	-	3,00,000	**3,00,000**
	Total	**13,62,92,314**	**8,42,48,881**	**76,15,65,000**	**64,00,000**	**98,85,06,195**

* Excludes incremental liability for gratuity and compensated absences which are actuarially determined on an overall basis.

$ Excluding GST paid under reverse charge.

Mr. Ajay Vohra was appointed as Non-Executive Independent Director of the Company w.e.f 1st July 2023.

iv) Details of pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company are given below :

Sl. No.	Name(s) of the Director	Amount involved (Rs. in Lakhs)	Nature of transactions
1.	Dr. Lalit Bhasin (Proprietor of Bhasin & Co.)	8.78*	Payment for professional services to Bhasin & Co., Advocates.

*this is not a material pecuniary relationship.

v) Details of service contract, notice period, severance fees, etc. of Directors:

The Company has service contract with Dr. Bina Modi, Chairperson and Managing Director for a period of five years with effect from 14th November 2019. The notice period is six calendar months by either party. No severance fee is payable to her. Dr. Bina Modi is mother of Mr. Samir Kumaar Modi.

The Company has service contract with Mr. Samir Kumaar Modi, Executive Director for a period of five years with effect from 1st October 2021. The notice period is three calendar months by either party. No severance fee is payable to him.

The Company has service contract with Mr. Sharad Aggarwal, Whole-time Director for a period of five years with effect from 1st October 2022. The notice period is three calendar months by either party. No severance fee is payable to him.

vi) Details of shares/convertible instruments held in the Company by the Non-Executive Directors:

Sl. No.	Name of the Director	No. of shares held as on 31st March 2024
1.	Dr. Lalit Bhasin	2000
2.	Mr. Atul Kumar Gupta	Nil
3.	Mrs. Nirmala Bagri	Nil
4.	Mr. Sumant Bharadwaj	Nil
5.	Mr. Subramanian Lakshminarayanan	Nil
6.	Mr. Ajay Vohra	Nil

11. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings (AGMs) are as follows:

Financial year	Date of the AGM	Time	Location	Particulars of Special Resolutions passed
2020-21	5th August 2021	11:30 AM	Video Conferencing (VC)/ Other Audio Video Means (OAVM)	(1) Re-appointment and approval of remuneration of Mr. Samir Kumaar Modi (DIN 00029554) as Executive Director for a term of 5 (five) years from 1st October 2021 till 30th September 2026.
2021-22	26th August 2022	3:00 PM	Video Conferencing (VC)/ Other Audio Video Means (OAVM)	(1) Approval for payment of Remuneration to Dr. Bina Modi (DIN 00048606), President & Managing Director from 1st June 2022 till 13th November 2024. (2) Re-appointment and approval of remuneration of Mr. Sharad Aggarwal (DIN 07438861) as Whole-time Director of the Company for a period of five years from 1st October 2022 till 30th September 2027. (3) Appointment of Mr. Subramanian Lakshminarayanan (DIN 02808698) as Non-Executive Independent Director of the Company for a period of five years from 28th May 2022 till 27th May 2027. (4) Approval for payment of managerial remuneration to the Directors for a financial year in excess of the prescribed limit of 11% of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 in such a manner that overall remuneration payable to all executive directors and to all non-executive directors in a financial year shall not exceed the limit of 14% and 1% respectively of net profits of the Company prescribed under Section 197 (1) (i) of the Act.
2022-23	1st September 2023	1:00 P.M	Video Conferencing (VC)/ Other Audio Video Means (OAVM)	(1) Re-appointment of Mrs. Nirmala Bagri (DIN: 01081867) as Non-Executive Independent Director of the Company for a second term of five Years from 1st April 2024 till 31st March 2029. (2) Appointment of Mr. Ajay Vohra (DIN 00012136) as Non-Executive Independent Director of the Company for a term of five Years from 1st July 2023 till 30th June 2028.

There was no other General Body Meeting held during the previous three years.

During the year, the following Special Resolution(s) were passed by the Company through postal ballot:

Sl. No.	Particulars of Special Resolution	Voting pattern						Date of declaration of Results
		Total No. of Shares	No. of Votes polled	Votes casted in favour of the Resolution		Votes casted against the Resolution		
				No. of Votes	% of Votes	No. of Votes	% of Votes	
1.	Approval of the 'Godfrey Phillips Employees Share Purchase Scheme, 2023' and its implementation through Trust.	5,19,93,920	4,31,42,256	3,76,12,340	87.18%	55,29,916	12.82%	8th January 2024
2.	Approval for authorization of acquisition of equity shares from secondary market through Trust route for implementation of 'Godfrey Phillips Employees Share Purchase Scheme, 2023'.	5,19,93,920	4,31,42,256	3,76,12,335	87.18%	55,29,921	12.82%	
3.	Approval for provision of money to Trust by the Company for purchase of its own shares for implementation of 'Godfrey Phillips Employees Share Purchase Scheme, 2023'.	5,19,93,920	4,31,42,256	3,76,12,265	87.18%	55,29,991	12.82%	

Mr. V Ramachandran, Proprietor V.R. Associates, Company Secretaries was appointed as the Scrutiniser to scrutinise the postal ballot process by voting through electronic means only (remote – e-voting) in a fair and transparent manner.

The Postal Ballot was carried out as per the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Act (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) read with Rules 20 and 22 of the Companies (Management and Administration) Rules 2014, Regulation 44 of the SEBI Listing Regulations and the Secretarial Standard – 2 on General Meetings issued by the institute of Company Secretaries of India, each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs vide its General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, respectively.

Currently, there is no special resolution proposed to be passed through postal ballot at the ensuing Annual General Meeting of the Company.

12. MEANS OF COMMUNICATION

The quarterly, half yearly and annual results are published by the Company in Economic Times (English) and in Maharashtra Times (Marathi). The quarterly, half yearly and yearly results are also available on the Company's website: www.godfreyphillips.co.in as well as on BSE Limited and National Stock Exchange of India websites: www.bseindia.com & www.nseindia.com. The half-yearly results are not sent to the shareholders separately.

The Earnings Presentation relating to the Quarters ended on 31st March 2023, 30th June 2023, 30th September 2023 and 31st December 2023 were submitted to the Stock Exchange(s) and are also available on the Company's website. The Earnings Presentation for the Quarter ended 31st March 2024 will be filed in due course.

The Management Discussion and Analysis forms part of the Directors' Report.

13. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting

Date and Time : Shall be separately intimated in due course.

Venue : Shall be separately intimated in due course.

ii) Financial Year : From 1st April to 31st March

Financial Calendar for 2023-24

First Quarter Results : Latest by 14th August 2024

Second Quarter Results : Latest by 14th November 2024

Third Quarter Results : Latest by 14th February 2025

Annual Results : Latest by 30th May 2025

iii) Date of Book Closure : Shall be separately intimated in due course.

iv) Dividend Payment Date : Shall be separately intimated in due course.

v) Listing on the Stock Exchanges:

The Company's Equity Shares are listed on National Stock Exchange of India Limited (Stock Code GODFRYPHLP) and BSE Limited (Stock Code 500163).

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

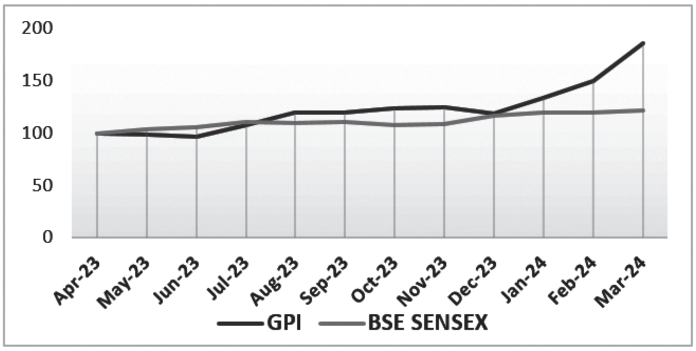
The Company has paid the listing fees to the above Stock Exchanges for the financial year 2023-24.

vi) Market Price Data of equity shares of the Company:

The High and Low prices of the equity shares of the Company at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) during the year ended 31st March 2024 are as under:

Month	Share Prices (Rs.) at BSE		Share Prices (Rs.) at NSE	
	High	Low	High	Low
Apr-23	1849.85	1670.45	1,828.85	1,673.65
May-23	1819.05	1670.00	1,819.00	1,669.35
Jun-23	1775.00	1620.05	1,778.00	1,620.00
Jul-23	2196.00	1605.05	2,197.00	1,620.00
Aug-23	2250.00	1973.25	2,252.20	1,969.00
Sep-23	2193.65	2016.95	2,193.00	2,015.45
Oct-23	2357.40	1994.90	2,357.80	1,992.10
Nov-23	2400.00	2004.95	2,405.00	2,010.00
Dec-23	2149.95	2019.75	2,144.00	2,023.80
Jan-24	2646.75	2065.50	2,645.30	2,065.00
Feb-24	3000.95	2283.85	3,000.00	2,285.00
Mar-24	3687.65	2844.45	3,686.00	2,805.55

vii) Performance of the share price of the Company in comparison to BSE Sensex:



Note: The chart above has average of high & low of the share price vis a vis average of high & low of Sensex indexed to 100 of each month for the financial year 2023-24.

viii) Registrar and Share Transfer Agents:

Link Intime India Pvt. Ltd.
C-101, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai – 400083
Telephone No: 022-49186270
Fax: 022-49186060
E-mail id: rnt.helpdesk@linkintime.co.in

ix) Share Transfer System:

The Company's share transfer and related operations are currently being handled by Link Intime India Private Limited, Registrar and Share Transfer Agents (RTA) who are registered with the SEBI as a Category 1 Registrar.

In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Accordingly, securities of listed companies can be transferred only in dematerialized form.

SEBI has, vide its circulars from time-to-time mandated companies to issue its securities in dematerialized form only while processing various service requests such as issue of duplicate share certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website viz. www.godfreyphillips.co.in/sustainabilillty/investor-information and RTA's website viz. www.linkintime.co.in

In view of the aforesaid, Members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialization.

x) Distribution of shareholding as on 31st March 2024:

Range of Shareholding	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shares
1-5000	39,158	99.46%	48,71,369	9.37%
5001-10000	101	0.26%	6,88,241	1.32%
10001-20000	27	0.07%	3,64,525	0.70%
20001-30000	21	0.05%	5,08,965	0.98%
30001-40000	15	0.04%	5,25,893	1.01%
40001-50000	8	0.02%	3,64,910	0.70%
50001-100000	15	0.04%	10,37,830	2.00%
100001 and above	25	0.06%	4,36,32,187	83.92%
Total	**39,370**	**100%**	**5,19,93,920**	**100%**

xi) Categories of shareholding as on 31st March 2024:

Category of Shareholder	Number of Shares	Percentage of Shares
A. Promoter and Promoter Group	**3,77,37,229**	**72.58%**
B. Public Shareholding		
Individuals	63,28,689	12.17%
Foreign Portfolio Investors (CAT I & II)	55,98,808	10.77%
Mutual Funds	7,14,413	1.37%
Investor Education & Protection Fund (IEPF)	4,66,764	0.90%
Bodies Corporate	3,31,395	0.64%
NRIs & Foreign Nationals	2,54,446	0.49%
Unclaimed Suspense Account	48,170	0.09%
Insurance Companies	37,463	0.07%
Central Government/ State Government(s)	25,970	0.05%
Financial Institutions/Banks	24,900	0.05%
Alternative Investment Funds	16,327	0.03%
Other Directors & KMPs	3,200	0.01%
Foreign Banks	1,500	0.00%
Others	1,93,146	0.37%
Total Public Shareholding	**1,40,45,191**	**27.01%**
C. Non-Promoter Non-Public		
Employee Benefit Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.	2,11,500	0.41%
Total Shareholding (A+B+C)	**5,19,93,920**	**100%**

xii) Demateralisation of shares:

The shares of the Company are compulsorily traded in the demateralised form and are available for trading under both the Depository Systems- NSDL (National Securities Depository Ltd.) and CDSL (Central Depository Services (India) Ltd). As on 31st March 2024, a total of 5,15,82,818 equity shares of the Company, which forms 99.21% of the share capital, stood demateralised.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares of face value of Rs.2/- each is INE260B01028.

xiii) Outstanding GDRs/ADRs/Warrants or other Convertible Instruments:

The Company has no outstanding GDRs/ADRs/Warrants or other Convertible Instruments.

xiv) The Company follows a policy of natural hedging to take care of any foreign currency risk as forex inflows are more than outflows. Further, it is clarified that SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dt. 15th November 2018 with regard to disclosures regarding commodity risks by listed entities is not applicable to the Company since the Company doesn’t trade in commodity market.

xv) Plant Locations:

The Company's plants are situated at Rabale (Navi Mumbai) & Ongole and the cigarette plant located at Guldhar (Ghaziabad) is owned by the Company's wholly owned subsidiary, International Tobacco Company Limited.

Guldhar (Cigarette)	:	International Tobacco Company Limited, Delhi-Meerut Road, Guldhar, Ghaziabad - 201 001.
Rabale (Cigarette)	:	Plot No. 19, MIDC, TTC Industrial Area, Rabale, Navi Mumbai - 400 701.
Ongole (Reconstituted Tobacco)	:	Plot No. 289 to 300, APIIC Growth Centre, Gundlapally Ongole, Prakasam Dist., Andhra Pradesh - 523 001.

xvi) Address for Correspondence:

Shareholders are requested to address all their correspondence concerning shares to the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited at the following addresses mentioned below:

Link Intime India Pvt Limited
Unit: Godfrey Phillips India Limited
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai – 400083
Telephone No: 022-49186270
Fax: 022-49186060
E-mail id: rnt.helpdesk@linkintime.co.in

Or at

Link Intime India Private Limited
Unit: Godfrey Phillips India Limited
Noble Heights, 1st Floor, Plot NH2
C-1 Block LSC Near Savitri Market, Janakpuri, New Delhi 110058
Phone – 011-41410592
Fax No: 011- 41410591
E-mail: delhi@linkintime.co.in

xvii) Credit Ratings:

CRISIL Ratings Limited has assigned the Credit Rating on the bank facilities availed by the Company during the year ended 31st March 2024 which is specified below:

Rating Agency	Rating	Bank Loan Facilities rated (Cash Credit, Letter of Credit, Bank Guarantee & Bank Loan Facility)	Change during the year
CRISIL Ratings Limited	CRISIL AA+/Stable (Re-affirmed) CRISIL A1+ (Re-affirmed)	Long-Term Rating Short-Term Rating	There is no change in the ratings during the year.

xviii) Corporate Identity Number (CIN): L16004MH1936PLC008587

14. DISCLOSURES

(A) Basis of related party transactions:

i) Transactions with related parties in the ordinary course of business:

Transactions with the related parties disclosed in Note No. 46 to the standalone financial statements for the year ended 31st March 2024 are in the ordinary course of business. Details of these transactions were placed at the Audit Committee meetings held on 26th July 2023, 3rd November 2023, 29th January 2024 and 30th May 2024 on quarterly basis. The said transactions have no potential conflict with the interests of the Company at large. All details of such transactions are provided to the Audit Committee and Board, if required. It is also ensured that the interested directors neither participated in the discussions nor voted on such matters.

ii) Transactions with related parties not in the normal course of business:

There are no transactions entered into by the Company with the related parties during the financial year ended 31st March 2024, whose terms and conditions are not in the ordinary course of business.

iii) Transactions with related parties not on arm's length basis:

There are no transactions entered into by the Company with the related parties during the financial year ended 31st March 2024, whose terms and conditions are not on an arm's length basis.

iv) Policy on dealing with related party transactions:

The Company has formulated a policy on dealing with related party transactions and the same is available on the website of the Company at web link:

https://www.godfreyphillips.co.in/sustainabililty/policies

(B) Strictures and penalties:

During the Financial Year 2022-2023, penalty of Rs. 1,90,000 each plus GST thereon was imposed by BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). This penalty relates to an issue of interpretation of Regulation 17(1A) read with Regulation 17(1C) of the SEBI Listing Regulations with respect to appointment of an Independent Director on the Board of the Company during the said year. The management is of the view that the company has not violated the provisions of Regulation 17 (IA) and (IC) as the approval of the shareholders was obtained within three months from the date of appointment but nevertheless paid the said penalty within the timeline prescribed by BSE & NSE.

Other than above, no penalties or strictures were imposed by the Stock Exchanges or SEBI or any other statutory authority on any matters relating to capital markets during the last three years.

(C) Whistle Blower Policy/Vigil Mechanism:

The Company has formulated and communicated the Whistle Blower Policy to all its Directors and employees and the same is posted on the Company's Website https://www.godfreyphillips.co.in/sustainabililty/policies.

It provides an opportunity to the Directors and employees to report in good faith to the management about the unethical and improper practices, fraud or violation of Company's Code of Conduct. The vigil mechanism under the Policy provides for adequate safeguard against victimization of employees and Directors who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in exceptional cases. The Company affirms that none of the personnel of the Company has been denied access to the Audit Committee.

(D) Details of Compliance with mandatory requirements:

The Company has complied with all applicable mandatory requirements of Corporate Governance as specified in Regulations 17 to 27 read with Schedule V and 46(2) of the SEBI Listing Regulations.

(E) Subsidiary Companies:

i) The Company has formulated a policy on material subsidiaries and updated the same on the website of the Company with web link: https://www.godfreyphillips.co.in/sustainabililty/policies.

ii) Since the Company does not have any material unlisted subsidiary, the requirement for appointment of an Independent Director on the Board of such subsidiary is not applicable.

iii) The Audit Committee of the Company has reviewed the financial statements in respect of the investments made by its unlisted subsidiaries at its meeting held on 30th May 2024.

iv) Copies of the minutes of the board meetings of all the unlisted subsidiaries held during the year 2023-24 were placed at the board meeting of the Company held on 30th May 2024.

v) As required, the details of significant transactions and arrangements entered into between the

Company and its unlisted subsidiaries are placed before the Board from time to time.

vi) Since none of the subsidiaries of the Company are material, the requirement of Secretarial Audit does not apply to any of them. The Secretarial Audit of the Company was carried out by Chandrasekaran Associates for the financial year ended 31st March 2024 and their report is annexed to the Directors' report.

(F) Proceeds from public issues, right issues, preferential issues, etc.:

The Company did not raise any funds through public, rights, preferential issues, qualified institutional placement, etc. during the year under report.

(G) Certificate from Company Secretary in Practice:

Chandrasekaran Associates, Practicing Company Secretaries and the Secretarial Auditors of the Company, have issued a certificate as required under the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is attached with this report.

(H) There is no instance during the financial year 2023-24 where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required to be accepted.

(I) Details of total fees paid to Statutory Auditors:

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Type of service	Amount (Rs. In lakhs)
Audit and Related Service Fees (Audit & Review of Financial Statements and Certification work)	225.20
Tax Audit Fees	23.64
Non-Audit Fees	14.20
Reimbursement of Out-of-Pocket Expenses	16.39
Total	**279.43**

(J) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the year under report, no complaint was filed with the Company and no complaint is pending at the end of the financial year in relation to the Sexual Harassment of Women at Workplace.

(K) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

During the year under report, there was no instance of Loans and advances in the nature of loans to firms/companies in which Directors are interested.

(L) Disclosure of accounting treatment:

The financial results for the year have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 as amended and other accounting principles generally accepted in India.

(M) Annual Secretarial Compliance Report:

The Company has undergone an Audit for the financial year 2023-24 for all applicable compliances as per the SEBI Listing Regulations and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted to the stock exchanges within time limit as prescribed by the SEBI.

15. ADOPTION OF DISCRETIONARY REQUIREMENTS

The Company has not adopted any discretionary requirements as prescribed in Part E of Schedule II to the SEBI Listing Regulations.

16. CODE OF CONDUCT

The Company has laid down a Code of Conduct applicable to the Directors and senior management personnel of the Company. The said Code has been communicated to the Directors and senior management personnel and is also posted on the website of the Company, https://www.godfreyphillips.co.in/sustainabililty/code-of-business-conduct.

All the Directors and senior management personnel who are associated with the Company as on the date of this report, have affirmed compliance with the Code of Conduct for the financial year ended 31st March 2024. A declaration to this effect signed by Dr. Bina Modi, Chairperson and Managing Director and Chief Executive Officer of the Company is annexed to this report.

17. COMPLIANCE CERTIFICATE

Certificate from the Statutory Auditors with respect to compliance with the conditions of Corporate Governance as stipulated in Para E of Schedule V to the SEBI Listing Regulations forms part of the Annual Report.

18. DETAILS OF UNCLAIMED SHARES

Equity Shares in the Suspense Account:

The requisite disclosures under Schedule V of the SEBI Listing Regulations in respect of the Unclaimed Shares, pursuant to Regulation 39 read with Schedule VI of the SEBI Listing Regulations are provided hereinunder:

Particulars	**Number of shareholders**	**Number of equity shares**
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1st April 2023	125	1,28,850
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	7	3,790
Shareholders to whom shares were transferred from the suspense account during the year	7	3,790
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act.	43	76,890
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March 2024	75	48,170

All corporate benefits on such shares in the form of rights, bonus, split, etc., shall be credited to 'Unclaimed Suspense Account', as applicable for a period of 7 years and thereafter shall be transferred in line with the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with Section 124(5) and Section 124(6) of the Act. The voting rights in respect of these equity shares are frozen until the rightful owner claims them.

19. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

In terms of clause 5A, paragraph A of part A of schedule III of the SEBI Listing Regulations, there are two subsisting agreements impacting the management or control of the Company or imposing any restriction or created any liability upon the Company, complete details of which including the salient features were furnished to the Stock Exchanges and are also available at https://www.godfreyphillips.co.in/sustainabililty/corporate-announcements-disclosures.

During the year, there were no agreements entered impacting the management or control of the Company or imposing any restriction or created any liability upon the Company, in terms of clause 5A, paragraph A of part A of schedule III of the SEBI Listing Regulations.

20. CEO/CFO CERTIFICATION

A certificate signed by Dr. Bina Modi, Chairperson and Managing Director as CEO and by Mr. Sunil Agrawal, Executive Vice President - Finance & CFO is attached with this report.

21. REPORT ON CORPORATE GOVERNANCE

The Company is regularly filing the Quarterly Compliance Report on Corporate Governance with the Stock Exchanges as per the format specified in Regulation 27(2) of the SEBI Listing Regulations.

For and on behalf of the Board

Place : New Delhi
Date : 30th May 2024

Dr. Bina Modi
Chairperson

CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION ON COMPANY'S CODE OF CONDUCT

The Board of Directors
Godfrey Phillips India Limited
Omaxe Square, Plot No. 14
Jasola District Centre, Jasola
New Delhi – 110 025

I, Bina Modi, Managing Director being the Chief Executive Officer (CEO) of Godfrey Phillips India Limited do hereby declare that all the members of the Board of Directors and the members of the Senior Management Team of the Company have affirmed compliance with the Code of Business Conduct of the Company during the financial year ended March 31, 2024.

DR. BINA MODI
Managing Director
(Chief Executive Officer)

Place: New Delhi
Date : May 30, 2024

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Board of Directors
Godfrey Phillips India Limited
Omaxe Square, Plot No. 14
Jasola District Centre, Jasola
New Delhi – 110 025

We, Bina Modi, Managing Director being the Chief Executive Officer and Sunil Agrawal, Executive Vice President - Finance being the Chief Financial Officer of Godfrey Phillips India Limited, to the best of our knowledge and belief, do hereby confirm that:

a. We have reviewed the financial statements for the year ended March 31, 2024 and that to the best of our knowledge and belief :
   i) these statements do not contain any materially untrue or misleading statement nor omit any material fact;
   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or violative of the Company's code of business conduct.

c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies, have been disclosed to the Auditors and the Audit Committee.

d. We have indicated to the Auditors and the Audit Committee that, during the year ended March 31, 2024, there has not been any significant change in internal control over financial reporting and in accounting policies and that there is no instance of any fraud involving management or other employees having significant role in the Company's internal control system over financial reporting.

DR. BINA MODI
Managing Director
(Chief Executive Officer)

SUNIL AGRAWAL
Executive Vice President - Finance
(Chief Financial Officer)

Place: New Delhi
Date : May 30, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Godfrey Phillips India Limited
Macropolo Building, Ground Floor,
Dr. Babasaheb Ambedkar Road,
Lalbaug Mumbai-400033

We have examined the relevant register(s), record(s), form(s), return(s) and disclosure(s) received from the Directors of **Godfrey Phillips India Limited** (hereinafter referred to as **'the Company'**) having CIN: L16004MH1936PLC008587 and registered office at Macropolo Building, Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug Mumbai-400033, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and declarations received from respective Directors, We hereby certify that as on Financial Year ended March 31, 2024, none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

SR. NO.	NAME OF DIRECTORS	DIN	DATE OF APPOINTMENT IN COMPANY
1	Dr. Bina Modi	00048606	07/04/2014
2	Mr. Samir Kumaar Modi	00029554	11/01/1994
3	Mr. Sharad Aggarwal	07438861	01/10/2017
4	Dr. Lalit Bhasin	00001607	31/03/1986
5	Mrs. Nirmala Bagri	01081867	01/04/2019
6	Mr. Atul Kumar Gupta	01734070	20/06/2015
7	Mr. Sumant Bharadwaj	08970744	13/02/2021
8	Mr. Lakshminarayanan Subramanian	02808698	28/05/2022
9	Mr. Ajay Vohra	00012136	01/07/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 5715/2024

Lakhan Gupta
Partner
Membership No. F12682
Certificate of Practice No. 26704
UDIN: F012682F000459975

Date: 27th May 2024
Place: Delhi

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Godfrey Phillips India Limited

1. The Corporate Governance Report prepared by Godfrey Phillips India Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27 and 30(A), clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2024 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
   iii. Obtained and read the Register of Directors as on March 31, 2024 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
   iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2023 to March 31, 2024:
      (a) Board of Directors;
      (b) Audit Committee;
      (c) Annual General Meeting (AGM);
      (d) Nomination and Remuneration Committee;

(e) Stakeholders Relationship Committee;

(f) Risk Management Committee;

(g) Independent Director's meetings and

(h) Corporate Social Responsibility (CSR) Committee

(i) Environment, Social and Governance (ESG) Committee

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2024, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN: 24502405BKEYXR2911

Place of Signature : New Delhi
Date: May 30, 2024

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2023-2024

Section A	**General Disclosures**
Section B	**Management and Process Disclosures**
Section C	**Principle wise Performance Disclosure**
Principle 1	**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable**
Principle 2	**Businesses should provide goods and services in a manner that is sustainable and safe**
Principle 3	**Businesses should respect and promote the well-being of all employees, including those in their value chains**
Principle 4	**Businesses should respect the interests of and be responsive to all its stakeholders**
Principle 5	**Businesses should respect and promote human rights**
Principle 6	**Businesses should respect and make efforts to protect and restore the environment**
Principle 7	**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**
Principle 8	**Businesses should promote inclusive growth and equitable development**
Principle 9	**Businesses should engage with and provide value to their consumers in a responsible manner**

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	**Corporate Identification No. (CIN) of the Listed Entity**	L16004MH1936PLC008587
2.	**Name of the Listed Entity**	GODFREY PHILLIPS INDIA LIMITED
3.	**Year of incorporation**	1936
4.	**Registered office address**	Macropolo Building, Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai– 400033, Maharashtra.
5.	**Corporate address**	14, Omaxe Square, Jasola District Centre, New Delhi, Delhi 110025
6.	**E-mail**	isc@godfreyphillips.co.in
7.	**Telephone**	011 -26832155, 61119300
8.	**Website**	www.godfreyphillips.co.in
9.	**Financial year for which reporting is being done**	2023-24
10.	**Name of the Stock Exchange(s) where shares are listed**	NSE and BSE
11.	**Paid-up Capital**	1,039.88 Lakhs
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Sanjay Kumar Gupta, Company Secretary 011-61119418, skgupta@godfreyphillips.co.in
13.	**Reporting boundary** Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities that form a part of its consolidated financial statements, taken together).	The financial disclosures made in this report are on a standalone basis. The data related to social performance comprises information on the standalone entity and its wholly owned subsidiary - International Tobacco Co. Ltd. The environmental disclosures are of cigarette and tobacco business of the Company and its aforesaid subsidiary.
14.	**Name of assurance provider**	Not Applicable; the Company will go for assurance in due course when it is mandated.
15.	**Type of assurance obtained**	Not Applicable

II PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% Of turnover of the entity (FY 24)
1.	**Manufacturing**	**Food, Beverages and Tobacco Products:** GPIL is primarily engaged in the manufacturing and sale of cigarettes and other tobacco product.	67.63%
2.	**Trading**	**Wholesale Trading:** GPIL is also involved in the trading of unmanufactured tobacco. The Company procures tobacco leaves from farmers and traders and processes them for sale.	23.68%
3.	**Trading**	**Retail Trading:** GPIL, through a chain of convenience stores called 24SEVEN offers a wide range of products.	7.38%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Manufacturing of Cigarettes	12003	67.63%
2	Trading of Unmanufactured tobacco	46202	23.68%
3	Retail Store Products	47	7.38%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3 (Guldhar, Rabale and Ongole)	9	12
International	-	-	-

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States) *	25
International (No. of Countries)	37

*Note: GPIL has a wide network of offices across India to support its business operations. The Company has identified its office locations based on the Goods and Services Tax (GST) numbers for each location. As per the GST registration process, companies must register each office location separately, which allows for easy identification of office locations based on their respective GST numbers

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports constitute **25.6%** of the total turnover of the entity

c. A brief on types of customers

GPIL caters to a diverse set of customers through its various products and services

- For its cigarette manufacturing and selling business, the Company's primary customers are adult smokers, who purchase its products directly through retail stores. Its B2B customers include wholesalers, retailers, and other distributors including importers who purchase GPIL's products in bulk quantities and then resell them.
- In its trading of the unmanufactured and manufactured tobacco business, GPIL procures tobacco leaves from farmers and traders; GPIL also sells processed tobacco in the domestic market and exports to other manufacturers, traders, and aggregators in the industry.
- The retail store chain 24SEVEN enables GPIL to cater to a wide range of urban customers.
- The international division of the Company trades in cigarettes and cut filler with manufacturers and traders globally.

IV. Employees

20. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1,070	1,004	93.9%	66	6.6%
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	**1,070**	**1,004**	**93.9%**	**66**	**6.6%**
WORKERS						
4.	Permanent (F)	53	53	100%	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	**Total workers (F + G)**	**53**	**53**	**100%**	**-**	**-**

b. Differently abled Employees and workers

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100%	-	0%
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total differently-abled employees (D + E)**	**1**	**1**	**100%**	**-**	**0%**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	**Total diffrently-abled workers (F + G)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

21. Participation/Inclusion/Representation of Women:

GPIL has two women directors on the Board, Dr. Bina Modi and Ms. Nirmala Bagri. Dr. Bina Modi as Chairperson and Managing Director of GPIL, heads various Board Committees and leads the Company in operational aspects

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22
Key Management Personnel*	5	1	20

*Comprising of Executive Director, Managing Director, Whole-time Director, Chief Financial Officer, and Company Secretary

22. Turnover rate for permanent employees and workers:

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)			FY 2021-22 (Year prior to the previous FY)		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Permanent Employees	14.0%	6.5%	13.6%	12.5%	7.0%	12.2%	11.9%	10.2%	11.8
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	International Tobacco Company Ltd.	Subsidiary	100	Yes
2.	Chase Investments Ltd.	Subsidiary	100	No
3.	Friendly Reality Projects Ltd.	Subsidiary	92.2	No
4.	Unique Space Developers Limited	Subsidiary	66.67	No
5.	Rajputana Infrastructure Corporate Limited	Subsidiary	92.2	No
6.	Godfrey Phillips Middle East DMCC*	Subsidiary	100	No
7.	KKM Management Centre Private Limited	Associate	36.75	No
8.	IPM India Wholesale Trading Private Limited	Associate	24.8	No

* Is in the process of closure

VI. CSR Details:

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes, CSR is applicable to the Company as per Section 135 of the Companies Act, 2013.

(ii) Turnover (in Rs. Lakhs) - 523,887.9

(iii) Net worth (in Rs. Lakhs) - 384,117.9

VII. Transparency and Disclosures Compliances -

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conductt:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	**Yes,** The Company through its Corporate Social Responsibility Program engages with communities in the vicinity of their operations.	None of the complaints received are violative of any of the 9 principles of the BRSR.			None of the complaints received are violative of any of the 9 principles of the BRSR.		
Investors (other than shareholders)	NA	GPIL does not have any investors other than shareholders.					
Shareholders	**Yes.** The Company through its Registrar and Transfer Agent (RTA), provides redressal to shareholder grievances. The Company has specific e-mail addresses earmarked for receiving shareholder complaints, viz rnt.helpdesk@linkintime.co.in isc@godfreyphillips.co.in The web link for Whistleblower Policy is: https://www.godfreyphillips.co.in/sustainabililty/policies	None of the complaints received are violative of any of the 9 principles of the BRSR.			None of the complaints received are violative of any of the 9 principles of the BRSR.		
Employees and workers	**Yes.** Through Whistle Blower Policy. https://www.godfreyphillips.co.in/sustainabililty/policies The Whistleblower Policy has been uploaded on the intranet and the Company's website and is displayed at all the facilities in regional languages. The Company also participates in Great Place to Work certification every year where employees receive survey links from external parties to share their feedback.	None of the complaints received are violative of any of the 9 principles of the BRSR.			None of the complaints received are violative of any of the 9 principles of the BRSR.		

Customers	**Yes** There is a mechanism in place to receive and redress customer complaints. The customer grievance cell number +91 22 27646216 and email ID cgcell-gpi@modi-ent.com are displayed on the product packaging. GPIL's customers include retailers. For them, there are hawkers assigned by Wholesale Dealers (WD), who service them and are trained to take feedback and complaints. In addition, for WDs who are also customers, there are annual meets, besides regular business interaction with Company employees, wherein they can raise queries, provide feedback, etc. The Company's representatives also carry out regular market visits to take feedback and address issues.	None of the complaints received are violative of any of the 9 principles of the BRSR.	None of the complaints received are violative of any of the 9 principles of the BRSR.
Value Chain Partners	**Yes** GPIL's Suppliers Code of Conduct for value chain partners, allows them to approach managers directly. Such reports are treated confidentially. They can also utilize the Whistle blower Policy or emails present on corporate website to raise complaints. The policy is present on the website https://www.godfreyphillips.co.in/sustainabililty/policies	None of the complaints received are violative of any of the 9 principles of the BRSR.	None of the complaints received are violative of any of the 9 principles of the BRSR.

The Company's policies are hosted on the website at: https://www.godfreyphillips.co.in/sustainabililty/policies

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format:

GPIL conducted a meticulous materiality study to determine the most critical issues among a broad range of topics that concern their significant stakeholder groups. These stakeholders include value chain partners, suppliers, investors and shareholders, employees, and the community.

After a thorough analysis of the needs and expectations of these stakeholders, GPIL identified the top 11 material topics that have the most significant impact on their business and stakeholders. These topics were selected based on their potential to affect the Company's long-term sustainability and to align with its overall business objectives.

GPIL has categorized the elements concerning responsible business conduct and sustainability matters related to environmental, social, and governance factors, into either a risk or an opportunity. This classification is based on a sound rationale, and the Company has developed an approach to either mitigate or adapt to the identified risks, taking into consideration the financial implications involved. This exercise shall help GPIL to allocate its resources and efforts effectively, focusing on the areas where it can make the most significant impact while addressing the concerns of its stakeholders.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Human Capital Development	Opportunity	**Opportunity Perspective**: • Employees are critical to GPIL's operations. • Effective human capital management can lead to skilled resources and increased productivity. • Investing in employee development can attract and retain top talent. • Focusing on employee well-being can improve the work environment and increase employee satisfaction. • Human Capital Development is crucial for creating a sustainable business model that benefits GPIL and its employees.	- - -	**Positive** • Improved employee productivity and performance, leading to increased profitability and competitiveness • Lower employee turnover rates and associated costs, such as recruitment and training expenses • Enhanced ability to attract and retain top talent, leading to better innovation and business outcomes • Improved reputation as an employer, leading to increased customer and investor confidence and loyalty • Improved compliance with labour laws and regulations, leading to reduced legal and regulatory risks and associated costs **Negative** • High cost of training and development programs
2	Community Development	Opportunity and Risk	**Opportunity Perspective**: • Investing in community development programs is an opportunity for GPIL to create shared value for both the Company and the communities in which it operates. • GPIL can build strong relationships with local stakeholders by promoting economic growth and improving the standard of living for residents. • Working closely with local communities can provide valuable insights into stakeholder needs and preferences, helping GPIL tailor its community initiatives to better meet those needs. • Investing in community development results in long-term business growth. • GPIL can develop valuable partnerships and collaborations with local organizations and businesses, creating new opportunities for growth and expansion. **Risk Perspective** : • Failure to mobilise the community to adopt new methods, technology, or initiatives can lead to friction between the Company and the community on other issues. • The investments made for the project that fail, impacts plans for other communities.	-It is imperative for GPIL that the community is fully aligned with any programs to be implemented. GPIL ensures that before any initiative is undertaken in the community, there is baseline study followed by community meetings to discuss the findings, decide priorities, share of implementation plans and form local committees to manage the initiatives that build responsibility and ownership.	**Positive** • Developing valuable partnerships and collaborations with local organizations and businesses, leading to new business opportunities. **Negative** • Higher operational costs

3	Human Rights	Risk	**Risk Perspective:** • The Company's operations and supply chain have the potential to impact the human rights of various stakeholders, including employees, suppliers, and local communities. • Violations of human rights can lead to legal and regulatory sanctions, potentially resulting in operational disruptions and negative financial implications for the Company. The Company might face reputational damage if perceived as not adhering to set standards and laws for the protection of human rights.	GPIL takes a proactive approach in promoting human rights awareness and training among employees. GPIL conducts regular training for all employees on POSH and human rights. All GPIL's plants and facilities are ISO certified and are audited periodically for issues related to human rights. The Company's 'People First' philosophy extends to all its stakeholders, including value chain partners and farmers, and the Company's values are incorporated in various policies that ensure regard for human rights. In case of any grievances, the Company has well-established grievance redressal mechanisms for all stakeholders.	**Positive** • Positive brand identity for upholding human rights. **Negative** • Financial repercussions such as fines and penalties for non-compliance. • Short term operational costs for human rights trainings.
4	Corporate Governance	Risk and Opportunity	**Risk Perspective**: Failure to adhere to corporate governance standards can result in reputational damage. Inadequate corporate governance practices can expose the Company to risks such as fraud, corruption, and mismanagement. **Opportunity Perspective**: Good corporate governance practices provide an opportunity for GPIL to enhance its reputation and improve long-term sustainability. Effective corporate governance can promote transparency, accountability, and ethical behaviour, which can strengthen stakeholder trust and engagement.	The Company is committed to adhering to responsible business practices and upholding the highest standards of Corporate Governance. The Corporate Governance policies of the Company are well-researched and fall in line with all regulatory requirements. Additionally, the Company's Code of Business Conduct outlines the values and expected behaviour required by its Board of Directors and senior management personnel while dealing with various stakeholders.	**Positive** • Effective corporate governance can improve a Company's performance, leading to increased shareholder value and a stronger financial position. • Companies with good corporate governance practices may experience lower costs associated with legal and regulatory compliance, as well as a reduced risk of fines and penalties. **Negative** • Losses, fines, or penalties due to non-compliance.
5	Data Security and Privacy	Risk	**Risk Perspective**: Mismanagement of data might lead to reputational and regulatory issues. Data breaches can result in the loss of sensitive information, which can harm the Company's reputation and lead to significant financial damages.	The Information Security Policy has been designed to ensure data privacy and cybersecurity. It establishes a framework for implementing Information Security Management and raises awareness about security concerns related to the organization's IT infrastructure and data. The Company is ISO 27001 certified and has set annual targets to maintain this certification.	**Positive** • Effective data management can help organizations identify and mitigate potential risks, such as cybersecurity threats or regulatory compliance issues. This can help avoid costly penalties and reputational damage. **Negative** • Increased cost in short term for implementing privacy and cybersecurity measures.

6	Responsible Sourcing	Opportunity	**Opportunity Perspective:** Implementing responsible sourcing practices can help GPIL ensure ethical, social, and environmental standards being met throughout its supply chain. Responsible sourcing can also lead to cost savings by reducing risks associated with non-compliance or supply chain disruptions. By working closely with suppliers, GPIL can identify opportunities for innovation and continuous improvement, leading to long-term sustainability and growth. Responsible sourcing can help GPIL meet regulatory requirements and demonstrate compliance with international standards. Furthermore, it also enhances the Company's reputation and brand image, building trust and loyalty among customers, investors, and other stakeholders.	- - -	**Positive** • Improved supplier relationships and reduced supply chain disruptions can lead to lower procurement costs and improved efficiency. • Reduced legal and regulatory risks • Lower environmental impact and improved social responsibility can lead to cost savings and improved brand value. **Negative** • Non-compliance with responsible sourcing practices can lead to supply chain disruptions, product recalls, legal penalties, and reputational damage, resulting in higher costs and lower profitability.
7	Waste Manage-ment	Risk and Opportunity	**Opportunity Perspective**: • Effective waste management can result in cost savings by reducing waste disposal costs, minimizing resource consumption, and increasing operational efficiency. This can create long-term value for the Company and enhance its competitiveness in the market. • Sustainable waste management practices can enhance the Company's reputation and strengthen stakeholder trust and engagement. • Compliance with waste management regulations can mitigate legal and financial risks associated with non-compliance. **Risk Perspective**: • Waste management practices related to end user disposal are difficult to track. • Inefficient waste management practices can result in increased costs, such as higher disposal fees, fines for non-compliance with waste management regulations, and potential legal liabilities.	The Company's waste management approach focuses on reducing waste generation and promoting a circular economy by reusing and recycling waste. To maximize waste utilization, the Company has introduced biodegradable packaging materials such as cigarette packs and Biaxially Oriented Poly Propylene (BOPP). This not only helps in reducing the amount of waste generated but also promotes sustainability. GPIL further complies with Extended Producer's Responsibility (EPR) norms and Plastic Waste Management Rules (2016), along with all the regulations provided by Central Pollution Control Board (CPCB).	**Positive** • Implementation of effective waste management practices can lead to cost savings by reducing waste generation and disposal expenses. • It can also improve the efficiency of resource use and reduce the need for new raw materials, leading to potential cost savings. **Negative** • Non-compliance with waste management regulations can result in fines and penalties imposed by regulatory bodies. • Poor waste management practices can lead to increased costs for waste disposal and potential environmental clean-up efforts.

8	Water Management	Risk and Opportunity	**Opportunity Perspective**: GPIL can enhance water usage efficiency, reduce costs, and demonstrate environmental commitment by integrating water-efficient technologies, minimizing waste and pollution, and participating in community water stewardship initiatives. **Risk Perspective:** •Tobacco farming and cigarette manufacturing are water-intensive processes that require continuous water provision, posing a risk to effective water management and mindful use of resources. •Water scarcity can also impact the availability of water in other areas of operations due to climate change. •Delays related to water availability can lead to production delays, as water is an essential component of growing and processing tobacco.	The Company is considering and working towards minimizing water discharge after treatment. Additionally, the Company has implemented rainwater harvesting facilities and effluent treatment plants in various manufacturing facilities to ensure optimal water storage and reuse. The Company has also implemented various water shed initiatives such as check dams, borewell recharges, pond development, etc. in its Leaf division area. The Company also conducts awareness sessions to encourage employees and value chain partners to use water resources consciously.	**Positive** • Cost savings through water efficiency. • Adherence to compliances related to water consumption and discharge to avoid fines and penalties. **Negative** • Increased short term operational costs.
9	Biodeversity Management	Risk and Opportunity	**Opportunity Perspective**: Biodiversity initiatives can enhance the reputation of GPIL and demonstrate a commitment to environmental sustainability Strengthening stakeholder relationships by engaging with local communities and biodiversity experts to develop conservation programs Enhancing long-term sustainability by preserving natural resources and ecosystems that are critical to the Company's operations. **Risk Perspective:** Biodiversity loss and degradation can disrupt supply chains and increase costs for GPIL, as well as negatively impact local communities and ecosystems.	Through its CSR initiatives, GPIL is increasing the green cover around its facilities and also created separate biodiversity plantations. Moreover, GPIL has taken utmost care to not have any operations in and around ecologically sensitive areas. By selecting suppliers that prioritize biodiversity conservation and working with them to ensure sustainable sourcing practices. By implementing biodiversity conservation measures, such as habitat restoration and protection, the Company can contribute to the preservation of natural resources, support local communities.	**Positive** • Enhanced biodiversity conservation can result in long-term cost savings for GPIL by reducing reliance on external resources and enhancing operational efficiencies. • Strengthened reputation and increased stakeholder engagement can positively impact investor confidence, potentially leading to financial gains for GPIL. **Negative** • Increased operational costs due to the need for additional resources to maintain or restore biodiversity.
10	Emission and Energy Management	Risk and Opportunity	**Opportunity Perspective**: • Cost optimization and reduced consumption can be achieved through energy management, which helps to maximize resource efficiency and decrease costs. • The management of energy and emissions reduces the amount of Green House Gases (GHG) that the Company emits. • The Company's sustainability goals are directly tied to reducing GHG emissions. **Risk Perspective**: • The consumption of non-renewable energy leads to an increase in emissions that contribute to GHG emissions. • Energy-intensive manufacturing and production processes pose a risk of increasing GHG emissions.	GPIL is committed to environment management and has implemented various measures to reduce its Green House Gas (GHG) emissions by incorporating energy-efficient practices across its operations. The Company plans enhanced energy-efficient models and technologies consistently. To this end, the Company is turning to renewable energy sources and scaling up its solar energy consumption while constantly upgrading utilities at different plants. The Company has also shifted to PNG for all its cigarette manufacturing operations. The Company is also exploring long term arrangements to use renewable energy. Company has also taken up large scale plantation drive to reduce the impact of its emissions in the long term.	**Positive** • Implementation of energy-efficient technologies and processes can result in cost savings on energy bills in the long run. • Reduction of greenhouse gas emissions can lead to the avoidance of carbon taxes and other regulatory penalties. **Negative** • Dependence on fossil fuels can expose the Company to price volatility and supply chain disruptions. • An increase in energy prices can negatively impact production costs and profitability. • Implementing more sustainable practices and technologies may require initial investments or higher operating costs.

11	Climate Risk Mitigation	Risk	**Risk Perspective:** • Impact on tobacco supply: Climate change poses a risk to tobacco leaf supply causing a disruption in cultivation and production which could lead to financial losses for the Company. • Regulatory challenges: Stricter regulations on carbon emissions and energy use may result in additional costs and compliance for the Company. • Physical effects: Extreme weather events and water scarcity, driven by climate change, could disrupt the Company's supply chain and operations. It can also impact the employees directly leading to human resource risks. • Reputational risk: The Company might face reputational damage if perceived as not adequately addressing climate change impact or adopting to them.	GPIL has a comprehensive risk mitigation plan for climate change impact, which ensures all functions synergistically work towards defined ESG vison.	**Positive** • Reduced legal and regulatory risks, including penalties and fines for non-compliance with environmental regulations **Negative** • Increased regulatory scrutiny and carbon pricing can lead to increased costs for the Company. • Disruptions in the supply chain due to extreme weather events can lead to production delays and increased costs. • Increased insurance costs and reputational damage due to climate-related incidents can negatively impact the Company's financial performance.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

GPIL is guided by a comprehensive set of Board-approved Policies that cover NGRBC principles (P1 to P9) and the underlying core elements. GPIL will continue to update these systems and processes in line with evolving disclosure standards, locally relevant laws, best industry practices and Environmental, Social and Governance (ESG) requirements. The overall responsibility for ensuring the implementation of policies resides with various committees designated for operationalizing the policies. The policies covering these principles are available on the Company's corporate website www.godfreyphillips.co.in under 'Investor Relations' section.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available**	https://www.godfreyphillips.co.in/sustainabililty/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	**Yes,** all the relevant Company policies extend to the value chain partners. The Company encourages that all its partners adhere to the same high standards and measures of GPIL.								
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.									
P1	Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ("ICAI") Quality Management System (9001:2015)								
P2	Environmental management System (14001:2015) Energy Management System (50001:2018), ISO 9001, ISO 45001 certification NABL certification (R&D) (17025:2017)								
P3	Great Place to Work-Certification, Occupational Health and Safety Management System (45001:2018) ISO 26000 – Social Responsibility								
P4	ISO 9001 certification								
P5	Great Place to Work-Certification, Occupational Health and Safety Management System (45001:2018) ISO 26000 – Social Responsibility								

P6	Environmental Management System (14001:2015) Energy Management System (50001:2018) ISO 9001, ISO 45001 certification, ISO 26000 – Social Responsibility
P7	GPIL does not have any codes/ certifications/ labels/ standards aligning with principle 7 of the NGRBCs
P8	ISO 9001 certification ISO 26000 – Social Responsibility
P9	ISO 9001, Information Security Management System (ISO 27001)
Additional remarks	GPIL's manufacturing facilities have well-defined Environment, Health, and Safety (EHS) and quality management systems in place and are aligned with International Standards like ISO 14001: Environment Management System, OHSAS 18001/ISO 45001: Occupational Health and Safety Management Systems, ISO 9001: Quality Management System, ISO 50001: Energy Management System, Information Security Management System (ISO 27001) and Social Responsibility (ISO 26000). GPIL is also NABL: ISO 17025 certified to carry out competent R&D. GPIL has also been certified as a 'Great Place to Work' for the past several years.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	**Environment**: **Energy and Emissions** Carbon neutral in operations (cigarette and reconstituted tobacco manufacturing plants) by 2030 1. 50% of the total electricity consumed across manufacturing operations to be from renewable sources by 2030; 2. 30% reduction in Greenhouse Gas (GHG) emissions in manufacturing operations by 2030. **Water Management** 1. Replenish 30% of water consumed by 2030, and each year thereafter; 2. 5% reduction in water consumption per unit of production in cigarette manufacturing by 2030 **Waste Management** 1. Zero waste to landfill across manufacturing operations by 2030. **Biodiversity Management** 1. 100% of the tobacco purchased from GPIL contracted farmers will continue abiding by the prohibition on the use of highly hazardous pesticides (HHPs) as defined by FAO and WHO guidelines (YOY)* 2. Zero net deforestation in supply chain of paper used in cigarette sticks by 2030.
	Social: **Community Development:** To ensure 100% of GPIL contracted Vinukonda Burley (VKBU) tobacco farmers have access to clean drinking water within 3 km by 2030. **Human Capital Development** 1. Zero accidents in factories and offices for more than 10 years; Continuous endeavor to maintain zero accidents at factories and office premises (YoY). 2. 100% of contracted farmers are to be trained in a safe working environment and Personal Protective Equipment (PPE) during the usage of Crop Protection Agents (CPA) and handling green leaf. 3. Continue to be an equal opportunity employer (YoY). 4. Continue to be a 'Great Place to Work' organization (YoY). 5. 20% increase in learning manhours by FY'25 and sustain thereafter. **Human Rights** 1. Endeavour to have zero child and no forced labour across operations (YoY).
	Governance: **Corporate Governance:** 1. Established an ESG Committee on Board. 2. Zero tolerance for violation of Company's Code of Conduct and 100% employee training on Code of Conduct. 3. Adherence to applicable laws and regulations. Zero tolerance for deviations. 4. Obtain ISO 26000 certification (Social Responsibility) for cigarette manufacturing facilities by 2028. 5. Ensure year-on-year compliance with ISO 27001 certification (Information Security).
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	**Environment** **Energy and Emissions** Post accounting for the operational emissions (Scope 1 and 2), the Company has created a robust plan to achieve carbon neutrality in operations by 2030. With the help of the GPIL's internal energy efficiency measures, the Company has been able to reduce emissions. Further, a key step to achieving the Company's medium-term targets is setting up renewable plants that would power the Company's operations. GPIL has identified the potential partners who would help them in this journey and have initiated the process. **Water Management** GPIL has been undertaking several initiatives to reduce water consumption at the operational level. Some of the major initiatives undertaken by the Company are, a switchover from Reverse Osmosis (RO) water to softening provision (Raw water) in HVAC cooling tower, 100% shift to upgraded AHU design with adiabatic humidification resulting in non-usage of conventional humidification, reuse of reject water for non-critical usages, like cleaning and horticulture operations. These initiatives have resulted in increasing the water efficiency measures of the Company. Additionally, the Company has conducted a third-party assessment of the check dams and is undertaking measures to ensure that it meets/ achieves the replenishment target in the medium-term. **Waste Management** GPIL has been undertaking measures to ensure the safe management of waste being generated during the operations. The Company continues the segregation of waste to ensure safe disposal. Further, for the construction, e-waste, the Company sends the waste to an authorized third-party recycler. The Company obtains formal declaration from the recycler certifying the diversion of waste from the landfill to other designated activities. For instance, construction waste was used for road construction activity. Further, GPIL continues to assess other initiatives that could be used for effective waste management.

	Biodiversity Management In FY 2023-24, the Company has ensured that 100% of the GPIL contracted farmers did not use highly hazardous pesticides as defined by FAO and WHO guidelines. Further, the Company plans to continue the initiative to maintain the same.
	Social **Community Development** The Company has its Leaf operations in Andhra Pradesh. The area of its operations has very high fluoride contamination in water that leads to severe medical problems. The water also has high TDS and most filtration methods do not work. The Company therefore has been setting up Community RO water plants year-on-year to ensure access to safe drinking water for contracted farmers and their community. The water plants have borewell recharge and wastewater tanks for community use to ensure that it is sustainable. Further, the Company has been setting up a monitoring mechanism to quantify the reach and impact. Based on the results, the number of final RO plants required will be mapped and implemented by 2030. The Company has already installed 63 water plants over the years and is continuing to install year on year. Of this total 63 plants, 9 were installed by the Company in this FY. The communities continue to enjoy clean drinking water positively impacting their health. **Human Capital Development** In FY 2023-24, the Company has achieved all the set targets and is ensuring that it continues to maintain its status. Further, the Company has enforced an equal opportunity policy which prohibits discrimination based on gender, religion, caste, disability etc. In line with this commitment, the Company has started developing gender-neutral Job Descriptions (JDs), is open to hiring women across positions and encouraging consultants to send gender balanced number of resumes while practicing objective interview styles. The Company has been awarded the "Great Place to Work" certificate for 6th year in a row and remains committed to its guiding principle of 'People First'.
	Governance **Corporate Governance** The Company has a robust corporate governance system in place. Resultantly, the Company has achieved all set targets during FY2023-24. The ESG Committee on Board met last year to discuss the elements across the ESG spectrum. They received updates and progress on initiatives like stakeholder engagement, materiality matrix, policies, targets and implementation. Their feedback was taken on board for drafting the road map. For ISO 26000, the Company has obtained Validation statment from TUV as regards to compliance standards for the cigarette manufacturing facilities. Additionally, the Company is also seeking validation for corporate office that is underway.

Governance, Leadership and Oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

Statement by Sharad Aggarwal, Whole-Time Director & Functional Chief Executive Officer;

Dear Stakeholders,

I am pleased to present to you our second Business Responsibility and Sustainability Report (BRSR), focusing on our commitment and performance on key ESG indicators.

Committed to a Sustainable Future

A confident future requires a thriving environment and an equitable society. Recent times have seen full exposure to risks like pandemic, climate change, and conflicts. Corporations need to strive harder for environmental responsiveness and an inclusive society.

As a Company, Godfrey Phillips India Limited is committed to create a more sustainable and responsible future. Our vision inspires our business strategy and operations: ***"Working towards building sustainable and responsible business while promoting positive growth for all stakeholders."*** -A growth that is consistent, inclusive, equitable, and sustainable. Our core values of 'Sustainable Operations', 'People First', and 'Responsible Business' are an extension of this philosophy. We have developed a dedicated ESG strategy to enable us to transform our vision into reality, while promoting environmental stewardship, social responsibility, and economic growth. This strategy includes short, medium, and long-term targets on areas that are material to our business and stakeholders. The key focus areas are climate change, resource management, human capital development, community development, human rights, etc. I firmly believe that, as a result of our collective effort, we will be able to achieve our targets within the stipulated time frame. For GPIL, sustainability isn't an option; it's the cornerstone of conscious growth and success.

People First

We are committed to improving the lives of everyone connected to GPIL, ranging from our employees to the communities we serve. Being recognized as a "Great Place to Work" for six consecutive years is a testament to our rich culture and a validation of our best practices. We invest heavily in our employees' wellbeing and growth. We offer exceptional benefits and prioritise continuous learning and development. From skill upgrades to knowledge sharing and practical experience, we empower our people to thrive. To further uphold this commitment, we are aiming for a 20% increase in employee learning hours by 2025. We also have a robust CSR program for marginalised communities in the areas where the Company operates. The program focuses on diverse yet impactful themes, including access to safe & clean drinking water, sanitation, eliminating child labour, and encouraging education through access to better educational facilities, and livelihood opportunities. Additionally, the Company is focusing on mitigating risk of climate change impact on water and soil through environment conservation projects like check dams and pond development, plantations, biodiversity parks, etc. GPIL has built a culture of trust, respect, and shared responsibility. In alignment with our target, we continue to ensure zero child and forced labour so far at GPIL. This culture has been instrumental in achieving sustained success over time.

Responsible Business

GPIL has always been committed to maintaining a robust corporate governance system. We firmly believe that good corporate governance is not just about compliance; it is also a fundamental pillar that guides our decision-making, enhances transparency, and fosters trust amongst stakeholders. The corporate governance system at GPIL consists of an experienced and diverse Board providing strong oversight and strategic directions; maintaining increased transparency through robust reporting mechanisms and regular engagements; and an effective and robust risk management system. Our strong code of conduct acts as a guidance framework for our employees. We ensure compliance with our code of conduct, through periodic training and monitoring mechanisms.

Sustainable Operations

We are actively reducing our environmental impact by adopting sustainable practices. This includes focusing on energy-efficient solutions, optimizing resource use, and minimizing waste generation.

One key area of focus is reducing carbon emissions to achieve Carbon Neutrality in our operations by 2030 through reducing our reliance on traditional energy sources. Additionally, GPIL has plans to optimize water consumption at per unit level of production. Our treatment plants eliminate significant amounts of water waste for reuse in various processes.

Furthermore, GPIL invests in expanding greenery around facilities and our communities through biodiversity plantations. This project enhances biodiversity while aiding in carbon reduction as well.

Creating Shared value for all

We firmly believe that the value of a corporate is defined by a fine balance of economic value with social value. Both need to grow together. This is possible when we display responsible behaviour, care, and empathy for people and safeguard resources with agility. Our ESG strategy hopes to achieve this successfully. We have commenced on a journey and our commitment is firm.

We present our Business Responsibility and Sustainability Report. This comprehensive report details our environmental, social, and governance (ESG) performance indicators, following the format prescribed by the Securities and Exchange Board of India (SEBI).

For Godfrey Phillips India Limited, the Business Responsibility and Sustainability Report serves as a vital tool for communicating with stakeholders about our non-financial performance and our commitments to environmental, social, and economic well-being. Our report goes beyond just reporting; it provides transparency by including leadership indicators and other essential data, fostering accountability and openness in our operations.

Sharad Aggarwal
Whole-Time Director & Functional Chief Executive Officer

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies:

The Company has a Board level ESG Committee which is chaired by Mr. Sharad Aggarwal, Whole-Time Director & Functional Chief Executive Officer.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details:

Yes, the Company has a Board level ESG Committee which enables the integration of ESG into businesses by providing inputs for envisioning the journey and targets. The Committee will also review ESG investments for long term purposes to steer and provide impetus to the organization into a sustainable future.

The composition of the Committee is as follows:

1. Mr. Sharad Aggarwal- Whole-Time Director, Functional Chief Executive Officer
2. Dr. Lalit Bhasin- Non-Executive, Independent
3. Mr. Atul Kumar Gupta- Non-Executive, Independent
4. Mr. Subramanian Lakshminarayanan- Non-Executive, Independent

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by Director / Committee of the Board/ Any other Committee								
Performance against above policies and follow up action and frequency of review for performance against above policies and follow up action	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	Annually by Committee of the Board								
Compliance with statutory requirements of relevance to the principles, rectification of any non-compliances and frequency of review	Indicate whether review was undertaken by the Director / Committee of the Board/ Any other Committee								
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	Annually by Committee of the Board								

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency?

P1	P2	P3	P4	P5	P6	P7	P8	P9
GPIL has not carried out an independent assessment. However, the Company, as and when required, monitors, reviews, identifies, and evaluates gaps in policies. Any opportunities for improvement are addressed and implemented as per the industry's best management practices.								

12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable, since the policies are aligned with all principles.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that Ethical, Transparent and Accountable

The Company is committed to maximizing the value for its stakeholders by adopting the principles of good Corporate Governance in line with the provisions of applicable laws and regulations.

The Company's **Code of Business Conduct** outlines the values and expected behaviour required by its Board of Directors and senior management personnel while dealing with various stakeholders. GPIL is committed to providing disclosure in reports and documents required to be filed/ submitted to regulatory authorities while protecting and maintaining confidentiality and disclosure of price-sensitive information as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

GPIL's **'Whistle Blower Policy'**, provides a mechanism to highlight and report unethical behaviour.

For a better understanding of the disclosures related to this principle, see the question-by-question inputs and responses below.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

GPIL provides relevant training and awareness programs for its Board of Directors and KMPs and periodically conducts briefings for senior management on the Company's sustainability initiatives. The Company also keeps its leadership team informed of developments and changes in the local and international business and industry environment, including legislation, the economy, and issues affecting the Company. In addition, it undertakes several training programs for its employees and workers specific to their work profile, aiding them to perform their tasks effectively and efficiently.

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	5	Corporate Governance, Social, Regulatory, Business Segment and ESG. **Topics covered:** Latest Governance / regulatory requirements were discussed along with industry perspective and the impact on the business segment of the Company. Role of Independent Directors and their Obligations as per SEBI LODR Regulations, 2015 and Companies Act, 2013 were updated to the members of the Independent Directors' meeting. **Impact:** A strong governance structure continues to be in place because of all the awareness activities, aiding GPIL in becoming a more focused, successful, and value-creating Company.	100%
Key Managerial Personnel	5	Corporate Governance, Social, Regulatory, Business Segment and ESG. **Topics covered:** Latest Governance / regulatory requirements were discussed along with industry perspective and the impact on the business segment of the Company. **Impact:** These subjects help top management be more strategic in future business plans and identify the risks and opportunities, set tangible goals	100%
Employees other than BoD and KMPs	156	• Software Trainings • Cyber Security Trainings • Food Safety and Management • Environment Management Training • Fire Safety Trainings • GCSD (GPI College of Sales & Distribution) Trainings • Soft Skill Trainings • Business Operation Trainings • Health and Safety Trainings • Awareness of POSH and Human Rights • ESG & Sustainability Trainings **Impact**: These activities and initiatives help GPIL employees in their career trajectory, overall development, and achieving Company objectives.	82.6%
Workers	35	Training regarding various technical aspects and health and safety measures were provided. **Impact**: These activities and initiatives empower GPIL workers to enhance their technical skills, fostering overall development and contributing to the Company's objectives.	90.6%

2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	During the Financial Year 2023-24, no fines/ penalties/ punishment/ award/ compounding fees/ settlement as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been imposed by any authority on the Company or its Directors				
Settlement					
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Not Applicable			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

GPIL prioritizes ethical conduct with a strong Anti-Corruption & Anti-Bribery Policy aligned with relevant laws. This zero-tolerance policy applies to employees, directors, and suppliers, with a Supplier Code of Conduct reinforcing these expectations. An Ethics Committee ensures effective policy implementation. The policy can be viewed at https://www.godfreyphillips.co.in/sustainabililty/policies

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Directors	No disciplinary action was taken regarding corruption and bribery against the directors, KMPs, employees and workers of GPIL in current as well as previous financial year	
KMPs Employees Workers		

6. Details of complaints about conflict of interest:

	FY 2023-24 (Current FY)		FY 2022-23 (Previous FY)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

Since there were no complaints received by the Company with regard to corruption and conflict of interest, against any of the Directors, KMPs and employees, no corrective action on this aspect was necessitated.

8. Number of days of accounts payables (Accounts payable * 365) / Cost of goods/services procured) in the following format:

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Number of days of accounts payables	59	73

9. Open-ness of business

Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases*	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales#	76%	81%
	b. Number of dealers/distributors to whom sales are made	962	943
	c. Sales to top 10 dealers / distributors as % total sales to dealers / distributors	18%	23%
Share in RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	11%	10%
	b. Sales (Sales to related parties / Total Sales)	32%	22%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	22%	3%
	d. Investments (Investments in related parties / Total Investments made)	4%	5%

*Note: * Total purchases include the total expenditure on the purchase of goods by the organization.*
 # Total sales include the revenue generated from the operations of the organization.

LEADERSHIP INDICATORS

1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

GPIL conducts awareness programs for its value chain partners, mainly for the farmers in the Burley tobacco-growing region of Andhra Pradesh. The Company strictly adheres to the principles outlined in the Agricultural Labour Practices. The Code is following the labour standards of the International Labor Organization (ILO), such as Rights at Work, the Declaration on Fundamental Principles, and other relevant conventions. The Code covers principles essential for ensuring better labour practices, such as the prohibition of child labour, fair treatment, prohibition of forced labour and human trafficking, freedom of association, etc. To ensure compliance with the Code in the value chain, GPIL conducts regular training sessions through different mediums like workshops, community meetings, and periodical interaction on best practices and solutions. Further, GPIL understands the importance of extending these programs to other value chain partners and is actively exploring opportunities to expand the scope of these programs to initiate focused discussions on ESG risk exposures, fair business practices, environmental and social compliance.

Total number of awareness programs held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
GPIL conducted 7 awareness programs for its farmers in burley tobacco growing region.	Principle 5: Business should respect & promote human rights **Topics Covered:** • Child Labor • Income and Work Hours • Fair Treatment • Forced Labor & Human Trafficking • Safe Work Environment • Freedom of Association • Terms of Employment	The Company currently has awareness programs for the farmer base in Vinukonda, which comprises of the 25% of the total value chain partners.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same:

Yes. The Company's Code of Conduct requires the Directors, senior management, and employees to avoid situations in which their personal interests could conflict with the interests of the Company. The processes are outlined in the Code of Business Conduct of the Company which explains expected behaviour while dealing with internal or external stakeholders. There are structures, procedures, and practices to promote this principle across the value chain. The Board of Directors and senior management personnel are required to give annual declaration of compliance with the Code of Conduct of the Company.

Further, the Board of Directors are also required to furnish declarations, disclosure of interest and intimate vide Form DIR 8 pursuant to Section 164(2) and Rule 14(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming that they have not incurred disqualification u/s 164(2) of the Companies Act, 2013, and that they stand free from any disqualification from being a Director.

A policy on Related Party Transactions (RPT) and determination of Material RPT has been formulated and approved by the Board. Details of such policies are available at https://www.godfreyphillips.co.in/sustainabililty/policies

Whenever, there is a Related Party Transaction with entities in which GPIL's Directors have interest, such transactions are reported to the Audit Committee for their information and for seeking necessary approvals from time to time.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

GPIL has streamlined business practices that align with sustainable development, which the Company has built over the years by taking inputs from a wide range of stakeholders. As the Company's business operations evolve, GPIL will continue to strengthen its sustainability strategies.

For a better understanding of the disclosures related to this principle, see the question-by-question inputs and responses below.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	FY 2023-24 Current FY	FY 2022-23 Previous FY	Details of improvements in environmental and social impacts
R&D	**14.0%** (182.8 lakhs) **Environment:** 93.7% (171.2 lakhs) **Social: 6.3%** (11.6 lakhs)	**8.4%** (101.5 lakhs) **Environment: 57.9%** (58.7 lakhs) **Social: 42.1%** (42.8 lakhs)	GPIL continually undertakes research activities to develop environmentally friendly processes and products.
Capex	**2.6%** (165.6 lakhs) **Environment: 100%** (165.6 lakhs) **Social: 0%** (0 lakhs)	**1.1%** (89.9 lakhs) **Environment: 60.0%** (54 lakhs) **Social: 40.0%** (35.95 lakhs)	GPIL has invested in testing equipment for conducting several tests; keeping in mind their energy-efficiency to reduce the environmental impact during its operation. An example would be purchase of Newtronic Stability Chamber for conducting shelf-life studies. This uses CFC free cooling systems which prevent atmospheric ozone layer depletion and greenhouse effects. GPIL also invests in equipment that check product quality simultaneously while the processing is in progress; thereby ensuring no re-work and resource wastage. An example is the recently installed online moisture meter which checks tobacco moisture as it is being processed, thereby eliminating the need to reprocess or waste tobacco later.

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Yes, the Company endeavours to embed the principles of sustainability in all its business practices. Vendors operating from close vicinity to the plant location are given preference to the extent possible, as it helps save on transportation and inventory carrying costs. Systematic documentation and records are maintained to ensure that the Company’s codes are honoured, and transactions are transparent & ethical. Vendors' compliance for PAN/ GST and TDS is investigated while onboarding them. They are also assessed based on their expertise in delivering the goods on time and meeting quality requirements. Non-conformities are identified & addressed through appropriate process controls.

All significant raw material vendors engaged with the organisation have ISO certifications. For suppliers of raw material and packaging materials, the Company engages with the vendors on subjects of sustainability.

The sustainably sourced products are:

a. **Burley Tobacco Leaves** - GPIL directly sources burley tobacco leaves through contract farmers. These contracts require compliance with Sustainable Tobacco Production principles requiring them to comply with the applicable labour laws, practices as per the ALP (Agriculture Labour Practices) Code and good agricultural practices prescribed in the GPIL Farmer’s Handbook. The Company provides field technicians with a customised digital application to collect data and monitor the progress of the farmer against the compliance checklist. The Company actively collaborates with farmers to implement Good Agricultural Practices (GAP) which enhances productivity, yield, and quality, minimizes environmental impact, and ensures respect for human rights throughout the cultivation and sourcing process.

b. **Input and packaging material** – Few packaging materials such as TOR and gum tapes are sustainably sourced from vendors that practice sustainability in their operations.

b. If yes, what percentage of inputs were sourced sustainably?

The Company's procurement includes 25% of sustainable procurement during FY 2023-24.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposal at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:

The Company ensures safe disposal of materials like e-waste, plastics & hazardous waste for which an agreement is entered with CPCB approved recyclers and waste disposal vendors. Further, certain waste is disposed of through approved incinerators.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:

Yes, GPIL complies with the EPR norms and Plastic Waste Management Rules, 2016 along with the regulations provided by Central Pollution Control Board (CPCB).

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or its services (for the service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
No. GPIL recognises a Lifecycle Assessment (LCA) is crucial for environmental impact measurement. However, GPIL hasn't conducted a comprehensive LCA yet. This limits their understanding of the full environmental impact. Despite this, GPIL remains committed to sustainability and has implemented initiatives to optimise the use of energy, water, and reduction of waste.					

2. If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (For the manufacturing industry) or providing services (for the service industry):

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Not Applicable		

4. Of the products and packaging reclaimed at the end of life of products, the amount (in metric tons) reused, recycled, and safely disposed of:

At present, the materials used in the Company's main products' packaging, such as paper and BOPP, are entirely biodegradable, so reclaiming is not applicable. The Company does not have a comprehensive program for reclaiming its products' packaging waste in relation to cigarette filters due to the size, and resources required for collecting disposed filters in large quantities.

However, in compliance with EPR regulations, the Company has reclaimed and ensured safe recycling of 100.7 metric tonnes of plastic waste through CPCB authorized third-party agency.

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Re-Used	**Recycled**	**Safely Disposed**	**Re-Used**	**Recycled**	**Safely Disposed**
Plastics (Including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous Waste	-	-	-	-	-	-
Other Waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Nil

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

GPIL's People's First Approach: The Company embraces a core value of "People-First". This philosophy extends beyond its employees to encompass farmers, suppliers, retailers, and all stakeholders within its ecosystem. Recognizing that a high performing organization is built upon a foundation of strong people management and talent development, the Company prioritizes investments in future oriented business practices and the adoption of technology to enhance employee well-being and create a more efficient work environment.

Investing in Value Chain: Understanding that every individual within its value chain is critical to success, GPIL actively promotes the well-being and development of all stakeholders. This commitment is manifested through various initiatives and programs designed to empower and support individuals through GPIL ecosystem.

For a better understanding of the disclosures related to this principle, see the question-by-question inputs and responses below.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category		% Of employees covered by									
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	1,004	1,004	100%	1,004	100%	-	-	-	-	-	-
Female	66	66	100%	66	100%	66	100%		-	-	-
Total	**1,070**	**1,070**	**100%**	**1,070**	**100%**	**66**	**6.2%**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	Not Applicable										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	53	53	100%	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**53**	**53**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	Nil										
Female											
Total											

c. Spending on measures towards the well-being of employees and workers:

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
The cost incurred on well-being measures as a % of the total revenue of the Company	0.2	0.3

2. Details of retirement benefits:

Benefits	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes*	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	6.3	-	Yes	5.0	-	Yes
Other (Please specify)	81.4	-	Yes**	83	-	Yes*

* To this purpose the Company has a Trust for the deposits.

**Deposited in GPIL's Superannuation Fund Trust; Employees also have an option to opt out and take the same amount (15% of basic salary) as an allowance.

3. Accessibility of workplaces- Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

GPIL recognizes the importance of inclusivity and ensures that its premises are accessible to everyone, including differently abled employees and workers in accordance with the requirements of the Rights of Persons with Disabilities Act 2016. The Company has taken steps to provide adequate accessibility facilities to its own employees and persons with disabilities wherever and whenever required. The Company will continue to make efforts in creating an inclusive workplace.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

Yes, GPIL has an Equal Opportunity Policy which complies with the Rights of Persons with Disabilities Act 2016 and ensures that individuals with disabilities are not discriminated against in any form. GPIL prioritizes recruiting talented individuals who align with the Company's values and do not discriminate based on age, colour, physical capabilities, religion, caste, region, marital status, or orientations.

The link to the policy https://www.godfreyphillips.co.in/sustainabililty/policies

5. Return to work and retention rates of permanent employees and workers that took parental leave:

The organisation recognises the importance of supporting all employees in achieving a healthy work-life balance. While currently, there is no separate parental leave provision specifically for male employees; the Company offers a comprehensive leave policy that includes more than average casual leave provisions in line with industry practices. The male employees have availed themselves of these leave options to balance their work and personal responsibilities.

In this reporting year, no female employees availed of maternity leave, thus this question does not apply to us.

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	Not Applicable			
Female	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Total	Not Applicable	Not Applicable	Not Applicable	Not Applicable

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief:

	Yes/ No (If yes, then give details of the mechanism in brief)
Permanent Workers	**Yes**, GPIL has a grievance redressal mechanism in place which is available to all employees and workers. It ensures that the grievance is handled in a fair and just manner while adhering to the Company's standards.
Other than Permanent Workers	The system includes a clear and accessible procedure for submitting grievances or complaints, as well as guidelines for investigating and resolving them in a timely and effective manner. The process may involve mediation or other forms of conflict resolution, as well as measures to prevent retaliation against those who raise concerns. For other than permanent workers too, the grievance system is available and accessible for logging in any complaints and feedback without prejudice or discrimination.
Permanent Employees	Before meeting with senior management on their issues, employees are encouraged to first discuss their concerns with their immediate reporting authority and try to come to a resolution. Workers have access to management through periodic formal and informal sessions.
Other than Permanent Employees	Additionally, the Company has interactive dialogues among all employees and workers through formal and informal mediums like conferences, townhalls, team and planning meetings. Various policies and the grievance system and process is also present for any temporary or contractual or other than permanent employees if present in office. All issues are addressed on priority and in a fair manner.

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24 (Current FY)			FY 2022-23(Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1070	5	0.5	1046	6	1
- Male	1004	5	0.5	989	6	1
- Female	66	-	-	57	-	-
Total Permanent Workers	53	48	90.6	65	60	92
- Male	53	48	90.6	65	60	92
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current FY)					FY 2022-23 (Previous FY)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,004	163	16.2%	774	77.1%	989	311	31	738	75
Female	66	4	6.1%	35	53%	57	21	37	19	33
Total	**1,070**	**167**	**15.6%**	**809**	**75.6%**	**1,046**	**332**	**32**	**757**	**72**
Workers										
Male	53	48	90.6%	48	90.6%	65	60	92	60	92
Female	-	-	-	-	-	-	-	-	-	-
Total	**53**	**48**	**90.6%**	**48**	**90.6%**	**65**	**60**	**92**	**60**	**92**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,004	926	92.2%	989	907	92
Female	66	54	81.8%	57	44	77
Total	**1,070**	**980**	**91.6%**	**1,046**	**951**	**91**
Workers						
Male	53	53	100%	65	65	100
Female	-	-	-	-	-	-
Total	**53**	**53**	**100%**	**65**	**65**	**100**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes. GPIL has a management system for occupational health and safety that is accredited to ISO 45001:2018. The system is thoroughly documented and used throughout GPIL's factory operations. The system is effectively supported by several committees, which promote safety activities to go along with the objective of compliance with occupational health and safety measures. Certified external auditors conduct audits of this system annually.

For corporate office and branches, we have a process and an internal assessment method for health and safety.

For manufacturing facilities and offices, the Company also periodically organizes health screenings, vaccination drives, and sessions on fitness and wellbeing, and maintain a safe and hygienic work environment.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

GPIL takes a proactive approach to safety with a comprehensive EHS Risk Management framework especially for their manufacturing and operation units. This framework includes a set of processes for continual risk identification, assessment, and mitigation, with active participation of the workforce in each of its facilities. Shop floor processes in this regard include hazard spotting tours, suggestion schemes, daily briefings, and periodic EHS committee meetings in which employees participate. Furthermore, GPIL has a Hazard Identification and Risk Assessment (HIRA) and regularly conducts Job Safety Analysis for individual tasks. A process for ISO, ASPECT IMPACT, OCP and Training and Awareness programs are present to cater to work-related hazards. To address near-miss incidents, the Company has created control measures that are intended to reduce the identified workplace hazards and record them in the risk register.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes. GPIL has processes for workers to report work-related hazards and to remove themselves from such risks. There is also a provision for a Near Miss Report form to report and inform the management in case of a near miss incident. Furthermore, GPIL encourages its workers to report hazard and their issues in central department safety meeting, safety committee meeting as well. Emergency response procedures are also in place for units.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, employees and workers have access to first aid available within the factories and premises along with a doctor visiting the premises on a regular basis. Employees have access to the Company's medical benefits for hospitalization expenses reimbursements through special sanctions. The staff grade employees have access to medical benefits through Company provided Mediclaim policy premium reimbursement scheme up to a certain ceiling. Furthermore, the employees have group insurance policies with accidental benefits, medical allowance up to one month of basic pay which also gets carried forward in case of unutilized amount, and for other category of employees and workers, statutory benefits under ESIC.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The Company's robust Environment, Health, and Safety (EHS) Policy transcends protocol to foster a sense of ownership and accountability at all levels. GPIL's safety culture encourages every individual to play a vital role in safeguarding the well-being of themselves and their colleagues.

The Company prioritizes the health and safety of its workforce through comprehensive health and safety protocols. Regular training programs and awareness campaigns equip employees with the knowledge and skills necessary to operate safely. Periodical health check-ups and vaccinations and few specialized camps are also held, for example women specific tests that further bolster employee well-being. Various offices also undertake individual activities like yoga day and engagement programs to encourage employee fitness and health.

Furthermore, the Company provides a safe and healthy work environment with proper lighting, ventilation, air conditioning, well-spaced workstations with ergonomic furniture, recreation and refreshment areas, safe drinking water, and access to clean toilets for all employees. Mandates like installation of firefighting and emergency equipment, etc. are ensured and regularly checked.

13. Number of complaints on the following made by employees and workers:

No complaints were received regarding working conditions and occupational health and safety concerns

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Working Conditions	Nil	Nil	No complaints were received in the reporting year	Nil	Nil	No complaints were received in the reporting year
Health & Safety	Nil	Nil	No complaints were received in the reporting year	Nil	Nil	No complaints were received in the reporting year

14. Assessments for the year

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:

Internal assessments in the Company are conducted periodically. Information about safety-related incidents is captured through near miss reporting and safety tickets. There is a process for in-depth investigation to be carried out in case of any accidents and corrective preventive measures to be taken based on the findings.

The information and data collected are disseminated across the organisation at periodic intervals and a formal compliance is obtained.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):

A. Yes, GPIL provides group term life insurance for all employees.

B. No, GPIL does not provide term life insurance to workers. However, the workers are covered under Group Personal Accident Policy in the event of accidental death at work.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:

The Company engages vendors who are fully compliant with applicable laws based on their track record. GPIL ensures necessary checks are in place and statutory dues as payable by service providers for employees are deposited on time and in full through a process of internal control mechanism. The Company takes challan copy regarding deposit of PF and ESI of employees and workers engaged by contractors and third parties while processing their bills for payment. Furthermore, online checking of GST returns or deposit proof of PF and ESI by the said contractor or third party is also carried out.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Employees	Nil. In the current and previous year, no employees/ workers have suffered any high consequence work-related injury/ ill-health/ fatalities			
Workers				

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No):

Yes, The organization recognizes the importance of supporting employees during career transitions. In cases of layoffs, terminations, or early retirements, supervisors and management provide recommendations to enable employment. The Company also invests in human capital development programs to enhance employee skillsets and facilitate a smooth transition to new opportunities when sought.

Furthermore, GPIL offers an optional superannuation fund. Employees can choose to participate, and the Company contributes 15% of their basic salary to the fund. Upon retirement or severance, the employee can utilize a portion of the accumulated amount to subscribe to an annuity plan offered by the life Insurance Corporation of India (LIC) to the extent of 2/3 or full of the balance lying in his/her account; this provides with a monthly income/ pension from the retiral plan. Additionally, all employees are eligible for a monthly pension from the Employees' Provident Fund Organization (EPFO) based on their contributions and service length. This comprehensive approach ensures financial security for employees after leaving the company.

5. Details on assessment of value chain partners:

GPIL's Supplier Code of Conduct lays out guidelines for value chain partners and their operations. Further, the burley tobacco farmers are required to comply with the Agricultural Labor Practices (ALP) Code, which includes health and safety, and farmer's working conditions as one of the criteria of the principles. To monitor the compliance of the Code, the Company conducts regular assessments of its burley tobacco farmers through Field Technicians (FTs).

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	Approx 25%
Working conditions	Approx 25%

**This is in relation to burley tobacco farmers*

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:

GPIL prioritizes the well-being of its burley tobacco farmers. Periodical internal and external assessments, conducted by independent auditors, like Control Union, evaluate working conditions and health & safety standards within the farming communities.

These assessments are conducted to identify potential health hazards such as Green Tobacco Sickness and exposure to pesticides and fertilizers. GPIL mitigates these risks through ongoing education programs, monitoring practices, and enforcing strict procedures for farmers and workers. Specific areas of focus include proper use and disposal of Personal Protective Equipment (PPE) and hazardous materials during harvesting, safe handling of pesticides and fertilizers, utilizing safety gear during tasks like stitching, trainings and easy access to first aid etc. GPIL ensures these practices are followed through stringent monitoring processes and addresses any identified issue on high priority. This commitment fosters a safer and healthier environment for all involved in the tobacco value chain.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

The Company maps, manages, and promotes the interests of its internal and external stakeholders across its value chain. GPIL engages and communicates consistently with employees, workers, customers, suppliers, investors, shareholders, retailers, tobacco farmers and labourers, civil society organisations, and local communities of areas the Company operates in.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity:

The process of identifying stakeholders typically involves a systematic and iterative approach to understanding the various groups or individuals who have an interest or may be affected by an organisation's activities.

Following are the steps that were followed to identify key stakeholders' group:

a. Internal stakeholder mapping: The Company conducted internal stakeholder mapping exercise to determine and categorise groups or individuals within the organisation who are part of the critical functions in the organisation and who have a direct connection with external stakeholders. This includes employees, managers, executives, and board members.
b. External stakeholder mapping: The Company also conducted an external stakeholder mapping exercise to identify and categorise groups or individuals outside the organisation who have an interest in or impact on its sustainability activities. This primarily includes customers, bankers, suppliers, investors and communities that include burley tobacco farmers, retailers, and hawkers.
c. Stakeholder prioritisation: Once the stakeholders were identified, the Company prioritised them based on their level of influence and impact on the business and the level of impact that the business activities have on them. This helped the Company determine the most critical, vulnerable and marginalised stakeholders it needed to engage more deeply with.

Through this process, the Company aims to ensure that it is addressing the most important sustainability challenges and opportunities facing the organisation by engaging with the right set of stakeholders in a transparent and accountable manner.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Notices, Newspapers, Email, telecalls, websites	Quarterly and Annually	By engaging with its investors, GPIL aims to build trust, improve transparency, get access to capital, influence shareholders, and fulfil mandatory regulations. The topics raised during such engagements ranged from financial performance to ESG disclosures.

Suppliers	Yes (Farmers)	Letters, emails, meetings, events, websites	Continuous	GPIL's engagement with its supplier is aimed at building stronger relations, ensuring reliable supply chains, managing risk, and fostering innovation to develop sustainable supply chains. The topics addressed during interactions with suppliers pertained to ensuring a sustainable supply chain and human rights issues.
Customers	No	Emails, telecalls, conferences, mails, events, websites	Depending on the medium, it occurs weekly.	The Company engages with its customers with the aim of building trust, understanding customer needs, developing new products, increasing sales, and enhancing its reputation.
Senior Employees	No	Periodical emails, townhalls, intranet, meetings, workshops, trainings, internal social media groups, events	Continuous	Engagement with the senior management is key for GPIL to retain its top talent, develop leadership skills, improve productivity among the workforce, and foster innovation. The discussions with senior employees pertain to development of a positive work environment.
Other Employees	No	Periodical emails, townhalls, Intranet, meetings, workshops, trainings, internal social media groups, events, notice board	Continuous	By engaging with its employees, GPIL aims to boost employee morale, increase talent retention, improve performance, enhance innovation, and improve customer experience. Key concerns and topics raised during such engagements pertain to work-life balance, fair wages, and rewards & recognition.
Community (Retailers, Farmers, Hawkers)	Yes (Farmers and retailers)	Emails, telecalls, community meetings, local programs, workshops, trainings,	Continuous	GPIL's engagement with its immediate community is aimed at addressing community needs, creating shared value, and building trust among the community and the Company. The main issues addressed during these engagements pertain to community health and safety and extending adequate support to vulnerable and marginalised sections.
Government Bodies	No	Industry Association	Need Based	In the interest of stakeholders and millions of people whose livelihood is dependent on the Industry, the Company engages with Govt. authorities through evidence and data based advocacy, directly or through industry bodies.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

GPIL gives utmost importance to stakeholder engagement to ensure sustainable operations, while mitigating risks and identifying opportunities for the Company.

The Company conducted a comprehensive stakeholder engagement and materiality assessment exercise with the assistance of an external consultant in FY23. The process involved gathering feedback and input from all identified key stakeholders to determine the topics significant to the business. The identified gaps and observations from this extensive evaluation process were analyzed, materiality matrix, targets and implementation roadmap were finalized and communicated internally and externally. The update on the process, the targets and way forward were formally presented to the Board. The Company has also established a governance structure that ensures the flow of information and feedback on the ESG program upwards and downwards.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

Yes. Surveys with stakeholders who have an impact on GPIL's sustainability strategy and priorities have been conducted recently at an organisational level, and the Company strives to include the viewpoints of all groups of stakeholders in its policy development and other business decisions and activities.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:

GPIL's community (farmers, retailers, and hawkers) are among the vulnerable/marginalised stakeholder groups of the Company. The limited resources and opportunities are often challenging for these groups. The Company prioritises assistance and support for them. The Company's CSR program has put in place several projects to help vulnerable and marginalised burley tobacco farmers. The initiatives under the program range from mitigating climate change risk through the conservation of water, soil and environment while creating awareness and educating on the issues through activities that aid better health, access to safe drinking water, eliminating child labour and encouraging education of children. The Company also educates and monitors farmers on the Agriculture Labour Practices that Good Agriculture Practices that include topics of best practices on sustainable agriculture, technology, mechanisation, health & safety awareness on subjects of green tobacco illness, using and disposing off PPE, CPA containers etc. Regular workshops are also held to discuss labour rights, dispute management and other relevant subjects.

By supporting these vulnerable stakeholders, GPIL fosters a more sustainable and equitable environment for all.

Principle 5: Businesses should respect and promote human rights

The Company gives utmost importance to human rights issues and has various policies pertaining to the same. **Policies on Human Rights, Code of Business Conduct, Equal Opportunity Policy, Health & Safety, Prohibition of Sexual Harassment at Workplace, Suppliers' Code of Conduct, Whistle Blower Policy** along with a Grievance Redressal System has been established to uphold human rights at GPIL. The Company also complies with all applicable national and regional laws and regulations to uphold its human rights commitments.

ESSENTIAL INDICATORS

1.Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

GPIL gives utmost importance to upholding human rights and thus undertakes several initiatives to uphold and safeguard it. The Company has enforced a standalone Human Rights policy, which clearly outlines the principles to be adhered to by the internal stakeholders of the Company.

Additionally, the Company has an intensive process of induction and all employees who join the Company are first taken through all the policies, Code of Conduct, values and ways of working. All queries and clarifications are addressed proactively. Over and above, awareness and reinforcement of the guidelines are conducted in the Financial Year.

Category	**FY 2023-24 (Current FY)**			**FY 2022-23 (Previous FY)**		
	Total (A)	**No. of employees / workers covered (B)**	**% (B/A)**	**Total (C)**	**No. of employees / workers covered (D)**	**% (D/C)**
Employees						
Permanent	1,070	125	12%	1,046	252	24
Other than permanent	-	-	-	-	-	-
Total employees	**1,070**	**125**	**12%**	**1,046**	**252**	**24**
Workers						
Permanent	53	-	-	65	-	-
Other than permanent	-	-	-	-	-	-
Total workers	**53**	**-**	**-**	**65**	**-**	**-**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current FY)					FY 2023-23 (Previous FY)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1,004	-	-	1,004	100%	989	-	-	989	100%
Female	66	-	-	66	100%	57	-	-	57	100
Other than Permanent										
Male	Nil									
Female										
Workers										
Permanent										
Male	53	-	-	53	100%	65	-	-	65	100%
Female	-	-	-	-	100%	-	-	-	-	100%
Other than Permanent										
Male	Nil									
Female										

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	14,00,000	2	17,33,63,300
Key Managerial Personnel (other than BoD)	2	2,02,07,593	-	-
Employees other than BoD and KMP	1,001	9,51,170	66	13,02,382
Workers	53	9,29,756	-	-

b.Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Gross wages paid to females as % of total wages	6.2 %	5.3%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, GPIL has an Audit Committee and other committees that address all human rights issues through the Whistle Blower Policy, Human Rights Policy, POSH Policy and Equal Opportunity Policy to name a few.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

Yes, the Company has a structured Grievance Redressal Procedure, and the process is available to employees and workers in various languages for ease of access. Additionally, the Whistle Blower mechanism is also available to all employees which empowers the complainant to bring to the attention of the management, any concerns related to human rights violations. GPIL ensures that the tobacco supply chain follows ethical practices and abides by the human right requirements as prescribed in the Agriculture Labour Practices (ALP) code. The Company has a monitoring system on ground to identify human rights violations, if any. Based on the severity of the violation, GPIL undertakes appropriate action to resolve the concern.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	No complaints were received regarding sexual harassment by employees and workers during FY 2023-24			No complaints were received regarding sexual harassment by employees and workers during FY 2022-23		
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

7.Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees/ workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

GPIL is committed to a workplace that is free of harassment, including sexual harassment at the workplace, and has zero tolerance for any such conduct. It encourages reporting of any harassment concerns and is responsive to complaints about harassment. The Company has constituted committees to enquire into complaints of sexual harassment and to recommend appropriate action, wherever required. GPIL ensures that the complainant would be protected from his/her normal working facilities and ensures that there would be no discrimination against him/her during appraisal or allotment of work. Further information about the policy can be found here: https://www.godfreyphillips.co.in/sustainabililty/policies

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company has included compliance with human rights requirements as a part of its standard terms and conditions of its Agreements/ Contracts entered with the Suppliers and as a part of its Code of Conduct for suppliers and service providers. Additionally, the Company requires suppliers to comply with applicable laws, labour standards, environmental regulations, and uphold human rights and principles of ethics and integrity in their operations.

10. Assessments of the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above:

At present, no such concerns have been raised. In case concerns arise, the Company will undertake appropriate improvement measures and corrective actions and keep necessary checks and balances in place to address significant risks/concerns. There is a process defined for the complaints in the various policies.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced because of addressing human rights grievances/complaints:

Code of Business Conduct and Human Rights Policy has been deployed across the Company. The Company has not received any human rights complaints.

2. Details of the scope and coverage of any Human rights due diligence conducted:

GPIL upholds human rights in its burley tobacco supply chain, addressing child labour, minimum wages, employee benefits, and grievance redressal through the Agriculture Labour Practices (ALP) Code. The ALP Code tackles identified risks and the periodical discussions and training of farmers and stringent monitoring by field technicians ensures compliance. The program focuses on three key ALP principles: income and work hours, fair treatment, and a safe working environment. Additionally, the following code principles are considered:

- ALP Code Principle 1: Child labour
- ALP Code Principle 2: Income and work hours
- ALP Code Principle 3: Fair treatment
- ALP Code Principle 4: Forced labour and Human Trafficking
- ALP Code Principle 5: Safe work environment
- ALP Code Principle 6: Freedom of association
- ALP Code Principle 7: Terms of Employment

In the past, an audit conducted by an international body, Control Union, highlighted positive impacts like increased workplace safety, minimized incidences child labour , and heightened danger awareness in the burley tobacco supply chain.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, GPIL strives to create an inclusive workplace environment by supporting differently abled visitors and providing them with accessible infrastructure wherever necessary.

4. Details on assessment of value chain partners:

GPIL's Supplier Code of Conduct guides value chain partners, prioritizing sourcing from responsible suppliers with a strong focus on human rights and sustainability. In addition to this, the contracted burley tobacco farmers are also required to comply with the Agricultural Labor Practices (ALP) Code, which specifically includes principles on child labour, forced/involuntary labour, discrimination-related aspects, wages, etc. To ensure compliance with the Codes, the Company periodically conducts assessment through Field Technicians (FTs) and has supervisors and managers conducting regular awareness programs.

	% Of value chain partners (by value of business done with such partners) that were assessed*
Sexual harassment	Approx 25%
Discrimination at workplace	Approx 25%
Child labour	Approx 25%
Forced/involuntary labour	Approx 25%
Wages	Approx 25%

**This is in relation to burley tobacco farmers*

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above:

No risk/ concerns were identified during the assessment process; thus the corrective/mitigation actions were not necessitated.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

GPIL aims to lead the path of environmental stewardship, constantly striving to minimize its footprint. The Company embraces best practices, fostering a culture of continuous improvement in environmental practices, systems, and operations. Across its facilities, a strategic shift unfolds – a gradual upgrade of utilities to embrace energy-efficient models and technologies. All these measures are aimed at conserving natural resources and reducing wasteful consumption.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
From renewable sources	Megajoule		
Total electricity consumption (A)	Megajoule	2,41,74,137	1,83,86,971
Total fuel consumption (B)	Megajoule	0	0
Energy consumption through other sources (C)	Megajoule	0	0
Total energy consumed from renewable sources (A+B+C)	Megajoule	**2,41,74,137**	**1,83,86,971**
From non-renewable sources	Megajoule		
Total electricity consumption (D)	Megajoule	5,91,49,359	6,52,41,531
Total fuel consumption (E)- Diesel	Megajoule	2,509,528	2,952,013
Energy consumption through other sources (F)- PNG, Petrol, and LDO	Megajoule	2,14,46,712	24,276,085
Total energy consumption from non-renewable sources (D+E+F)	Megajoule	**8,31,05,598**	**9,24,69,629**

Total energy consumed (A+B+C+D+E+F)	Megajoule	**10,72,79,735**	**11,08,56,600**
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	KJ/INR	**2.05**	**2.6**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	KJ/INR adjusted for PPP	45.9	58.7
Energy intensity in terms of physical output	GJ/ million cigarette sticks	5.7	6.1
Energy intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N), if yes, name of the external agency.: No

**Energy consumption data for previous year is updated due to change in reporting categories.*

For PPP, 22.4 National currency units/US dollar has been used. Source: IMF (2024), Purchasing power parities (PPP) (indicator).

Energy intensity in terms of physical output includes only cigarette manufacturing factories.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water:	Nil	Nil
(ii) Groundwater	34,310	36,539
(iii) Third party water (Municipal water supplies)	42,565	38,609
(iv) Seawater / desalinated water	Nil	Nil
(v) Others (Recycled)	21,619	19,249
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**76,875**	**75,148**
Total volume of water consumption (in kilolitres) *(Total water consumption is calculated by deducting total water discharge from total water withdrawal)*	**70,388**	**67,661**
Water intensity per rupee of turnover (Water consumed / revenue from operations) (Litre / K INR)	**1.3**	**1.6**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) – Litre /	30.1	35.85
Water intensity in terms of physical output (KL/ million cigarette sticks)	3.77	3.83
Water intensity (optional)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

**Water withdrawal and consumption data for previous year is updated due to change in reporting categories.*

For PPP, 22.4 National currency units/US dollar has been used. Source: IMF (2024), Purchasing power parities (PPP) (indicator).

Water intensity in terms of physical output includes only cigarette manufacturing factories.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water:		
- No treatment	-	-
- With treatment – please specify level of treatment	1,533	2,559
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	4,954	4,928
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**6,488**	**7,487**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

**Total water discharge data has been updated for the previous year due to change in reporting categories.*

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Yes, the Reconstituted Tobacco Manufacturing facility of GPIL is a Zero Liquid Discharge facility while other facilities have adopted various water management practices to recycle, reuse wastewater, reduce water discharge rate, and operate as per Consent to Operate (CTO) conditions by respective pollution boards.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
NOx	Kg	1,061	943
SOx	Kg	362	403
Particulate Matter (PM)	Kg	4,093	5,993
Persistent Organic Pollutants (POP)	Kg	-	-
Volatile organic Compounds (VOC)	Kg	-	-
Hazardous air pollutants (HAP)	Kg	-	-
Others- please specify	Kg	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,210*	1,595
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	11,764	12,867
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	**Tonne per Crore INR**	**2.6**	**3.3**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Tonne per Crore INR adjusted for PPP	59.8	76.6
Total Scope 1 and Scope 2 emission intensity in terms of physical output	**Emission tCO2e/ million cigarette sticks**	**0.72**	**0.80**
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

** Scope 1 emissions for reporting year has increased due to the inclusion of fugitive emissions and emissions from petrol. In addition to that, Scope 1 emissions for previous year has been updated due to change in methodology adopted.*

For PPP, 22.4 National currency units/US dollar has been used. Source: IMF (2024), Purchasing power parities (PPP) (indicator).

Emission intensity in terms of physical output includes only cigarette manufacturing factories.

8. Does the entity have any project related to reducing Greenhouse Gas emissions? If yes, then provide details:

Yes, GPIL focuses on energy efficiency through process improvements and investments in new technologies. Over the years, the Company has implemented measures to reduce GHG emissions like installation of dry screw vacuum generation technology (VFD based), installation of energy efficient equipment such as chillers, AHUs, motors, fans, pumps, agitators. Recently, GPIL has installed a dual fuel kit in the running DG set of 1250 KVA which runs on 70 % gas & 30 % HSD, hence reduces the emissions of greenhouse gases. Additionally, in Andhra Pradesh, a park with 114 trees, two 7 acre bio-diversity parks at Darsi with 2077 trees, and Kurichedu with 2498 trees and another 8 acre at Parchur with 4761 trees have been developed. In this FY 23-24, the Company has recently planted another 70,000 trees in Andhra Pradesh; spread over 300 acres across 3 sites.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	144	86
E-waste **(B)**	0.6	0.3
Bio-medical waste **(C)**	0.07	0.024
Construction and demolition waste **(D)**	28	55
Battery Waste **(E)**	0.8	1.0
Radioactive waste **(F)**	0.0	0.0
Other Hazardous waste. Used oil and sludge **(G)**	17.7	11.6
Other Non-hazardous waste generated **(H). Paper waste, wood waste, dust generated during tobacco processing** (Break-up by composition i.e., by materials relevant to the sector)	3,016	2,675
Total (A + B + C + D + E + F + G + H)	**3,207**	**2,830**

Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)—MT/Lakh INR	0.006	0.007
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.14	0.15
Waste intensity in terms of physical output – MT/million cigarette sticks	0.18	0.17
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled (Non-hazardous, battery, lube oil and metal)	3,029	66
(ii) Re-used (construction waste)	29	21
(iii) Other recovery operations	-	-
Total	**3,058**	**86**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration (non-hazardous, hazardous and biomedical waste)	8	5
(ii) Landfilling (construction waste)	5	8
(iii) Other disposal operations	130	1,129
Total	**144**	**1,142**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

** The inclusion of new waste categories has resulted in a slight increase in waste generation and disposal data for FY 2022-23. For PPP, 22.4 National currency units/US dollar has been used. Source: IMF (2024), Purchasing power parities (PPP) (indicator).*

Waste intensity in terms of physical output includes only cigarette manufacturing factories.

10.Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

GPIL continuously monitors for any hazardous waste in manufacturing units and have built-in processes to manage the waste within the permissible limit as laid down by regulations. The Company has standard measures across units to ensure waste minimization, segregation of waste at source and disposal through authorized recyclers.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The entity does not have any offices or plants in ecologically sensitive areas			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable, as GPIL is not required to conduct these assessments as it is in orange category					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or courts	Corrective action taken if any
Yes, GPIL's operations and offices comply with applicable environmental regulations and the Company follows the regulations and guidelines mandated by the Central and State Pollution Control Boards. We have Consent to Operate (CTO) as per all applicable Acts and these are renewed as required.				

LEADERSHIP INDICATORS

1.Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Guldhar, Meerut Road, Ghaziabad 201003

(ii) Nature of operations: Cigarette Manufacturing

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	25,670	27,699
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others (Recycled) Recovered water from Treated Effluent	-	-
Total volume of water withdrawal (in kilolitres)	**25,670**	**27,699**
Total volume of water consumption (in kilolitres)	**24,137**	**25,141**
Water intensity per rupee of turnover (Litre/ K INR)	0.5	0.5
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	1,533	2,559
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**1,533**	**2,559***

**Water withdrawal and consumption data for previous year is updated due to change in reporting categories*

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

GPIL is in the process of calculating its Scope 3 emissions:

Parameter	Unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent	-	-

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

The disclosure on this indicator would not be applicable to GPIL – All of GPIL's operating units are in industrial estates or business districts and not in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy Efficiency	1. Installed energy efficient latest generation boiler with economiser & automatic control. 2. Installed duel fuel conversion (PNG + HSD) of gensets for reduction in emission. 3. Installed Automatic Condenser Tube Cleaning System for Screw Chillers to improve condenser efficiency. 4. Absorption of eco-friendly fuel PNG technology for both boiler and domestic usage. 5. Use of Li-ion batteries for UPS for improved energy efficiency. 6. Waste heat recovery option in screw vacuum pump for heating boiler feed water installed at one of the factories. 7. Installed VFD on chillers at one of the factories for energy-efficient operations. 8. Acoustic treated powerhouse for noise control. 9. Transitioned from conventional lights to LED lights in offices with location specific lumen control.	
2	Waste Management	1. Company has engaged with an external entity that recycles wastepaper and filter into alternative boiler fuel. 2. Use of Li-ion batteries for UPS for improved energy efficiency & reduced battery waste generation due to high life cycle of these batteries.	

3	Water Management Practices	1. Adopted new technology for water reduction: Air cooled screw vacuum pumps, AHU upgradation with humidification provision. 2. Upliftment of entire water distribution stream with section wise monitoring to control any deviation or wastage (40% reduction in last 3-4 years). 3. Two-way SCADA with three-way valve - to avoid discharging of polluted water outside the factory. 4. Online monitoring of ETP outlet parameters - to keep good water quality. 5. Rainwater storage tank to collect rainwater and its utilisation in regular operations (120 KL). 6. Increased utilisation of ETP treated water within factory. 7. Condensate recovery from HVAC & Compressor for reuse with treatment.	
4	Green Initiative	1. Planted 70,000 trees in the Leaf Division area of operations, Andhra Pradesh. 2. Increased usage of Renewable Energy in the operations (renewable energy increased by 31% since last year). 3. Absorption of green refrigerant system in any new requirement (100 TR unit of R-140A installed for new requirement).	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:

Yes, GPIL has a specific policy for business continuity and disaster management. There is a robust system in place to comprehensively identify risk, analyse and assess processes across functional areas of the Company. This helps in evaluating the worst-case scenarios that Company may be posed with and the necessary action plans to be undertaken to mitigate them. Web link to polices: https://www.godfreyphillips.co.in/sustainabililty/policies

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Mitigation and adaptation measures are especially relevant to GPIL's Leaf plants. Due to usage of fertilizers & CPAs in the tobacco production certain GHG emissions are released. The Company has taken several mitigation measures to ensure minimal impact of the same on the environment by:

1. Training farmers on good agricultural practices in the Leaf Division (E.g., Application of recommended fertilizer & Crop protection agents (CPAs) in recommended dosages, disposal of empty containers in CPA collection bin, Reuse, recycle & safe disposal of plastics, empty CPA containers, hazardous waste, non-NGRBC waste, Water reduction plan etc.),
2. Developing wood sustainability initiatives in the Leaf Division – Afforestation program, permanent community agriproduct sheds and dedicated burley tobacco curing barn structures,
3. Getting quarterly ambient air & waste-water quality tested by the authorised environmental laboratory to check whether pollutants are within tolerance limits in GPIL factories,
4. GPIL has undertaken plantation in Leaf division areas of operation in Andhra Pradesh. Two 7-acre bio-diversity parks each at Darsi and Kurichedu in Vinukonda area with over 4500 local species have been developed with another 8-acre land at Parchur with over 4700 trees. This FY the Company has additionally planted 70000 trees in 3 villages, Prakasam district. As the specific operation area of Leaf in Andhra Pradesh is also water stressed, GPIL has an extensive water conservation program with check dams being built, along with other initiatives like borewell recharges, tank desiltations, pond development, farm ponds etc.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

25% farmers are assessed for environmental impact at the burley tobacco growing region in Vinukonda, Andhra Pradesh.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

GPIL complies with all applicable regulations mandated by the government authorities and ensures responsible product marketing. It engages with relevant government authorities while ensuring that there is a balance of stakeholder's expectations from the Company and its stringent governance standards. The Company also participates in forums that impact the interest of industry and its stakeholders in broad areas relating to governance and administration, economic reforms, environmental safety, energy security, sustainable business principles, taxes, water, etc. These renowned industry bodies also represent the Company with evidence and data based advocacy as and when required.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations: 6 nos.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	PHD Chamber of Commerce and Industry	National
3	ASSOCHAM (The Associated Chambers of Commerce & Industry of India)	National
4	Confederation of Indian Industry	National
5	Indo-American Chamber of Commerce	National
6	The Tobacco Institute of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
Not applicable as GPIL does not have any adverse orders against it.		

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Not Applicable*					

Note: With strict compliance to legislation for the industry, GPIL does not engage in any public policy advocacy activities

Principle 8: Businesses should promote inclusive growth and equitable development

The Company is committed to supporting inclusive, equitable and sustainable growth development of the communities that are intrinsically linked to the industry and its operations. The Board of Directors has formulated a Corporate Social Responsibility policy, and its impact is contained in the Annual Report, CSR report and Integrated Report separately. The Company has also constituted a CSR Committee of the Board in accordance with the provisions of Section 135 of the Companies Act, 2013.

The Company's CSR programs have been recognised by the office of the District Magistrate, Andhra Pradesh Government. It has received awards like Mahatma CSR Awards for Excellence 2020, Greentech Foundation CSR Award 2020 & 2019, Apex Awards 2019, ET Now CSR Leadership Award 2019, CMO Asia 2018.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not applicable, as there were no projects that required SIA as per law in the current year.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the 2023-24 (In INR)
GPIL does not have any projects/activities that would necessitate R&R.						

3. Describe the mechanisms to receive and redress grievances of the community:

GPIL fosters a spirit of partnership with the burley tobacco farmer communities at the heart of its operations. Through regular engagement and collaborative workshops, GPIL works together with farmers and labourers under the Integrated Sustainable Production (ISP) program. These interactive sessions serve as a platform to not only understand their challenges and desired labour practices across social, health, and safety aspects, but also to ensure alignment with best practices.

Dispute resolution prioritizes an amicable approach, leveraging village elders' advice, progressive farmers, and local representatives. Recognizing the unique social needs within these communities, GPIL prioritizes targeted interventions. These social programs, designed in accordance with the Company's CSR policy, empower communities to address their grievances and build a brighter future.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Directly sourced from MSMEs/ small producers	4%	3%
Directly from within India	71%	60%

** Total purchases include the total expenditure on the purchase of goods by the organization.*

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Rural	0.0	0.0
Semi-urban	0.4	0.4
Urban	1.9	1.8
Metropolitan	97.7	97.8

(Places to be categorized as per RBI Classification System – rural/ semi-urban / urban / metropolitan)

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable, as there were no projects that required SIA as per law in the current year.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
GPIL's CSR programs are not located in any aspirational districts.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, GPIL does not have a dedicated preferential procurement policy. Within the contracted farmer base, small farmers are considered the marginalised and vulnerable group, and we source from them regularly.

(b) From which marginalized /vulnerable groups do you procure?

GPIL procures part of its raw material from small burley tobacco farmers (farmers with less than 1 hectare landholding), including female farmers that are categorized as marginalized/ vulnerable groups the Company engages with.

(c) What percentage of total procurement (by value) does it constitute?

5% of the total procurement is from marginalized communities (farmers).

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Note: Traditional Knowledge refers to any indigenous, technical, ecological, scientific, medical, or cultural knowledge that is not necessarily documented but is in use by or generally known to communities. Typical examples include antiseptic properties of neem, turmeric, etc.

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable, since GPIL has not acquired any intellectual property based on traditional knowledge.				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not applicable, since GPIL does not use traditional knowledge.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Biodiversity Parks	7,500	15
2.	Check Dams	0	0
3.	Desilting of community ponds	0	0
4.	Tank Management program	0	0
5.	Installation of Community RO Plants to provide safe drinking water	4,775	65
6.	Borewell recharge installation	4775	65
7.	Health camps	770	62
8.	Child Labour elimination program	10,510	76
9.	Community Agri-produce sheds	265	7
10.	Plantation	3,795	32

Godfrey Phillips India Limited (GPIL) is committed to Corporate Social Responsibility and has achieved significant milestones. With commitment to safe drinking water, the Company built 9 new community RO water plants with wastewater tank and borewell recharge, reaching a total of 63 nos. and impacting over a lac beneficiaries. Additionally, 6 health camps were organized, benefiting 770 individuals by diagnosing and supporting the treatment of various ailments. 52 nos. of community agri-produce sheds were constructed, aiding over 265 farmers in safeguarding their crops and livestock. With focus on elimination of child labour and promoting education, awareness camps were held in 70 villages with 420 students receiving scholarships. Environmental conservation efforts included maintaining 4 biodiversity parks spanning 24.5 acres with over 9400 trees and plantation of 70,000 saplings in Prakasam district of Andhra Pradesh,

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

The Company places its customers (channel partners and value chain partners) at the focal point of all its decisions and strives to deliver best quality products, services, and experiences to create customer satisfaction and loyalty.

The Company operates strictly under COTPA (Cigarette and Other Tobacco Products Act) and adheres to all rules and regulations with responsibility. It displays all the requisite information on product labels as is mandatory as per applicable laws governing product packaging and labeling.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

A structured customer complaint redressal system is in place to address all complaints from customers. Customers are provided options to connect with the Company through email and telephone. Email id and customer grievance cell number are printed on all products along with various other email ids in Company website for easy access for customers. All complaints received from the customers are managed as per the Standard Operating Procedures.

As a practice, retailer and consumer complaints are received at the grievance cell number. Tele-callers receive, acknowledge and record the complaints and forward it to the respective area manager who investigates and addresses them directly with customers. Once a complaint is resolved, it gets reported, recorded with details, and closed. At the end of every month, the reports with the complaints and resolutions are sent to the Regional Sales Manager for his sign off.

For complaints by Wholesale Dealers (WD) the Company runs an internal program called WD performance management. The program has the ASM visit the WD point on a quarterly basis and interacts with the WDs on performance. Majority of WD's use this platform to raise their concern, complaints feedback & suggestions.

In addition, WD can reach out directly to the Sales Manager, Regional Sales Manager and the Head Office Sales Team in case of any grievances have not been adequately addressed.

2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	GPIL propagates responsible usage and disposal on packages (over and above the mandate) to the customers. The cigarette brand - FSS carries an awareness message on all its packs in a specific market, and the brand in this market accounts for 8% of total turnover. The Company also from time to time mobilizes retailers to educate consumers about disposal of used packs responsibly.
Safe and responsible usage	All packs carry pictorial health and not for sale to minors warning, as mandated by law. Signages are also placed on all point-of-sale outlets and retailers are communicated to not permit sale to minors or to operate the outlet. All domestic cigarette packs carry information about safe and responsible usage, and these amount to 66% of total turnover.
Recycling and/or safe disposal	GPIL promotes sustainable post-purchase behaviour in its non-tobacco segments of candy and savouries. These packs carry pictorial information that nudge consumers to dispose packs responsible and keep surroundings clean. Currently these account for about 1% of the total turnover.

3. Number of consumer complaints in respect of the following:

<table>
<tr><th rowspan="2"></th><th colspan="2">FY 2023-24
(Current Financial Year)</th><th rowspan="2">Remarks</th><th colspan="2">FY 2022-23
(Previous Financial Year)</th><th rowspan="2">Remarks</th></tr>
<tr><th>Received during the year</th><th>Pending resolution at end of year</th><th>Received during the year</th><th>Pending resolution at end of year</th></tr>
<tr><td>Data privacy</td><td colspan="2" rowspan="7">Nil</td><td rowspan="3">-</td><td colspan="2" rowspan="7">Nil</td><td rowspan="3">-</td></tr>
<tr><td>Advertising</td></tr>
<tr><td>Cyber-security</td></tr>
<tr><td>Delivery of essential services</td><td>Tobacco products do not qualify as essentials.</td><td>Tobacco products do not qualify as essentials.</td></tr>
<tr><td>Restrictive Trade Practices</td><td>-</td><td>-</td></tr>
<tr><td>Unfair Trade Practices</td><td>-</td><td>-</td></tr>
<tr><td>Other</td><td></td><td>-</td></tr>
</table>

4. Details of instances of product recalls on account of safety issues:

GPIL acknowledges that developing and supplying best quality products is essential to ensure to enhanced customer experience. As a result, we have established a robust quality management system, aligned with ISO 9001 across our operations to ensure development of products aligned with best-in-class industry standards. Conforming to best-in-class standards ensures the safety and best quality of our products. As a result, GPIL has received zero (0) product recalls in the current reporting year on account of safety (DND) stock.

	Number	**Reasons for recall**
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes. GPIL prioritizes data privacy and cybersecurity. ISO27001 certification is in place for the Company. The Information Security Policy outlines a framework for managing information security and raising awareness among stakeholders about IT infrastructure risks. This policy assigns roles to key personnel like the Head of IT and Head of Cybersecurity.

Furthermore, a Cyber Crisis Management Plan complements the policy by outlining a response strategy for cyberattacks and cyberterrorism. This plan emphasizes rapid identification, information sharing, and swift action to mitigate and recover from cyber incidents impacting critical business functions.

Both policies are readily accessible on the company's intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of consumers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

GPIL operates fully in compliance with applicable laws. There have been no instances or cases that relate to corrective action on issues relating to advertising, delivery of services, cyber security and data privacy of consumers or relating to product recall or any penalty/ action by regulatory authorities.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

During the reporting year under consideration, zero instances of data breaches have happened.

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable

c. Impact, if any, of the data breaches

Not applicable

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):

The complete information on the products and services of the organisation is available in accordance with the applicable legislations for both domestic and international markets at its website www.godfreyphillips.co.in

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:

The Company fully complies with all applicable laws and in particular the Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 (COTPA) and the rules and regulations made thereunder which require all tobacco products to carry pictorial health warning. The cigarette packs manufactured by the Company carry the statutorily mandated pictorial health warnings.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

Tobacco and cigarette products do not fall under the criteria of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No

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INDEPENDENT AUDITOR'S REPORT

To the members of Godfrey Phillips India Limited

GODFREY PHILLIPS
INDIA LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Godfrey Phillips India Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 4.1.1 and 26 of the standalone Ind AS financial statements)	
For the year ended March 31, 2024 the Company has recognized Revenue from operations of Rs. 527,467.90 lakhs. Revenue recognition has been recognized as a key audit matter as the Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the control is transferred. This give rise to the risk that revenue is not recognized in the correct period.	Procedures included the following: - Read and assessed the appropriateness of the Company's revenue recognition policies. - Performed walkthroughs and test of controls, assisted by IT specialists engaged by us, of the revenue recognition processes and assessed the design and operating effectiveness of key controls. - Selected a sample of revenue transactions occurred close to the balance sheet date and immediately after the balance sheet date to evaluate whether revenue was recognised in the correct period by agreeing the date of revenue recognition to third party supports such as bill of lading, lorry receipts etc.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, 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) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) The modification related to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
   (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   (i) 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, as amended 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 37 to the standalone Ind AS financial statements;
      i. 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. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium

or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividends paid by the Company during the year ended 31st March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in notes 18 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and as explained in Note 52 to the standalone Ind AS financial statements, the Company has used two accounting software viz Oracle EBS and SAPS4 Hana, for maintaining the books of account which have the feature of recording audit trail (edit log) facility. While for Oracle EBS the same was operational throughout the year, for SAPS4 Hana the same was made operational during the course of the year, for all relevant transactions recorded in these software, except that audit trail was not enabled for direct changes to the underlying database using privileged access rights in both the software. However, during the course of our audit we did not come across any instance of audit trail feature having been tampered with was noted for both these softwares during the period of the year that these were operational.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN:24502405BKEYXO4488

Place of Signature: New Delhi
Date: May 30, 2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Godfrey Phillips India Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

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

(b) All Property, Plant and Equipment were physically verified by the management in FY 2021-22 in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

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

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verifications. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(b) As disclosed in note 22 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year, the Company has stood guarantee to companies as follows:

	Guarantees Amount (In Rs. Lakhs)
Aggregate amount granted/ provided during the year - Subsidiary	35.55
Balance outstanding as at balance sheet date in respect of above cases - Subsidiary	35.55

The Company has not provided loans, advances in the nature of loans or provided security to companies, firms, Limited Liability Partnerships or any other parties.

(b) During the year, guarantees provided and the terms and conditions of the guarantees to companies are not prejudicial to the Company's interest.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act, 2013 in respect of investments and guarantees made have been complied with by the Company. In our opinion and according to information and explanations given to us, there are no loans and securities granted in respect of which provisions of section 185 and 186 of Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales-tax and value added tax are not applicable to the Company.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise and value added tax have not been deposited on account of any dispute, are as follows:

Nature of Statute	Nature of Dues	Amount (In Rs. Lakhs)	Amount deposited (In Rs. lakhs)	FY to which it relates	Forum where dispute is pending
CGST ACT 2017	GST	1,774.86	6.67	2017-18	Upto Commissioner (Appeals) level
CGST ACT 2017	GST	138.16	-	2017-18	GST Tribunal
CGST ACT 2017	GST	93.48	-	2017-18	Upto Commissioner level
UP VAT Act,2008	VAT	68.65	68.65	2007-08	High Court
Central Excise Act,1944	Excise Duty	895.06	313.80	2007-08 to 2011-12	High Court
Central Excise Act,1944	Excise Duty	89.72	71.43	2010-11 and 2013-14	Upto Commissioner level
Central Excise Act,1944	Excise Duty	289.83	8.52	2012-13 to 2017-18	Customs, Excise and Service tax Appellate Tribunal
Finance Act,1994	Service Tax	960.13	36.00	2013-14 to 2017-18	Customs, Excise and Service tax Appellate Tribunal
Income Tax Act,1961	Income Tax	186.55	186.55	1979-80 to 1982-83	High Court
		89.91	16.77	2009-10 and 2014-15	Income Tax Appellate Tribunal
		6,138.84	1,502.53	2012-13 to 2018-19 , 2020-21 to 2022-23	Commissioner of Income Tax (Appeals)
		169.22	153.50	1999-2000, 2005-06 to 2008-09	Matters have been referred back to the Assessing officer

Further, as per information available with the Company, the concerned authority is in appeal against favourable orders received by the Company in respect of the following matters:

Nature of Statute	Nature of Dues	Amount (In Rs. Lakhs)	FY to which it relates	Forum where dispute is pending
Central Excise Act,1944	Excise Duty	813.69	2008-09	Supreme Court
Central Excise Act,1944	Excise Duty	13,867.30	2002-03 to 2007-08	Customs, Excise and Service Tax Appellate Tribunal
Income Tax Act,1961	Income Tax	209.36	1969,1974 to 1977; 1991-92 and 1992-93	High Court

There are no dues of custom duty and cess which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 49 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 34 to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 34 to the financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN:24502405BKEYXO4488

Place of Signature: New Delhi
Date: May 30, 2024

Annexure 2 referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date on the standalone Ind AS financial statements of Godfrey Phillips India Limited

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 with reference to standalone Ind AS financial statements of Godfrey Phillips India Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of 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 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements 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, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2024, 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 issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN:24502405BKEYXO4488

Place of Signature: New Delhi

Date: May 30, 2024

GODFREY PHILLIPS
—INDIA LIMITED—

STANDALONE BALANCE SHEET
as at March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

Particulars	**Note No.**	**As at 31.3.2024**	As at 31.3.2023
ASSETS			
Non-current assets			
Property, plant and equipment	6	**55856.38**	57296.72
Capital work-in-progress	6	**953.92**	2113.48
Investment properties	7	**3255.82**	3331.20
Right of use assets	43	**24591.68**	27169.91
Intangible assets	8	**1626.54**	2019.46
Intangible assets under development	8	**6.40**	-
Financial assets			
- Investments	9	**242528.14**	222686.59
- Loans	10	**607.17**	313.68
- Other financial assets	15	**1318.86**	1780.52
Non current tax assets (Net)	24	**3365.40**	3157.80
Other non-current assets	16	**2612.96**	504.30
Total non-current assets		**336723.27**	320373.66
Current assets			
Inventories	12	**137560.82**	85598.11
Financial assets			
- Investments	9	**15716.24**	13707.75
- Trade receivables	13	**17286.65**	14951.36
- Cash and cash equivalents	14	**940.74**	1387.43
- Other bank balances	14	**1229.31**	1834.74
- Loans	10	**6461.83**	89.60
- Other financial assets	15	**1655.42**	1238.77
Other current assets	16	**16976.93**	14659.60
Total current assets		**197827.94**	133467.36
Total assets		**534551.21**	453841.02
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**1039.88**	1039.88
Other equity	18	**383078.07**	317799.69
Total equity		**384117.95**	318839.57
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	19	**25767.08**	27929.60
- Other financial liabilities	20	**186.87**	107.13
Employee benefits obligations	21	**2185.30**	2166.55
Deferred tax liabilities (Net)	11	**977.72**	203.86
Total non-current liabilities		**29116.97**	30407.14
Current liabilities			
Financial liabilities			
- Borrowings	22	**4395.81**	3463.42
- Lease liabilities	19	**4241.22**	3982.97
- Trade payables	23		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises		**2190.30**	1898.69
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		**45246.71**	35496.15
- Other financial liabilities	20	**1826.62**	2025.18
Other current liabilities	25	**61270.69**	55882.97
Employee benefits obligations	21	**1642.03**	1518.52
Income tax liabilities (Net)	24	**502.91**	326.41
Total current liabilities		**121316.29**	104594.31
Total liabilities		**150433.26**	135001.45
Total equity and liabilities		**534551.21**	453841.02
Notes forming part of the financial statements	1-54		

As per our report of even date

For and on behalf of the Board of Directors of Godfrey Phillips India Limited CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

Place: New Delhi
Date: May 30, 2024

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

SAMIR KUMAAR MODI
(DIN 00029554)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

DR. LALIT BHASIN
(DIN 00001607)

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

GODFREY PHILLIPS
INDIA LIMITED

	Particulars	Note No.	Year ended 31.3.2024	Year ended 31.3.2023
I	Revenue from operations	26	**527467.90**	425765.24
II	Other income	27	**39000.12**	16763.48
III	Total income (I+II)		**566468.02**	**442528.72**
IV	**Expenses**			
	Cost of materials consumed	28	**108345.12**	91742.31
	Purchases of stock-in-trade	29	**135915.43**	91489.41
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	**(492.00)**	(5114.70)
	Excise duty		**88503.03**	69733.35
	Employee benefits expenses	31	**31609.07**	28444.56
	Finance costs	32	**2581.97**	2889.06
	Depreciation and amortisation expenses	6	**14267.69**	15064.64
	Other expenses	33	**77081.14**	69319.41
	Total expenses		**457811.45**	363568.04
V	**Profit before tax (III-IV)**		**108656.57**	78960.68
VI	**Tax expense:**	11		
	- Current tax		**19798.34**	18439.82
	- Deferred tax charge/(credit)		**773.86**	(316.84)
			20572.20	18122.98
VII	**Profit for the year (V-VI)**		**88084.37**	60837.70
VIII	**Other comprehensive income**			
	Items that will not to be reclassified to profit or loss in subsequent periods			
	(i) (Loss)/Gain on remeasurements of the defined benefit/contribution plans	42	**(512.39)**	256.00
	(ii) Tax relating to items that will not be reclassified to profit or loss	11	**128.96**	(64.43)
	Total other comprehensive income, net of tax (i+ii)		**(383.43)**	191.57
IX	**Total comprehensive income for the year (VII+VIII)**		**87700.94**	61029.27
	Basic and Diluted Earnings per share in Rs.	35	**Rs.169.41**	Rs.117.01
	(Face value of share - Rs. 2 each)			
	Notes forming part of the financial statements	1-54		

As per our report of even date

For and on behalf of the Board of Directors
of Godfrey Phillips India Limited
CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

SAMIR KUMAAR MODI
(DIN 00029554)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

DR. LALIT BHASIN
(DIN 00001607)

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

Place: New Delhi
Date: May 30, 2024

Place: New Delhi
Date: May 30, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

(a) Equity share capital (Note 17)

Equity Shares of Rs.2 each issued, subscribed and fully paid	**Amount**
Balance at April 1, 2022	**1039.88**
Changes in equity share capital during the year	-
Balance at March 31, 2023	**1039.88**
Changes in equity share capital during the year	-
Balance at March 31, 2024	**1039.88**

(b) Other equity (Note 18)	**Reserves and surplus**			**Other Reserve**	
	General reserves	**Capital redemption reserve**	**Retained earnings**	**Employee share based payment reserve**	**Total**
Balance at April 1, 2022	**37430.72**	**30.00**	**233868.00**	-	**271328.72**
Profit for the year	-	-	60837.70	-	60837.70
Other comprehensive income for the year, net of income-tax	-	-	191.57	-	191.57
Total comprehensive income	**-**	**-**	**61029.27**	**-**	**61029.27**
Payment of dividends (Rs.28 per equity share)	-	-	(14558.30)	-	(14558.30)
Balance at March 31, 2023	**37430.72**	**30.00**	**280338.97**	**-**	**317799.69**
Profit for the year	-	-	88084.37	-	88084.37
Other comprehensive income for the year, net of income-tax	-	-	(383.43)	-	(383.43)
Total comprehensive income	**-**	**-**	**87700.94**	**-**	**87700.94**
Payment of dividends (Rs. 44 per equity share)	-	-	(22877.32)	-	(22877.32)
Recognition of employee share based payment expense	-	-	-	454.76	454.76
Balance at March 31, 2024	**37430.72**	**30.00**	**345162.59**	**454.76**	**383078.07**

Notes forming part of the financial statements 1-54

As per our report of even date

For and on behalf of the Board of Directors of Godfrey Phillips India Limited
CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

Place: New Delhi
Date: May 30, 2024

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(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

STANDALONE CASH FLOW STATEMENT
for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

GODFREY PHILLIPS INDIA LIMITED

Particulars	For the year ended 31.3.2024	For the year ended 31.3.2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**108656.57**	78960.68
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	**14267.69**	15064.64
Interest income from:		
- Debts, deposits, loans and advances, etc.	**(531.50)**	(230.53)
- Non-current investments	**(562.19)**	(446.26)
Dividend income	**(17664.09)**	-
Net gain on sale/redemption/fair value of long term investments	**(15434.52)**	(7224.96)
Net gain on sale/redemption/fair value of short term investments	**(2511.17)**	(2140.26)
Interest expenses		
- On borrowings	**18.76**	10.56
- On lease liabilities	**2384.82**	2549.65
- Others	**149.76**	294.83
Bad debts and advances written off	**23.32**	117.40
Liabilities and provisions no longer required, written back	**(159.86)**	(528.60)
Provision for doubtful debts and advances written back	**(4.43)**	(27.87)
Provision for decline in value of investment in associate written back	**-**	(496.00)
Provision for decline in value of investment in subsidiary written back	**-**	(23.90)
Property, plant and equipment and intangible assets written off	**82.07**	1319.68
Gain on sale of property, plant and equipment (net)	**(39.10)**	(115.66)
Net gain on sale / assignment of Trademarks and other assets related to chewing business	**-**	(3,490.96)
Gain on termination/concession in leases	**(289.55)**	(562.34)
Employee share based payment expense	**454.76**	-
	(19815.23)	4069.42
Operating profit before working capital changes	**88841.34**	83030.10
Working Capitals Adjustments:		
Increase in Trade receivables, loans, other financial assets and other assets	**(6568.78)**	(1810.70)
Increase in Inventories	**(51962.71)**	(10169.49)
Increase/(Decrease)in Trade payables, other financial liabilities, other liabilities and provisions	**16054.00**	21711.81
	(42477.49)	9731.62
Cash generated from operating activities	**46363.85**	92761.72
Income taxes paid (net)	**(19373.91)**	(18864.76)
Net cash generated from operating activities	**26989.93**	73896.96
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work in progress, investment properties, intangible assets and intangible assets under development	**(9257.40)**	(8311.99)
Proceeds from sale of property, plant and equipment, capital work in progress, investment properties, intangible assets and intangible assets under development	**187.95**	648.84
Proceeds from sale/ assignment of Trademarks and leasehold land rights and other fixed assets relating to chewing business	**-**	8,000.00
Purchase of other current and non-current investments	**(703654.41)**	(703437.92)
Proceeds from sale/redemption of other current and non-current investments	**699714.56**	648798.43
Proceeds from a subsidiary (under liquidation)	**35.50**	-
Dividend received	**17664.09**	-
Interest received	**530.56**	636.37
Short term fixed deposits released/(made) (net)	**752.78**	77.44
Net cash generated from / (used in) investing activities	**5973.63**	(53588.83)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from current borrowings (Net)	**932.39**	485.12
Interest paid	**(2816.55)**	(2591.71)
Dividend paid	**(22842.18)**	(14487.62)
Payment of lease liabilities	**(3975.61)**	(4034.80)
Payment to Godfrey Phillips ESPS Trust for purchase of treasury shares	**(6640.01)**	-
Refund from Godfrey Phillips ESPS Trust	**2079.05**	-
Net cash (used in) financing activities	**(33262.91)**	(20629.01)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)	**(299.34)**	(320.88)
Cash and cash equivalents at the beginning of the year (Refer Note 1 below)	**2117.65**	2438.53
Cash and cash equivalents at the end of the year (Refer Note 1 below)	**1818.31**	2117.65

Note 1:

For the purpose of statement of cash flows, cash and cash equivalents comprises the following:

	As at 31.3.2024	As at 31.3.2023
Cash and cash equivalents (Refer Note No.14)	**940.74**	1387.43
Earmarked Corporate Social Responsibility Unspent A/c (Refer Note No.14)*	**242.21**	130.00
Earmarked unpaid dividend accounts** (Refer Note No.14)	**635.36**	600.22
Total	**1818.31**	2117.65

*Earmarked corporate social responsibility unspent account are restricted in use as it relates to unspent amount.

**Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.

Note 2:

The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 on Cash Flow Statements.

Notes forming part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of Godfrey Phillips India Limited CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

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(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

1. Corporate information

Godfrey Phillips India Limited ('the Company') is a public limited company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange. The Company is engaged in manufacturing of cigarettes and tobacco products and trading of cigarettes, tobacco products and other retail products.

The address of its registered office is 'Macropolo Building', Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai - 400033 and the address of its corporate office is Omaxe Square, Plot No.14, Jasola District Centre, Jasola, New Delhi - 110025. The financial statements were approved for issue by the Board of Directors on May 30, 2024.

2. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended. The financial statements are presented in rupees lakhs except when otherwise indicated.

3. Basis of preparation and presentation

3.1. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments and employee share based payments that are measured at fair values at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

3.2. Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent assets and contingent liabilities.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised and future periods affected.

4. Material accounting policies information

4.1.1. Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Revenue excludes amounts collected on behalf of third parties.

Sale of Products

The Company earns revenue from domestic and export of goods (both manufactured and traded). In domestic sales, the Company sells products to wholesaler dealers, modern trade retailers and to retail customers.

Revenue from sale of products is recognised at a point in time when control of the goods is transferred to the customer. Following delivery/loading for shipment, as the case maybe, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. Payment is generally due within 0-180 days as per credit terms with the customers. The Company considers the effects of variable consideration, if any, the existence of significant financing components and consideration payable to the customer (if any).

For sale of retail goods, revenue is recognised when control of the goods is transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled to in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs.

-Rebates and discounts

The Company accounts for cash discounts, volume discounts, redemption schemes and pricing incentives to customers or end users as a reduction of revenue based on the rateable allocation of the discounts/ incentives to the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably.

(ii) Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract balances

Trade receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments.

Contract liabilities

Contract liabilities (termed as Advance from customers in the financial statements) represents the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs its obligations under the contract.

Cost to obtain a contract

The Company pays sales commission to its selling agents for contracts that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

4.1.2. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4.1.3. Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

4.2. Leases

Company as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

4.2.1. Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss.

4.2.2. Finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

4.2.3 At the date of commencement of the lease, the Company recognises a right-of-use-asset ("ROU") and a corresponding lease liability for all the lease arrangements in which it is a lessee, except for the leases with a term of 12 months or less (short term leases) and the leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on accrual basis.

i) Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).The ROU assets are initially recognised at cost, which comprise of the initial amount of the lease liability adjusted for any payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentive. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The ROU asset are depreciated on a straight line basis over the shorter of the lease term (Refer Note 43) and the estimated useful life of the underlying asset. (Refer Note 4.8.3). The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 4.9. Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

ROU assets and Lease liabilities have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

4.3. Foreign currencies

4.3.1. Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

4.3.2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

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 the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

4.4. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

4.4.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated in accordance with the Income-tax Act, 1961, using tax rates that have been enacted or substantially enacted by the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company then reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

4.4.2. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:
1. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

2. In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
1. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
2. In respect of deductible temporary differences associated with investments in subsidiaries and associates deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

4.4.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.5. Employee benefits

4.5.1. Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

4.5.2. Long term employee benefits

Long term employee benefits include compensated absences. The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

As per the policies of the Company, there are restrictions on the number of leaves an employee can avail or encash during the year. Leaves where either the employee has unconditional right to utilise the same or encash or the management intends to allow the employees to utilise them in the next twelve months are categorised as current and the balance as non-current.

4.5.3. Defined contribution plan

The contributions to these schemes are charged to the statement of profit and loss of the year in which contribution to such schemes becomes due on the basis of services rendered by the employees. The Company has no further obligation in respect of such plans except for the contributions due from them.

4.5.4. Defined benefit plan

Present value of obligation is provided on the basis of an actuarial valuation made at the end of each financial year as per projected unit credit method. Current and past service costs and interest expense/income are recognised as employee costs. For all defined benefit plans the difference between the present value of obligations and the fair value of plan assets is represented in the balance sheet as a liability or an asset. However the assets are restricted to the present value of the economic benefits available to the Company.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

4.5.5. Termination benefits

Termination benefit is recognised as an expense at earlier of when the Company can no longer withdraw the offer of termination benefit and when the expense is incurred.

4.6. Property, plant and equipment

4.6.1. Recognition and measurement

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any recognised impairment losses, and include interest on loans attributable to the acquisition of qualifying assets upto the date they are ready for their intended use. Freehold land is measured at cost and is not depreciated.

4.6.2. Capital work in progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

4.6.3. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets (other than freehold land and properties under construction) is recognised on straight-line method, taking into account their nature, their estimated usage, their operating conditions, past history of their replacement and maintenance support etc.

Estimated useful lives of the assets based on technical estimates are as under:

Buildings	30 - 60 years
Leased office buildings, warehouses and stores	2 - 18 years
Plant and machinery	15 years
Electrical installation and equipments	10 years
Computers and information technology equipments	3 - 6 years
Furniture, fixtures and office equipments including store equipments	5 -10 years
Motor vehicles	3 -8 years
Leasehold land	45 - 99 years

Leasehold building improvements and Plant & Machinery (Retail Segment) are depreciated on a straight line basis over the period of lease (5 to 18 years) or, if shorter, their useful economic life.

The useful life estimated above are less than or equal to those indicated in Schedule II of the Companies Act, 2013.

Freehold land is not amortised.

The ROU assets are depreciated on a straight line basis over the shorter of the lease term (Refer Note 43) and the estimated useful life of the underlying asset (Refer Note No. 4.2.3).

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

The useful lives of plant and machinery stated above is based on single shift working. Except for assets in respect of which no extra shift depreciation is permitted, if an item of plant and machinery is used any time during the year on double shift, the rate of depreciation shall be increased by 50% for that period and in case of triple shift the rate shall be increased by 100%.

4.7. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

No depreciation is charged in case of freehold land being designated as an investment property.

The Company based on technical assessment made by it, depreciates building component of investment property on a straight line basis over a period of 30 to 60 years from the date of original purchase.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

4.8. Intangible assets

4.8.1. Recognition and measurement of intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

4.8.2. Derecognition of intangible asset

An intangible asset is derecognised on disposal, or when no future economics benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4.8.3. Amortisation method and useful life

Intangible assets are amortised on straight line method over their estimated useful life as follows:

Computer software – 5 years

4.9. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations cover a period of five years generally. For longer periods, a long-term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

4.10. Inventories

Inventories are stated at lower of cost and net realisable value. The cost of raw materials, stores and spares and stock in trade is determined on moving weighted average cost basis. The cost of finished goods and work-in-process is determined on standard absorption cost basis which approximates actual costs. Absorption cost comprises raw materials cost, direct wages, appropriate share of production overheads and applicable excise duty paid/payable thereon.

Net realisable value is the estimated selling price for inventories in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale.

4.11. Provisions and contingencies

4.11.1. Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of time value is material, the amount is determined by discounting the expected future cash flows.

4.11.2. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.

4.12. 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.

4.12.1. Financial assets

4.12.1.1.Initial recognition and measurement

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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

4.12.1.2.Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company classifies its financial assets in the following measurement categories:.

► those measured at amortized cost,

► those to be measured subsequently at fair value, either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL)

Financial assets at amortised cost:

A financial assets is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

"b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding."

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at FVTOCI:

A financial asset is classified as at the FVTOCI if both of the following criteria are met unless the asset is designated at fair value through profit or loss under fair value option.

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset, and

(b) The asset’s contractual cash flows represent SPPI.

Financial assets at FVTPL:

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

4.12.1.3. Equity investment in subsidiaries and associates

Investments representing equity interest in subsidiaries and associates are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

4.12.1.4. Derecognition

A financial asset (or where applicable, a part of financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the companies 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.

4.12.1.5. 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, trade receivables and bank balance.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company believes that, considering their nature of business and past history, the expected credit loss in relation to its trade receivables and other financial assets is non-existent or grossly immaterial. Thus, the Company has not recognised any provision for expected credit loss. The Company reviews this policy annually, if required.

4.12.2. Financial liabilities

4.12.2.1. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, 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 transaction costs.

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

4.12.2.2. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Financial liabilities at amortised cost:

After initial recognition, interest-bearing loans and borrowings, lease liabilities, trade and other payables are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

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.

4.12.2.3. Derecognition

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

4.13. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.14. Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and at banks, short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, Cash & Cash Equivalents consists 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 and balance in unclaimed dividend accounts.

4.15. Earnings per share (EPS)

Basic earnings per share has been computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share has been computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4.16. 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.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

4.17. Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss.

4.18. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

► Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable."

► Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable."

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

4.19. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

► Expected to be realised or intended to be sold or consumed in normal operating cycle

► Held primarily for the purpose of trading

► Expected to be realised within twelve months after the reporting period, or

► Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

► It is expected to be settled in normal operating cycle

► It is held primarily for the purpose of trading

► It is due to be settled within twelve months after the reporting period, or

► There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

4.20. Dividend distribution to equity holders of the company

The Company recognises a liability to make cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.21. Employee share based payment

Equity settled share based payments to employees under Godfrey Phillips Employee Share Purchase Scheme 2023 (hereinafter referred to as "ESPS 2023") are measured at fair value of the equity instruments on the date of grant of shares. The fair value is determined with an assistance of an external valuer and is expensed in the statement of profit and loss based on the vesting conditions.

4.22. Standards issued but not yet effective

There are no standards that are notified and yet not effective as on March 31, 2024.

5. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management of the Company to make judgements, estimates and assumptions that involves measurement uncertainty and effect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Judgements and estimates

In the process of applying the accounting policies, management has made the following judgements and estimates, which have the most significant effect on the amounts recognised in the financial statements:

a) Fair value measurement of financial instruments and disclosures

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note No.44 for further disclosures. Where fund houses have declared net assets value (NAV) and are obliged to buy back the investments at the declared NAV and the same are disclosed as a quoted investments. See Note No.9

b) Provisions and contingent liabilities

The Company has ongoing litigations with various regulatory authorities and others. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Liability for interest, if any, on the amount of entry tax provided in the books but not paid as per stay ordered by the appellate authorities/courts is considered as remote.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. Management uses in-house and external professionals to make informed decision. These are set out in Note no. 37.

c) Assessment of carrying value of retail business

In view of the continuing operating losses, the Company has reviewed the carrying value of its assets relating to retail business and estimated the recoverable amount of the assets in accordance with the requirements of Ind AS 36 for which an external professional agency was also engaged. Based on the said assessment, it has been concluded that the recoverable amount of the retail business is higher than its carrying value as at 31 March 2024 and therefore, no impairment was required to be recorded in these financial statements. The Company has determined the recoverable amount applying the fair value less cost to sell ('FVLCS') method, using a level 2 valuation technique for which key inputs centred around the forecasted revenue and market multiple. (Also Refer Note No. 50)

(All amounts are in Rs. lakhs unless otherwise stated)

6. Property, plant and equipment and capital work in progress

	As at 31.3.2024	As at 31.3.2023
Carrying amount of:		
Property, plant and equipment	**55856.38**	57296.72
Capital work-in-progress**	**953.92**	2113.48

Property, plant and equipments and capital work in progress	Freehold land**	Buildings */**	Leasehold building improvements	Plant and machinery	Electrical installation and equipments	Computers and information technology equipments	Furniture, fixtures and office equipments	Motor vehicles	Capital work-in-progress	Total
Cost										
Balance at April 1, 2022	**959.11**	**23310.27**	**7694.77**	**78720.44**	**1172.93**	**3876.49**	**5541.09**	**2952.48**	**3643.57**	**127871.15**
Additions	-	3.66	1095.10	3444.31	96.69	374.33	2020.51	1130.68	2981.05	**11146.33**
Capitalised	-	-	-	-	-	-	-	-	(4511.14)	**(4511.14)**
Disposals	-	(3066.12)	(124.21)	(2497.13)	(300.63)	(2065.24)	(349.43)	(821.82)	-	**(9224.58)**
Balance at March 31, 2023	**959.11**	**20247.81**	**8665.66**	**79667.62**	**968.99**	**2185.58**	**7212.17**	**3261.34**	**2113.48**	**125281.76**
Additions	-	147.65	203.97	4477.51	64.84	298.61	1770.45	546.02	5165.76	**12674.81**
Capitalised	-	-	-	-	-	-	-	-	(6325.33)	**(6325.33)**
Disposals	-	-	(310.59)	(1488.78)	(1.64)	(173.44)	(16.26)	(291.55)	-	**(2282.26)**
Balance at March 31, 2024	**959.11**	**20395.46**	**8559.04**	**82656.35**	**1032.19**	**2310.75**	**8966.36**	**3515.81**	**953.91**	**129348.98**
Accumulated depreciation										
Balance at April 1, 2022	**-**	**5506.92**	**3400.30**	**45202.49**	**597.26**	**2746.25**	**2978.55**	**1458.51**	**-**	**61890.28**
Depreciation expense	-	683.63	923.03	6053.97	89.17	326.10	562.99	359.03	-	**8997.92**
Impairment#	-	-	-	109.67	3.24	0.03	0.48	-	-	**113.42**
Eliminated on disposals of assets	-	(805.55)	(81.06)	(1620.06)	(217.02)	(1706.42)	(283.73)	(416.22)	-	**(5130.06)**
Balance at March 31, 2023	**-**	**5385.00**	**4242.27**	**49746.07**	**472.65**	**1365.96**	**3258.29**	**1401.32**	**-**	**65871.56**
Depreciation expense	-	623.14	727.45	5658.41	78.04	295.11	973.95	369.62	-	**8725.72**
Eliminated on disposals of assets	-	-	(251.80)	(1400.64)	(0.21)	(159.20)	(14.46)	(232.28)	-	**(2058.59)**
Balance at March 31, 2024	**-**	**6008.14**	**4717.92**	**54003.84**	**550.48**	**1501.87**	**4217.78**	**1538.66**	**-**	**72538.69**
Net book value										
Balance at March 31, 2024	**959.11**	**14387.32**	**3841.12**	**28652.51**	**481.71**	**808.88**	**4748.58**	**1977.15**	**953.91**	**56810.29**
Balance at March 31, 2023	959.11	14862.81	4423.39	29921.55	496.34	819.62	3953.88	1860.02	2113.48	**59410.20**

Notes:

* * Includes Rs. 0.02 lakhs (Previous year Rs. 0.02 lakhs) being the cost of shares in co-operative societies.

** Freehold land includes Rs. 79.08 lakhs (Previous year Rs.79.08 lakhs) in respect of agricultural land admeasuring 28 Bigha and 8 Biswa situated in village Sahurpur, Tehsil Mehrauli, New Delhi. Further, Buildings include constructions made on the above land having a net book value of Rs. 765.45 lakhs (previous year Rs.631.48 lakhs) as on March 31, 2024. Further capital work-in-progress includes Rs.135.23 lakhs (previous year Rs.147.65 lakhs) for additional construction for the building. The said land was purchased by the Company in the year 1991. The Honourable Supreme Court on May 6, 2022 in response to an appeal filed by the Delhi Development Authority (DDA), held that the above referred land was acquired by the Delhi Administration under the proceedings initiated in November 1980 under the Land Acquisition Act, 1894 and has directed the authority to pay a sum of Rs. 16.62 lakhs to the Company. Till date no action has been initiated by DDA for the said land parcel and the Company continues to be in peaceful possession of the same along with buildings constructed thereupon. Accordingly no adjustment in the carrying value of land and building has been recorded in these financial statements.

Represents impairment in the value of assets relating to chewing business of the Company (Refer Note No. 51). Since the residual value and the charge are not material, no additional disclosures are being furnished.

For lien or charge against property, plant and equipment, refer Note No. 22.

Depreciation and amortisation expenses

	Note no.	Year ended 31.3.2024	Year ended 31.3.2023
Property, plant and equipment	**6**	**8725.72**	8997.92
Investment property	**7**	**68.14**	68.57
Intangible assets	**8**	**494.08**	548.48
Right of use assets	**43**	**4979.75**	5449.67
Total		**14267.69**	15064.64

Capital work-in-progress (CWIP) ageing schedule

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	793.69	1137.75	182.04	-	**2113.48**
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2023	**793.69**	**1137.75**	**182.04**	**-**	**2113.48**
Projects in progress	869.59	78.46	5.87	-	**953.92**
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2024	**869.59**	**78.46**	**5.87**	**-**	**953.92**

There is no project whose completion is overdue or which has materially exceeded the budgeted costs.

(All amounts are in Rs. lakhs unless otherwise stated)

7. Investment Property

Cost	Freehold Land	Building	Total
Balance as at April 1, 2022	**1.60**	**3696.95**	**3698.55**
Balance as at April 1, 2023	**1.60**	**3696.95**	**3698.55**
Additions	-	-	**-**
Disposals/ writeoff	-	(10.97)	(10.97)
Balance as at March 31, 2024	**1.60**	**3685.98**	**3687.58**
Accumulated depreciation and impairment			
Balance as at April 1, 2022	**-**	**298.78**	**298.78**
Depreciation expense	-	68.57	68.57
Balance as at March 31, 2023	**-**	**367.35**	**367.35**
Depreciation expense	-	68.14	68.14
Disposals/ writeoff	-	(3.73)	(3.73)
Balance as at March 31, 2024	**-**	**431.76**	**431.76**
Carrying amount			
Balance as at March 31, 2024	**1.60**	**3254.22**	**3255.82**
Balance at March 31, 2022	1.60	3329.60	3331.20

Information regarding income and expenditure of investment properties

The Company's investment properties comprise of certain land and buildings presently held by the Company for an undetermined purpose and these are located in Mumbai, Maharashtra and Bazpur, Uttarakhand.

	Year ended 31.3.2024	Year ended 31.3.2023
Rental income derived from investment properties	**-**	8.25
Direct operating expenses (including repairs and maintenance) arising from investment properties that generate rental income	**-**	0.07
Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income	**176.68**	105.30
(Loss) arising from investment properties before depreciation and indirect expenses	**(176.68)**	(97.12)
Depreciation expense	**(68.14)**	(68.57)
(Loss) arising from investment properties before indirect expenses	**(244.82)**	(165.69)

Fair valuation of the properties

The following table provides an analysis of investment properties and their fair values:

Fair Valuation of the properties	**Year ended 31.3.2024**	Year ended 31.3.2023
Located in Maharashtra	**40502.65**	37904.54
Located in Uttarakhand	**1241.16**	1127.62
	41743.81	39032.16

The above values are based on valuation performed by an accredited independent valuer and the valuation has been carried out in accordance with the valuation model recommended by the International Valuation Standards Committee.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The Company has used Level 3 valuation technique to arrive at the fair values.

Description of valuation technique

	Valuation technique	**Significant unobservable inputs**	**Assumption used**	
			As on March 31, 2024	As on March 31, 2023
Located in Maharashtra				
Factory Land and Building (including Godown)	Market Value Method	Industrial rate for sales (Rs./ Sq. Ft.)	**14000 to 16000**	13000 to 15000
Residential Land and Building	Market Value Method	Residential rate for sales (Rs./Sq. Ft.)	**29000 to 75000**	27000 to 73000
Office Building	Market Value Method	Fair Market Value (Rs./Sq.Ft.)	**30000**	30000
Located in Uttarakhand				
Factory Land and Building (including Admin Block)	Market Value Method	Fair Market Value (Rs./Sq.Mt.)	**3300 to 7700**	2500 to 8300

Significant increases / (decreases) in the assumptions in isolation or with combined effect would accordingly result in significantly higher / (lower) fair value of the properties.

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023	
8. Intangible assets and Intangible assets under development			
Carrying amount of:			
Intangible assets	**1626.54**	2019.46	
Intangible assets under development	**6.40**	-	
	1632.94	2019.46	
Intangible assets	**Computer Software**	**Intangible assets under development**	**Total**
Cost			
Balance at April 1, 2022	2698.95	506.63	3,205.58
Additions	2051.26	569.25	2620.51
Capitalised	-	(1058.88)	(1075.88)
Disposals	(1342.84)	-	(1342.84)
Balance at March 31, 2023	**3407.37**	**-**	**3407.37**
Additions	101.17	48.88	150.05
Capitalised	-	(42.48)	(42.48)
Disposals	(0.20)	-	(0.20)
Balance at March 31, 2024	**3508.34**	6.40	3514.74
Accumulated amortisation			
Balance at April 1, 2022	**1348.70**	**-**	**1348.7**
Amortisation expense	548.48	-	548.48
Capitalised	(509.27)	-	(509.27)
Balance at March 31, 2023	**1387.91**	**-**	**1387.91**
Amortisation expense	494.08	-	494.08
Disposals	(0.19)	-	(0.19)
Balance at March 31, 2024	**1881.80**	**-**	**1881.80**
Net book value			
Balance at March 31, 2024	**1626.54**	**6.40**	**1632.94**
Balance at March 31, 2023	2019.46	-	2019.46

Intangible assets under development ageing schedule

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Balance as at March 31, 2023	-	-	-	-	-
Projects in progress	**6.40**	**-**	**-**	**-**	**6.40**
Balance as at March 31, 2024	**6.40**	**-**	**-**	**-**	**6.40**

Note : There is no intangible asset under development whose completion is overdue or which has materially exceeded the budgeted costs.

9. Financial assets - Investments	**As at 31.3.2024**	As at 31.3.2023
Non-current		
Investment in equity instruments (carried at cost)		
- Subsidiary Companies	**10324.00**	10359.50
- Associate Companies	**606.25**	606.25
Contribution in Godfrey Phillips ESPS Trust (Refer Note 48)	**0.10**	-
Investment in mutual funds	**219205.57**	204266.31
Investment-others	**12392.22**	7454.53
	242528.14	222686.39
Current		
Investment in mutual funds	**14001.46**	12481.31
Investment-others	**1714.78**	1226.44
	15716.24	13707.75
Aggregate value of unquoted investments non-current	**10930.35**	10965.75
Aggregate value of quoted investments non-current	**231597.79**	211720.84
Aggregate value of quoted investments current	**15716.24**	13707.75
Market value of quoted investments non-current	**231468.31**	211602.81
Market value of quoted investments current	**15716.24**	13707.75

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
	Classification of investments as per Ind AS 109		
	Investments carried at fair value through profit or loss (FVTPL)	**235036.71**	220355.59
	Investments carried at amortised cost	**12277.32**	5073.00
		247314.03	225428.59
9.1	**Investment in subsidiaries**		
	Break-up of investment in subsidiaries (carried at cost)		
	Unquoted investment		
	International Tobacco Company Limited		
	3,00,000 Equity shares of Rs.100 each fully paid up	**3250.00**	3250.00
	Godfrey Phillips Middle East DMCC*		
	Nil (Previous year 200) units of Equity shares of AED 1000 each fully paid up	-	35.50
	Chase Investments Limited		
	2,01,210 Equity shares of Rs.100 each fully paid up	**360.26**	360.26
	1,58,490 Equity shares of Rs.100 each Rs.50 paid up	**79.24**	79.24
	Friendly Reality Projects Limited		
	25,605 Equity shares of Rs. 100 each fully paid up	**6634.50**	6634.50
	* under liquidation	**10324.00**	10359.50
9.2	**Investment in associates**		
	Break-up of investment in associates (carrying amount at cost)		
	Unquoted investment		
	IPM India Wholesale Trading Private Limited		
	49,60,000 Equity shares of Rs. 10 each fully paid up	**496.00**	496.00
	KKM Management Centre Private Limited		
	11,02,500 Equity shares of Rs.10 each fully paid up	**110.25**	110.25
		606.25	606.25
		10930.25	10965.75
9.3	**Investment in mutual funds**		
	Non-current investment in mutual funds		
	(valued at fair value through profit or loss)	**219205.57**	204266.31
	Current investment in mutual funds		
	(valued at fair value through profit or loss)	**14001.46**	12481.31
	Break-up of non-current investment in mutual funds		
	ICICI Prudential Mutual Fund		
	41,57,762 Units of ICICI Prudential Short Term Fund-Direct Plan-Growth Option of Rs.10 each	**2450.26**	2260.50
	1,46,62,444 Units of ICICI Prudential Banking and PSU Debt Fund-Direct Plan-Growth of Rs.10 each	**4512.94**	4178.17
	1,08,39,485 Units of ICICI Prudential Medium Term Bond Fund-Direct Plan-Growth of Rs. 10 each	**4766.74**	4406.35

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
Break-up of non-current investment in mutual funds (continued)		
1,21,31,499 Units of ICICI Prudential Corporate Bond Fund-Direct Plan-Growth of Rs. 10 each	**3414.48**	3157.56
9,30,99,463 Units of ICICI Prudential Nifty PSU Bond Plus SDL Sep 2027 40:60 Index Fund Direct Plan Growth of Rs. 10 each	**10450.32**	9748.54
1,98,80,617 Units of ICICI Prudential Nifty SDL Sep 2027 Index Fund- Direct Plan-Growth of Rs. 10 each	**2208.70**	2061.78
Aditya Birla Sunlife Mutual Fund		
26,91,645 (Previous year 12,09,715) Units of Aditya Birla Sun Life Corporate Bond Fund-Growth-Direct Plan of Rs. 10 each	**2778.99**	1156.55
14,29,36,356 Units of Aditya Birla Sun Life Nifty SDL Plus PSU Bond SEP 2026 60:40 Index Fund- Direct Growth of Rs. 10 each	**16077.05**	14991.16
5,48,25,980 Units of Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund Direct Growth of Rs. 10 each	**6153.01**	5738.64
2,00,87,550 Units of Aditya Birla Sun Life CRISIL IBX 60:40 SDL + AAA PSU - Apr 2027 Index Fund Direct Growth of Rs 10 each	**2223.83**	2074.24
49,99,750 Units of Aditya Birla Sun Life Fixed Term Plan - Series TQ (1879 days)- Direct Growth of Rs. 10 each	**558.08**	519.22
Nil (Previous year 20,91,866) Units of Aditya Birla Sun Life Income Fund-Growth-Direct Plan of Rs.10 each	**-**	2369.99
15,00,657 Units of Aditya Birla Sun Life Government Securities Fund- Growth- Direct Plan of Rs.10 each	**1185.65**	1085.12
Bandhan Mutual Fund (Formerly known as IDFC Mutual Fund)		
Nil (Previous year 12,82,926) Units of Bandhan Bond Fund-Short Term Plan-Growth-(Direct Plan) (erstwhile IDFC Bond Fund-Short Term Plan-Growth-Direct Plan) of Rs. 10 each	**-**	654.70
Nil (Previous year 78,77,427) Units of Bandhan Corporate Bond Fund Direct Plan-Growth (erstwhile IDFC Corporate Bond Fund Direct Plan-Growth) of Rs. 10 each	**-**	1307.83
3,33,66,979 Units of Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct Plan-Growth (erstwhile IDFC CRISIL IBX Gilt June 2027 Index Fund Direct Plan-Growth) of Rs. 10 each	**3915.98**	3643.84
90,68,196 Units Of Bandhan Crisil Ibx 90:10 Sdl Plus Gilt Apr 2032 Index Fund- Direct Growth (purchased during the year)	**1010.80**	-
HDFC Mutual Fund		
1,09,30,550 Units of HDFC Corporate Bond Fund-Direct Plan-Growth Option of Rs. 10 each	**3266.43**	3018.94
75,61,650 Units of HDFC Medium Term Debt Fund-Direct Plan-Growth Option of Rs.10 each	**4144.50**	3829.70
89,83,476 Units of HDFC Short Term Debt Fund-Direct Plan-Growth Option of Rs.10 each	**2667.38**	2469.85

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
Break-up of non-current investment in mutual funds (continued)		
SBI Mutual Fund		
1,26,95,752 Units of SBI Short Term Debt Fund-Direct Plan-Growth of Rs. 10 each	**3895.02**	3618.94
Nil (Previous year 43,174) Units of SBI Banking & PSU Debt Fund Direct Growth of Rs. 1000 each	-	1198.07
90,59,366 Units of SBI Corporate Bond Fund- Direct Plan-Growth of Rs.10 each	**1299.84**	1207.26
98,84,192 Units of SBI Crisil IBX SDL Index-September 2027 Fund-Direct Plan Growth of Rs. 10 each	**1098.88**	1026.30
13,38,40,100 Units of SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund -Direct Plan Growth of Rs. 10 each	**14946.59**	13939.85
AXIS Mutual Fund		
Nil (Previous year 83,523) units of Axis Banking & PSU Debt Fund - Direct Growth (BD-DG) of Rs. 1000 each	-	1911.49
2,68,83,323 Units of Axis Corporate Debt Fund-Direct Growth(CO-DG) of Rs. 10 each	**4347.84**	4025.05
22,47,787 Units of Axis Short Term Fund - Direct Plan - Growth(ST-DG) of Rs. 10 each	**679.45**	629.92
60,24,637 Units of Axis Dynamic Bond Fund - Direct Plan - Growth Plan(DBDGG) of Rs. 10 each	**1760.27**	1629.61
66,41,858 Units of Axis Strategic Bond Fund - Direct - Growth (IF-DG) of Rs. 10 each	**1822.78**	1677.18
2,50,56,092 Units of Axis CRISIL IBX SDL May 2027 Index Fund - Direct Growth (CR-DG) of Rs. 10 each	**2777.04**	2591.48
1,99,20,237 Units of Axis Nifty AAA Bond Plus SDL April 2026 50:50 ETF Growth Plan of Rs. 10 each	**2316.33**	2158.70
DSP Mutual Fund		
1,84,62,297 Units of DSP Corporate Bond Fund-Direct Growth of Rs. 10 each	**2709.97**	2521.64
49,99,750 Units of DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund-Direct-Growth of Rs. 10 each	**561.45**	521.91
MIRAE Mutual Fund		
1,50,39,801 Units of MIRAE ASSET NIFTY SDL JUN 2027 INDEX FUND Direct Plan - Growth of Rs. 10 each	**1669.75**	1557.52
Nippon India Mutual Fund		
81,97,863 Units of Nippon India Dynamic Bond Fund Direct Growth Plan of Rs.10 each	**2929.81**	2703.48
29,17,578 Units of Nippon India Floating Rate Fund -Direct Growth Plan(FRAGG) of Rs.10 each	**1246.35**	1152.90

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
Break-up of non-current investment in mutual funds (continued)		
38,66,843 Units of Nippon India Corporate Bond Fund- Direct Plan Growth Plan-Growth Option(IPAGG) of Rs.10 each	**2180.83**	2015.12
49,28,096 Units of Nippon India Nifty AAA PSU Bond Plus SDL - Sep 2026 Maturity 50:50 Index Fund- Direct Growth Plan(NDAGG) of Rs.10 each	**545.75**	508.83
2,98,79,824 Units of Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund -Direct Growth Plan (CNAGG) of Rs. 10 each	**3303.30**	3078.79
1,00,00,000 Units of Nippon India ETF Nifty SDL 2026 Maturity of Rs. 100 each	**11979.70**	11171.03
UTI Mutual Fund		
67,56,328 (Previous year 1,76,45,229) Units of UTI Corporate Bond Fund-Direct Plan Growth of Rs 10 each	**1018.60**	2470.46
91,19,305 Units of UTI Crisil SDL Maturity April 2033 Index Fund-Direct Growth of Rs.10 each (Purchased during the year)	**1010.46**	-
TATA Mutual Fund		
97,91,628 Units of Tata Nifty SDL Plus AAA PSU Bond Dec 2027 60:40 Index Fund- Direct Plan-Growth of Rs 10 each	**1099.32**	1024.73
BARODA BNP PARIBAS Mutual Fund		
49,99,750 Units of Baroda BNP Paribas Nifty SDL December 2026 Index Fund Direct Growth(NS-DG-G) of Rs 10 each	**542.90**	506.58
98,24,741 units of Baroda BNP Paribas Gilt Fund - Direct Growth (Purchased during the year)	**4106.85**	-
INVESCO Mutual Fund		
88,742 Units of Invesco India Corporate Bond Fund-Direct Plan Growth (AI-D1) of Rs 1000 each	**2714.86**	2521.10
Kotak Mutual Fund		
1,53,488 Units of Kotak Corporate Bond Fund Direct Growth of Rs. 1000 each	**5426.08**	5028.63
7967160 (Previous year 54,72,469) Units of Kotak Banking and PSU Debt Fund Direct Growth of Rs. 10 each	**4888.49**	3112.36
65,14,905 Units of Kotak Dynamic Bond Fund Direct Plan Growth (Erstwhile Kotak Flexi Debt) of Rs. 10 each	**2392.28**	2179.55
1,05,82,394 Units of Kotak Medium Term Fund Direct Plan-Growth of Rs. 10 each	**2378.69**	2180.06
60,86,604 Units of Kotak Bond Fund (Short Term) -Direct Plan-Growth of Rs. 10 each	**3136.01**	2904.73
8,47,35,831 Units of Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund Direct Plan Growth of Rs. 10 each	**9409.83**	8785.24
85,085 Units of Kotak Floating Rate Fund Direct-Growth of Rs. 1000 each	**1178.75**	1091.99
1,76,94,292 Units of Kotak Nifty SDL April 2032 Top 12 Equal Weight Index Fund- Direct Growth of Rs.10 each (Purchased during the year)	**2019.48**	-

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2023	As at 31.3.2022
Break-up of non-current investment in mutual funds (continued)		
Edelweiss Mutual Fund		
1,00,000 Units of Edelweiss Mutual Fund Bharat Bond ETF-April 2030 of Rs.1000 each	**1354.57**	1249.99
45,52,180 Units of Bharat Bond FOF - April 2030 - Direct Plan Growth of Rs.100 each	**615.89**	569.54
3,00,80,623 Units of Bharat Bond FOF - April 2030 - Regular Plan Growth of Rs.10 each	**4069.79**	3763.48
1,93,69,004 Units of Bharat Bond FOF - April 2031 - Regular Plan Growth of Rs.10 each	**2345.28**	2158.50
13,61,36,084 Units of Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan Growth of Rs.10 each	**16162.76**	15070.67
46,76,553 Units of Bharat Bond FOF-April 2025- Regular Plan Growth of Rs. 10 each	**557.57**	519.20
99,995 Units of Bharat Bond ETF- April 2032 of Rs. 1000 each	**1137.01**	1042.86
48,13,469 Units of Bharat Bond FOF-April 2031 Direct Plan Growth of Rs. 10 each	**582.83**	536.42
1,50,09,119 Units of Edelweiss CRISIL PSU Plus SDL 50:50 Oct 2025 Index Fund- Direct Growth of Rs. 10 each	**1667.21**	1555.02
4,45,18,935 Units of Edelweiss Nifty PSU Bond Plus SDL Apr 2027 50:50 Index Fund- Direct Plan Growth of Rs. 10 each	**5013.72**	4675.47
96,76,866 Units 'Edelweiss Multi Asset Allocation Fund- Direct Growth of Rs.10 each (Purchased during the year)	**1023.55**	-
1,81,46,760 Units 'Bharat Bond Etf Fof Apr 2033- Regular Growth of Rs.10 each (Purchased during the year)	2020.61	-
HSBC Mutual Fund (including schemes earlier operated by L&T Mutual Fund)		
49,99,750 Units of HSBC Crisil IBX 50:50 Gilt Plus SDL APR 2028 Index Fund- Direct Growth of Rs. 10 each	**561.14**	522.00
Nil (Previous year 27,52,410) Units of HSBC Short Duration Fund- Direct Growth (Formerly known as L&T Short Term Bond Fund Direct Plan-Growth) of Rs. 10 each	**-**	646.91
Nil (Previous year 54,59,152) Units of HSBC Banking and PSU Debt Fund- Direct Growth (Formerly known as L & T Banking and PSU Debt Fund Direct Plan- Growth) of Rs 10 each	**-**	1175.33
98,78,565 Units of HSBC Corporate Bond Fund- Direct Growth (Formerly known as L&T Triple Ace Bond Fund Direct Plan-Growth) of Rs. 10 each	**6914.95**	6426.79
Nil (Previous year 10,02,536) Units of HSBC Corporate Bond Fund- Regular Growth (Formerly known as L& T Triple Ace Bond Fund-Growth) of Rs 10 each	-	616.99
Nil (Previous year 58,18,859) Units of HSBC Banking and PSU Debt Fund- Regular Growth (Formerly known as L& T Banking and PSU Debt Fund-Growth) of Rs 10 each	-	1199.55
Sundaram Mutual Fund		
Nil (Previous year 34,70,150) Units of Sundaram Corporate Bond Fund Direct Growth(CBDG) of Rs. 10 each	-	1214.41
Total aggregate non-current investment in mutual funds	**219205.57**	204266.31

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
	Break-up of current investment in mutual funds		
	Aditya Birla Sunlife Mutual Fund		
	Nil (Previous year 32,36,116) Units of Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan of Rs. 10 each	**-**	10232.41
	1,38,81,978 Units of Aditya Birla Sun Life Arbitrage Fund- Direct Growth of Rs.10 each (purchased during the year)	**3613.62**	-
	MIRAE Mutual Fund		
	Nil (Previous year 99,99,500) Units of Mirae Asset Fixed Maturity Plan - Series V - Plan 1- 91 Days-Direct Plan-Growth of Rs. 10 each	**-**	1009.33
	Edelweiss Mutual Fund		
	Nil (Previous year 1,01,43,531) Units of Bharat Bond FOF-April 2023 Regular Plan Growth of Rs.10 each	**-**	1239.57
	Tata Mutual Fund		
	84,921 Units of Tata Money Market Fund Direct Plan- Growth of Rs.10 each (Purchased during the year)	**3708.92**	-
	1,11,67,718 Units of Tata Arbitrage Fund- Direct Plan- Growth of Rs.10 each (Purchased during the year)	**1533.60**	-
	Invesco Mutual Fund		
	1,64,01,466 Units of Invesco India Arbitrage Fund-Direct-Growth of Rs.10 each (Purchased during the year)	**5145.32**	-
	Total aggregate current investment in mutual funds	**14001.46**	12481.31
9.4	**Investment-others-non-current**		
	State Bank of India Bond (valued at amortized cost)		
	100 Units of State Bank of India SR I 7.74 BD Perpetual FVRS10LAC of Rs. 10,00,000 each	**1031.65**	1031.65
	100 Units of State Bank of India SR II 7.73 BD Perpetual FVRS10LAC of Rs. 10,00,000 each	**1014.03**	1014.03
	12 (Previous year 10) Units of State Bank of India SR I 7.72 BD Perpetual FVRS1CR of Rs. 1,00,00,000 each	**1198.48**	1000.50
	1 Units of State Bank of India SR I 7.72 BD Perpetual FVRS1CR of Rs. 1,00,00,000 each (Purchased during the year)	**98.98**	-
	37 Units of State Bank of India SR I 7.75 BD Perpetual FVRS1CR of Rs. 1,00,00,000 each (Purchased during the year)	**3655.39**	-
	Bank of Baroda Bond (valued at amortized cost)		
	30 Units of Bank of Baroda SR XIV 8.50 BD Perpetual FVRS10LAC of Rs 10,00,000 each	**302.45**	302.45
	20 Units of Bank of Baroda SR XIII 8.50 BD Perpetual FVRS10LAC of Rs 10,00,000 each	**212.07**	212.07
	100 Units of Bank of Baroda SR XV 8.15 BD Perpetual FVRS10LAC of Rs 10,00,000 each	**1012.30**	1012.30
	5 Units of Bank of Baroda SR XVII 7.95 BD Perpetual FVRS1CR of Rs 1,00,00,000 each	**500.00**	500.00

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
Break-up of current investment in mutual funds		
10 Units of Bank of Baroda SR XIX 7.88 BD Perpetual FVRS1CR of Rs 1,00,00,000 each (Purchased during the year)	**987.96**	-
Investment in Non Convertible Debentures (NCD) (valued at amortized cost)		
50,000 Units of ARKA FINCAP LIMITED Series -IV 9.65 LOA 27 Dec 2026 FVRS1000 of Rs.1000 each (Purchased during the year)	500.00	-
23,750 Units of 360 One Prime Limited- SR IV TR I 9.41 NCD 18JN26 FVRS1000 of Rs.1000 each (Purchased during the year)	237.50	-
50,000 Units of MUTHOOT FINANCE LIMITED- OP III TR III 8.25 NCD 25JN26 FVRS1000 of Rs.1000 each (Purchased during the year)	500.00	-
50,000 Units of CHOLAMANDALAM INVESTMENT AND FIN. CO. LTD- SR I TR4 8.45 NCD 31JN26 FVRS1000 of Rs.1000 each (Purchased during the year)	500.00	-
530 Units of HDFC CREDILA FINANCIAL SERVICES LIMITED -SR-A TR-1 8.25% NCD 29 MAR 2028 FVRS1LAC of Rs.100,000 each (purchased during the year)	526.51	-
Investment in Alternative Investment Funds (valued at fair value through profit or loss)		
19,96,885 units of 360 ONE Private Equity Fund- India Housing Fund Class B - Restricted Transferability of Rs. 10 each	114.90	148.44
Nil (Previous year 50,00,000) Units of IIFL Select Series II of Rs. 10 each	-	661.39
Investment in Market Linked Debentures (MLD) (valued at fair value through profit or loss)		
30 Units of JM Financial Asset Reconstruction Company Limited- TR XXXV BR NCD 11JU24 FVRS10LAC of Rs. 10,00,000 each	-*	322.66
40 Units of JM FINANCIAL ARC LTD - TR XXXVI BR NCD 26JL24 FVRS10LAC/ ISIN – INE265J07431 of Rs. 10,00,000 each	-*	421.91
20 Units of JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED TR XXXVII BR NCD 26NV24 FVRS10LAC/ ISIN:- INE265J07449 of Rs. 10,00,000 each	-*	207.78
20 Units of JM Financial ARC MLD (JM FINANCIAL ARC LTD - TR XXXIX BR NCD 28FB25 FVRS10LAC)- ISIN NO. INE265J07456 of Rs. 10,00,000 each	-*	203.69
20 Units of ARKA FINCAP LIMITED SR III BR LOA 27JU24 FVRS10LAC / ISIN-INE03W107116 of Rs. 10,00,000 each	-*	209.45
20 Units of ARKA FINCAP LIMITED- AFL MLD Series – III (Tranche II) – 6th December 2024-INE03W107132 of Rs. 10,00,000 each	-*	206.21
	12392.22	7454.53

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.5	**Investment-others-current**		
	Investment in Alternative Investment Funds		
	(valued at fair value through profit or loss)		
	Nil (Previous year 30) Units of IIFL WEALTH PRIME LIMITED BR NCD 28FB24 FVRS10LAC of Rs 10,00,000 each	-	325.24
	Investment in Market Linked Debentures (MLD)		
	(valued at fair value through profit or loss)		
	30 Units of JM Financial Asset Reconstruction Company Limited- TR XXXV BR NCD 11JU24 FVRS10LAC of Rs. 10,00,000 each	353.23 **	-
	40 Units of JM FINANCIAL ARC LTD - TR XXXVI BR NCD 26JL24 FVRS1 0LAC/ ISIN – INE265J07431 of Rs. 10,00,000 each	461.47 **	-
	20 Units of JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED TR XXXVII BR NCD 26NV24 FVRS10LAC/ ISIN:- INE265J07449 of Rs. 10,00,000 each	226.62 **	-
	20 Units of JM Financial ARC MLD (JM FINANCIAL ARC LTD - TR XXXIX BR NCD 28FB25 FVRS10LAC)- ISIN NO. INE265J07456 of Rs. 10,00,000 each	222.78 **	-
	20 Units of ARKA FINCAP LIMITED SR III BR LOA 27JU24 FVRS10LAC / ISIN-INE03W107116 of Rs. 10,00,000 each	227.57 **	-
	20 Units of ARKA FINCAP LIMITED- AFL MLD Series – III (Tranche II) – 6th December 2024-INE03W107132 of Rs. 10,00,000 each	223.11 **	-
	Nil (Previous year 30) Units of Arka Fincap Limited SR I BR LOA 04AG23 FVRS10LAC of Rs. 10,00,000 each	-	340.52
	Nil (Previous year 50) Units JM Financial Asset Reconstruction Company Limited- TR XXXII BR NCD 05OT23 FVRS10LAC of Rs. 10,00,000 each	-	560.68
		1714.78	1226.44
9.6	**Other equity instruments**		
	Investments in equity investments (valued at fair value)		
	Unquoted investment		
	Molind Engineering Limited		
	3,500 Equity shares of Rs.10 each fully paid up	**0.25**	0.25
	Less: Provision made for decline in the value	**(0.25)**	(0.25)
	Investment in other equity instruments	**-**	**-**
	* Transferred to current investments		
	** Transferred from non-current investments		

(All amounts are in Rs. lakhs unless otherwise stated)

10. Financial assets - Loans (carried at amortised cost) (unsecured considered good unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
Non-current		
Loans to related parties (Refer Note No.46)		
- Loan to officers	**-**	1.67
Loans to employees	**607.17**	312.01
	607.17	313.68
Current		
Loans to related parties (Refer Note No.46)		
- Loan to Godfrey Phillips ESPS trust (Refer Note No.48)	**4560.96**	-
- Loan to directors	**984.67**	2.00
- Loan to key managerial personnel	**368.63**	-
Loans to employees	**547.57**	87.60
	6461.83	89.60
Total	**7069.00**	403.28

11. Income taxes

	Year ended 31.3.2024	Year ended 31.3.2023
The major components of Income tax expenses are:		
Statement of profit and loss:		
Current income tax		
In respect of the current year	**19798.34**	18439.82
Deferred tax		
In respect of the current year	**773.86**	(316.84)
Total income tax expense recognised in the statement of profit and loss	**20572.20**	18122.98
Statement of Other Comprehensive Income:		
Current income tax		
In respect of the current year	**(128.96)**	64.43
Income tax expense to OCI	**(128.96)**	64.43
The income tax expense for the year can be reconciled to the accounting profit multiplied by corporate tax rate as follows:		
Profit before tax	**108656.57**	78960.68
Income tax expense calculated at corporate tax rate of 25.168%	**27346.69**	19872.82
Differential tax rate on long term capital gain on sale of investments and fair value (gain)/loss on investments	**(2669.11)**	(1473.30)
Effect of reversal of provision on decline in value of non current investment in associate.	**-**	(124.83)
Effect of expenses that are not deductible in determining taxable profit	**329.31**	259.79
Deduction under section 80M of Income Tax Act, 1961	**(4,445.70)**	-
Differential tax rate on sale/ assignment of trademarks & other assets relating to chewing business	**-**	(423.98)
Others	**11.01**	12.48
At the effective income tax rate of 18.93% (Previous year: 22.95%)	**20572.20**	18122.98

Deferred tax balances along with movement are as follows:

	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2024				
Deferred tax assets in relation to:				
Provisions for compensated absences	699.15	35.80	-	734.95
Accrued expenses deductible on payment basis	359.23	51.05	-	410.28
Other financial assets (Net)	184.80	(20.40)	-	164.40
Provision for doubtful debts and advances	80.12	(1.11)	-	79.01
Right of use asset (net on lease liabilities)	1303.34	168.28	-	1471.62
Provision for employee benefits- Others (Refer Note No. 21)	228.30	-	-	228.30
	2854.94	**233.62**	**-**	**3088.56**

(All amounts are in Rs. lakhs unless otherwise stated)

	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Income taxes (Continued)				
Deferred tax liabilities in relation to:				
Investment in mutual funds and market linked debentures fair valued through profit or loss	(2034.40)	(1,048.06)	-	(3082.46)
Property, plant and equipments, intangible assets and investment properties	(1024.40)	40.58	-	(983.82)
	(3058.80)	**(1,007.48)**	**-**	**(4066.28)**
Net deferred tax liabilities	**(203.86)**	**(773.86)**	**-**	**(977.72)**
For the year ended March 31, 2022				
Deferred tax assets in relation to:				
Provisions for compensated absences	737.78	(38.63)	-	699.15
Accrued expenses deductible on payment basis	464.58	(105.35)	-	359.23
Foreign exchange difference arising on account of import of Property, plant and equipments	24.45	(24.45)	-	-
Provision for decline in value of non current investments	419.52	(419.52)	-	-
Other financial assets (Net)	197.38	(12.58)	-	184.80
Provision for doubtful debts and advances	92.45	(12.33)	-	80.12
Right of use asset (net of lease liabilities)	1120.74	182.60	-	1303.34
Provision for employee benefits - Others (Refer Note No. 21)	228.30	-	-	228.30
	3285.20	**(430.26)**	**-**	**2854.94**
Deferred tax liabilities in relation to:				
Investment in mutual funds and market linked debentures fair valued through profit or loss	(2385.39)	350.99	-	(2034.40)
Property, plant and equipments, intangible assets and investment properties	(1420.52)	396.12	-	(1024.40)
	(3805.91)	**(747.11)**	**-**	**(3805.91)**
Net deferred tax liabilities	**(520.71)**	**316.85**	**-**	**(203.86)**

	As at 31.3.2024	As at 31.3.2023
12. Inventories		
(Lower of cost and net realisable value)		
Raw and packing materials	**116822.51**	65458.13
Work-in-process	**600.87**	672.76
Finished goods*		
- Cigarettes	**10544.06**	9621.18
Stock-in-trade	**8537.83**	8896.82
Stores and spare parts (Net of provision of Rs.491.13 lakhs ; previous year Rs. 430.37 lakhs)	**1055.55**	949.22
	137560.82	85598.11
Inventories include in-transit inventory of:		
Raw and packing materials	**1546.25**	1227.63
Stock-in-trade	**2592.81**	3604.37
Stores and spare parts	19.56	-

The cost of inventories recognised as an expense include Rs.Nil (Previous year Rs.3.12 lakhs) in respect of write-downs of finished goods to net realisable value.

Inventories of the Company have been pledged as security against borrowings (Refer Note No. 22)

* Includes excise duty of Rs. 4642.01 lakhs (Previous year Rs. 4817.68 lakhs)

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
13. Financial assets - Trade receivables (at amortised cost)		
Unsecured - considered good	**13059.23**	8510.41
Unsecured - considered good - receivable from Subsidiary (Refer Note No.46)	**4227.42**	6440.95
Unsecured - credit impaired	**163.15**	167.57
	17449.80	15118.93
Less: Impairment allowance	**163.15**	167.57
Total	**17286.65**	14951.36

The average credit period on sale of goods ranges upto 180 days.
Generally no interest is charged on trade receivables.
The total trade receivable as at April 1,2021 were Rs. 15559.90 lakhs
(net of impairment allowance)

Trade receivables ageing schedule

	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables - considered good	15749.93	1503.84	11.04	16.43	5.41	-	17286.65
(b) Undisputed trade receivables - credit impaired	-	-	-	-	-	163.15	163.15
Balance as at 31 March, 2024	**15749.93**	**1503.84**	**11.04**	**16.43**	**5.41**	**163.15**	**17449.80**
(a) Undisputed trade receivables - considered good	12991.17	1897.76	41.19	8.14	12.07	1.03	14951.36
(b) Undisputed trade receivables - credit impaired	-	-	-	-	114.32	53.25	167.57
Balance as at 31 March, 2023	**12991.17**	**1897.76**	**41.19**	**8.14**	**126.39**	**54.28**	**15118.93**

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

	As at 31.3.2024	As at 31.3.2023
14. Financial assets - Cash and bank balances		
Cash and cash equivalents		
Cash on hand	**198.25**	42.99
Balances with banks		
- In current accounts	**742.49**	1344.44
	940.74	1387.43
Other bank balances:		
In earmarked accounts for		
- Margin money*	**349.85**	1102.56
- Unpaid dividend	**635.36**	600.22
- Corporate Social Responsibility Unspent A/c (Refer Note No. 34)	**242.21**	130.00
- Fixed deposit receipts lodged with government authorities	**1.89**	1.96
	1229.31	1834.74
Cash and bank balances	**2170.05**	3222.17

*The Company has given margin money to fulfill collateral requirements.

15. Other financial assets (at amortised cost)	As at 31.3.2024	As at 31.3.2023
(unsecured considered good unless otherwise stated)		
Non-current		
Security deposits	**1318.86**	1780.52
	1318.86	1780.52
Current		
Security deposits	**108.17**	126.27
Interest accrued on bank and other deposits	**443.49**	206.93
Other receivables (Refer Note No. 46)	**1103.76**	905.57
	1655.42	1238.77

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
16. Other assets		
(unsecured considered good unless otherwise stated)		
Non-current		
Capital advances	**2513.93**	438.71
Prepaid expenses	**98.70**	65.26
Others	**0.33**	0.33
	2612.96	504.33
Current		
Balance with government authorities (net of impairment allowance of Rs. 150.73 lakhs; previous year Rs. 150.73 Lakhs)	**14190.57**	12612.57
Prepaid expenses	**788.00**	560.44
Export incentives accrued/available	**18.50**	41.06
Prepayment to suppliers	**1670.13**	1168.06
Others (Also refer Note No. 46)	**309.73**	277.45
	16976.93	14659.60

17. Equity share capital	As at 31.3.2024	As at 31.3.2023
Authorised		
60,000 preference shares of Rs. 100 each	**60.00**	60.00
12,20,00,000 equity shares of Rs. 2 each	**2440.00**	2440.00
	2500.00	2500.00
Issued, subscribed and fully paid up		
5,19,93,920 equity shares of Rs. 2 each	**1039.88**	1039.88

(i) There has been no movement in the equity shares in the current and previous year.

(ii) The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the company:

Name of the shareholder	As at 31.3.2024		As at 31.3.2023	
	Number of shares	**% holding**	Number of shares	% holding
a) K K Modi Investment & Financial Services Pvt. Ltd.	**15517916**	**29.85%**	15517916	29.85%
b) Philip Morris Global Brands Inc.	**13050475**	**25.10%**	13050475	25.10%
c) Good Investment (India) Ltd.	**4309220**	**8.29%**	4309220	8.29%
d) The Jupiter India Fund	**2858211**	**5.50%**	2694390	5.18%

Note: As per records of the Company, the above shareholding represents legal ownership of shares.

(iv) Details of shares held by promoters

As at March 31, 2024

Name of the promoter	Number of shares as at 01.4.2023	Change during the year	Number of shares as at 31.3.2024	% Holding	% Change during the year
a) K K Modi Investment And Financial Services Pvt. Ltd.	15517916	-	**15517916**	**29.85%**	**0.00%**
b) Philip Morris Global Brands Inc	13050475	-	**13050475**	**25.10%**	**0.00%**
c) Good Investment (India) Ltd.	4309220	-	**4309220**	**8.29%**	**0.00%**
d) Quick Investment (India) Ltd.	2235800	-	**2235800**	**4.30%**	**0.00%**
e) Super Investment (India) Ltd	527260	-	**527260**	**1.01%**	**0.00%**
f) K K Modi & Bina Modi Trustees - Indofil Senior Executives (Offices) Welfare Trust	386280	-	**386280**	**0.74%**	**0.00%**
g) K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Welfare Trust	380000	-	**380000**	**0.73%**	**0.00%**
h) K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Welfare Trust	308560	-	**308560**	**0.59%**	**0.00%**

(All amounts are in Rs. lakhs unless otherwise stated)

i)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Factory) Welfare Trust	308560	-	**308560**	**0.59%**	**0.00%**
j)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Factory) Benefit Trust	141360	-	**141360**	**0.27%**	**0.00%**
k)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Benefit Trust	108220	-	**108220**	**0.21%**	**0.00%**
l)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Benefit Trust	100560	-	**100560**	**0.19%**	**0.00%**
m)	Longwell Investment Pvt Ltd	80000	-	**80000**	**0.15%**	**0.00%**
n)	Swasth Investment Pvt Ltd	80000	-	**80000**	**0.15%**	**0.00%**
o)	Motto Investment Pvt Ltd	79000	(45000)	**34000**	**0.07%**	**-56.96%**
p)	HMA Udyog Private Ltd	77228	45000	**122228**	**0.24%**	**58.27%**
q)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Offices) Benefit Trust	22840	-	**22840**	**0.04%**	**0.00%**
r)	Divya Modi Tongya	11500	-	**11500**	**0.02%**	**0.00%**
s)	Ritika Nikhil Rungta	5440	-	**5440**	**0.01%**	**0.00%**
t)	Bina Modi	3000	-	**3000**	**0.01%**	**0.00%**
u)	Ruchir Kumar Lalit Modi	2000	-	**2000**	**0.00%**	**0.00%**
v)	Samir Kumaar Modi	2000	-	**2000**	**0.00%**	**0.00%**
w)	Upasana Investment Pvt Ltd*	450	(450)	**0**	**0.00%**	**-100.00%**
x)	Charu Modi	10	-	**10**	**0.00%**	**0.00%**
	Total	**37737679**	**(450)**	**37737229**	**72.58%**	**0.00%**

* Upasana Investment Pvt Ltd disposed off its entire shareholding in open market.

As at March 31, 2023

	Name of the promoter	**Number of shares as at 01.4.2022**	**Change during the year**	**Number of shares as at 31.3.2023**	**% Holding**	**% Change during the year**
a)	K K Modi Investment And Financial Services Pvt. Ltd.	15517916	-	15517916	29.85%	0.00
b)	Philip Morris Global Brands Inc	13050475	-	13050475	25.10%	0.00%
c)	Good Investment (India) Ltd.	4309220	-	4309220	8.29%	0.00%
d)	Quick Investment (India) Ltd.	2235800	-	2235800	4.30%	0.00%
e)	Super Investment (India) Ltd	527260	-	527260	1.01%	0.00%
f)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Offices) Welfare Trust	386280	-	386280	0.74%	0.00%
g)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Welfare Trust	380000	-	380000	0.73%	0.00%
h)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Welfare Trust	308560	-	308560	0.59%	0.00%
i)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Factory) Welfare Trust	308560	-	308560	0.59%	0.00%
j)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Factory) Benefit Trust	141360	-	141360	0.27%	0.00%
k)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Benefit Trust	108220	-	108220	0.21%	0.00%
l)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Benefit Trust	100560	-	100560	0.19%	0.00%
m)	Spicebulls Investments Ltd	83591	(83591)	-	0.00%	-100.00%
n)	Longwell Investment Pvt Ltd	80000	-	80000	0.15%	0.00%
o)	Swasth Investment Pvt Ltd	80000	-	80000	0.15%	0.00%
p)	Motto Investment Pvt Ltd	79000	-	79000	0.15%	0.00%
q)	HMA Udyog Private Ltd	77228	-	77228	0.15%	0.00%
r)	Kedarnath Modi (Trustee) Modi Spg.& Wvg Mills Co. Ltd. (Headoffice) Employees Welfare Trust#	45000	(45000)	-	0.00%	-100.00%
s)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Offices) Benefit Trust	22840	-	22840	0.04%	0.00%
t)	Divya Modi Tongya	11500	-	11500	0.02%	0.00%
u)	Ritika Nikhil Rungta	5440	-	5440	0.01%	0.00%
v)	Bina Modi	3000	-	3000	0.01%	0.00%
w)	Ruchir Kumar Lalit Modi	2000	-	2000	0.00%	0.00%
x)	Samir Kumaar Modi	2000	-	2000	0.00%	0.00%
y)	Upasana Investment Pvt Ltd	450	-	450	0.00%	0.00%
z)	Charu Modi	10	-	10	0.00%	0.00%
	Total	**37866270**	**(128591)**	**37737679**	**72.58%**	**-0.25%**

#Transferred to Investor Education and Protection Fund

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
18.	**Other equity**		
	Capital redemption reserve	**30.00**	30.00
	General reserve	**37430.72**	37430.72
	Retained earnings	**345162.59**	280338.97
	Employee shared based payment reserve (Refer Note No. 48)	**454.76**	-
		383078.07	317799.69

Capital redemption reserve:

This was created on redemption of preference shares in accordance with the requirements of the erstwhile Companies Act, 1956.

General reserve:

The general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income. No amount was transferred during the current and previous year.

Retained earnings:

Retained earnings is the amount that can be distributed by the Company as dividends to its equity shareholders subject to the requirements of the Companies Act, 2013. The amount reported above are not distributable in entirety.

In respect of the year ended March 31, 2024, the directors have in the board meeting held on May 30, 2024, proposed a dividend of Rs.56 per fully paid equity share. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements. The proposed equity dividend is payable to all the holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs.29116.60 lakhs.

Employee share based payment reserve:

Share based payment reserve is created to recognise on fair value the expense of equity shares granted to eligible employees of the Company under ESPS 2023.

		As at 31.3.2024	As at 31.3.2023
19.	**Financial liabilities - Lease liabilities**		
	Non-current		
	Lease liabilities (Refer Note No.43)	**25767.08**	27929.60
		25767.08	27929.60
	Current		
	Lease liabilities (Refer Note No.43)	**4241.22**	3982.97
		4241.22	3982.97

		As at 31.3.2024	As at 31.3.2023
20.	**Other financial liabilities**		
	Non-current		
	Security deposits - at amortised cost	**186.87**	107.13
		186.87	107.13
	Current		
	Interest accrued but not due on borrowings	**0.89**	0.18
	Unclaimed dividends	**635.36**	600.32
	Payable to gratuity fund (Refer Note No.42)	**719.51**	237.55
	Liability towards suppliers of property, plant & equipments and intangible assets	**451.11**	1176.23
	Security deposits - at amortised cost	**19.75**	11.00
		1826.62	2025.18

		As at 31.3.2024	As at 31.3.2023
21.	**Employee benefit obligations**		
	Non-current		
	-provision for compensated absences	**2185.30**	2166.55
		2185.30	2166.55
	Current		
	-provision for compensated absences	**734.91**	611.40
	-others*	**907.12**	907.12
		1642.03	1518.52

*Based on the review of the investments held by the Employee Provident Fund Trust as at March 31, 2024 and March 31, 2023, a provision has been created to cover the possible loss on account of non-realisation of certain such investments.

Movement in provision for loss on non realisation of investments held by Employee Provident Fund Trust

Opening Balance	**907.12**	907.12
Expense recognised during the year	-	-
Payment made during the year	-	-
Closing Balance	**907.12**	**907.12**

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
22. Financial liabilities - Borrowings		
Current borrowings-carried at amortised cost		
Secured		
Loans from banks repayable on demand*	**4395.81**	3463.42
Total current borrowings	**4395.81**	3463.42

Details of security and terms of above loans:

*The above current borrowing carries interest ranging from 7.85% to 9.70% per annum and is secured against hypothecation of stocks (Refer Note No.12) and book debts (Refer Note No.13) and second charge on all movable fixed assets of the Company. The quarterly statements of current assets filed by the Company with the banks are in agreement with the books of accounts.

Change in liability arising from financing activities as per IND AS-7

Particulars	Borrowings due within 1 year
Balance at April 1, 2022**	**2978.30**
Cash Flow (net)	(485.12)
Balance at March 31, 2023	**3463.42**
Cash Flow (net)	932.39
Balance at March 31, 2024	**4395.81**

** including current maturities of long-term debt

	As at 31.3.2024	As at 31.3.2023
23. Financial liabilities - Trade payables		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	**2190.30**	1898.69
(Refer Note No.39)	**2190.30**	1898.69
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		
- Others	**31340.31**	25380.46
- Payables to subsidiaries (Refer Note No.46)	**1282.77**	1367.23
- Payables to associates (Refer Note No.46)	**5600.34**	2485.42
- Employee payables	**7023.29**	6263.04
	45246.71	35496.15

The Company generally pays its vendors within 30-60 days and interest, if any, payable under the terms of the Micro, Small and Medium Enterprises Development Act, 2006 is recognised.

The Company has financial risk management policies in place to ensure all payables are paid within the agreed credit term. For explanation on the Companies liquidity risk management process, refer Note No.44.

Trade payables ageing schedule

Outstanding for following periods from due date of payment

	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	-	1988.41	201.89	-	-	-	2190.30
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	7715.50	15646.86	21608.17	215.49	1.06	59.63	45246.71
Balance as at 31 March, 2024	**7715.50**	**17635.27**	**21810.06**	**215.49**	**1.06**	**59.63**	**47437.01**
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	-	1460.46	438.22	0.01	-	-	1898.69
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	5988.49	10900.92	18060.66	396.43	30.93	118.72	35496.15
Balance as at 31 March, 2023	**5988.49**	**12361.38**	**18498.88**	**396.44**	**30.93**	**118.72**	**37394.84**

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
24. Tax assets and liabilities		
Non Current		
Income tax assets (net)		
Income tax recoverable (net of provisions)	**3365.40**	3157.80
Total income tax assets	**3365.40**	3157.80
Current		
Income tax liabilities (net)		
Income tax payable (net of advance tax and TDS recoverable)	**502.91**	326.41
Total income tax liabilities	**502.91**	326.41

	As at 31.3.2024	As at 31.3.2023
25. Other liabilities		
Current		
Statutory liablities	**53065.48**	42022.27
Advances from customers (Contract liabilities)*		
- From subsidiaries (Refer Note No. 45)	**-**	21.35
- From others	**7187.14**	13327.93
Liability towards expenditure on Corporate Social Responsibility (Refer No. 34)**	**877.05**	484.21
Others	**141.02**	27.21
	61270.69	55882.97

*Advances from customers relate to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Company performs its obligation under the contract.

Balance of Advances from customers at beginning of the year	**13349.28**	6603.69
Revenue recognised from amounts included in Advances from customers at beginning of the year	**13349.28**	6603.69

Management expects that the entire transaction price allocated to the unsatisfied contracts at end of the year will be recognised as revenue during the next year.

**The company has since transferred the amount within 30 days to a special bank account opened for Unspent Amount of Corporate Social Responsibility for FY 2023-24 as notified by Companies (Corporate Social Responisbility Policy) Amendment Rules 2021, Companies (Amendment) Act, 2019 and Companies (Amendment) Act, 2020.

26. Revenue from operations

i) Revenue from contracts with customers (including excise duty)

Sources of revenue

The Company derives its revenue from the transfer of goods at a point in time in the following major product lines:

a) Disaggregated revenue information	Year ended 31.3.2024	Year ended 31.3.2023
Cigarettes*	**354273.60**	294962.57
Unmanufactured tobacco**	**124074.91**	81730.14
Cut tobacco	**2837.25**	2529.53
Chewing products	-	2010.98
Retail goods	**42702.18**	41520.46
Total (A)	**523887.94**	422753.68

*includes incremental revenue of Rs. 20661.24 lakhs (previous year Rs. 16987.32 lakhs) arising from resale of Marlboro cigarettes manufactured by the Company.

**transferred from raw and packing materials

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of the revenues and cash flows are affected by industry, market and other economic factors.

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	Year ended 31.3.2024	Year ended 31.3.2023
Revenues by Geography		
Within India	**389547.59**	327284.01
Outside India	**134340.35**	95469.67
Total	**523887.94**	422753.68

The Company's accounting policies for its revenue streams are disclosed in detail in Note 4.1.1.

Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price:

Revenue as per contract	**528054.25**	425511.47
Adjustments:		
Sales return	**(577.14)**	(111.14)
Discounts, rebates, etc.	**(3589.17)**	(2646.65)
Revenue from contracts with customers	**523887.94**	422753.68

	Year ended 31.3.2024	Year ended 31.3.2023
ii) Other operating revenues		
Export incentives	**199.53**	102.50
Recovery towards services rendered	**162.11**	139.45
Receipts from sale of scrap and ancillary products	**941.73**	1246.87
Insurance claims	**142.83**	37.43
Display income received by retail stores	**1442.84**	1041.89
Other receipts	**690.92**	443.42
Total (B)	**3579.96**	3011.56
Total revenue from operations (A+B)	**527467.90**	425765.24

	Year ended 31.3.2024	Year ended 31.3.2023
27. Other income		
Interest income from:		
- Debts, deposits, loans and advances, etc. (at amortised cost)	**204.93**	230.53
- Long term investments*	**562.19**	446.26
- Income tax refund	**326.57**	-
Dividend income (Refer Note No. 46)	**17664.09**	-
Rent and hire charges from:		
- Subsidiary company (Refer Note No. 46)	**4.80**	4.80
- Others	**449.34**	451.29
Net gain on sale/redemption/fair valuation of:		
- Long term investments fair valued through profit or loss	**15434.52**	7224.96
- Short term investments fair valued through profit or loss	**2511.17**	2140.26
Provision for decline in value of investment in associate written back	-	496.00
Provision for decline in value of investment in subsidiary written back	-	23.90
Liabilities written back	**159.86**	528.60
Provision for doubtful debts and advances written back	**4.43**	27.87
Net gain on Sale / assignment of trademarks & other assets related to chewing business (Refer Note No. 51)	**-**	3490.96
Foreign currency fluctuation (net)	**857.29**	665.51
Gain on sale of property, plant and equipment (net)	**39.10**	115.66
Gain on termination/concession in leases (Refer Note No. 43)	**289.55**	562.34
Miscellaneous Income	**492.28**	354.54
	39000.12	16763.48
*includes interest income calculated in relation to financial assets valued on amortised cost basis.	**550.06**	435.95

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2024	Year ended 31.3.2023
28. Cost of materials consumed		
Cost of raw and packing materials consumed	**108345.12**	91742.31
	108345.12	91742.31

	Year ended 31.3.2024	Year ended 31.3.2023
29. Purchases of stock-in-trade		
Unmanufactured tobacco (transferred from raw and packing materials)	**96687.55**	57145.17
Other goods (including cigarettes purchased for resale)	**39227.88**	34344.24
	135915.43	91489.41

	Year ended 31.3.2024	Year ended 31.3.2023
30. Changes in Inventories of finished goods, stock-in-trade and work-in-process		
Opening stock:		
Work-in-process	**672.76**	474.40
Finished goods		
- Cigarettes	**9621.18**	8569.67
- Chewing products	-	129.43
Stock-in-trade	**8537.83**	4902.56
Opening stock	**19190.76**	14076.06
Closing stock:		
Work-in-process	**600.87**	627.76
Finished goods		
- Cigarettes	**10544.06**	9621.18
Stock-in-trade	**8896.82**	8896.82
Closing stock	**19682.76**	19190.76
Decrease/(Increase) in inventories	**(492.00)**	(5114.70)

	Year ended 31.3.2024	Year ended 31.3.2023
31. Employee benefits expenses		
Salaries and wages	**27087.14**	24398.27
Employee share based payment expense (Refer Note No. 48)	**454.76**	-
Provident fund expense (Refer Note No. 42)	**1400.08**	1343.40
Gratuity and superannuation expense (Refer Note No.42)	**608.98**	589.61
Workmen and staff welfare expenses	**2058.11**	2113.28
	31609.07	28444.56

	Year ended 31.3.2024	Year ended 31.3.2023
32. Finance costs		
Interest expenses on:		
- Borrowings	**18.76**	10.56
- Lease liabilities (refer Note No.43)	**2384.82**	2549.65
- Others	**149.76**	294.83
Other borrowing costs	**28.63**	34.02
	2581.97	2889.06

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2024	Year ended 31.3.2023
33. Other Expenses		
Manufacturing charges paid to a subsidiary company for cigarette manufactured on our behalf (Refer Note No. 46)	**6222.99**	6222.56
Consumption of stores and spare parts*	**381.66**	403.46
Power and fuel	**4016.02**	3801.89
Rent (Refer Note No. 46)	**545.33**	248.15
Repairs and maintenance		
- Buildings	**420.15**	417.88
- Plant and machinery	**1004.82**	1063.68
- Others	**2663.34**	2487.94
Insurance	**821.48**	810.74
Rates and taxes	**634.46**	1183.40
Freight and cartage	**5136.66**	5841.06
Legal and professional expenses	**3037.54**	2993.68
Auditors' Remuneration (net of GST)		
- For standalone financial statements	**119.00**	109.00
- For tax audit	**21.00**	21.00
- For limited review of unaudited financial statements	**90.00**	90.00
- For consolidated financial statements	**7.50**	7.50
- For other services and certificates	**6.90**	1.30
- Reimbursement of expenses and expenses incurred	**14.04**	9.60
Commission paid to other than sole selling agents	**294.42**	324.25
Advertising and sales promotion	**15701.32**	8936.16
Selling and distribution expenses	**10400.12**	9293.82
Travelling and conveyance	**2785.18**	2543.13
Donations	**21.65**	60.00
Contributions/expenses towards Corporate social responsibility (Refer Note No.34)	**1012.04**	891.00
Bad debts and advances written off	**23.32**	117.40
Property, plant and equipment and Intangible assets written off	**82.07**	1319.68
Technical services fee and royalty	**1545.62**	1454.39
Consumer research activity	**922.47**	265.61
Contract labour for factories and retail stores operations	**5196.15**	4305.86
Machine and material handling expenses	**39.56**	47.59
Miscellaneous expenses	**13914.33**	14047.68
	77081.14	69319.41

*Excludes consumption of spare parts charged to repairs and maintenance of plant & machinery.

34. Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The CSR activities are aimed at promoting education and healthcare, spreading awareness on water conservation and resource management, maintenance of bio diversity conservation parks thus carrying out community development programs in rural areas providing relief to marginalised communities.

Gross amount required to be spent by the Company during the year is Rs. 1043.00 lakhs (Previous year Rs. 891.00 lakhs) and the details of amount spent are as under:

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2024	Year ended 31.3.2023
a) Gross amount required to be spent by the Company during the year	**1043.00**	891.00
b) Amount approved by the board to be spent during the year	**1043.00**	891.00
c) Amount spent during the year on :-		
(i) Construction/acquisition of any asset	**-**	-
(ii) On purpose other than (i) above	**408.16**	536.79
d) Details related to spent/unspent obligation		
(i) Contribution to implementing agencies	**377.20**	506.47
(ii) Administrative expenses incurred (restricted to 5% of amount spent during the year)*	**30.96**	30.32
(iii) Unspent amount in relation to :-		
- ongoing project	**634.84**	354.21
- other than ongoing project	**-**	-
* Includes 5% on Rs. 242 lakhs spent from CSR unspent A/c during the year.	**1043.00**	891.00

e) Details of ongoing project

	Opening Balance*		Amount required to be spent during the year	Amount spent during the year		Closing Balance*	
	With Company	In CSR Unspent A/c**		From Company's Bank A/c	From CSR unspent A/c	With Company	In CSR unspent A/c**
March 31,2024	**354.21**	**130.00**	**1043.00**	**408.16**	**242.00**	**634.84**	**242.21**
March 31, 2023	230.00	-	891.00	536.79	100.00	354.21	130.00

*(Refer foot note to Note No. 25) **Refer Note No. 14

	Year ended 31.3.2024	Year ended 31.3.2023
35. Earnings per share		
Profit after tax (A)	**88084.37**	60837.70
Weighted average number of equity shares for the purpose of basic earning per share and diluted earning per share (B)	**51993920**	51993920
Basic and Diluted Earnings per share (Rs.) [A/B] (Face value of Rs. 2 each)	**169.41**	117.01

	Year ended 31.3.2024	Year ended 31.3.2023
36. Managerial remuneration		
a) Included in expenses are:		
Salaries*	**1362.92**	888.51
Monetary value of benefits (as per Income Tax Rules)	**842.49**	627.72
Commission	**7615.65**	4568.65
Sitting fees (excluding GST paid under reverse charge)	**64.00**	72.00
	9885.06	6156.88
*excludes incremental liability for gratuity and compensated absences which are actuarially determined on an overall basis.		
b) Computation of directors' remuneration and commission:		
Profit before tax	**108656.57**	78960.68
Add/(less):		
Directors' remuneration	**9885.06**	6156.88
Net gain on sale/redemption/fair valuation of long term investments	**(15434.52)**	(7224.96)
Unrealised gain on fair valuation of short term investments	**(261.78)**	7.05
Write back of Provision made for decline in the value of non-current investments	-	(519.90)
Net Gain on sale / assignment of Trademarks, leasehold land relating to chewing business and other fixed assets	-	(3779.21)
	102845.33	73600.54
Maximum remuneration to executive directors @ 14% of above	**14398.35**	10304.08
Restricted to	**9821.06**	6084.88
Maximum remuneration to non-executive directors @ 1% of above	**1028.45**	736.01
Restricted to	**-**	-

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
37. Contingent liabilities not provided for		
a) Demands from excise, income tax, goods and services tax, sales tax and other authorities not accepted by the Company @^	**7765.85***	6235.00*
b) Uncalled liability on shares partly paid (including share premium)	**79.24**	79.24
c) Guarantee given to a bank on behalf of subsidiary company:		
– International Tobacco Company Limited	**35.55**	35.55

*includes Rs.1993.15 lakhs (Previous year - Rs. 1993.15 lakhs) relating to demands received by the subsidiary company – International Tobacco Company Limited from the excise authorities.

@all these matters are subject to legal proceedings in the ordinary course of business and in the opinion of the Company, these are not expected to have material effect on the financial statements of the Company when ultimately concluded and interest, if any, would be additional to disclosed amount.

d) The following are the particulars of dues (including the amounts already provided for in the books) on account of sales tax, goods and services tax, value added tax, excise duty and income-tax as at March 31, 2024 that have been not accepted by the Company and are in appeals:

Nature of the statute	Nature of the dues	Amount of dues (Rs. in lakhs)*	Amount deposited (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
CGST Act 2017	GST	1774.86	6.67	2017-18	Upto Commissioner (Appeals) Level
		138.16	0.00	2017-18	GST Tribunal
		93.48	0.00	2017-18	Upto Commissioner Level
Central Excise Act, 1944	Excise duty	895.06 **	313.80	2007-08 to 2011-12	High court
		89.72***	71.43	2010-11 and 2013-14	Upto Commissioner Level
		289.83	8.52	2012-13 to 2017-18	Customs, Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service tax	960.13	36.00	2013-14 to 2017-18	Customs, Excise & Service Tax Appellate Tribunal
Uttar Pradesh (UP) VAT Act, 2008	"Value Added Tax"	68.65****	68.65	2007-08	High Court

(All amounts are in Rs. lakhs unless otherwise stated)

Nature of the statute	Nature of the dues	Amount of dues* (Rs. in lakhs)*	Amount deposited (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961 ^	Income tax	186.55 ^ ^	186.55	1979-80 to 1982-83	High Court
		89.91 ^ ^	16.77	2009-10 and 2014-15	Income Tax Appellate Tribunal
		6138.84 ^ ^	1502.53	2012-13 to 2018-19 , 2020-21 to 2022-23	Commissioner of Income Tax (Appeals)
		169.22 ^ ^	153.50	1999-2000, 2005-06 to 2008-09	Matters have been referred back to the Assessing officer

* amount as per demand orders, including interest and penalty, if any; where quantified in the Order

** provided for in the accounts amounting to Rs. 319.32 lakhs

*** provided for in the accounts amounting to Rs. 71.43 lakhs

**** provided for in the accounts amounting to Rs. 68.65 lakhs

^ Demands of income-tax for the financial years 2014-15 to 2018-19 and 2020-21 include amounts relating to certain expenses being treated as non-deductible business expenses pursuant to the re-assessment/assessment orders passed in connection with search carried out by the Income-tax department under section 132 of the Income-tax Act, 1961 on a promoter of the Company. The Company is of the view that these are admissible business expenses and accordingly, has appealed against the re-assessment/assessment orders before the CIT (Appeals) which appeals are pending disposal. Further, consequential effect of these orders has been given to the similar expenses to the extent the same can be estimated with reasonable certainty, incurred in FY 2019-20 & subsequent financial years and claimed/considered as deductible business expenses for determining the contingent liability.

^^ provided for in the accounts amounting to Rs. 483.90 lakhs

Further, as per information available with the Company, the concerned authority is in appeal against favourable orders received by the Company in respect of the following matters

Name of the statute	Nature	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where department has preferred appeal
Income-tax Act, 1961	Income tax	209.36	1969, 1974 to 1977, 1991-92 & 1992-93	High Court
Central Excise Act, 1944	Excise duty	813.68	2008-09 to 2010-11	Supreme Court
		13,867.30	2002-03 to 2007-08	Customs, Excise & Service Tax Appellate Tribunal

e) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the requirements of the Companies Act.

f) The Company has received various show cause notices from various Government Authorities asking it to explain why certain amounts mentioned therein should not be paid or for providing information and explanations. Thus the Company does not consider these to constitute a liability of any kind. As and when these notices are recevied, the Company responds to the same in accordance with the provisions of the law.

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
38. Commitments		
a) The estimated amount of contracts remaining to be executed on capital amount and not provided for (net of advances)	**3574.26**	1155.05

b) The Company has other commitments, for purchases / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services and employee benefits including union agreements, in normal course of business. The Company does not have any other long term contracts including derivative contracts for which there will be any material foreseeable losses.

39. Dues to micro and small enterprises

The amount due to micro, small and medium enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" ("MSMED") has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to the micro, small and medium enterprises as at March 31, 2024 are as under:

	As at 31.3.2024	As at 31.3.2023
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of Year are as under:		
-Principal amount	**2190.30**	1898.69
-Interest due thereon	**0.03**	-
Amount of payments made to suppliers beyond the appointed day during the year are as under:		
-Principal amount	**5631.67**	1094.98
-Interest actually paid under section 16 of MSMED	**-**	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED are as under:		
-Interest accrued during the year	**0.69**	0.03
-Interest remaining unpaid as at the end of the year	**0.69**	0.03
Interest remaining disallowable as deductible expenditure under the Income-Tax Act, 1961.	**0.73**	0.03

40. Expenditure on scientific research and development		
Revenue expenditure	**1140.48**	1080.62
Capital expenditure	**162.58**	133.85

41. Information of Investments made in subsidiary and associate

These financial statements are separate financial statements.

Following is the key information of investee entities

Name of Investee	Relationship with the company	Principal place of business	As at 31.03.2024	As at 31.03.2023
International Tobacco Company Limited	Subsidiary	India	100%	100%
Godfrey Phillips Middle East DMCC*	Subsidiary	U.A.E	100%	100%
Chase Investments Limited	Subsidiary	India	100%	100%
Friendly Reality Projects Limited	Subsidiary	India	92.20%	92.20%
IPM India Wholesale Trading Private Limited	Associate	India	24.80%	24.80%
KKM Management Centre Private Limited	Associate	India	36.75%	36.75%

*under liquidation

The Company has accounted for investments in the above entities at cost less impairment loss, if any.

(All amounts are in Rs. lakhs unless otherwise stated)

42. Employee benefit plans

(a) Defined contribution plans and amounts recognised in the Statement of profit and loss/Other Comprehensive Income

	Year ended 31.3.2024	Year ended 31.3.2023
Contribution towards superannuation fund	**97.66**	96.06
Employers' contribution to employee's state insurance scheme	**2.32**	3.44
	99.98	99.50

(b) Other long term employee benefits (based on actuarial valuation)

	Year ended 31.3.2024	Year ended 31.3.2023
Compensated absences – amount recognized in the Statement of profit and loss	**450.88**	344.64

(c) Defined benefit plans

Gratuity

The Company makes annual contributions to gratuity fund established as a trust, which is a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity as per provisions of the payment of Gratuity Act, 1972 or the Company Scheme, whichever is beneficial.

The plan typically exposes the Company to actuarial risks such as: loss of investment risk, interest rate risk, mortality rate risk and salary rate risk.

Loss of investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest rate risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the plan's liability.

Mortality rate risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary rate risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The following tables summarises the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for defined benefit plan:

Net employee benefit expense recognized in employee cost:

	Year ended 31.3.2024	Year ended 31.3.2023
Current service cost	**436.90**	484.71
Past service cost	**75.35**	-
Net interest cost	**(0.93)**	8.84
Net employee benefit expense recognized in employee cost	**511.32**	493.55

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2024	Year ended 31.3.2023
Amount recognised in other comprehensive income:		
Actuarial loss on obligations arising from changes in financial assumptions	**171.21**	(415.69)
Actuarial loss on obligations arising from changes in demographic assumptions	**(70.91)**	-
Actuarial loss on obligations arising on account of experience adjustments	**156.63**	166.34
Return on plan assets (excluding amounts included in net interest expense)	**(48.74)**	(6.65)
Net income for the year recognized in other comprehensive income	**208.19**	(256.00)
(I) Changes in the present value of the defined benefit obligation are as follows:		
Opening defined obligation	**9824.56**	9828.09
Current service cost	**436.90**	484.71
Past service cost	**75.35**	-
Interest cost (gross)	**668.87**	619.35
Benefits paid	**(701.39)**	(858.24)
Actuarial loss on obligations arising from changes in financial assumptions	**171.21**	(415.69)
Actuarial loss on obligations arising from changes in demographic assumptions	**(70.91)**	-
Actuarial loss on obligations arising on account of experience adjustments	**156.63**	166.34
Closing defined benefit obligation	**10561.22**	9824.56
(II) Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	**9587.01**	9448.96
Interest income (gross)	**669.80**	610.51
Return on plan assets (excluding amounts included in net interest expense)	**48.74**	6.65
Contribution by employer	**237.55**	379.13
Benefits paid	**(701.39)**	(858.24)
Closing fair value of plan assets	**9841.71**	9587.01
(III) Net liability recognised in the balance sheet (I - II)	**719.51**	**237.55**

The major categories of plan assets of the fair value of the total plan assets are as follows:

	Amount	% of total plan assets
As at March 31, 2024		
Government debt securities	**152.94**	1.55%
Insurer managed funds	**9739.17**	98.96%
Other assets (net)	**(50.40)**	-0.51%
	9841.71	100.00
As at March 31, 2023		
Government debt securities	**152.35**	1.59%
Insurer managed funds	**9422.01**	98.28%
Other liabilities (net)	**12.65**	0.13%
	9587.01	100.00%

(All amounts are in Rs. lakhs unless otherwise stated)

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

	As at 31.3.2024	As at 31.3.2023
Discount rate (in %)	**7.20%**	7.50%
Salary escalation rate (in %)	**8.00%**	8.00%
Expected rate of return on plan assets	**7.20%**	7.50%

A quantitative sensitivity analysis for significant assumption shown above as at March 31, 2024 is as shown below:

Assumption	Impact on defined benefit obligation	
	As at 31.3.2024	As at 31.3.2023
Impact of increase in 0.5% in discount rate	-2.67%	-3.05%
Impact of decrease in 0.5% in discount rate	2.82%	3.23%
Impact of increase in 0.5% in salary escalation rate	2.78%	3.19%
Impact of decrease in 0.5% in salary escalation rate	-2.67%	-3.05%

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

Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflations, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The following payments are expected as contributions to the defined benefit plan in future years:

	Year ended 31.3.2024	Year ended 31.3.2023
Within the next 12 months (next annual reporting period)	**2199.71**	1812.64
Between 2 and 5 years	**4592.85**	4162.49
Between 6 and 9 years	**4292.73**	4112.91
10 years and above	**5944.34**	7398.95
Total expected payments	**17029.63**	17486.99

The average duration of the defined benefit plan obligation at the end of the reporting period is 5.49 years (Previous year 6.27 years).

(d) Defined benefit plans - Provident Fund

The Company makes monthly contributions towards provident fund which is administered by Godfrey Phillips India Limited Provident Fund (the Fund), an exempted PF Trust. The conditions governing the exemption require that the employer shall make good the loss, if any, incurred on the investments made by the Fund and also make good the deficiency in the rate of interest as may be notified by the EPFO from year to year.

Amounts recognised on account of PF contribution during the year are as follows :-

	Year ended 31.3.2024	Year ended 31.3.2023
Amount recognised in profit and loss	**1400.08**	1343.40
Amount recognised in other comprehensive income	**304.20**	-
	1704.28	1343.40

43. Leases

43.1 Company as a lessee

The Company has lease contracts for various items of land, offices, warehouses, retail stores, store equipment and vehicles used in its operations. Leases of land have a term ranging from 45 to 99 years, offices, warehouses and stores have lease terms between 2 and 18 years, store equipment have a lease terms of 5 years, while motor vehicles generally have lease terms between 3 and 5 years. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed.

The Company also has certain leases of warehouses of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
Carrying amount of:		
Right-of-Use: Office buildings, warehouses and stores	**23903.74**	26295.05
Right-of-Use: Store equipment & furnitures	**232.22**	348.93
Right-of-Use: Land	**431.47**	436.79
Right-of-Use: Vehicles	**24.25**	89.14
Total	**24591.68**	27169.91

	Right-of-Use: Office buildings, warehouses and stores	Right-of-Use: Store equipment & furniture	Right-of-Use: Land	Right-of-Use: Vehicles	Total
Cost					
Balance at April 1, 2022	**35003.42**	**4880.38**	**1658.63**	**604.88**	**42147.31**
Additions / Modifications	7912.45	-	-	-	7912.45
Derecognition	(4348.83)	(2,379.08)	(1,200.54)	(283.88)	(8212.33)
Balance at March 31, 2023	**38567.04**	**2501.30**	**458.09**	**321.00**	**41847.43**
Additions / Modifications	3360.22	168.77	-	-	3528.99
Derecognition	(1993.27)	-	-	(12.42)	(2005.69)
Balance at March 31, 2024	**39933.99**	**2670.07**	**458.09**	**308.58**	**43370.73**
Accumulated depreciation					
Balance at April 1, 2022	10294.00	3640.32	110.76	405.06	14450.14
Depreciation expense	4426.74	891.13	21.12	110.68	5449.67
Derecognition	(2448.75)	(2379.08)	(110.58)	(283.88)	(5222.29)
Balance at March 31, 2023	**12271.99**	**2152.37**	**21.30**	**231.86**	**14677.52**
Depreciation expense	4628.38	285.48	5.32	60.57	4979.75
Derecognition	(870.12)	-	-	(8.10)	(878.22)
Balance at March 31, 2024	**16030.25**	**2437.85**	**26.62**	**284.33**	**18779.05**
Balance at March 31, 2024	**23903.74**	**232.22**	**431.47**	**24.25**	**24591.68**
Balance at March 31, 2023	26295.05	348.93	436.79	89.14	27169.91

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at 31.3.2024	As at 31.3.2023
Balance as at April 1	**31912.57**	30602.23
Addition / Modification	**3488.01**	7807.57
Accretion of interest*	**2384.82**	2549.65
Payments	**(6360.43)**	(6584.46)
Rent concessions due to Covid-19	**(87.37)**	(295.55)
De-recognition of lease liability on termination	**(1329.30)**	(2166.87)
Balance as at March 31	**30008.30**	31912.57
Current	**4241.22**	3982.97
Non-current	**25767.08**	27929.60

* Lease liabilities carry an effective interest rate of 7.85%

** For maturities of lease liabilities, Refer Note No. 44

The following are the amounts recognised in profit or loss:

	For the year ended 31.3.2024	For the year ended 31.3.2023
Depreciation expense of right-of-use assets	**4979.75**	5449.67
Interest expense on lease liabilities (Refer Note 32)	**2384.82**	2549.65
Expense relating to short-term leases (Refer Note 33)	**337.26**	120.93
Variable lease payments (Refer Note 33)	**208.07**	127.22
(Gain) on termination of leases (Refer note 27)	**(202.18)**	(266.79)
Rent concessions due to Covid-19 (Refer note 27)	**(87.37)**	(295.55)
	7620.35	7685.13

(All amounts are in Rs. lakhs unless otherwise stated)

Lease (Continued)

The Company has lease contracts for stores that contains variable payments based on the revenue earned during the year. These terms are negotiated by management for certain stores as per prevalent market conditions. Management's objective is to align the lease expense with the revenue earned. The following provides information on the Company's variable lease payments:

	Year ended 31.3.2024	Year ended 31.3.2023
Variable rent	**208.07**	127.22
	208.07	127.22

43.2 Company as a lessor

The Company has let out and sub-let part of its owned and rented office premises under lease arrangements which are cancellable in nature but renewable on mutually agreeable terms. These leases have terms ranging between 11 months to 3 years. Rental income recognised by the Company during the year is Rs. 454.14 Lacs (Previous Year Rs. 456.09 Lacs). The carrying value of the said assets is not material.

44. Financial instruments and risk management

44.1. Fair value measurements

The fair value of financial assets and liabilities are included at the amount at which the instruments could be exchanged in as current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) The fair value of cash and cash equivalents, trade receivables, trade payables, lease liabilities, security deposits received, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Other non-current financial assets and liabilities, fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value.

ii) The financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty/ies. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by using valuation techniques that are appropriate in the circumstances and for which sufficient data are available.

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and/or debt based mutual fund investments, bonds or debentures.

Level 2: This level hierarchy includes items measured using inputs, other than quoted prices included within level 1, that are observable for such items, directly or indirectly.

Level 3: This level of hierarchy includes items measured using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main items in this category are unquoted equity instruments.

(All amounts are in Rs. lakhs unless otherwise stated)

44.2. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at amortised cost or at fair value and fair value heirarchy.

As at March 31, 2024	Carrying amount	Fair Value
Financial assets		
Financial instruments at FVTPL:		
Investment in		
- mutual funds	233207.03	233207.03
- others	1829.68	1829.68
Financial instruments at amortised cost:		
Investment in		
- others (Perpetual Bonds)	12277.32	12147.85
Trade receivables	17286.65	17286.65
Cash and cash equivalents	940.74	940.74
Other bank balances	1229.31	1229.31
Loans	7,069.00	7,069.00
Other financial assets		
- Security deposits	1427.03	1427.03
- Interest accrued on bank and other deposits"	443.49	443.49
- Other recoverables	1103.76	1103.76
Total financial assets	**276814.01**	**276684.54**
Financial liabilities		
Financial instruments at amortised cost:		
Borrowings	4395.81	4395.81
Trade payables	47437.01	47437.01
Other financial liabilities		
- Security deposits	206.62	206.62
- Interest accrued but not due on borrowings	0.89	0.89
- Unclaimed dividends	635.36	635.36
- Payable to gratuity fund	719.51	719.51
- Liability towards suppliers of property, plant & equipments	451.11	451.11
Total financial liabilities	**53846.31**	**53846.31**

As at March 31, 2023	Carrying amount	Fair Value
Financial assets at FVTPL:		
Financial instruments at FVTPL:		
Investment in		
- mutual funds	**216747.62**	216747.62
- others	**3607.97**	3607.97
Financial instruments at amortised cost:		
Investment in		
- others (Perpetual Bonds)	5073.00	4954.57
Trade receivables	14951.36	14951.36
Cash and cash equivalents	1387.43	1387.43
Other bank balances	1834.74	1834.74
Loans	403.28	403.28
Other financial assets		
- Security deposits	1906.79	1906.79
- Interest accrued on bank and other deposits	206.93	206.93
- Other recoverables	905.57	905.57
Total financial assets	**247024.69**	**246906.26**

(All amounts are in Rs. lakhs unless otherwise stated)

43.2. Fair value hierarchy (continued)

	As at March 31, 2024 Fair Value	Carrying amount
Financial liabilities		
Financial instruments at amortised cost:		
Borrowings	3463.42	3463.42
Trade payables	37394.84	37394.84
Other financial liabilities		
- Security deposits	118.13	118.13
- Interest accrued but not due on borrowings	0.18	0.18
- Unclaimed dividends	600.22	600.22
- Payable to gratuity fund	237.55	237.55
- Liability towards suppliers of property, plant & equipments	1,176.23	1,176.23
Total financial liabilities	**42990.57**	**42990.57**

Note: Investment in equity of subsidiaries and associates which are carried at cost are not covered under Ind AS 107 and hence not been included above.

Note for Financial assets

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments at FVTPL: Fair value for investments aggregating to Rs. 19366.29 lakhs (previous year Rs.17151.13 lakhs) and Rs.215670.41 lakhs (previous year Rs.203204.46 lakhs) have been determined with reference to the market quoted price of the investments, a level 1 valuation and to the declared NAV, a level 2 valuation respectively.

Financial instruments at amortised cost: Fair value for bonds aggregating to Rs. 12147.85 lakhs (previous year Rs.4954.57 lakhs) is determined with reference to the market quoted price of the investments, a level 1 valuation. For all other financial assets and financial liabilities, the carrying value approximate the fair value due to short term maturity.

44.3. Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by its Board of Directors.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, deposits and foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through its finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest in order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, the finance department undertakes the interest rate risk management exercise from time to time.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas markets and purchases from suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account

(All amounts are in Rs. lakhs unless otherwise stated)

the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivables.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the financial statement. The Company's maximum credit exposure to credit risk is Rs.274644.06 lakhs (previous year Rs.243802.52 lakhs). The Company has excluded cash and cash equivalents, other bank balances and investments in subsidiaries and associates as the credit risk associated with them is minimal.

Financial assets are provided for, when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been provided for, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss in the subsequent reporting period. The management believes that there is no significant exposure of credit risk due to the nature of Company's business other than those for which impairment allowance has been recorded. For details of trade receivables those are past due, refer Note No.13.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Board of Directors. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(A) Maturities of financial liabilities

The table below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances, except lease liabilities, due within 12 months equal their carrying values as the impact of discounting is not significant.

Contractual maturities of financial liabilities	**Less than 1 Year**	**More than 1 Year**	**Total**
As at March 31, 2024			
Lease liabilities	6516.55	34497.22	41013.77
Borrowings	4395.81	-	4395.81
Trade payables	47437.01	-	47437.01
Other financial liabilities	1826.62	186.87	2013.49
	60175.99	**34684.09**	**94860.08**
As at March 31, 2023			
Lease liabilities	6465.90	37896.88	44362.78
Borrowings	3463.42	-	3463.42
Trade payables	37394.84	-	37394.84
Other financial liabilities	2025.18	107.13	2132.31
	49349.34	**38004.01**	**87353.35**

(B) Foreign currency risk exposure

Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:

Particulars	**Currency**	**As at 31.3.2024**		As at 31.3.2023	
		Amount in foreign currency (Lakhs)	**Amount in Rs. Lakhs**	Amount in foreign currency (Lakhs)	Amount in Rs. Lakhs
Trade receivables	USD	88.44	7220.63	32.28	2599.18
Current liabilities	USD	56.93	4837.56	57.63	4830.32
	EURO	7.75	712.48	7.01	640.30
	GBP	0.19	19.94	0.01	1.24
	SGD	-	-	0.02	1.15

(All amounts are in Rs. lakhs unless otherwise stated)

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rate such as USD, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives:

Currency of exposure	As at 31.3.2024		As at 31.3.2023	
	5% increase	5% decrease	5% increase	5% decrease
Impact on profit before tax as at the end of the reporting year - USD	**119.15**	**(119.15)**	(111.34)	111.34

(C) Exposure in mutual fund investments

The Company manages its surplus funds majorly through investments in debt based mutual fund schemes. The fair value of these investments is reflected through net asset values (NAVs) declared by the Asset Management Company on daily basis with regard to the invested schemes. The Company is exposed to market price risk on such investments.

Sensitivity analysis of mutual fund investments

Had the NAVs been higher/lower by 1% at the end of the reporting period, profit for the year ended 31.3.2024 would have increased/decreased by Rs. 2332.07 lakhs (for the year ended 31.3.2023 by Rs. 2167.48 lakhs).

45. Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. Net debts comprises of non-current and current debts (including trade payables, lease liabilities, other financial liabilities and other current liabilities as reduced by cash and cash equivalents and current investments). 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 economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt.

Gearing ratio	As at 31.3.2024	As at 31.3.2023
Borrowings	**4395.81**	3463.42
Trade payables	**47437.01**	37394.84
Lease Liabilities	**30008.30**	31912.57
Other financial liabilities	**2013.49**	2132.31
Other current liabilities	**61270.69**	55882.97
Less : Cash and cash equivalents	**940.74**	1387.43
: Current investments	**15716.24**	13707.75
Net debt (A)	**128468.32**	115690.93
Total equity	**384117.95**	318839.57
Capital and net debt (B)	**512586.27**	434530.50
Gearing Ratio (A/B)	**25.06%**	26.62%

No changes were made in the objectives, policies or processes during the year ended 31 March, 2024.

(All amounts are in Rs. lakhs unless otherwise stated)

46. Related party transactions

46.1 Disclosure of related parties	Principal Activities	Place of incorporation and operation	Proportion of ownership interest / voting rights held by the parent entity As at 31.3.2024	As at 31.3.2023
(a) Subsidiaries				
International Tobacco Company Limited	Manufacturing of cigarette & tobacco products	India	**100%**	100%
Chase Investments Limited	Investment activities	India	**100%**	100%
Godfrey Phillips Middle East DMCC	Trading of cigarette,tobacco & other retail products	U.A.E.	**100%**	100%
Friendly Reality Projects Limited *	Real Estate	India	**92.20%**	92.20%
* Held partly through other subsidiary				
(b) Subsidiaries through the subsidiary companies:				
Unique Space Developers Limited (subsidiary of Chase Investments Limited)		India	**66.67%**	66.67%
Rajputana Infrastructure Corporate Limited (subsidiary of Friendly Reality Projects Limited)		India	**92.20%**	92.20%
(c) Associates:				
IPM India Wholesale Trading Private Limited		India	**24.80%**	24.80%
KKM Management Centre Private Limited		India	**36.75%**	36.75%

(d) Entities of which the Company is an associate:

K K Modi Investment & Financial Service Private Limited, India

Philip Morris Global Brands Inc.,USA

(e) Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to :

PMFTC Inc.,Philippines

Philip Morris Products S.A.

PT Hanjaya Mandala Sampoerna Tbk.

AO Philip Morris Izhora, Russia

PT Philip Morris Indonesia

(f) Key management personnel & their relatives and other directors:

Dr. Bina Modi, President, Managing Director and Chairperson of the Board*

Mr. Samir Kumaar Modi, Executive Director

Ms. Charu Modi, a relative of Mr. Samir Kumaar Modi and Dr. Bina Modi

Mr. Sharad Aggarwal, Whole Time Director and Functional Chief Executive Officer

Mr. Sunil Agrawal, Chief Financial Officer

Mr. Sanjay Kumar Gupta, Company Secretary

Mr. R A Shah, Non Independent Director and Chairman of the Board (Upto August 26, 2022)

Mr. Lalit Bhasin, Independent Director

Mr. Atul Kumar Gupta, Independent Director

Mrs. Nirmala Bagri, Independent Director
Mr. Sumant Bhardwaj, Independent Director
Mr. Subramanian Lakshminarayanan, Independent Director (w.e.f. May 28,2022)
Mr. Ajay Vohra, Independent Director (w.e.f. July 01,2023)
*Dr. Bina Modi was appointed as Chairperson w.e.f August 26,2022 in addition to her pre-existing role as President and Managing Director.

(g) Enterprises over which Key management personnel and their relatives are able to exercise significant influence:

Modicare Limited
Beacon Travels Private Limited
Indofil Industries Limited
HMA Udyog Private Limited
Bina Fashions N Food Private Limited
Priyal Hitay Nidhi
Colorbar Cosmetics Private Limited
MHP Staffing Private Limited
Modi Innovative Education Society
Modi Stratford Enterprise Management Private Limited
International Research Park Laboratories Limited
Crawford Bayley & Co.
Bhasin & Co.
Rajputana Developers Limited
Quick Investment (India) Limited
Good Investment (India) Limited
Super Investment (India) Limited
Swasth Investment Private Limited

(h) Other related parties:
Godfrey Phillips India Limited employees Gratuity Fund No.1
Godfrey Phillips India Limited employees Gratuity Fund No.2
Godfrey Phillips India Limited Management Staff Superannuation Fund
Godfrey Phillips India Limited Provident Fund
Godfrey Phillips ESPS Trust (w.e.f Feb 01, 2024)

46.2 Disclosure of transactions between the Company and related parties and the status of outstanding balances as at the year end

(All amounts are in Rs. lakhs unless otherwise stated)

A Nature of transactions	Subsidiary companies		Associates		Key management personnel and their relatives		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the entity		Other related parties	
	Year ended 31.3.2024	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023
i) Trading transactions														
Sale of goods, spare parts, etc.	**13.72*****	132.95***	**98594.91@**	63262.61@	-	-	**197.57**	221.62	**68554.73&**	30955.52&	-	-	-	-
Purchase of goods/services/spare parts	**5.89***	9.76*	**9652.32@**	3840.43@	-	-	**1989.57$**	1919.85$	**19590.95&&**	11614.60&&	-	-	-	-
Refund of security Deposit (Indofil)	-	-	-	-	-	-	-	82.50	-	-	-	-	-	-
Proceed from subsidiary on liquidation	**35.50****	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipts from secondment of services from Colorbar Cosmetics Private Limited	-	-	-	-	-	-	**146.00**	123.34	-	-	-	-	-	-
Miscellaneous income	-	-	**1137.53@**	1065.93@	-	-	-	-	-	-	-	-	-	-
Rent and hire charges received	**4.80***	4.80*	-	-	-	-	**412.17**	420.59	-	-	-	-	-	-
Manufacturing charges paid	**6222.99***	6222.56*	-	-	-	-	-	-	-	-	-	-	-	-
Payments for professional services availed	-	-	-	-	-	-	**8.78**	10.40	-	-	-	-	-	-
Donation given $$$	-	-	-	-	-	-	**262.00**	150.00	-	-	-	-	-	-
- Modicare Foundation	-	-	-	-										
- Priyal Hitay Nidhi	-	-	-	-	-	-	**10.00**	10.00	-	-	-	-	-	-
- Gujarmal Modi Scientific Foundation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Modi Innovation Education Society	-	-	-	-	-	-	**252.00**	140.00	-	-				
Expenses recovered (Includes GST as applicable)	**0.40#**	32.29#	**8774.67@**	9781.57@	-	-	**87.42**	23.53	**278.63@@@**	290.62@@@	-	-	-	-
Expenses reimbursed	**##**	5.79##	-	-	-	-	-	-	**22.89 @@@**	-		-	-	-
ii) Other related party transactions														
Dividend received														
- IPM India Wholesale Trading Private Limited	**17,608.00**	-	-	-	-	-	-	-	-	-	-	-	-	-
- Chase Investments Limited	**56.09**	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid							-	-	-					
- Philip Morris Global Brands Inc.	-	-	-	-	-	-	-	-	-	-	**5742.21**	3654.13	-	-
- K K Modi Investment & Financial Service Private Limited	-	-	-	-	-	-	-	-	-	-	**6827.88**	4345.01	-	-
- Quick Investment (India) Limited	-	-	-	-	-	-	**983.75**	626.02	-	-	-	-	-	-
- Good Investment (India) Limited	-	-	-	-	-	-	**1896.05**	1206.58	-	-	-	-	-	-
- Super Investment (India) Limited	-	-	-	-	-	-	**231.99**	147.63	-	-	-	-	-	-
- Swasth Investment Private limited	-	-	-	-	-	-	**35.20**	22.40	-	-	-	-	-	-
- HMA Udyog Private Limited	-		-		-	-	**53.78**	21.62	-	-	-	-	-	-
- Bina Modi	-	-	-	-	1.32	0.84	-	-	-	-	-	-	-	-
- Samir Kumaar Modi	-	-	-	-	0.88	0.56	-	-	-	-	-	-	-	-
- Ruchir Modi	-	-	-	-	0.88	0.56	-	-	-	-	-	-	-	-
- Charu Modi	-	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-
Technical services fee and royalty														
- Philip Morris Products S.A.	-	-	-	-	-	-	-	-	**1545.62**	1454.39	-	-	-	-
iii) Contribution to trusts														
Godfrey Phillips India Limited Management Staff Superannuation Fund	-	-	-	-	-	-	-	-	-	-	-	-	**97.66**	96.06
Godfrey Phillips India Limited Provident Fund (Refer Note No. 41)	-	-	-	-	-	-	-	-	-	-	-	-	**1536.25**	1177.99
Godfrey Phillips India Limited Gratuity Fund No.1	-	-	-	-	-	-	-	-	-	-	-	-	**41.38**	(6.62)
Godfrey Phillips India Limited Gratuity Fund No.2	-	-	-	-	-	-	-	-	-	-	-	-	**678.13**	244.17
Godfrey Phillips ESPS Trust for corpus fund	-	-	-	-	-	-	-	-	-	-	-	-	**0.10**	-
iv) Compensation & Post Employment benefits of key management personnel and other directors $$														
- Samir Kumar Modi					**5142.27**	3680.02								
- Bina Modi					**3453.27**	1661.69								
- Sunil Agrawal					**247.31**	260.69								
- Sharad Aggarwal					**1225.53**	743.17								
- Sanjay Gupta					**156.84**	156.05								
- R A Shah					-	6.00								
- Lalit Bhasin					**18.00**	20.00								
- Ajay Vohra					3.00	-								
- S Lakhshminaryan					**6.00**	7.00								
- Atul Kumar Gupta					**14.00**	16.00								
- Nirmala Bagri					**14.00**	13.00								
- Sumant Bhardwaj					**9.00**	10.00								
v) Loan given during the year														
- Sunil Agrawal					**294.90**									
- Sharad Aggarwal					**983.00**									
- Sanjay Gupta					**73.73**									
- Godfrey Phillips ESPS Trust (Net of repayment of Rs.2439.04 Lakhs)					-								**4560.96@@**	

GODFREY PHILLIPS
INDIA LIMITED

46.2 Disclosure of transactions between the Company and related parties and the status of outstanding balances as at the year end

(All amounts are in Rs. lakhs unless otherwise stated)

B Outstanding balance	Subsidiary companies		Associates		Key management personnel and their relatives		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the entity		Other related parties	
	Year ended 31.3.2024	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023
Trade receivables	**-**	-	**4227.42@**	6,440.95 @		-	**2.57**	12.49	**-**	73.96@@@	**-**	-	**-**	-
Loans given					**1353.30**	3.67	**-**	-	**-**	-	**-**	-	**4560.96@@**	-
Trade payables			**5600.34@**	2485.42@			**174.75**	275.93	**2257.54&&&**	1649.19&&&	**-**	-	-	-
Dues payable	**1282.77***	1367.23*	**-**	-	**1.18**	15.90	**4.95**	4.95	**-**	-	**-**	-		
Advances from customers	**-**	21.35**												
Remuneration(including commission) payable to Mr.Samir Kumaar Modi (gross)	**-**	-	**-**	-	**2427.99**	2508.08	**-**	-	**-**	-	**-**	-	**-**	
Remuneration(including commission) payable to Dr.Bina Modi (gross)	**-**	-	**-**	-	**2313.87**	1160.56	**-**	-	**-**	-	**-**	-	**-**	
Remuneration payable to Mr.Sharad Aggarwal	**-**	-	**-**	-	**301.87**	-	**-**	-	**-**	-	**-**	-	**-**	
Remuneration payable to KMP	**-**	-	**-**	-	**7.59**	-	**-**	-	**-**	-	**-**	-	**-**	
Other recoverable	**-**	-	**363.68@**	500.66@	**8.71**	-	**128.77**	1.35	**86.27@@@**	-	**-**	-	**-**	-
Guarantees given by the Company to a bank on behalf of:														
- International Tobacco Company Limited	**35.55**	35.55	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Technical service fee and royalty payable	**-**	-	**-**	-	**-**	-	**-**	-	**352.52@@@**	315.11@@@	**-**	-	**-**	-
Other payable/(recoverable)														
- Godfrey Phillips India Limited Employees Gratuity Fund No.1	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**41.38**	(6.62)
- Godfrey Phillips India Limited Employees Gratuity Fund No.2	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**678.13**	244.17
- Godfrey Phillips India Limited Provident Fund	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**219.46**	206.38
Advance recoverable														
- Godfrey Phillips India Limited Employees Gratuity Fund No.1	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**59.38**	2.39
-Godfrey Phillips India Limited Provident Fund	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**9.30**	135.72

*relates to transaction with wholly owned subsidiary International Tobacco Company Limited.

**relates to transaction with wholly owned subsidiary Godfrey Phillips Middle East DMCC.

*** includes Rs.NIL (previous year Rs.128.47 lakhs) to Godfrey Phillips Middle East DMCC and Rs. 13.72 lakhs (previous year Rs. 4.48 lakhs) to International Tobacco Company Limited.

includes Rs. 0.40 lakhs (previous year Rs. 1.29 lakhs) from International Tobacco Company Limited and Rs. NIL (previous year Rs. 31.00 lakhs) from Godfrey Phillips Middle East DMCC.

includes Rs. NIL (previous year Rs. 2.91 lakhs) to International Tobacco Company Limited and Rs. NIL (previous year Rs.2.88 lakhs) to Godfrey Phillips Middle East DMCC.

@relates to transactions with IPM India Wholesale Trading Private Limited and figures of purchase of goods have been reduced by Rs. 234508.79 lakhs (previous year Rs. 170910.28 lakhs) owing to sale of Marlboro cigarettes manufactured by the Company.@@relates to transaction with Godfrey Phillips ESPS Trust

@@@ relates to transaction with Philip Morris Products S.A.

$ includes Rs.1100.70 lakhs (previous year Rs. 883.70 lakhs) from Beacon Travels Private Ltd, Rs. 720.83 lakhs (previous year Rs. 764.11 lakhs) from Bina Fashions N Foods Private Limited and Rs. 151.31 lakhs (previous year Rs. 251.82 lakhs) from Colorbar Cosmetics Private Limited

$$ excludes incremental liability for gratuity and compensated absences which are actuarially determined on an overall basis.
^ Includes perquisite value of rent free accomodation as per Sec 17(2) of Income Tax Act, 1961.

$$$ including for CSR activities.

& includes Rs. 40688.12 lakhs (Previous year Rs.30955.23 lakhs) from Philip Morris Products S.A., PT.Hanjaya Mandala Sampoera Tbk Rs.35.09 lakhs (Previous year Rs. NIL), AO Philip Morris Izhora Rs.27831.52 lakhs (Previous year Rs.Nil)
&& includes Rs.18185.01 lakhs (previous year Rs.10600.62 lakhs) from PMFTC Inc., Rs. 1271.13 lakhs (previous year Rs.940.76 lakhs) from PT Hanjaya Mandala Sampoerna Tbk., and Rs. 134.81 lakhs (previous year Rs. 73.22 lakhs) from PT Philip Morris Indonesia.

&&& includes Rs. 2143.23 lakhs (previous year Rs. 1649.19 lakhs) from PMFTC Inc. & Rs.91.42 lakhs (Previous year Rs. Nil) from PT Hanjaya Mandala Sampoerna Tbk

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2024, the Company has written back impairment allowance of Rs. Nil (previous year Rs. 24.82 lakhs) of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates. Purchase and sale transactions with the related parties have been made at arm's length prices.

47. Segment Information

Products from which reportable segments derive their revenues

The Company's reportable segments under Ind AS 108 are as follows:

i) Cigarette, tobacco and related products; and

ii) Retail and related products

Segment information for the year ended March 31, 2024 and March 31, 2023 is as follows:

(All amounts are in Rs. lakhs unless otherwise stated)

		Year ended March 31, 2024			Year ended March 31, 2023		
		Cigarette,Tobacco and related products	**Retail and related products**	**Total**	Cigarette,Tobacco and related products	Retail and related products	Total
1.	**Segment revenue**						
	- External sales (gross)	**481185.75**	**42702.19**	**523887.94**	381233.23	41520.45	422753.68
	- Other operating income	**1934.92**	**1645.04**	**3579.96**	1811.19	1200.37	3011.56
	Total Revenue	**483120.67**	**44347.23**	**527467.90**	383044.42	42720.82	425765.24
2.	**Segment result**	**77845.59**	**(6423.56)**	**71422.03**	75253.27	(7649.04)	67604.23
	Unallocable income net of unallocable expenses			**37431.69**			11695.87
	Profit before finance costs and tax			**108853.72**			79300.10
	Less: Finance costs			**197.15**			339.41
	Profit before tax			**108656.57**			78960.69
3.	**Other information**						
	Capital expenditure including capital work in progress and capital advances (excluding ROU Assets)	**7383.88**	**1147.68**	**8531.56**	6924.81	1378.72	8303.53
	Depreciation and amortization	**10146.70**	**4044.50**	**14191.20**	10137.77	4849.66	14987.43
	Non cash expenditure other than depreciation	**30.98**	**74.41**	**105.39**	1461.32	107.43	1568.75

Segment information as at March 31, 2024 and March 31, 2023 is as follows:

		As at March 31, 2024			As at March 31, 2023		
		Cigarette, Tobacco and related products	**Retail and related products**	**Total**	Cigarette, Tobacco and related products	Retail and related products	Total
a)	**Segment assets**						
	Allocable assets	**234796.17**	**25960.01**	**260756.18**	181871.65	27245.67	209117.32
	Unallocable assets			**273795.03**			244723.70
	Total assets			**534551.21**			453841.02
b)	**Segment liabilities**						
	Allocable liabilities	**118375.00**	**24668.52**	**143043.52**	104962.98	24960.16	129923.14
	Unallocable liabilities			**7389.74**			5078.31
	Total liabilities			**150433.26**			135001.45
c)	**Capital Employed**						
	Allocable capital employed	**116421.17**	**1291.49**	**117712.66**	76908.67	2285.51	79194.18
	Unallocable capital employed			**266405.29**			239645.39
	Total capital employed			**384117.95**			318839.57
	Total (b+c)			**534551.21**			453841.02

d) Entity wide information

The Company operates in two principle geographical areas - India and Outside India.

The Company's revenue from operations by location of customers and information about its non-current assets by location of assets are detailed below:

	Revenue from operations		Non-current assets*	
	Year ended 31.3.2024	Year ended 31.3.2023	**As at 31.3.2024**	As at 31.3.2023
India	**393127.55**	330295.57	**92269.10**	95592.87
Outside India	**134340.35**	95469.67	**-**	-
Total	**527467.90**	425765.24	**92269.10**	95592.87

* Non current assets do not include financial assets-investments, loans & other non-current financial assets

e) Segment accounting policies for the purpose of monitoring segment performance and allocating resources between segments:

In addition to the significant accounting policies applicable to the business segments as set out in Note No.4, the accounting policies in relation to segment accounting are as under:

i) Segment revenue and expenses:

Segment revenue and expenses only include items directly attributable to the segment. They do not include investment income, interest income from loans given, dividend income, profit or loss on sale/redemption/fair valuation of investments, provision for diminution in value of investments, finance cost, donations and provision for taxation (current and deferred tax). Since the corporate office of the Company primarily caters to the cigarette and tobacco products segment, its expenses have been considered to be attributable to the same. Revenue of Rs. 98594.91 lakhs (Previous year Rs. 63262.61 lakhs) in the Cigarette, Toabacco and related products is from one (previous year- one) customer. No other single customer contributed to ten percent or more to the Company's revenue for the year ended March 31, 2024 and March 31, 2023.

ii) Segment assets and liabilities:

All segment assets and liabilities are directly attributable to the segment.

Segment assets include all operating assets used by the segment and consist principally of net fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment liabilities include all operating liabilities and consist principally of trade payables and other financial liabilities. Segment assets and liabilities do not include investments, loans given, bank balances for unclaimed dividend and corporate social responsibilities and fixed deposits' unclaimed interest, share capital, reserves and surplus, loan funds, dividends payable and income-tax (current and deferred tax).

(All amounts are in Rs. lakhs unless otherwise stated)

48. Employee share-based payment information

a. Description of employee share based payment arrangements

During the Financial Year 2023-24, the Company has implemented a share-based employee incentive plan in the name of **"Godfrey Phillips Employees Share Purchase Scheme-2023"** (hereinafter referred to as **"ESPS 2023"**) which is being administered through an irrevocable Trust formed under the provisions of the Indian Trusts Act, 1882, in the name of "Godfrey Phillips ESPS Trust". The ESPS 2023 was approved by the Shareholders of the Company on **7th January 2024.**

Detail of shares granted and accepted are as under:

Sl. No.	Grant Date	Vesting date	No. of Share	Exercise Price (Rs.)	Offer acceptance period	Lock in Period	Method of Settlement
1	29th January 2024	29th January 2024	40,000	983	30 days from the date of offer i.e. 28th February 2024	For 1/3rd of Shares offered: One year from the date of transfer (Type 1). For next 1/3rd of Shares offered: Two year from the date of transfer (Type 2). For balance Shares offered: Two and half year from the date of transfer (Type 3).	Equity
	Total		**40,000**				

b. Measurement of fair values

The weighted average fair value of shares as on grant date:

Particulars	Method of Valuation	Weighted average fair value as on the grant date (Rs.)
Employee stock purchase scheme -2023		
Type 1 Lock in for 1 year	Binomial method	1170.82
Type 2 Lock in for 2 years	Binomial method	1125.60
Type 3 Lock in for 2.5 years	Binomial method	1114.29
Weighted average fair value		**1136.90**

c. The inputs used in the measurement of grant date fair value are as follows:

Stock Price (on the date previous to the date of grant) (Rs.)	2261.15
Exercise Price (Rs.)	983.00
Expected Life (no. of Years)	0.08
Risk free rate of interest (%)	7.11
Implied Volatility factor (%)	26.24
Dividend Yield on Market Price (%)	0.00

d. Details of employee share purchase scheme is presented below

ESPS 2023	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of shares	Weighted average exercise price in Rs	Number of shares	Weighted average exercise price in Rs
(i) outstanding at the beginning of the period;	-	-	-	-
(ii) granted during the period;	**40,000**	**983**	-	-
(iii) forfeited during the period;	-	-	-	-
(iv) exercised during the period;	**40,000**	**983**	-	-
(v) expired during the period;	-	-	-	-
(vi) outstanding at the end of the period;	**40,000**	**983**	-	-
(vii) exercisable at the end of the period.	-	-	-	-

Note: Excludes shares which were either not accepted or surrendered by the employees

				As at 31.3.2024	As at 31.3.2023	% Change
49.	**Ratio Analysis**					
	Ratio	Numerator	Denominator			
a)	Current ratio*	Current assets	Current liabilities	**1.63**	1.28	27.8%
b)	Debt-Equity ratio	Total lease liabilities and long term debt	Total equity	**0.08**	0.10	-21.9%
c)	Debt service coverage ratio**	Profit before interest and tax	Finance cost	**43.08**	28.33	52.1%
d)	Return on equity ratio	Total comprehensive income	Average Total Equity	**24.95%**	20.65%	20.9%
e)	Inventory turnover ratio	Turnover	Average inventory	**4.70**	5.24	-10.5%
f)	Trade receivables turnover ratio	Turnover including indirect taxes	Average trade receivable	**69.92**	61.68	13.4%
g)	Trade payables turnover ratio	Total purchases (excluding indirect taxes)	Average trade payables	**6.97**	5.97	16.8%
h)	Net capital turnover ratio	Operating revenue	Shareholder's equity	**1.37**	1.34	2.8%
i)	Net profit ratio	Total comprehensive income	Operating revenue	**16.63%**	14.33%	16.0%
j)	Return on capital employed	Profit before tax	Average capital employed	**28.50%**	24.25%	17.5%
k)	Return on investment	Interest income and Net gain on sale/redemption/ fair valuation of current and non current investment	Average current and non-current investment	**7.48%**	4.81%	55.7%

* The relatively higher current ratio for the year ended 31st March, 2024 is mainly attributable to increase in inventory of unmanufactured tobacco held for export.

** Debt service coverage ratio has improved mainly due to increase in EBIT.

50. Following a detailed review of the Company's retail business division being operated under the name 24Seven and after due consideration of the Stake holders' feedback, long term performance of the retail business since inception, prevailing market conditions of the retail sector and long term business strategy of the Company, the Board of Directors, at its meeting held on April 12, 2024 has decided to exit from carrying out the business of its retails business division and the exit will be subject to completion of the necessary formalities.

The division had non-current assets of Rs. 20182.11 lakhs (includes Right of use assets Rs.14454.31 lakhs) as at March 31, 2024 and forms part of Retail and related products as reportable segment under Ind AS 108 as detailed in Note no. 47.

51. The Company, vide agreement(s) dated 11th October 2022, had sold/assigned (a) Trademarks along with all the rights, titles and interests therein and (b) certain non-current assets including the rights in the Leasehold Land; used in relation to the Chewing business (part of cigarettes, tobacco and related products segment) of the Company for an aggregate sale consideration of Rs 8000.00 lakhs to non-related third parties. Consequently, the resultant net gain of Rs.3490.96 lakhs was accounted for in the previous year and included in Other income.

52. The Company has used two accounting software, viz Oracle EBS and SAPS4 Hana, for maintaining its books of account and both have the feature of recording audit trail (edit log) facility. While in Orcale EBS this feature was operational throughout the year, in SAPS4 Hana the same was made operational during the course of the year, for all relevant transactions recorded in these software, except that the audit trail was not enabled for direct changes to the underlying database using privileged access rights in both the software. However, no instance of audit trail feature having been tampered with was noted for both these software during the period of the year that these were operational.

53. There is no transaction and outstanding balance with struck off companies during the year and as at March 31, 2024 and March 31, 2023.

54. Disclosures required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 186(4) of the Companies Act, 2013:

Investments:

Full particulars of investments made by the Company have been disclosed in Note No.9.

Guarantees:

Full particulars of guarantees given by the Company have been disclosed in Note No.37. Further, these guarantees have been given to the banks to secure financial facilities provided by them to the subsidiaries of the Company.

Loans:

There are no loans and advances in the nature of loans to the subsidiaries/associates/firms and companies in which directors are interested.

As per our report of even date

For and on behalf of the Board of Directors
of Godfrey Phillips India Limited
CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

Place: New Delhi
Date: May 30, 2024

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

SAMIR KUMAAR MODI
(DIN 00029554)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

DR. LALIT BHASIN
(DIN 00001607)

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GODFREY PHILLIPS INDIA LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Godfrey Phillips India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the consolidated Balance sheet as at March 31 2024, 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 notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements section of our report. We are independent of the Group and associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 4.1.1 and 27 of the consolidated Ind AS financial statements)	
For the year ended March 31, 2024 the Company has recognized Revenue from operations of Rs. 530,460.93 lakhs. Revenue recognition has been recognized as a key audit matter as the Group focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the control is transferred. This give rise to the risk that revenue is not recognized in the correct period.	Procedures included the following: - Read and assessed the appropriateness of the Group's revenue recognition policies. - Performed walkthroughs and test of controls, assisted by IT specialists engaged by us, of the revenue recognition processes and assessed the design and operating effectiveness of key controls. - Selected a sample of revenue transactions occurred close to the balance sheet date and immediately after the balance sheet date to evaluate whether revenue was recognised in the correct period by agreeing the date of revenue recognition to third party supports such as bill of lading, lorry receipts etc.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those charged with Governance for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the

Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of Group and of its associates 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of their Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor’s Responsibilities for the Audit of the Consolidated Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 4subsidiaries, whose financial statements include total assets of Rs. 55,285 lakhs as at March 31, 2024, and total revenues of Rs. 2,993 lakhs and net cash outflows of Rs. 0.26 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 2 lakhs for the year ended March 31, 2024, as considered in the consolidated Ind AS financial statements, in respect of 1 associate whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. 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 associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the report of such other auditors.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statement and other unaudited financial information in respect of 1 subsidiary, whose financial statement and other financial information reflect total assets of Rs. 2 lakhs as at March 31, 2024, and total revenues of Rs. Nil and net cash outflows of Rs. 30 lakhs for the year ended on that date. This unaudited financial statement and other unaudited financial information has been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statement and other financial information are not material to the Group.

Our opinion above 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 the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate companies, incorporated in India, as noted in the 'Other Matter' paragraph, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Further, the Statutory year end of one of the associate "IPM India Wholesale Trading Private Limited" (IPM) included in these consolidated financial statements is 31 December, 2023, hence reporting under the Companies (Auditor's Report) Order, 2020 ("the Order") in so far as it relates to the affairs of IPM is restricted to such date only. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of 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 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate companies, none of the directors of the Group's companies and its associates, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification related to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and associate companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates incorporated in India, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries and associates incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated Ind AS financial statements – Refer Note 37 to the consolidated Ind AS financial statements;

ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, incorporated in India during the year ended March 31, 2024. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiaries and associates, incorporated in India during the year ended March 31, 2024.

iv. a) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associates to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and associates from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim/final dividend paid by the Holding Company and its associate incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in notes 18 to the consolidated Ind AS financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31st March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and its associates which are companies incorporated in India whose financial statements have been audited under the Act and as explained in Note 50 to the consolidated Ind AS financial statements, the components of the Group have used multiple accounting softwares for maintaining the books of account which have the feature of recording audit trail (edit log) facility. While in all softwares, the same was operational throughout the year, in SAPS4 Hana, the same was made operational during the course of the year, for all relevant transactions recorded in these softwares, except that audit trail was not enabled for direct changes to the underlying database using privileged access rights in Oracle EBS and SAPS4 HANA. However, during the course of our audit we did not come across any instance of audit trail feature having been tampered with was noted for these softwares during the period of the year that these were operational.

For **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**

Partner

Membership Number: 502405

UDIN: 24502405BKEYXM9941

Place of Signature: New Delhi

Date: May 30, 2024

Annexure 1 referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date on the consolidated Ind AS financial statements of Godfrey Phillips India Limited

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 financial statements of Godfrey Phillips India Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 (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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 with reference to consolidated Ind AS financial statements 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 with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements 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 Group and its associates, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these four subsidiaries and one associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associates incorporated in India.

For **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**

Partner

Membership Number: 502405

UDIN: 24502405BKEYXM9941

Place of Signature: New Delhi

Date: May 30, 2024

GODFREY PHILLIPS
INDIA LIMITED

CONSOLIDATED BALANCE SHEET
as at March 31, 2024
(All amounts are in Rs. lakhs unless otherwise stated)
CIN: L16004MH1936PLC008587

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-current assets			
Property, plant and equipment	6	**59466.94**	60318.09
Capital work-in-progress	6	**1016.61**	2211.36
Investment property	7	**3382.82**	3458.20
Right of Use Assets	40	**24781.63**	27365.05
Intangible assets	8	**1626.54**	2019.46
Intangible assets under development	8	**6.40**	-
Financial assets			
- Investments	9	**284263.99**	253048.24
- Loans	10	**643.61**	349.26
- Other financial assets	15	**1540.55**	1931.86
Non-current tax assets (Net)	25	**3730.02**	3599.71
Other non-current assets	16	**2705.56**	578.49
Total non-current assets		**383164.67**	354879.72
Current assets			
Inventories	12	**144159.24**	92814.83
Financial assets			
- Investments	9	**15769.93**	13844.09
- Trade receivables	13	**17286.65**	14951.61
- Cash and cash equivalents	14	**1045.87**	1572.76
- Other bank balances	14	**1451.70**	2457.72
- Loans	10	**225.59**	98.64
- Other financial assets	15	**4086.41**	1265.13
Other current assets	16	**17135.86**	14938.49
Total current assets		**201161.25**	141943.27
Total assets		**584325.92**	496822.99
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**1039.88**	1039.88
Other equity	18	**422171.54**	353753.33
Equity attributable to owners of the Company		**423211.42**	354793.21
Non-controlling interests	19	**624.43**	531.79
Total equity		**423835.85**	355325.00
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	20	**134.63**	121.95
- Lease Liabilities	21	**25767.08**	27929.60
- Other financial liabilities	22	**187.27**	107.53
Employee benifits obligation	23	**2434.24**	2449.48
Deferred tax liabilities (Net)	11	**10573.13**	6911.22
Total non-current liabilities		**39096.35**	37519.78
Current liabilities			
Financial liabilities			
- Borrowings	20	**4395.81**	3463.42
- Lease liabilities	21	**4241.22**	3982.97
- Trade payables	24		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises		**2340.78**	2026.81
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		**44335.79**	34522.18
- Other financial liabilities	22	**2045.09**	2099.93
Other current liabilities	26	**61770.84**	55944.75
Employee benifits obligation	23	**1740.32**	1605.99
Income tax liabilities (Net)	25	**523.87**	332.16
Total current liabilities		**121393.72**	103978.21
Total liabilities		**160490.07**	141497.99
Total equity and liabilities		**584325.92**	496822.99
Notes forming part of the consolidated financial statements	1-53		

As per our report of even date

For and on behalf of the Board of Directors of Godfrey Phillips India Limited
CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

Place: New Delhi
Date: May 30, 2024

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

SAMIR KUMAAR MODI
(DIN 00029554)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

DR. LALIT BHASIN
(DIN 00001607)

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)
CIN: L16004MH1936PLC008587

GODFREY PHILLIPS INDIA LIMITED

	Particulars	Note No.	Year ended 31.03.2024	Year ended 31.03.2023
I	Revenue from operations	27	**530460.93**	425982.69
II	Other income	28	**21426.34**	16805.72
III	**Total income (I+II)**		**551887.27**	442788.41
IV	**Expenses**			
	Cost of materials consumed	29	**108345.12**	91742.31
	Purchases of stock-in-trade	30	**135915.43**	91489.41
	Changes in inventories of finished goods, stock-in-trade, work-in-process and land	31	**238.92**	(5082.38)
	Excise duty		**88503.03**	69733.35
	Employee benefits expenses	32	**33640.54**	30837.23
	Finance costs	33	**2614.50**	2900.64
	Depreciation and amortisation expenses	6	**14595.57**	15362.63
	Other expenses	34	**74603.57**	66907.77
	Total expenses		**458456.68**	363890.96
V	**Profit before share of profit of associates and tax (III-IV)**		**93430.59**	78897.45
VI	**Share of profit of associates, net of tax**	9.1	**16067.85**	8360.99
VII	**Profit before tax (V+VI)**		**109498.44**	87258.44
VIII	**Tax expense:**	11		
	- Current tax		**20242.44**	18512.67
	- Deferred tax charge/(credit)		**859.07**	(297.11)
			21101.51	18215.56
IX	**Profit for the year (VII-VIII)**		**88396.93**	69042.88
X	**Other comprehensive income**			
	Items that will not to be reclassified to profit or loss in subsequent periods			
	(i) (Loss)/ Gain on remeasurements of the defined benefit/contribution plans		**(518.83)**	278.73
	(ii) Tax impact on remeasurements of the defined benefit/contribution plans		**130.58**	(70.15)
	(iii) Gain on equity instruments fair valued through other comprehensive income		**12366.38**	9566.03
	(iv) Tax impact on equity instruments fair valued through other comprehensive income		**(2880.87)**	(2227.69)
	Total other comprehensive income, net of tax (i+ii+iii+iv)		**9097.26**	7546.92
XI	**Total comprehensive income for the year (IX+X)**		**97494.19**	76589.80
	Profit/(loss) for the year attributable to:			
	Owners of the Company		**88304.29**	69046.69
	Non-controlling interests		**92.64**	(3.81)
			88396.93	69042.88
	Other comprehensive income for the year attributable to:			
	Owners of the Company		**9097.26**	7546.92
	Non-controlling interests		**-**	-
			9097.26	7546.92
	Total comprehensive income for the year attributable to:			
	Owners of the Company		**97401.55**	76593.61
	Non-controlling interests		**92.64**	(3.81)
			97494.19	76589.80
	Basic and Diluted Earnings per share after tax	36	**Rs.169.87**	Rs.132.80
	(Face value of share - Rs. 2 each)			
	Computed on the basis of profit attributable to the owners of the company			
	Notes forming part of the consolidated financial statements	1-53		

As per our report of even date

For and on behalf of the Board of Directors of Godfrey Phillips India Limited
CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

Place: New Delhi
Date: May 30, 2024

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

SAMIR KUMAAR MODI
(DIN 00029554)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

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ATUL KUMAR GUPTA (DIN 01734070)
NIRMALA BAGRI (DIN 01081867)
SUMANT BHARADWAJ (DIN 08970744)
Directors

GODFREY PHILLIPS
INDIA LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

(a) Equity share capital (Note 17)

Equity Shares of Rs.2 each issued, subscribed and fully paid	Amount
Balance at April 1, 2022	**1039.88**
Balance at March 31, 2023	**1039.88**
Balance at March 31, 2024	**1039.88**

(b) Other equity (Note 18)

	Reserves and surplus				Equity component of compound financial instrument	Reserve for equity instruments fair valued through other comprehensive income	Employee share based payment reserve	Treasury Shares	Attributable to owners of the company (sub-total)	Non controlling interests	Total
	General reserve	Capital redemption reserve	Retained earnings	Statutory Reserve							
Balance at April 1, 2022	**37431.89**	**30.13**	**240423.01**	**85.18**	**115.84**	**13631.97**	**-**	**-**	**291718.02**	**535.60**	**292253.62**
Profit for the year	-	-	69046.69	-	-	-	-	-	69046.69	(3.81)	69042.88
Other comprehensive income for the year, net of income-tax	-	-	208.58	-	-	7338.34	-	-	7546.92	-	7546.92
Total comprehensive income	**-**	**-**	**69255.27**	**-**	**-**	**7338.34**	**-**	**-**	**76593.61**	**(3.81)**	**76589.80**
Payment of dividends (Rs.28 per equity share)	-	-	(14558.30)	-	-	-	-	-	(14558.30)		(14558.30)
Transfer to statutory reserve from retained earnings	-	-	(13.16)	13.16	-	-	-	-	-	-	-
Balance at March 31, 2023	**37431.89**	**30.13**	**295106.82**	**98.34**	**115.84**	**20970.31**	**-**	**-**	**353753.33**	**531.79**	**354285.12**
Profit for the year	-	-	88304.29	-	-	-	-	-	88304.29	92.64	88396.93
Other comprehensive income for the year, net of income-tax	-	-	(388.25)	-	-	9485.51	-	-	9097.26	-	9097.26
Total comprehensive income	**-**	**-**	**87916.04**	**-**	**-**	**9485.51**	**-**	**-**	**97401.55**	**92.64**	**97494.19**
Payment of dividends (Rs. 44 per equity share)	-	-	(22877.32)	-	-	-	-	-	(22877.32)	-	(22877.32)
Recognition of employee share based payment expense	-	-	-	-	-	-	454.76	-	454.76	-	454.76
Transfer to statutory reserve from retained earnings	-	-	(13.97)	13.97	-	-	-	-	-	-	-
Treasury shares purchased under ESPS (net of tax)	-	-	78.03	-	-	-	-	(6638.81)	(6560.78)	-	(6560.78)
Balance at March 31, 2024	**37431.89**	**30.13**	**360209.60**	**112.31**	**115.84**	**30455.82**	**454.76**	**(6638.81)**	**422171.54**	**624.43**	**422795.97**

Notes forming part of the consolidated financial statements 1-53

As per our report of even date

For and on behalf of the Board of Directors
of Godfrey Phillips India Limited
CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

Place: New Delhi
Date: May 30, 2024

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

SAMIR KUMAAR MODI
(DIN 00029554)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

DR. LALIT BHASIN
(DIN 00001607)

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

GODFREY PHILLIPS INDIA LIMITED

	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before share of profit of associates and tax	**93430.59**	78897.45
	Adjustments to reconcile profit before tax to net Cash flows:		
	Depreciation and amortisation expenses	**14595.57**	15362.63
	Interest income from:		
	- Debts, deposits, loans and advances, etc.	**(588.94)**	(275.62)
	- Non-current investments	**(562.19)**	(446.26)
	Net gain on sale/redemption/fair value of long term investments	**(15953.03)**	(7353.99)
	Net gain on sale/redemption/fair value of short term investments	**(2511.17))**	(2126.34)
	Interest expenses		
	- On borrowings	**18.76**	10.56
	- On lease liabilities	**2384.82**	2549.65
	- Others	**182.29**	306.41
	Bad debts and advances written off	**23.32**	143.98
	Provision for decline in value of investment in associate writen back	**-**	(496.00)
	Liabilities and provisions no longer required, written back	**(171.27)**	(529.22)
	Provision for doubtful debts and advances written back	**(4.43)**	(28.00)
	Property, plant and equipments and intangible assets written off	**82.07**	1335.00
	Gain on sale of property, plant and equipment (net)	**(38.98)**	(109.00)
	Net gain on sale/assignment on trademarks and other assets related to chewing business	**-**	(3,491.00)
	Gain on termination/concession in leases	**(289.55)**	(562.00)
	Employee share based payment expense	**454.76**	-
		(2377.97)	4290.80
	Operating profit before working capital changes	**91052.62**	83188.25
	Working capital adjustments:		
	Increase in Trade receivables, loans, other financial assets and other assets	**(7208.65)**	(1931.55)
	Increase in Inventories	**(51344.40)**	(10155.96)
	Increase in Trade payables, other financial liabilities, other liabilities and provisions	**16165.42**	21380.00
	Proceeds from sale of current and non current investments*	**82.84**	7.73
		(42304.79)	9300.22
	Cash generated from operating activities	**48747.83**	92488.47
	Income taxes paid (net)	**(19723.90)**	(18896.00)
	Net cash generated from operating activities	**29023.93**	73592.47
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment, capital work in progress, investment property, intangible assets and intangible assets under development	**(10011.01)**	(8669.83)
	Proceeds from sale of property, plant and equipment, capital work in progress, investment property, intangible assets and intangible assets under development	**194.57**	672.53
	Proceeds from sale/assignment of trademarks, leasehold land and other assets related to chewing business	**-**	8000.00
	Purchase of other current and non-current investments	**(703654.31)**	(703437.92)
	Proceeds from sale of other current and non-current investments	**699714.56**	648816.64
	Dividend received	**17608.00**	-
	Interest received	**579.48**	687.83
	Short term fixed deposits released/(made) (net)	**1113.37**	(144.72)
	Net cash generated from/(used in) investing activities	**5544.66**	(54075.47)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from current borrowings (Net)	**932.39**	485.12
	Interest paid	**(2817.12)**	(2591.80)
	Dividend paid	**(22842.18)**	(14487.62)
	Payment of lease liabilities	**(3975.61)**	(4033.98)
	Purchase of treasury shares	**(6638.81)**	-
	Receipt of exercise price under Godfrey Phillips ESPS 2023	**393.20**	-
	Net cash (used in) financing activities	**(34948.13)**	(20628.28)
	NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)	**(379.54)**	(1,111.28)
	Cash and cash equivalents at the beginning of the year (Refer Note 1 below)	**2302.98**	3414.26
		1923.44	2302.98
	Cash and cash equivalents at the end of the year (Refer Note 1 below)	**1923.44**	2302.98

*By the subsidiary company engaged in the business of acquisition of securities

Note 1:

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprises the following:

	As at 31.03.2024	As at 31.03.2023
Cash and cash equivalents (Refer Note No. 14)	**1045.87**	1572.76
Earmarked Corporate Social Responsibility Unspent A/c* (Refer Note No. 14)	**242.21**	130.00
Earmarked unpaid dividend accounts** (Refer Note No. 14)	**635.36**	600.22
Total	**1923.44**	2302.98

*Earmarked corporate social responsibility unspent account are restricted in use as it related to unspent amout.
**Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend

Note 2:

The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 on Cash Flow Statements

Notes forming part of the consolidated financial statements 1-53

As per our report of even date

For and on behalf of the Board of Directors of Godfrey Phillips India Limited CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

Place: New Delhi
Date: May 30, 2024

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

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(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

1. Corporate information

The consolidated financial statements comprise financial statements of Godfrey Phillips India Limited (the Holding Company) and its subsidiaries (collectively, the Group) for the year ended March 31, 2024.

Godfrey Phillips India Limited ('the Company') is a public limited company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange. The principal activities of the Group are manufacturing of cigarettes and tobacco products, trading of cigarettes, tobacco products, and other retail products, acquisition of securities and real estate development.

The address of its registered office is 'Macropolo Building', Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai - 400033 and the address of its corporate office is Omaxe Square, Plot No.14, Jasola District Centre, Jasola, New Delhi - 110025. The consolidated financial statements were approved for issue by the Board of Directors on May 30, 2024.

2. Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended.The consolidated financial statements are presented in rupees lakhs except when otherwise indicated.

3. Basis of preparation and consolidation

3.1. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and employee share based payments that are measured at fair values at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

3.2. Basis of consolidation and equity accounting

(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, has power over the entity (i.e. existing rights that give it the current ability to direct the relevant activities of the entity) and has the ability to use its power over the entity to affect its return. Subsidiaries are consolidated from the date on which control is obtained by the Group. They are de-consolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, expenses and cash flows. Offset (eliminate) the carrying amount of the parent`s investment in each subsidiary and the parent`s portion of equity of each subsidiary. Intragroup transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Non-controlling interests in the equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of change in equity and the consolidated balance sheet respectively.

(All amounts are in Rs. lakhs unless otherwise stated)

The subsidiaries considered in the preparation of these consolidated financial statements are:

Name of subsidiary	Country of incorporation	Principal activities	Proportion of ownership as at 31.3.2024	Proportion of ownership as at 31.3.2023
Indian Subsidiaries				
International Tobacco Company Limited	India	Manufacturing of cigarettes & tobacco products	100.00%	100.00%
Chase Investments Limited	India	Acquisition of securities	100.00%	100.00%
Friendly Reality Projects Limited	India	Real estate development	92.20%*	92.20%*
Unique Space Developers Limited	India	Real estate development	66.67%**	66.67%**
Rajputana Infrastructure Corporate Limited	India	Real estate development	92.20%***	92.20%***
Foreign Subsidiaries				
Godfrey Phillips Middle East DMCC	U.A.E.	Trading of cigarettes, tobacco & other retail products	100.00%#	100.00%

*Held partly through other subsidiary
**Held through other subsidiaries
***100% subsidiary of Friendly Reality Projects Limited
#under liquidation

(ii) Associates

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.This is generally the case where the group holds between 20% to 50% of the voting power. Investments in associates are accounted for using the equity method of accounting (see note (iii) below), after initially being recognised at cost.

Name of Associates	Country of incorporation	Proportion of ownership as at 31.3.2024	Proportion of ownership as at 31.3.2023
IPM India Wholesale Trading Private Limited	India	24.80%	24.80%
KKM Management Centre Private Limited	India	36.75%	36.75%

(iii) Trusts

Godfrey Phillips ESPS Trust under the provisions of the Indian Trusts Act, 1882 was formed during the year by the Holding Company for the purpose of administration of Godfrey Phillips Employees Share Purchase Scheme-2023 (hereinafter referred to as "ESPS 2023").

The Group combines the financial statements of the trust line by line adding together like items of assets, liabilities, contribution fund, income, expenses and cash flows. The carrying amount of the parent`s contribution in the trust, intragroup transactions and balances are eliminated.

(iv) Equity methods

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 associate in Group`s profit and loss, and the Group's share of other comprehensive income of the associate in Group`s other comprehensive income. Dividends received from associates are recognised as a reduction in the carrying amount of the investment.

Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in other comprehensive income of associate is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

When the Group's share of losses in equity-accounted associate equals or exceeds its interest in the associate, the Group does not recognise its share of further losses. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of profit and loss. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated to the extent of the Group's interest in these entities unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted associates are tested for impairment in accordance with the prescribed policy.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and fair value of any consideration paid or received is recognised within equity and attributed to the owners of the company.

If the Group loses control over a subsidiary it
- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

When the Group ceases to equity account for an investment because of loss of significant influence, any retained interest in the former associate is remeasured to its fair value. The difference between the carrying amount of the investment at the date the equity method was discontinued and the fair value of any retained interest & any proceeds from disposing of a part interest in the associate is recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest in the former associate as financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that former associate are accounted for as if the Group had directly disposed of related assets or liabilities. This means that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

3.3. Use of estimates

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent assets and contingent liabilities.

The management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised and future periods affected.

4. Material accounting policies information

4.1.1. Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Revenue excludes amounts collected on behalf of third parties.

Sale of Products

The Group earns revenue from domestic and export of goods (both manufactured and traded). In domestic sales, the Group sells products to wholesaler dealers, modern trade retailers and to retail customers.

Revenue from sale of products is recognised at a point in time when control of the goods is transferred to the customer. Following delivery/loading for shipment, as the case maybe, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. Payment is generally due within 0-180 days as per credit terms with the customers. The Group considers the effects of variable consideration,if any, the existence of significant financing components and consideration payable to the customer.

For sale of retail goods, revenue is recognised when control of the goods is transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled to in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group recognizes changes in the estimated amount of variable consideration in the period in which the change occurs.

-Rebates and discounts

The Group accounts for cash discounts, volume discounts, redemption schemes and pricing incentives to customers or end users as a reduction of revenue based on the rateable allocation of the discounts/ incentives to the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably.

(ii) Significant financing component

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments.

Contract liabilities

Contract liabilities (termed as Advance from customers in the consolidated financial statements) represents the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligations under the contract.

Cost to obtain a contract

The Group pays sales commission to its selling agents for contracts that they obtain for the Group. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included in other expenses) because the amortization period of the asset that the Group otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

4.1.2. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4.1.3. Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

4.2. Leases

Group as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

4.2.1. Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss.

4.2.2. Finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Group’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

4.2.3 Group as a lessee

At the date of commencement of the lease, the Group recognises a right-of-use-asset (“ROU”) and a corresponding lease liability for all the lease arrangements in which it is a lessee, except for the leases with a term of 12 months or less (short term leases) and the leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payments as an operating expense on accrual basis.

i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).The ROU assets are initially recognised at cost, which comprise of the initial amount of the lease liability adjusted for any payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentive. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The ROU asset are depreciated on a straight line basis over the shorter of the lease term Refer Note No. 40 and the estimated useful life of the underlying asset. (Refer 4.6.3)

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

ROU assets and Lease liabilities have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

4.3. Foreign currencies

4.3.1. Functional and presentational currency

The Group’s financial statements are presented in Indian rupees (Rs.), which is also the parent company`s functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

4.3.2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

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 the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

4.4. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

4.4.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated in accordance with the prevailing tax laws using tax rates that have been enacted or substantially enacted by the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group then reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

4.4.2. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

1. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

2. In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

1. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

2. In respect of deductible temporary differences associated with investments in subsidiaries and associates deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

4.4.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.5. Employee benefits

4.5.1. Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

4.5.2. Long term employee benefits

Long term employee benefits include compensated absences. The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

4.5.3. Defined contribution plan

The contributions to these schemes are charged to the consolidated statement of profit and loss of the year in which contribution to such schemes becomes due on the basis of services rendered by the employees. The Group has no further obligation in respect of such plans except for the contributions due from them.

4.5.4. Defined benefit plan

Present value of obligation is provided on the basis of an actuarial valuation made at the end of each financial year as per projected unit credit method. Current and past service costs and interest expense/income are recognised as employee costs. For all defined benefit plans the difference between the present value of obligations and the fair value of plan assets is represented in the balance sheet as a liability or an asset. However the assets are restricted to the present value of the economic benefits available to the Group.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

4.5.5. Termination benefits

Termination benefit is recognised as an expense at earlier of when the Group can no longer withdraw the offer of termination benefit and when the expense is incurred.

4.6. Property, plant and equipment

4.6.1. Recognition and measurement

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any recognised impairment losses, and include interest on loans attributable to the acquisition of qualifying assets upto the date they are ready for their intended use. Freehold land is measured at cost and is not depreciated.

4.6.2. Capital work in progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

4.6.3. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets (other than free hold land and properties under construction) is recognised on straight-line method, taking into account their nature, their estimated usage, their operating conditions, past history of their replacement and maintenance support etc.

Estimated useful lives of the assets based on technical estimates are as under:

Buildings	30 - 60 years

Leased office buildings, warehouses and stores	2 - 18 years
Plant and machinery	15 years
Electrical installation and equipments	10 years
Computers and information technology equipments	3 - 6 years
Furniture, fixtures and office equipments including store equipments	5 -10 years
Motor vehicles	3-8 years
Leasehold land	45 -99 years

Leasehold building improvements and Plant & Machinery (Retail Segment) are depreciated on a straight line basis over the period of lease (5 to 18 years) or, if shorter, their useful economic life.

The useful life estimated above are less than or equal to those indicated in Schedule II of the Companies Act, 2013.

Freehold land is not amortised.

The ROU asset are depreciated on a straight line basis over the shorter of the lease term and the estimated useful life of the underlying asset.(Refer 4.2.3).

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

The useful lives of plant and machinery stated above is based on a single shift working. Except for assets in respect of which no extra shift depreciation is permitted, if an item of plant and machinery is used any time during the year on double shift, the rate of depreciation shall be increased by 50% for that period and in case of triple shift the rate shall be increased by 100%.

4.7. Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

No depreciation is charged in case of freehold land being designated as an investment property.

The Group based on technical assessment made by it, depreciates building component of investment property on a straight line basis over a period of 30 to 60 years from the date of original purchase.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

4.8. Intangible assets

4.8.1. Recognition and measurement of intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

4.8.2. Derecognition of intangible asset

An intangible asset is derecognised on disposal, or when no future economics benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4.8.3. Amortisation method and useful life

Intangible assets are amortised on straight line method over their estimated useful life as follows:

Computer software – 5 years

4.8.4. Intangible assets under development

Intangible assets under development represents the expenditure incurred on the development phase of completing the intangible assets. Expenditure incurred on the research phase however, are recognised as expense as and when they are incurred.

4.9 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4.10. Impairment of non-financial assets other than goodwill

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations cover a period of five years generally. For longer periods, a long-term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

4.11. Inventories

Inventories are stated at lower of cost and net realisable value. The cost of raw materials, stores and spares and traded goods is determined on moving weighted average cost basis. The cost of finished goods and work-in-process is determined on standard absorption cost basis which approximates actual costs. Absorption cost comprises raw materials cost, direct wages, appropriate share of production overheads and applicable excise duty paid/payable thereon.

Net realisable value is the estimated selling price for inventories in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale.

4.12. Provisions and contingencies

4.12.1. Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of time value is material, the amount is determined by discounting the expected future cash flows.

4.12.2. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.

4.13. 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.

4.13.1. Financial assets

4.13.1.1. Initial recognition and measurement

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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

4.13.1.2. Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Group classifies its financial assets in the following measurement categories:

► those measured at amortized cost,

► those to be measured subsequently at fair value, either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL)

Financial assets at amortised cost:

A financial assets is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at FVTOCI:

A financial asset is classified as at the FVTOCI if both of the following criteria are met unless the asset is designated at fair value through profit or loss under fair value option.

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset, and

(b) The asset's contractual cash flows represent SPPI.

Financial assets at FVTPL:

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

4.13.1.3. Equity investments:

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 may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, 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 P&L, 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 consolidated statement of profit and loss.

4.13.1.4. Derecognition

A financial asset (or where applicable, a part of 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.

4.13.1.5. 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, trade receivables and bank balance.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Group believes that, considering their nature of business and past history, the expected credit loss in relation to its trade receivables and other financial assets is non-existent or grossly immaterial. Thus, the Group has not recognised any provision for expected credit loss. The Group reviews this policy annually, if required.

4.13.2. Financial liabilities

4.13.2.1. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, 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 transaction costs. The Group's financial liabilities include lease liabilities, trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

4.13.2.2. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings, lease liabilities and trade and other payables are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

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.

4.13.2.3. Derecognition

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

4.14. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.15. Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and at banks, short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Statement of Cash Flows, Cash & Cash Equivalents consists 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 and balance in unclaimed dividend accounts.

4.16. Earnings per share (EPS)

Basic earnings per share has been computed by dividing the profit/(loss) after tax for the year attributable to the owners of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share has been computed by dividing the profit/(loss) after tax for the year attributable to the owners of the Holding Company by the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4.17. 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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

4.18. Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss.

4.19. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the Board of directors and the selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Board of directors, after discussions with the Group`s external valuers, which valuation techniques and inputs to use for each case.

The board of directors, in conjunction with the Group`s external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

At each reporting date, the board of directors analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group`s accounting policies. For this analysis, the board of directors verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

4.20. Compound financial instrument

A compound financial instrument is a non-derivative financial instrument that, from the issuer's perspective, contains both a liability and an equity component.

On issuance of the mandatorily redeemable preference shares with dividends paid at the issuer's discretion, the fair value of the liability component is measured by determining the net present value of redemption amount, discounted at the market rate of interest prevailing at the time of issue. This amount is classified as a borrowing measured at amortised cost until it is extinguished on redemption. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole, the amount separately determined for the liability component.

After initial measurement, on the liability component, interest is accrued using EIR and is recognised in the consolidated statement of profit and loss as finance costs. Any dividends paid are related to the equity component and are recognised directly in the equity.

Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

4.21. Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is:

► Expected to be realised or intended to be sold or consumed in normal operating cycle

► Held primarily for the purpose of trading

► Expected to be realised within twelve months after the reporting period, or

► Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

► It is expected to be settled in normal operating cycle

► It is held primarily for the purpose of trading

► It is due to be settled within twelve months after the reporting period, or

► There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

4.22. Dividend distribution to equity holders of the Holding Company

The Holding Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Holding Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.23. Employee share based payment

Equity settled share based payments to employees under Godfrey Phillips Employee Share Purchase Scheme 2023 (hereinafter referred to as "ESPS 2023") are measured at fair value of the equity instruments on the date of grant of shares. The fair value is determined with an assistance of an external valuer and is expensed in the statement of profit and loss based on the vesting conditions.

4.24. Standards issued but not yet effective

There are no standards that are notified and yet not effective as on March 31, 2024.

5. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management of the Group to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements and estimates

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

a) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note No. 42 for further disclosures. Where fund houses have declared net assets value (NAV) and are obliged to buy back the investments at the declared NAV and the same are disclosed as a quoted investments. See Note No.9.

b) Provisions and contingent liabilities

The Group has ongoing litigations with various regulatory authorities and others. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Liability for interest, if any, on the amount of entry tax provided in the books but not paid as per stay ordered by the appellate authorities/courts is considered as remote.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. Management uses in-house and external professionals to make informed decision. These are set out in Note no. 37.

c) Assessment of carrying value of retail business

In view of the continuing operating losses, the Group has reviewed the carrying value of its assets relating to retail business and estimated the recoverable amount of the assets in accordance with the requirements of Ind AS 36 for which an external professional agency was also engaged. Based on the said assessment, it has been concluded that the recoverable amount of the retail business is higher than its carrying value as at 31 March 2024 and therefore, no impairment was required to be recorded in these financial statements. The Group has determined the recoverable amount applying the fair value less cost to sell ('FVLCS') method, using a level 2 valuation technique for which key inputs centred around the forecasted revenue and market multiple. (Also Refer Note No. 49)

(All amounts are in Rs. lakhs unless otherwise stated)

6.Property, plant and equipment and capital work in progress

	As at 31.03.2024	As at 31.03.2023
Carrying amount of:		
Property, plant and equipment	**59466.94**	60318.09
Capital work-in-progress	**1016.61**	2211.36

Property, plant and equipment capital work-in-progress	Freehold Land**	Buildings */**	Leasehold building improvements	Plant and machinery	Electrical installation and equipments	Computers and information technology equipments	Furniture, fixtures and office equipments	Motor vehicles	Capital work in progress	Total
Cost										
Balance at 1 April 2022	**974.61**	**25678.23**	**7694.77**	**80371.01**	**2054.32**	**3887.02**	**5702.83**	**3072.92**	**3654.47**	**133090.18**
Additions	-	30.94	1095.10	3637.10	96.69	374.33	2022.35	1130.68	3289.94	**11677.13**
Capitalised	-	-	-	-	-	-	-	-	(4733.05)	**(4733.05)**
Disposals	-	(3071.02)	(124.21)	(2,517.98)	(321.24)	(2,068.46)	(371.56)	(879.47)	-	**(9353.94)**
Balance at 31 March 2023	**974.61**	**22638.15**	**8665.66**	**81490.13**	**1829.77**	**2192.89**	**7353.62**	**3324.13**	**2211.36**	**130680.32**
Additions	-	289.45	203.97	5165.37	100.42	298.94	1775.73	593.76	6049.17	**14476.81**
Capitalised	-	-	-	-	-	-	-	-	(7243.92)	**(7243.92)**
Disposals	-		(310.59)	(1489.63)	(1.64)	(178.44)	(16.26)	(304.94)	-	**(2301.50)**
Balance at 31 March 2024	**974.61**	**22927.60**	**8559.04**	**85165.87**	**1928.55**	**2313.39**	**9113.09**	**3612.95**	**1016.61**	**135611.71**
Accumulated depreciation										
Balance at 1 April 2022	-	**6082.23**	**3400.30**	**46196.14**	**952.31**	**2753.94**	**3079.16**	**1495.58**	-	**63959.66**
Depreciation expense	-	777.18	923.03	6157.30	157.06	327.69	579.32	369.15	-	**9290.73**
Eliminated on disposals of assets	-	(807.17)	(81.06)	(1631.76)	(235.31)	(1709.48)	(302.11)	(446.05)	-	**(5212.94)**
Impairment#	-	-	-	109.67	3.24	0.03	0.48	-	-	**113.42**
Balance at 31 March 2023	-	**6052.24**	**4242.27**	**50831.35**	**877.30**	**1372.18**	**3356.85**	**1418.68**	-	**68150.87**
Depreciation expense	-	717.41	727.45	5798.63	145.33	295.36	985.63	378.60	-	**9048.41**
Eliminated on disposals of assets	-	-	(251.80)	(1400.64)	(0.21)	(163.78)	(14.46)	(240.23)	-	**(2071.12)**
Balance at 31 March 2024	-	**6769.65**	**4717.92**	**55229.34**	**1022.42**	**1503.76**	**4328.02**	**1557.05**	-	**75128.16**
Net book value										
Balance at 31 March 2024	**974.61**	**16157.95**	**3841.12**	**29936.53**	**906.13**	**809.63**	**4785.07**	**2055.90**	**1016.61**	**60483.55**
Balance at 31 March 2023	974.61	16585.91	4423.39	30658.78	952.47	820.71	3996.77	1905.45	2211.36	**62529.45**

Notes:

* Includes Rs. 0.02 lakhs (Previous year Rs. 0.02 lakhs) being the cost of shares in co-operative societies.

** Freehold land includes Rs. 79.08 lakhs (Previous year Rs.79.08 lakhs) in respect of agricultural land admeasuring 28 Bigha and 8 Biswa situated in village Sahurpur, Tehsil Mehrauli, New Delhi. Further, Buildings include constructions made on the above land having a net book value of Rs. 765.45 lakhs (previous year Rs.631.48 lakhs) as on March 31, 2024. Further capital work-in-progress includes Rs.135.23 lakhs (previous year Rs.147.65 lakhs) for additional construction for the building. The said land was purchased by the Group in the year 1991. The Honourable Supreme Court on May 6, 2022 in response to an appeal filed by the Delhi Development Authority (DDA), held that the above referred land was acquired by the Delhi Administration under the proceedings initiated in November 1980 under the Land Acquisition Act, 1894 and has directed the authority to pay a sum of Rs. 16.62 lakhs to the Group. Till date no action has been initiated by DDA for the said land parcel and the Group continues to be in peaceful possession of the same along with buildings constructed thereupon. Accordingly no adjustment in the carrying value of land and building has been recorded in these financial statements.

Represents impairment in the value of assets relating to chewing business of the Group. Since the residual value and the charge are not material, no additional disclosures are being furnished. (Refer Note No. 52)

For lien or charge against property, plant and equipment, refer Note No. 20.

Depreciation and amortisation expenses

	Note no.	Year ended 31.3.2024	Year ended 31.3.2023
Property, plant and equipment	**6**	**9048.41**	9290.73
Investment property	**7**	**68.14**	68.57
Intangible assets	**8**	**494.08**	548.48
Right of use assets	**40**	**4984.94**	5454.85
Total		**14595.57**	15362.63

Capital work-in-progress (CWIP) ageing schedule

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	891.57	1137.75	182.04	-	2211.36
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2023	**891.57**	**1137.75**	**182.04**	**-**	**2211.36**
Projects in progress	932.28	78.46	5.87	-	1016.61
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2024	**932.28**	**78.46**	**5.87**	**-**	**1016.61**

Note : There is no projest whose completion is overdue or which has materially exceeded the budgeted costs.

(All amounts are in Rs. lakhs unless otherwise stated)

7. Investment Property

Cost	Freehold Land	Building	Total
Balance at April 1, 2022	**128.60**	**3696.95**	**3825.55**
Balance as at March 31, 2023	**128.60**	**3696.95**	**3825.55**
Additions	-	-	-
Disposals	-	(10.97)	(10.97)
Balance as at March 31, 2024	**128.60**	**3685.98**	**3814.58**
Accumulated depreciation and impairment			
Balance at April 1, 2022	-	**298.78**	**298.78**
Depreciation Expenses	-	68.57	68.57
Balance as at March 31, 2023	**-**	**367.35**	**367.35**
Depreciation Expenses	-	68.14	68.14
Disposals	-	(3.73)	(3.73)
Balance as at March 31, 2024	**-**	**431.76**	**431.76**
Carrying amount			
Balance as at March 31, 2024	**128.60**	**3254.22**	**3382.82**
Balance as at March 31, 2023	**128.60**	**3329.60**	**3458.20**

Information regarding income and expenditure of investment properties

The Groups's investment properties comprise of certain land and buildings presently held by the Group for an undetermined purpose and these are located in Mumbai, Maharashtra and Bazpur, Uttarakhand.

	As at 31.3.2024	As at 31.3.2023
Rental income derived from investment properties	**-**	8.25
Direct operating expenses (including repairs and maintenance) arising from investment properties that generate rental income	**-**	0.07
Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income	**181.99**	110.61
(Loss) arising from investment properties before depreciation and indirect expenses	**(181.99)**	(102.43)
Depreciation expense	**(68.14)**	(68.57)
(Loss) arising from investment properties before indirect expenses	**(250.13)**	(171.00)

Fair valuation of the properties

The following table provides an analysis of investment properties and their fair values:

Fair Valuation of the properties	**As at 31.3.2024**	As at 31.3.2023
Located in Maharashtra	**41984.55**	39298.06
Located in Uttarakhand	**1241.16**	1127.62
	43225.71	40425.68

The above values are based on valuation performed by an accredited independent valuer and the valuation has been carried out in accordance with the valuation model recommended by the International Valuation Standards Committee.

The Group has no restrictions on realisability of its investment properties and no contractual obligation to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The Group has used Level 3 valuation technique to arrive at the fair values.

Description of valuation technique

	Valuation techinque	**Significant unobservable inputs**	**Assumption used**	
			As at March 31, 2024	As at March 31, 2023
Located in Maharashtra				
Factory Land and Building (including Godown)	Market Value Method	Industrial rate for sales (Rs./Sq. Ft)	**14000 to 16000**	13000 to 15000
Residential Land and Building	Market Value Method	Residential rate for sales (Rs./Sq. Ft)	**15500 to 75000**	15000 to 73000
Office Building	Market Value Method	Fair Market Value (Rs./Sq. Ft.)	**30000**	30000
Located in Uttarakhand				
Factory Building (including Admin Block)	Market Value Method	Fair Market Value (Rs./Sq.Mt.)	**3300 to 7700**	2500 to 8300

Significant increases / (decreases) in the assumptions in isolation or with combined effect would accordingly result in significantly higher / (lower) fair value of the properties.

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023	
8.	**Intangible assets and Intangible assets under developemt**			
	Carrying amount of:			
	- Intangible assets	**1626.54**	2019.46	
	- Intangible assets under development	**6.40**	-	
		1632.94	2019.46	
	Intangible assets and Intangible assets under development	**Computer Software**	**Intangible assets under development**	**Total**
	Cost			
	Balance at April 1, 2022	2698.94	506.63	3205.57
	Additions	2051.26	569.25	2620.51
	Capitalised	-	(1075.88)	(1075.88)
	Disposals	(1342.83)	-	(1342.83)
	Balance at March 31, 2023	**3407.37**	**-**	**3407.37**
	Additions	101.17	48.88	150.05
	Capitalised	-	(42.48)	(42.48)
	Disposals	(0.20)	-	(0.20)
	Balance at March 31, 2023	**3508.34**	**6.40**	**3514.74**
	Accumulated amortisation			
	Balance at April 1, 2022	1348.70	-	1348.70
	Amortisation expense	548.48	-	548.48
	Reclassification	(509.27)	-	(509.27)
	Balance at March 31, 2024	**1387.91**	**-**	**1387.91**
	Amortisation expense	494.08	-	494.08
	Disposals	(0.19)		
	Balance at March 31, 2024	**1881.80**	**-**	**1881.99**
	Net book value			
	Balance at March 31, 2024	**1626.54**	**6.40**	**1632.75**
	Balance at March 31, 2023	2019.46	-	2019.46

Intangible assets under development ageing schedule

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Balance as at March 31, 2023	-	-	-	-	-
Project in progress	**6.40**	**-**	**-**	**-**	**6.40**
Balance as at March 31, 2024	**6.40**	**-**	**-**	**-**	**6.40**

Note : There is no project whose completion is overdue or which has materially exceeded the budgeted costs.

		As at 31.03.2024	As at 31.03.2023
9.	**Financial assets - Investments**		
	Non-current		
	Investment in equity instruments		
	-Associate companies	**7677.54**	9217.70
	-Other equity instruments	**44747.93**	31896.59
	Investment in preference shares	**211.38**	185.79
	Investment in mutual funds	**219234.34**	204292.73
	Investment-others	**12392.80**	7455.43
		284263.99	253048.24
	Current		
	Investment in mutual funds	**14055.15**	12617.65
	Investment-others	**1714.78**	1226.44
		15769.93	13844.09
	Aggregate value of unquoted investments non-current	**47631.76**	36779.95
	Aggregate value of quoted investments non-current	**236646.48**	216282.54
	Aggregate value of quoted investments current	**15769.93**	13844.09
	Market value of quoted investments non-current	**236517.01**	216164.51
	Market value of quoted investments current	**15769.93**	13844.09
	Aggregate value of impairment (other than temporary) in value of investments non-current	**14.25**	14.25
	Classification of investments as per Ind AS 109		
	Investments carried at fair value through profit or loss (FVTPL)	**240350.47**	225239.42
	Investments carried at fair value through other comprehensive income (FVTOCI)	**39728.59**	27362.21
	Investments carried at amortised cost	**12277.32**	5073.00
		292356.38	257674.63

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.1	**Investment in associates** **Break-up of investment in associates (carrying amount determined using the equity method of accounting)**		
	Unquoted investment		
	IPM India Wholesale Trading Private Limited		
	49,60,000 Equity shares of Rs. 10 each fully paid up	**496.00**	496.00
	Group`s share of profit upto year end	**24441.36**	8375.64
	Less: Dividend received	**(17608.00)**	–
		7329.36	8871.64
	KKM Management Centre Private Limited		
	11,02,500 Equity shares of Rs. 10 each fully paid up	**110.25**	110.25
	Group`s share of profit upto year end	**237.93**	235.81
		348.18	346.06
	Aggregate carrying amount of the Group's investment in associates	**7677.54**	9217.70

9.2 Investment in other equity instruments

9.2.1 Investments measured at fair value through profit or loss (FVTPL)
Unquoted equity instruments

Molind Engineering Limited		
3,500 Equity shares of Rs.10 each fully paid up	**0.25**	0.25
Less: Provision for impairment in the value	**(0.25)**	(0.25)
	-	-
Narang Industries Limited		
40,000 Equity Shares of Rs.10 each fully paid up	**4.00**	4.00
Less: Provision for impairment in the value	**(4.00)**	(4.00)
	-	-
Quoted equity instruments		
Nestle India Limited		
93 Equity Shares of Rs.10 each fully paid up	**24.39**	18.33
Golden Tobacco Limited		
100 Equity Shares of Rs.10 each fully paid up	**0.04**	0.04
VST Industries Limited		
100 Equity Shares of Rs.10 each fully paid up	**3.57**	3.15
Hindustan Unilever Limited		
1,694 Equity Shares of Re.1 each fully paid up	**38.36**	43.37
HDFC Bank Limited		
1,46,400 Equity Shares of Rs. 1 each fully paid up	**2119.70**	2356.38
Diligent Media Corporation Ltd		
57 Equity Shares of Rs.1 each fully paid up	**-**	-
Deccan Chronicle Holdings Limited		
2,000 Equity Shares of Rs.2 each fully paid up	**-**	-
Punjab National Bank		
1,150 Equity Shares of Rs.10 each fully paid up	**1.43**	0.54
Bank of Baroda		
5,000 Equity Shares of Rs.2 each fully paid up	**13.20**	8.44
State Bank of India		
40,910 Equity Shares of Re.1 each fully paid up	**307.79**	214.27
Maruti Suzuki India Limited		
950 Equity Shares of Rs.5 each fully paid up	**119.70**	78.78
Emami Limited		
5,400 Equity Shares of Re.1 each fully paid up	**23.18**	19.36
NTPC Limited		
7,852 Equity Shares of Rs.10 each fully paid up	**26.37**	13.75
Reliance Industries Limited		
10,352 Equity Shares of Rs.10 each fully paid up	**307.63**	241.31

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.	**Financial assets - Investments (continued)**		
	Tata Consultancy Services Limited 7,700 Equity Shares of Re.1 each fully paid up	**298.48**	246.85
	Ashok Leyland Limited 15,000 Equity Shares of Re.1 each fully paid up	**25.69**	20.88
	ICICI Bank Limited 12,864 Equity Shares of Rs.2 each fully paid up	**140.64**	112.85
	Aditya Birla Capital Limited 12,577 Equity Shares of Rs.10 each	**22.06**	19.31
	Zee Entertainment Enterprises Limited 1,094 Equity Shares of Re.1 each fully paid up	**1.52**	2.32
	Dabur India Limited 6,000 Equity Shares of Re.1 each fully paid up	**31.39**	32.69
	SRF Limited 16,000 Equity Shares of Rs.10 each fully paid up	**409.64**	385.89
	Tata Chemicals Limited 1,500 Equity Shares of Rs.10 each fully paid up	**16.21**	14.59
	Power Finance Corporation Limited 2,492 (Previous year 1,994) Equity Shares of Rs.10 each fully paid up	**9.73**	3.03
	Indian Bank Limited 2,096 Equity Shares of Rs.10 each fully paid up	**10.91**	6.05
	Reliance Home Finance Limited 75 Equity Shares of Rs.10 each fully paid up (received free of cost)	**-**	-
	Reliance Capital Limited 75 Equity Shares of Rs.10 each fully paid up (received free of cost)	**0.01**	0.01
	Axis Bank 5,000 Equity Shares of Rs.2 each fully paid up	**52.36**	42.92
	ITC Limited 13,500 Equity Shares of Re.1 each fully paid up	**57.83**	51.77
	J.K.Cement Limited 2,000 Equity Shares of Rs.10 each fully paid up	**81.52**	58.47
	Power Grid Corporation of India Limited 30342 (Previous year 22,757) Equity Shares of Rs.10 each fully paid up	**84.02**	51.36
	Tata Motors Limited 10,164 Equity Shares of Rs.2 each fully paid up	**100.91**	42.77
	Fortis Healthcare Limited 51,176 Equity Shares of Rs.10 each fully paid up	**215.04**	133.01
	Bharat Electronics Limited 26,400 Equity Shares of Re.1 each fully paid up	**53.20**	25.75
	Cipla Limited 1,000 Equity Shares of Rs.2 each fully paid up	**14.97**	9.01
	ICRA Limited 1,000 Equity Shares of Rs.10 each fully paid up	**54.44**	44.22
	Infosys Limited 4,000 Equity Shares of Rs.5 each fully paid up	**59.92**	57.12
	Kotak Mahindra Bank Limited 4,000 Equity Shares of Rs. 5 each fully paid up	**71.42**	69.31
	Coal India Limited 154 Equity Shares of Rs.10 each fully paid up	**0.67**	0.33
	Zee Media Corporation Limited (Earlier Zee News Limited) 226 Equity Shares of Re.10 each fully paid up (received free of cost)	**0.02**	0.02

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.	**Financial assets - Investments (continued)**		
	IDFC Bank Limited 13,815 Equity Shares of Rs.10 each fully paid up	**10.42**	7.61
	Ashoka Buildcon Limited 9,090 Equity Shares of Rs.5 each fully paid up	**14.23**	6.73
	Castrol India Limited 4,800 Equity Shares of Rs.5 each fully paid up	**8.93**	5.33
	RBL Bank Limited 2,300 Equity Shares of Rs.10 each fully paid up	**5.53**	3.24
	Piramal Enterprises Limited 432 Equity Shares of Rs.2 each fully paid up	**3.67**	2.93
	Piramal Pharma Limited 1728 Equity Shares of Rs.10 each fully paid up	**2.23**	1.18
	Care Rating Limited 1,020 Equity Shares of Rs.10 each fully paid up	**11.42**	6.56
	Century Plyboards India Limited 7,133 Equity Shares of Re.1 each fully paid up	**45.65**	33.25
	Coachin shipyard Limited 4572 (Previous year 2,286) Equity Shares of Rs.5 each fully paid up	**39.86**	10.88
	Engineers India Limited 4,500 Equity Shares of Rs.5 each fully paid up	**9.09**	3.35
	NCL Industries Limited 2,790 Equity Shares of Rs.10 each fully paid up	**5.16**	4.98
	PNB Housing Finance Limited 1,538 Equity Shares of Rs.10 each fully paid up	**9.69**	7.89
	Digilent Media Corporation Limited 57 Equity Shares of Re.1 each fully paid up	-	-
	Tata Consumer Products Limited 1,710 Equity shares of Rs. 1 each fully paid up	**18.75**	12.12
	Steel Authority of India Limited 100 Equity shares of Rs. 10 each fully paid up	**0.13**	0.08
	Jio Financial Services Limited 10352 Equity shares of Rs. 10 each fully paid up (purchased during the year)	**36.62**	-
	Sub total (B)	**5019.34**	4534.38
9.2.2	**Investments measured at fair value through other comprehensive income**		
	Unquoted equity instrument		
	K K Modi Investment & Financial Services Private Limited		
	91,875 Equity Shares of Rs.10 each fully paid up	**39728.59**	27362.21
	Circassia Pacific Finance Limited		
	1,00,000 Equity Shares of Rs.10 each fully paid up	**10.00**	10.00
	Less: Provision for impairment in the value	**(10.00)**	(10.00)
	Sub total (C)	**39728.59**	27362.21
	Aggregate investment in other equity instruments (A+B+C)	**44747.93**	31896.59
9.3	**Investment in mutual funds - Quoted**		
	Non-current investment in mutual funds (valued at fair value through profit or loss)	**219234.34**	204292.73
	Current investment in mutual funds (valued at fair value through profit or loss)	**14055.15**	12617.65

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.	**Financial assets - Investments (continued)**		
9.3.1	**Break-up of non-current investment in mutual funds**		
	ICICI Prudential Mutual Fund		
	41,57,762 Units of ICICI Prudential Short Term Fund-Direct Plan-Growth Option of Rs.10 each	**2450.26**	2260.50
	1,46,62,444 Units of ICICI Prudential Banking and PSU Debt Fund-Direct Plan-Growth of Rs.10 each	**4512.94**	4178.17
	1,08,39,485 Units of ICICI Prudential Medium Term Bond Fund-Direct Plan-Growth of Rs. 10 each	**4766.74**	4406.35
	1,21,31,499 Units of ICICI Prudential Corporate Bond Fund-Direct Plan-Growth of Rs. 10 each	**3414.48**	3157.56
	9,30,99,463 Units of ICICI Prudential Nifty PSU Bond Plus SDL Sep 2027 40:60 Index Fund Direct Plan Growth of Rs. 10 each	**10450.32**	9748.54
	1,98,80,617 Units of ICICI Prudential Nifty SDL Sep 2027 Index Fund- Direct Plan-Growth of Rs. 10 each	**2208.70**	2061.78
	78,705 Units of ICICI Prudential Income Opportunities Fund -Regular Plan- Growth of Rs. 10 each	**28.78**	26.42
	Aditya Birla Sunlife Mutual Fund		
	26,91,645 (Previous year 12,09,715) Units of Aditya Birla Sun Life Corporate Bond Fund-Growth-Direct Plan of Rs. 10 each	**2778.99**	1156.55
	14,29,36,356 Units of Aditya Birla Sun Life Nifty SDL Plus PSU Bond SEP 2026 60:40 Index Fund- Direct Growth of Rs. 10 each	**16077.05**	14991.16
	5,48,25,980 Units of Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund Direct Growth of Rs. 10 each	**6153.01**	5738.64
	2,00,87,550 Units of Aditya Birla Sun Life CRISIL IBX 60:40 SDL + AAA PSU - Apr 2027 Index Fund Direct Growth of Rs 10 each	**2223.83**	2074.24
	49,99,750 Units of Aditya Birla Sun Life Fixed Term Plan - Series TQ (1879 days)- Direct Growth of Rs. 10 each	**558.08**	519.22
	Nil (Previous year 20,91,866) Units of Aditya Birla Sun Life Income Fund-Growth-Direct Plan of Rs.10 each	**-**	2369.99
	15,00,657 Units of Aditya Birla Sun Life Government Securities Fund- Growth- Direct Plan of Rs.10 each	**1185.65**	1085.12
	Bandhan Mutual Fund (Formerly known as IDFC Mutual Fund)		
	Nil (Previous year 12,82,926) Units of Bandhan Bond Fund-Short Term Plan-Growth-(Direct Plan) (erstwhile IDFC Bond Fund-Short Term Plan-Growth-Direct Plan) of Rs. 10 each	**-**	654.70
	Nil (Previous year 78,77,427) Units of Bandhan Corporate Bond Fund Direct Plan-Growth (erstwhile IDFC Corporate Bond Fund Direct Plan-Growth) of Rs. 10 each	**-**	1307.83
	3,33,66,979 Units of Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct Plan- Growth (erstwhile IDFC CRISIL IBX Gilt June 2027 Index Fund Direct Plan- Growth) of Rs. 10 each	**3915.98**	3643.84
	90,68,196 Units Of Bandhan Crisil Ibx 90:10 Sdl Plus Gilt Apr 2032 Index Fund- Direct Growth (purchased during the year)	**1010.80**	-
	HDFC Mutual Fund		
	1,09,30,550 Units of HDFC Corporate Bond Fund-Direct Plan-Growth Option of Rs. 10 each	**3266.43**	3018.94
	75,61,650 Units of HDFC Medium Term Debt Fund-Direct Plan-Growth Option of Rs.10 each	**4144.50**	3829.70
	89,83,476 Units of HDFC Short Term Debt Fund-Direct Plan-Growth Option of Rs.10 each	**2667.38**	2469.85
	SBI Mutual Fund		
	1,26,95,752 Units of SBI Short Term Debt Fund-Direct Plan-Growth of Rs. 10 each	**3895.02**	3618.94
	Nil (Previous year 43,174) Units of SBI Banking & PSU Debt Fund Direct Growth of Rs. 1000 each	-	1198.07
	90,59,366 Units of SBI Corporate Bond Fund- Direct Plan- Growth of Rs.10 each	**1299.84**	1207.26
	98,84,192 Units of SBI Crisil IBX SDL Index-September 2027 Fund- Direct Plan Growth of Rs. 10 each	**1098.88**	1026.30
	13,38,40,100 Units of SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund -Direct Plan Growth of Rs. 10 each	**14946.59**	13939.85
	AXIS Mutual Fund		
	Nil (Previous year 83,523) units of Axis Banking & PSU Debt Fund - Direct Growth (BD-DG) of Rs. 1000 each	**-**	1911.49
	2,68,83,323 Units of Axis Corporate Debt Fund- Direct Growth(CO-DG) of Rs. 10 each	**4347.84**	4025.05
	22,47,787 Units of Axis Short Term Fund - Direct Plan - Growth(ST-DG) of Rs. 10 each	**679.45**	629.92
	60,24,637 Units of Axis Dynamic Bond Fund - Direct Plan - Growth Plan(DBDGG) of Rs. 10 each	**1760.27**	1629.61
	66,41,858 Units of Axis Strategic Bond Fund - Direct - Growth (IF-DG) of Rs. 10 each	**1822.78**	1677.18
	2,50,56,092 Units of Axis CRISIL IBX SDL May 2027 Index Fund - Direct Growth (CR-DG) of Rs. 10 each	**2777.04**	2591.48
	1,99,20,237 Units of Axis Nifty AAA Bond Plus SDL April 2026 50:50 ETF Growth Plan of Rs. 10 each	**2316.33**	2158.70

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.	**Financial assets - Investments (continued)**		
	DSP BlackRock Mutual Fund		
	1,84,62,297 Units of DSP Corporate Bond Fund-Direct Growth of Rs. 10 each	**2709.97**	2521.64
	49,99,750 Units of DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund-Direct-Growth of Rs. 10 each	**561.45**	521.91
	MIRAE Mutual Fund		
	1,50,39,801 Units of MIRAE ASSET NIFTY SDL JUN 2027 INDEX FUND Direct Plan - Growth of Rs. 10 each	**1669.75**	1557.52
	Nippon India Mutual Fund		
	81,97,863 Units of Nippon India Dynamic Bond Fund Direct Growth Plan of Rs.10 each	**2929.81**	2703.48
	29,17,578 Units of Nippon India Floating Rate Fund -Direct Growth Plan(FRAGG) of Rs.10 each	**1246.35**	1152.90
	38,66,843 Units of Nippon India Corporate Bond Fund- Direct Plan Growth Plan-Growth Option (IPAGG) of Rs.10 each	**2180.83**	2015.12
	49,28,096 Units of Nippon India Nifty AAA PSU Bond Plus SDL - Sep 2026 Maturity 50:50 Index Fund- Direct Growth Plan(NDAGG) of Rs.10 each	**545.75**	508.83
	2,98,79,824 Units of Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund -Direct Growth Plan (CNAGG) of Rs. 10 each	**3303.30**	3078.79
	1,00,00,000 Units of Nippon India ETF Nifty SDL 2026 Maturity of Rs. 100 each	**11979.70**	11171.03
	UTI Mutual Fund		
	67,56,328 (Previous year 1,76,45,229) Units of UTI Corporate Bond Fund-Direct Plan Growth of Rs 10 each	**1018.60**	2470.46
	91,19,305 Units of UTI Crisil SDL Maturity April 2033 Index Fund- Direct Growth of Rs.10 each (Purchased during the year)	**1010.46**	-
	TATA Mutual Fund		
	97,91,628 Units of Tata Nifty SDL Plus AAA PSU Bond Dec 2027 60:40 Index Fund- Direct Plan-Growth of Rs 10 each	**1099.32**	1024.73
	BARODA BNP PARIBAS Mutual Fund		
	49,99,750 Units of Baroda BNP Paribas Nifty SDL December 2026 Index Fund Direct Growth (NS-DG-G) of Rs 10 each	**542.90**	506.58
	98,24,741 units of Baroda BNP Paribas Gilt Fund - Direct Growth (Purchased during the year)	**4106.85**	-
	INVESCO Mutual Fund		
	88,742 Units of Invesco India Corporate Bond Fund-Direct Plan Growth (AI-D1) of Rs 1000 each	**2714.86**	2521.10
	KOTAK Mutual Fund		
	1,53,488 Units of Kotak Corporate Bond Fund Direct Growth of Rs. 1000 each	**5426.08**	5028.63
	7967160 (Previous year 54,72,469) Units of Kotak Banking and PSU Debt Fund Direct Growth of Rs. 10 each	**4888.49**	3112.36
	65,14,905 Units of Kotak Dynamic Bond Fund Direct Plan Growth(Erstwhile Kotak Flexi Debt) of Rs. 10 each	**2392.28**	2179.55
	1,05,82,394 Units of Kotak Medium Term Fund Direct Plan-Growth of Rs. 10 each	**2378.69**	2180.06
	60,86,604 Units of Kotak Bond Fund (Short Term) -Direct Plan-Growth of Rs. 10 each	**3136.01**	2904.73
	8,47,35,831 Units of Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund Direct Plan Growth of Rs. 10 each	**9409.83**	8785.24
	85,085 Units of Kotak Floating Rate Fund Direct-Growth of Rs. 1000 each	**1178.75**	1091.99
	1,76,94,292 Units of Kotak Nifty SDL April 2032 Top 12 Equal Weight Index Fund- Direct Growth of Rs.10 each (Purchased during the year)	**2019.48**	-
	Edelweiss Mutual Fund		
	1,00,000 Units of Edelweiss Mutual Fund Bharat Bond ETF-April 2030 of Rs.1000 each	**1354.57**	1249.99
	45,52,180 Units of Bharat Bond FOF - April 2030 - Direct Plan Growth of Rs.100 each	**615.89**	569.54
	3,00,80,623 Units of Bharat Bond FOF - April 2030 - Regular Plan Growth of Rs.10 each	**4069.79**	3763.48
	1,93,69,004 Units of Bharat Bond FOF - April 2031 - Regular Plan Growth of Rs.10 each	**2345.28**	2158.50

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.	**Financial assets - Investments (continued)**		
	13,61,36,084 Units of Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan Growth of Rs.10 each	**16162.76**	15070.67
	46,76,553 Units of Bharat Bond FOF-April 2025- Regular Plan Growth of Rs. 10 each	**557.57**	519.20
	99,995 Units of Bharat Bond ETF- April 2032 of Rs. 1000 each	**1137.01**	1042.86
	48,13,469 Units of Bharat Bond FOF-April 2031 Direct Plan Growth of Rs. 10 each	**582.83**	536.42
	1,50,09,119 Units of Edelweiss CRISIL PSU Plus SDL 50:50 Oct 2025 Index Fund- Direct Growth of Rs. 10 each	**1667.21**	1555.02
	4,45,18,935 Units of Edelweiss Nifty PSU Bond Plus SDL Apr 2027 50:50 Index Fund- Direct Plan Growth of Rs. 10 each	**5013.72**	4675.47
	96,76,866 Units 'Edelweiss Multi Asset Allocation Fund- Direct Growth of Rs.10 each (Purchased during the year)	**1023.55**	-
	1,81,46,760 Units 'Bharat Bond Etf Fof Apr 2033- Regular Growth of Rs.10 each (Purchased during the year)	**2020.60**	-
	HSBC Mutual Fund (Including schemes earlier operated by L&T Mutual Fund)		
	49,99,750 Units of HSBC Crisil IBX 50:50 Gilt Plus SDL APR 2028 Index Fund- Direct Growth of Rs. 10 each	**561.14**	522.00
	Nil (Previous year 27,52,410) Units of HSBC Short Duration Fund- Direct Growth (Formerly known as L&T Short Term Bond Fund Direct Plan-Growth) of Rs. 10 each	**-**	646.91
	Nil (Previous year 54,59,152) Units of HSBC Banking and PSU Debt Fund- Direct Growth (Formerly known as L & T Banking and PSU Debt Fund Direct Plan- Growth) of Rs 10 each	**-**	1175.33
	98,78,565 Units of HSBC Corporate Bond Fund- Direct Growth (Formerly known as L& T Triple Ace Bond Fund Direct Plan-Growth) of Rs. 10 each	**6914.95**	6426.79
	Nil (Previous year 10,02,536) Units of HSBC Corporate Bond Fund- Regular Growth (Formerly known as L& T Triple Ace Bond Fund-Growth) of Rs 10 each	**-**	616.99
	Nil (Previous year 58,18,859) Units of HSBC Banking and PSU Debt Fund- Regular Growth (Formerly known as L& T Banking and PSU Debt Fund-Growth) of Rs 10 each	**-**	1199.55
	Sundaram Mutual Fund		
	Nil (Previous year 34,70,150) Units of Sundaram Corporate Bond Fund Direct Growth(CBDG) of Rs. 10 each	**-**	1214.41
	Total aggregate non-current investment in mutual funds	**219234.34**	204292.73
9.3.2	**Break-up of current investment in mutual funds**		
	Aditya Birla Sunlife Mutual Fund		
	Nil (Previous year 32,36,116) Units of Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan of Rs. 10 each	**-**	10232.41
	1,38,81,978 Units of Aditya Birla Sun Life Arbitrage Fund- Direct Growth of Rs.10 each (purchased during the year)	**3613.62**	-
	DSP BlackRock Mutual Fund		
	Nil (Previous year 5,41,116) Units of DSP Black Rock Arbitrage Fund Direct- Growth of Rs 10 each	**-**	71.30
	MIRAE Mutual Fund		
	Nil (Previous year 99,99,500) Units of Mirae Asset Fixed Maturity Plan - Series V - Plan 1- 91 Days-Direct Plan-Growth of Rs. 10 each	**-**	1009.33
	Edelweiss Mutual Fund		
	Nil (Previous year 1,01,43,531) Units of Bharat Bond FOF-April 2023 Regular Plan Growth of Rs.10 each	**-**	1239.57
	Tata Mutual Fund		
	84,921 Units of Tata Money Market Fund Direct Plan- Growth of Rs.10 each (Purchased during the year)	**3708.92**	-
	1,11,67,718 Units of Tata Arbitrage Fund- Direct Plan- Growth of Rs.10 each (Purchased during the year)	**1533.60**	-

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.	**Financial assets - Investments (continued)**		
	Invesco Mutual Fund		
	1,64,01,466 Units of Invesco India Arbitrage Fund-Direct-Growth of Rs.10 each (Purchased during the year)	**5145.32**	-
	IIFL Mutual Fund		
	10,28,489 Units of IIFL Special Opportunities Fund Series 5 of Rs.10 each	**53.69**	65.04
	Total aggregate current investment in mutual funds	**14055.15**	12617.65
9.4	**Investment-Others Quoted-non-current**		
9.4.1	**Investments in bonds (valued at amortised cost)**		
	State Bank of India		
	100 Units of State Bank of India SR I 7.74 BD Perpetual FVRS10LAC of Rs. 10,00,000 each	**1031.65**	1031.65
	100 Units of State Bank of India SR II 7.73 BD Perpetual FVRS10LAC of Rs. 10,00,000 each	**1014.03**	1014.03
	12 (Previous year 10) Units of State Bank of India SR I 7.72 BD Perpetual FVRS1CR of Rs. 1,00,00,000 each	**1198.48**	1000.50
	1 Units of State Bank of India SR I 7.72 BD Perpetual FVRS1CR of Rs. 1,00,00,000 each (Purchased during the year)	**98.98**	-
	37 Units of State Bank of India SR I 7.75 BD Perpetual FVRS1CR of Rs. 1,00,00,000 each (Purchased during the year)	**3655.39**	-
	Bank of Baroda		
	30 Units of Bank of Baroda SR XIV 8.50 BD Perpetual FVRS10LAC of Rs 10,00,000 each	**302.45**	302.45
	20 Units of Bank of Baroda SR XIII 8.50 BD Perpetual FVRS10LAC of Rs 10,00,000 each	**212.07**	212.07
	100 Units of Bank of Baroda SR XV 8.15 BD Perpetual FVRS10LAC of Rs 10,00,000 each	**1012.30**	1012.30
	5 Units of Bank of Baroda SR XVII 7.95 BD Perpetual FVRS1CR of Rs 1,00,00,000 each	**500.00**	500.00
	10 Units of Bank of Baroda SR XIX 7.88 BD Perpetual FVRS1CR of Rs 1,00,00,000 each (Purchased during the year)	**987.96**	-
9.4.2	**Investment in Non Convertible Debentures (NCD) (valued at amortized cost)**		
	50,000 Units of ARKA FINCAP LIMITED Series -IV 9.65 LOA 27 Dec 2026 FVRS1000 of Rs.1000 each (Purchased during the year)	**500.00**	-
	23,750 Units of 360 One Prime Limited- SR IV TR I 9.41 NCD 18JN26 FVRS1000 of Rs.1000 each (Purchased during the year)	**237.50**	-
	50,000 Units of MUTHOOT FINANCE LIMITED- OP III TR III 8.25 NCD 25JN26 FVRS1000 of Rs.1000 each (Purchased during the year)	**500.00**	-
	50,000 Units of CHOLAMANDALAM INVESTMENT AND FIN. CO. LTD- SR I TR4 8.45 NCD 31JN26 FVRS1000 of Rs.1000 each (Purchased during the year)	**500.00**	-
	530 Units of HDFC CREDILA FINANCIAL SERVICES LIMITED -SR-A TR-1 8.25% NCD 29 MAR 2028 FVRS1LAC of Rs.100,000 each (purchased during the year)	**526.51**	-
9.4.3	**Investment in Debentures (FVTPL)**		
	NTPC Limited (6,544 12.5% Non Convertible Debentures)	**0.33**	0.67
9.4.4	**Investment in Alternative Investment Funds (FVTPL)**		
	19,96,885 units of 360 ONE Private Equity Fund- India Housing Fund Class B - Restricted Transferability of Rs. 10 each	**114.90**	148.44
	Nil (Previous year 50,00,000) Units of IIFL Select Series II of Rs. 10 each	**-**	661.39

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
9.4.5	**Investment in Exchange Traded Fund (FVTPL)**		
	Nippon India Liquid Bees-ETF		
	24.441 (previous year 22.517) Units of Rs. 1,000 each	**0.25**	0.23
9.4.6	**Investment in Market Lined Debentures (MLD) (FVTPL)**		
	30 Units of JM Financial Asset Reconstruction Company Limited- TR XXXV BR NCD 11JU24 FVRS10LAC of Rs. 10,00,000 each	**-***	322.66
	40 Units of JM FINANCIAL ARC LTD - TR XXXVI BR NCD 26JL24 FVRS10LAC/ ISIN – INE265J07431 of Rs. 10,00,000 each	**-***	421.91
	20 Units of JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED TR XXXVII BR NCD 26NV24 FVRS10LAC/ ISIN:- INE265J07449 of Rs. 10,00,000 each	**-***	207.78
	20 Units of JM Financial ARC MLD (JM FINANCIAL ARC LTD - TR XXXIX BR NCD 28FB25 FVRS10LAC)- ISIN NO. INE265J07456 of Rs. 10,00,000 each	**-***	203.69
	20 Units of ARKA FINCAP LIMITED SR III BR LOA 27JU24 FVRS10LAC / ISIN-INE03W107116 of Rs. 10,00,000 each	**-***	209.45
	20 Units of ARKA FINCAP LIMITED- AFL MLD Series – III (Tranche II) – 6th December 2024-INE03W107132 of Rs. 10,00,000 each	**-***	206.21
		12392.80	7455.43
9.5	**Investment-Others-current**		
	Investment in Alternative Investment Funds (valued at fair value through profit or loss)		
	Nil (Previous year 30) Units of IIFL WEALTH PRIME LIMITED BR NCD 28FB24 FVRS10LAC of Rs 10,00,000 each	**-**	325.24
	Investment in Market Linked Debentures (MLD) (FVTPL)		
	30 Units of JM Financial Asset Reconstruction Company Limited- TR XXXV BR NCD 11JU24 FVRS10LAC of Rs. 10,00,000 each	**353.23 ****	-
	40 Units of JM FINANCIAL ARC LTD - TR XXXVI BR NCD 26JL24 FVRS10LAC/ ISIN – INE265J07431 of Rs. 10,00,000 each	**461.47 ****	-
	20 Units of JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED TR XXXVII BR NCD 26NV24 FVRS10LAC/ ISIN:- INE265J07449 of Rs. 10,00,000 each	**226.62 ****	-
	20 Units of JM Financial ARC MLD (JM FINANCIAL ARC LTD - TR XXXIX BR NCD 28FB25 FVRS10LAC)- ISIN NO. INE265J07456 of Rs. 10,00,000 each	**222.78 ****	-
	20 Units of ARKA FINCAP LIMITED SR III BR LOA 27JU24 FVRS10LAC / ISIN-INE03W107116 of Rs. 10,00,000 each	**227.57 ****	-
	20 Units of ARKA FINCAP LIMITED- AFL MLD Series – III (Tranche II) – 6th December 2024-INE03W107132 of Rs. 10,00,000 each	**223.11 ****	-
	Nil (Previous year 30) Units of Arka Fincap Limited SR I BR LOA 04AG23 FVRS10LAC of Rs. 10,00,000 each	**-**	340.52
	Nil (Previous year 50) Units JM Financial Asset Reconstruction Company Limited- TR XXXII BR NCD 05OT23 FVRS10LAC of Rs. 10,00,000 each	**-**	560.68
		1714.78	1226.44
9.6	**Investment in preference shares (FVTPL)**		
	K K Modi Investment & Financial Services Private Limited - Unquoted - FVTPL		
	71,28,000 Preference Shares of Rs.10 each fully paid up	**211.38**	185.79
	Aggregate investment in preference shares	**211.38**	185.79
9.7	**Investments under portfolio management scheme - Unquoted**		
	Sai Rayalaseema Paper Mills Limited	**-**	-
	15,895 Equity Shares of Rs.10 each fully paid up		
		-	-

* Transfer from non-current to current investments
** Transfer to current from non-current investments

(All amounts are in Rs. lakhs unless otherwise stated)

10. Financial assets - Loans (carried at amortised cost) (unsecured considered good unless otherwise stated)	As at 31.3.2024	As at 31.3.2023
Non-current		
Loans to related parties (Refer note No.44)		
- Loan to directors	-	1.67
Loans to employees	643.61	347.59
	643.61	349.26
Current		
Loans to related parties (Refer note No.44)		
- Loan to directors	1.67	2.00
Loans to employees	223.92	96.64
	225.59	98.64
Total	869.20	447.90

11. Income taxes
Income tax expense in the consolidated statement of profit and loss comprises:

	Year ended 31.3.2024	Year ended 31.3.2023
Statement of profit and loss		
Current income tax		
In respect of the current year	20242.44	18512.67
Deferred tax		
In respect of the current year	859.07	(297.11)
Total income tax expense recognised in the statement of profit and loss	21101.51	18215.56
Statement of Other Comprehensive Income:		
Current tax related to items recognised in OCI during the year:		
(Loss)/Gain on remeasurements of defined benefit plans	(130.58)	70.15
Deferred tax related to items recognised in OCI during the year:		
Gain on equity instruments fair valued through OCI	2880.87	2227.69
Income tax charged to OCI	2750.29	2,297.84
The income tax expense for the year can be reconciled to the accounting profit multiplied by corporate tax rate as follows:		
Profit before share of profit of associate and tax	93430.59	78897.45
Income tax expense calculated at corporate tax rate of 25.168%	23514.61	19856.91
Differential tax rate on long term capital gain on sale of investments and fair value (gain)/loss on investments	(2730.35)	(1473.63)
Effect of reversal of provision on decline in value of non current investment in associate	-	(124.83)
Effect of expenses that are not deductible in determining taxable profit	319.68	271.44
Effect of exempt non-operating income	-	(19.13)
Differential tax rate on sale/assignment of trademarks and other assets relating to chewing business	-	(423.98)-
Deduction under section 80M of Income Tax Act, 1961	(14.12)	-
Difference in tax rates of subsidiaries	0.38	113.01
Others	11.31	15.77
At the effective income tax rate of 22.59% (Previous year: 23.09%)	21101.51	18215.56

(All amounts are in Rs. lakhs unless otherwise stated)

Income taxes (continued)

Deferred tax balances along with movement are as follows:

	Opening Balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Recognised in Equity	Closing Balance
For the year ended March 31, 2024					
Deferred tax assets in relation to					
Provisions for compensated absences	773.61	29.88	-	-	803.49
Accrued expenses deductible on payment basis	359.23	51.05	-	-	410.28
Minimum alternative tax credit entitlement	7.15	(7.15)	-	-	0.00
Provision for doubtful debts	80.12	(1.11)	-	-	79.01
On employee share based payment	-	-	-	78.03	78.03
Right-of-Use Assets	1303.33	168.28	-	-	1471.61
Other financial assets (net)	184.80	(20.40)	-	-	164.40
Provision for employee benefits - Others (Refer Note No. 23)	228.30	-	-	-	228.30
	2936.54	**220.55**	**-**	**78.03**	**3235.12**
Deferred tax liabilities in relation to					
Investment in mutual funds and market linked debentures fair valued through profit or loss	(2036.01)	(1,046.45)	-	-	(3082.46)
Investment in unquoted equity instruments fair valued through OCI	(6355.13)	-	(2,880.88)	-	(9236.01)
Property, plant and equipments, intangible assets, investment properties	(1197.81)	26.05	-	-	(1171.76)
Investment in quoted equity instruments fair valued through profit or loss	(224.03)	(56.44)	-	-	(280.47)
Investment in unquoted preference shares fair valued through profit or loss	(15.14)	(5.96)	-	-	(21.10)
Compound financial instrument	(19.64)	3.19	-	-	(16.45)
	(9847.76)	**(1079.61)**	**(2880.88)**	**-**	**(13808.25)**
Net deferred tax liabilities	**(6911.22)**	**(859.06)**	**(2880.88)**	**78.03**	**(10573.13)**
For the year ended March 31, 2023					
Deferred tax assets in relation to					
Provisions for compensated absences	819.45	(45.84)	-	-	773.61
Accrued expenses deductible on payment basis	464.58	(105.35)	-	-	359.23
Foreign exchange difference arising on account of import of property, plant & equipment	24.45	(24.45)	-	-	-
Voluntary retirement scheme payments deductible in instalments	0.83	(0.83)	-	-	-
Minimum alternative tax credit entitlement*	-	7.15	-	-	7.15
Provision for doubtful debts	92.45	(12.33)	-	-	80.12
Provision for decline in value of non current investments	419.52	(419.52)	-	-	-
Right-of-Use Assets	1120.73	182.60	-	-	1303.33
Other financial assets (net)	197.38	(12.58)	-	-	184.80
Provision for employee benefit-Others (Refer Note No. 23)	228.30	-	-	-	228.30
	3367.69	**(431.15)**	**-**	**-**	**2936.54**

(All amounts are in Rs. lakhs unless otherwise stated)

Income taxes (continued)

	Opening Balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Recognised in Equity	Closing Balance
Deferred tax liabilities in relation to					
Investment in mutual funds and market linked debentures fair valued through profit or loss	(2386.01)	350.00	-	-	(2036.01)
Investment in unquoted equity instruments fair valued through OCI	(4127.44)	-	(2227.69)	-	(6355.13)
Property, plant and equipments, intangible assets, investment properties	(1589.31)	391.50	-	-	(1197.81)
Investment in quoted equity instruments fair valued through profit or loss	(211.95)	(12.08)	-	-	(224.03)
Investment in unquoted preference shares fair valued through profit or loss	(11.10)	(4.04)	-	-	(15.14)
Compound financial instrument	(22.53)	2.89	-	-	(19.64)
	(8348.34)	**728.27**	**(2227.69)**	**-**	**(9847.76)**
Net deferred tax assets/(liabilities)	**(4980.65)**	**297.12**	**(2227.69)**	**-**	**(6911.22)**

	As at 31.3.2024	As at 31.3.2023
12. Inventories		
(Lower of cost and net realisable value)		
Raw and packing materials	**116822.51**	65458.13
Work-in-process	**600.87**	672.76
Finished goods *		
- Cigarettes	**10529.70**	9596.17
Stock-in-trade	**8537.83**	8896.82
Stores and spare parts (Net of provision of Rs. 629.22 lakhs, Previous year Rs. 561.92 lakhs)	**1837.74**	1618.79
Land (Refer Note No. 51)	**5830.59**	6572.16
	144159.24	92814.83
Inventories include in-transit inventory of:		
Raw and packing materials	**1546.25**	1227.63
Stock-in-trade	**2592.81**	3604.37
Store and spare parts	**19.56**	-

The cost of inventories recognised as an expense include Rs. Nil (Previous year Rs. 3.12 lakhs) in respect of write-down of finished goods to net realisable value.

Inventories of the Company have been pledged as security against borrowings (Refer Note No. 20)

*Includes excise duty of Rs. 4642.01 lakhs (Previous year Rs. 4817.68 lakhs)

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
13. Financial assets - Trade receivables (at amortised cost)		
Unsecured - considered good	**13059.23**	8510.66
Unsecured - considered good - receivable from Associate (Refer Note No.44)	**4227.42**	6440.95
Unsecured - credit impaired	**163.15**	167.57
	17449.80	15119.18
Less: Impairment allowance	**163.15**	167.57
Total trade receivables	**17286.65**	14951.61

'The average credit period on sale of goods ranges upto 180 days.
Generally no interest is charged on trade receivables.
The total trade receivable as at April 1, 2022 were Rs. 15463.53 lakhs (net of impairment allowance)

Trade receivables ageing schedule

	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables - considered good	15749.93	1503.84	11.04	16.43	5.41	-	17286.65
(b) Undisputed trade receivables - credit impaired	-	-	-	-	-	163.15	163.15
Balance as at 31 March, 2024	**15749.93**	**1503.84**	**11.04**	**16.43**	**5.41**	**163.15**	**17449.80**
(a) Undisputed trade receivables - considered good	12991.17	1898.01	41.19	8.14	12.07	1.03	14951.61
(b) Undisputed trade receivables - credit impaired	-	-	-	-	114.32	53.25	167.57
Balance as at 31 March, 2023	**12991.17**	**1898.01**	**41.19**	**8.14**	**126.39**	**54.28**	**15119.18**

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

	As at 31.3.2024	As at 31.3.2023
14. Financial assets - Cash and bank balances		
Cash and cash equivalents		
Cash on hand	**199.42**	45.14
Balances with banks		
- In current accounts	**846.45**	1527.62
	1045.87	1572.76
Other bank balances:		
In earmarked accounts for		
- Margin money*	**349.85**	1102.56
- Unpaid dividend	**635.36**	600.22
- Corporate Social Responsibility Unspent account (Refer Note No. 35)	**242.21**	130.00
- Fixed deposit receipts lodged with government authorities	**1.89**	1.96
- Fixed deposit with original maturity of more than 3 months but less than 12 months	**143.12**	347.15
- Fixed deposit with original maturity of more than 12 months	**79.27**	275.83
	1451.70	2457.72
Cash and bank balances	**2497.57**	4030.48

* The Group has given margin money to fulfill collateral requirements.

	As at 31.3.2024	As at 31.3.2023
15. Other financial assets (at amortised cost)		
(unsecured considered good unless otherwise stated)		
Non-current		
Fixed Deposits with remaining maturity of more than 12 months	**70.00**	-
Security deposits	**1470.55**	1931.86
	1540.55	1931.86
Current		
Security deposits	**109.96**	130.86
Interest accrued on bank and other deposits	**458.29**	225.80
Compensation receivable (Refer Note No. 51)	**2414.40**	-
Other receivables (Also Refer Note No. 44)	**1103.76**	908.47
	4086.41	1265.13

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2024	As at 31.3.2023
16.	**Other assets**		
	(unsecured considered good unless otherwise stated)		
	Non-current		
	Capital advances	**2561.32**	472.15
	Balance with government authorities	**39.50**	39.50
	Prepaid expenses	**104.41**	66.51
	Others	**0.33**	0.33
		2705.56	578.49
	Current		
	Balance with government authorities (net of impairment allowance of Rs. 150.73 lakhs; previous year :Rs.150.73 lakhs)	**14238.50**	12748.84
	Prepaid expenses	**807.92**	592.71
	Export incentives accrued/available	**18.50**	41.06
	Recoverable from gratuity fund (Refer Note No. 41)	-	50.39
	Prepayment to suppliers	**1670.13**	1168.08
	Others (Also Note No. 44)	**400.81**	337.41
	Total	**17135.86**	14938.49

		As at 31.3.2024	As at 31.3.2023
17.	**Equity Share Capital**		
	Authorised		
	60,000 preference shares of Rs. 100 each	**60.00**	60.00
	122,000,000 equity shares of Rs. 2 each	**2440.00**	2440.00
		2500.00	2500.00
	Issued, subscribed and fully paid up		
	51,993,920 equity shares of Rs. 2 each	**1039.88**	1039.88

(i) There has been no movement in the equity shares in the current and previous year.

(ii) The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	As at 31.3.2024		As at 31.3.2023	
	Number of shares	% holding	Number of shares	% holding
a) K K Modi Investment & Financial Services Private Limited	**15517916**	**29.85%**	15517916	29.85%
b) Philip Morris Global Brands Inc.	**13050475**	**25.10%**	13050475	25.10%
c) Good Investment (India) Limited	**4309220**	**8.29%**	4309220	8.29%
d) The Jupiter India Fund	**2858211**	**5.50%**	2694390	5.18%

Note: As per records of the Company, the above shareholding represents legal ownership of shares.

(All amounts are in Rs. lakhs unless otherwise stated)

17. Equity Share Capital (continued)

(iv) Details of shares held by promoters

As at March 31, 2024

	Name of the promoter	Number of shares as at 01.4.2023	Change during the year	Number of shares as at 31.3.2024	% Holding	% Change during the year
a)	K K Modi Investment And Financial Services Pvt. Ltd.	15517916	-	**15517916**	**29.85%**	**0.00%**
b)	Philip Morris Global Brands Inc	13050475	-	**13050475**	**25.10%**	**0.00%**
c)	Good Investment (India) Ltd.	4309220	-	**4309220**	**8.29%**	**0.00%**
d)	Quick Investment (India) Ltd.	2235800	-	**2235800**	**4.30%**	**0.00%**
e)	Super Investment (India) Ltd	527260	-	**527260**	**1.01%**	**0.00%**
f)	K K Modi & Bina Modi Trustees -Indofil Senior Executives (Offices) Welfare Trust	386280	-	**386280**	**0.74%**	**0.00%**
g)	K K Modi & Bina Modi Trustees -Indofil Junior Employees (Factory) Welfare Trust	380000	-	**380000**	**0.73%**	**0.00%**
h)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Welfare Trust	308560	-	**308560**	**0.59%**	**0.00%**
i)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Factory) Welfare Trust	308560	-	**308560**	**0.59%**	**0.00%**
j)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Factory) Benefit Trust	141360	-	**141360**	**0.27%**	**0.00%**
k)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Benefit Trust	108220	-	**108220**	**0.21%**	**0.00%**
l)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Benefit Trust	100560	-	**100560**	**0.19%**	**0.00%**
m)	Longwell Investment Pvt Ltd	80000	-	**80000**	**0.15%**	**0.00%**
n)	Swasth Investment Pvt Ltd	80000	-	**80000**	**0.15%**	**0.00%**
o)	Motto Investment Pvt Ltd	79000	(45000)	**34000**	**0.07%**	**-56.96%**
p)	HMA Udyog Private Ltd	77228	45000	**122228**	**0.24%**	**58.27%**
q)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Offices) Benefit Trust	22840	-	**22840**	**0.04%**	**0.00%**
r)	Divya Modi Tongya	11500	-	**11500**	**0.02%**	**0.00%**
s)	Ritika Nikhil Rungta	5440	-	**5440**	**0.01%**	**0.00%**
t)	Bina Modi	3000	-	**3000**	**0.01%**	**0.00%**
u)	Ruchir Kumar Lalit Modi	2000	-	**2000**	**0.00%**	**0.00%**
v)	Samir Kumaar Modi	2000	-	**2000**	**0.00%**	**0.00%**
w)	Upasana Investment Pvt Ltd*	450	(450.00)	**0**	**0.00%**	**-100.00%**
x)	Charu Modi	10	-	**10**	**0.00%**	**0.00%**
	Total	**37737679**	**(450)**	**37737229**	**72.58%**	**0.00%**

* Upasana Investment Pvt Ltd disposed off its entire shareholding in open market.

(All amounts are in Rs. lakhs unless otherwise stated)

As at March 31, 2023

	Name of the promoter	Number of shares as at 01.4.2022	Change during the year	Number of shares as at 31.3.2023	% Holding	% Change during the year
a)	K K Modi Investment And Financial Services Pvt. Ltd.	15517916	-	15517916	29.85%	0.00%
b)	Philip Morris Global Brands Inc	13050475	-	13050475	25.10%	0.00%
c)	Good Investment (India) Ltd.	4309220	-	4309220	8.29%	0.00%
d)	Quick Investment (India) Ltd.	2235800	-	2235800	4.30%	0.00%
e)	Super Investment (India) Ltd	527260	-	527260	1.01%	0.00%
f)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Offices) Welfare Trust	386280	-	386280	0.74%	0.00%
g)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Welfare Trust	380000	-	380000	0.73%	0.00%
h)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Welfare Trust	308560	-	308560	0.59%	0.00%
i)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Factory) Welfare Trust	308560	-	308560	0.59%	0.00%
j)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Factory) Benefit Trust	141360	-	141360	0.27%	0.00%
k)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Benefit Trust	108220	-	108220	0.21%	0.00%
l)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Benefit Trust	100560	-	100560	0.19%	0.00%
m)	Spicebulls Investments Ltd	83591	(83591)	-	0.00%	-100.00%
n)	Longwell Investment Pvt Ltd	80000	-	80000	0.15%	0.00%
o)	Swasth Investment Pvt Ltd	80000	-	80000	0.15%	0.00%
p)	Motto Investment Pvt Ltd	79000	-	79000	0.15%	0.00%
q)	HMA Udyog Private Ltd	77228	-	77228	0.15%	0.00%
r)	Kedarnath Modi (Trustee) Modi Spg.& Wvg Mills Co. Ltd. (Headoffice) Employees Welfare Trust#	45000	(45000)	-	0.00%	-100.00%
s)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Offices) Benefit Trust	22840	-	22840	0.04%	0.00%
t)	Divya Modi Tongya	11500	-	11500	0.02%	0.00%
u)	Ritika Nikhil Rungta	5440	-	5440	0.01%	0.00%
v)	Bina Modi	3000	-	3000	0.01%	0.00%
w)	Ruchir Kumar Lalit Modi	2000	-	2000	0.00%	0.00%
x)	Samir Kumaar Modi	2000	-	2000	0.00%	0.00%
y)	Upasana Investment Pvt Ltd	450	-	450	0.00%	0.00%
z)	Charu Modi	10	-	10	0.00%	0.00%
	Total	**37866270**	**(128591)**	**37737679**	**72.58%**	**-0.25%**

#Transferred to Investor Education and Protection Fund

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
18. Other equity		
Capital redemption reserve	**30.13**	30.13
Statutory reserve	**112.31**	98.34
Reserve for equity instruments fair valued through OCI	**30455.82**	20970.31
General reserve	**37431.89**	37431.89
Retained earnings	**360209.60**	295106.82
Equity component of compound financial instrument (Refer Note No. 20)	**115.84**	115.84
Employee share based payment reserve (Refer Note no. 46)	**454.76**	-
Less: Treasury Shares purchased as per ESPS scheme	**(6638.81)**	-
	422171.54	353753.33

Capital redemption reserve:
This was created on redemption of preference shares in accordance with the requirements of the erstwhile Companies Act, 1956.

General reserve:
The general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income. No amount was transferred during the current and previous year.

Statutory Reserve:
As per the Reserve Bank of India Act, 1934, every non-banking financial company has to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The statutory reserve has been created by Chase Investments Limited.

Retained earnings:
Retained earnings is the amount that can be distributed by the Group as dividends to its equity shareholders subject to the requirements of the Companies Act, 2013. The amount reported above are not distributable in entirety.
In respect of the year ended March 31, 2024, the directors have in the board meeting held on May 30, 2024, proposed a dividend of Rs.56 per fully paid equity share. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements. The proposed equity dividend is payable to all the holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs.29116.60 lakhs.

Employee share based payment reserve:
Share based payment reserve is created to recognise on fair value the expense of equity shares granted to eligible employees of the Holding Company under Godfrey Phillips Employees Share Purchase Scheme-2023.

Treasury Shares:
The Company through a Trust has acquired shares for further distribution to its employees as share based payments for their services. As and when these shares are issued to the employees the same will be adjusted from treasury shares.

	As at 31.3.2024	As at 31.3.2023
19. Non-controlling interests		
Balance at beginning of year	**531.79**	535.60
Share of total comprehensive income of the year	**92.64**	(3.81)
Balance at the end of the year	**624.43**	531.79
Details of partially owned subsidiary		
Individually immaterial subsidiaries with non-controlling interests	**624.43**	531.79
	624.43	531.79

	As at 31.3.2024	As at 31.3.2023
20. Financial liabilities - Borrowings		
Non-current borrowings - carried at amortised cost		
6.25%, non-cumulative, non-convertible, redeemable preference shares		
Liability component of compound financial instrument* (Refer Note No.18)	**134.63**	121.95
Total non-current borrowings (net)	**134.63**	121.95
Details of security and terms of above loans:		
*The Group will redeem the preference shares by December 2027 and accordingly the same has been classified between equity and liability.		
Current borrowings - carried at amortised cost		
Secured		
Loans from banks repayable on demand*	**4395.81**	3463.42
Total current borrowings	**4395.81**	3463.42

(All amounts are in Rs. lakhs unless otherwise stated)

20. Financial liabilities - Borrowings (continued)

Details of security and terms of above loans:

*The above current borrowing carries interest ranging from 7.85% to 9.70% per annum and is secured against hypothecation of stocks (Refer Note No.12) and book debts (Refer Note No.13) and second charge on all movable fixed assets of the Group. The quarterly statements of current assets filed by the Group with the banks are in agreement with the books of accounts.

Change in liability arising from financing activities as per IND AS-7

Particulars	Borrowings due within 1 year	Compound financial instrument : Proceeds from issue of non-cumulative redeemable preference shares	Total
Balance at April 1, 2022	**2978.30**	**200.00**	**3178.30**
Cash Flow	485.12	-	485.12
Balance at March 31, 2023	**3463.42**	**200.00**	**3663.42**
Cash Flow	932.39	-	932.39
Balance at March 31, 2024	**4395.81**	**200.00**	**4595.81**

	As at 31.3.2024	As at 31.3.2023
21. Financial liabilities - Lease liabilities		
Non-current		
Lease liabilities (Refer Note No.40)	**25767.08**	27929.60
	25767.08	27929.60
Current		
Lease liabilities (Refer Note No.40)	**4241.22**	3982.97
	4241.22	3982.97

	As at 31.3.2024	As at 31.3.2023
22. Other financial liabilities		
Non-current		
Security deposits - at amortised cost	**187.27**	107.53
	187.27	107.53
Current		
Interest accrued but not due on borrowings	**0.89**	0.18
Unclaimed dividends	**635.36**	600.22
Payable to gratuity fund (Refer Note No.41)	**719.51**	237.55
Liability towards property, plant and equipments	**652.95**	1234.35
Security deposits - at amortised cost	**20.60**	11.85
Others	**15.78**	15.78
	2045.09	2099.93

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
23. Employee benefit obligations		
Non-current		
Provision for compensated absences	**2434.24**	2449.48
	2434.24	2449.48
Current		
Provision for compensated absences	**833.20**	698.87
Others*	**907.12**	907.12
	1740.32	1605.99

*Based on the review of the investments held by the Employees Provident Fund Trust as at March 31, 2024 and March 31, 2023, a provision has been created to cover the possible loss on account of non-realisation of certain such investments.

Movement in provision for loss on non realisation of investments held by Employee Provident Fund Trust

Opening Balance	**907.12**	907.12
Expense recognised during the year	**-**	-
Payment made during the year	**-**	-
Closing Balance	**907.12**	907.12

	As at 31.3.2024	As at 31.3.2023
24. Financial liabilities - Trade payables		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	**2340.78**	2026.81
	2340.78	2026.81
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		
- Other	**31712.16**	25771.76
- Payables to associates (Refer Note No.44)	**5600.34**	2485.42
- Employee payables	**7023.29**	6265.00
	44335.79	34522.18

The Group generally pays its vendors within 30-60 days and interest, if any, payable under the terms of the Micro, Small and Medium Enterprises Development Act, 2006 is recognised.

Trade payables ageing schedule

	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
			Outstanding for following periods from due date of payment				
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	-	2138.39	202.39	-	-	-	**2340.78**
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	7796.21	15870.37	20392.12	216.40	1.06	59.63	**44335.79**
Balance as at 31 March, 2024	**7796.21**	**18008.76**	**20594.51**	**216.40**	**1.06**	**59.63**	**46676.57**
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	-	1582.24	444.56	0.01	-	-	2026.81
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	6066.96	11142.38	16758.53	403.17	31.17	119.97	34522.18
Balance as at 31 March, 2023	**6066.96**	**12724.62**	**17203.09**	**403.18**	**31.17**	**119.97**	**36548.99**

	As at 31.3.2024	As at 31.3.2023
25. Income tax assets and liabilities		
Non-current		
Income tax assets (Net)		
Income tax recoverable (net of provisions)	**3730.02**	3599.71
Total income tax assets	**3730.02**	3599.71
Current		
Income tax liabilities (Net)		
Income tax payable (net of advance tax and TDS recoverable)	**523.87**	332.16
Total income tax liabilities	**523.87**	332.16

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2024	As at 31.3.2023
26. Other liabilities		
Current		
Statutory dues	**53130.66**	42074.12
Advances from customers (Contract liabilities)*	**7187.14**	13354.59
Liability towards expenditure on Corporate Social Responsibility (Refer Note No. 35) **	**877.05**	484.21
Others	**575.99**	31.83
	61770.84	55944.75

*Advances from customers relate to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Group performs under the contract.

Balance of Advances from customers at beginning of the year	**13354.59**	6641.53
Revenue recognised from amounts included in Advances from customers at beginning of the year	**13354.59**	6641.53

Management expects that the entire transaction price allocated to the unsatisfied contracts at end of the year will be recognised as revenue during the next year.

**The Group has since transferred the amount within 30 days to a special bank account opened for Unspent Amount of Corporate Social Responsibility for FY 2023-24 as notified by Companies (Corporate Social Responsibility Policy) Amendment Rules 2021, Companies (Amendment) Act, 2019 and Companies (Amendment) Act, 2020.

27. Revenue from operations

i) Revenue from contracts with customers (including excise duty)
Sources of revenue

The Group derives its revenue from the transfer of goods at a point in time in the following major product lines:

a) Disaggregated revenue information	Year ended 31.3.2024	Year ended 31.3.2023
Cigarettes*	**354284.06**	295026.50
Unmanufactured tobacco**	**124064.45**	81730.14
Cut tobacco	**2837.25**	2488.29
Chewing products	**-**	2010.98
Retail goods	**42702.18**	41520.46
Total (A)	**523887.94**	422776.37

*includes incremental revenue of Rs. 20661.24 lakhs (previous year Rs. 16987.32 lakhs) arising from resale of Marlboro cigarettes manufactured by the Group.
**transferred from raw and packing materials

Disaggregate revenue information
The table below presents disaggregated revenues from contracts with customers by geography. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of the revenues and cash flows are affected by industry, market and other economic factors.

(All amounts are in Rs. lakhs unless otherwise stated)

27. i) Revenue from contracts with customers (including excise duty) (continued)

Revenues by Geography

	Year ended 31.3.2024	Year ended 31.3.2023
Within India	**389547.59**	327284.02
Outside India	**134340.35**	95492.35
Total	**523887.94**	422776.37

Reconciling the amount of revenue recognized in the consolidated statement of profit and loss with the contracted price:

	Year ended 31.3.2024	Year ended 31.3.2023
Revenue as per contracted price	**528054.25**	425534.16
Adjustments:		
Sales return	**(577.14)**	(111.14)
Discounts, rebates, etc.	**(3589.17)**	(2646.65)
Revenue from contracts with customers	**523887.94**	422776.37
ii) Other operating revenues		
Export incentives	**199.53**	102.50
Transfer of land (Refer Note No.51)	**2414.40**	-
Dividend Income	**62.48**	67.06
Net gain/(loss) on sale/redemption/fair valuation of:		
- Long term investments fair valued through profit or loss	**516.15**	127.70
Recovery towards services rendered	**162.11**	139.45
Receipts from sale of scrap and ancillary products	**941.73**	1246.87
Insurance claims	**142.83**	37.43
Display income received by retail stores	**1442.84**	1041.89
Other receipts	**690.92**	443.42
Total (B)	**6572.99**	3206.32
Total revenue from operations (A+B)	**530460.93**	425982.69

	Year ended 31.3.2024	Year ended 31.3.2023
28. Other income		
Interest income from:		
- Debts, deposits, loans and advances, etc. (at amortised cost)	**249.78**	275.62
- Interest on long term investments*	**562.19**	446.26
- Income tax refund	**339.16**	-
Rent and hire charges from:		
- Others	**449.34**	451.29
Net gain on sale/redemption/fair valuation of:		
- Long term investments fair valued through profit or loss	**15436.88**	7226.29
- Short term investments fair valued through profit or loss	**2511.17**	2140.26
Foreign currency fluctuation (net)	**862.69**	690.50
Profit on sale of property plant and equipment (net)	**38.98**	108.52
Liabilities written back	**171.27**	529.22
Provision for doubtful debts and advances written back	**4.43**	27.87
Provison for decline in value of investment in associate written back	**-**	496.00
Gain on termination/concession in leases (Refer note no. 40)	**289.55**	562.34
Net gain on sale/assignment of trademarks & other assets related to chewing business (Refer Note No. 52)	**-**	3490.96
Miscellaneous income	**510.90**	360.59
	21426.34	16805.72
*includes interest income calculated in relation to financial assets valued on amortised cost basis.	**550.06**	435.95

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2024	Year ended 31.3.2023
29. Cost of materials consumed		
Cost of raw and packing materials consumed	**108345.12**	91742.31
	108345.12	91742.31

	Year ended 31.3.2024	Year Ended 31.3.2023
30. Purchases of stock-in-trade		
Unmanufactured tobacco (transferred from raw and packing materials)	**96687.55**	57145.17
Other goods (including cigarettes purchased for re-sale)	**39227.88**	34344.24
	135915.43	91489.41

	Year ended 31.3.2024	Year Ended 31.3.2023
31. Changes in Inventories of finished goods, stock-in-trade and work-in-process		
Opening stock:		
Work-in-process	**672.76**	474.40
Finished goods		
- Cigarettes	**9596.17**	8576.98
- Chewing products	**-**	129.43
Stock-in-trade	**8896.82**	4902.56
Land	**6572.16**	6572.16
Opening stock (A)	**25737.91**	20655.53
Closing stock:		
Work-in-process	**600.87**	672.76
Finished goods		
- Cigarettes	**10529.70**	9596.17
Stock-in-trade	**8537.83**	8896.82
Land	**5830.59**	6572.16
Closing stock (B)	**25498.99**	**25737.91**
Decrease/(Increase) in inventories (A-B)	**238.92**	**(5082.38)**

	Year ended 31.3.2024	Year Ended 31.3.2023
32. Employee benefits expenses		
Salaries and wages	**28781.29**	26385.62
Employee share based payment expense (Refer Note No. 46)	**454.76**	-
Provident fund expense (Refer Note No.41)	**1510.64**	1466.78
Gratuity and superannuation expense (Refer Note No.41)	**663.76**	653.29
Workmen and staff welfare expenses	**2230.09**	2331.54
	33640.54	30837.23

	Year ended 31.3.2024	Year Ended 31.3.2023
33. Finance costs		
Interest expenses on:		
- Borrowings	**18.76**	10.56
- Lease liabilities (Refer Note No. 40)	**2384.82**	2549.65
- Others	**182.29**	306.41
Other borrowing costs	**28.63**	34.02
	2614.50	2900.64

(All amounts are in Rs. lakhs unless otherwise stated)

34. Other Expenses

	Year ended 31.3.2024	Year ended 31.3.2023
Consumption of stores and spare parts*	**394.61**	415.35
Power and fuel	**4846.80**	4708.19
Rent (Refer Note No.40)	**546.49**	278.48
Repairs and maintenance		
- Buildings	**537.86**	548.92
- Plant and machinery	**2561.13**	2533.07
- Others	**2689.80**	2511.59
Insurance	**847.05**	839.88
Rates and taxes	**655.40**	1200.40
Freight and cartage	**5136.66**	5841.06
Legal and professional expenses	**3143.19**	3078.97
Auditors' Remuneration (net of GST)**		
- Audit fees	**131.26**	124.71
- For tax audit	**23.64**	23.64
- For limited review of unaudited financial statements	**92.30**	91.42
- For corporate governance, consolidated financial statements and other certificates	**7.50**	7.50
- For other services	**6.93**	1.65
- Reimbursement of expenses	**14.78**	9.90
Commission paid to other than sole selling agents	**294.42**	331.13
Advertising and sales promotion	**15701.32**	8936.16
Selling and distribution expenses	**10400.12**	9293.82
Travelling and conveyance	**2812.57**	2579.85
Donations	**21.65**	60.00
Contributions/expenses towards Corporate social responsibility (Refer Note No.35)	**1012.04**	891.00
Bad debts and advances written off	**23.32**	143.98
Property, plant and equipment and Intangible assets written off	**82.07**	1335.32
Technical services fee and royalty	**1545.62**	1454.39
Consumer research activity	**922.47**	265.61
Machine and material handling expenses	**426.03**	424.39
Contract labour for factories and retail stores operations	**5546.02**	4667.64
Net loss on sale/redemption/fair valuation of short term investments	**0.13**	13.92
Miscellaneous expenses	**14180.39**	14295.83
	74603.57	66907.77

*Excludes consumption of spare parts charged to repairs and maintenance of plant & machinery

**Includes fees paid to the auditors of the subsidiary companies.

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2024	Year ended 31.3.2023

35. Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Holding Company. The CSR activities are aimed at promoting education and healthcare, spreading awareness on water conservation and resource management, maintenance of bio diversity conservation parks thus carrying out community development programs in rural areas providing relief to marginalised communities.

Gross amount required to be spent by the Company during the year is Rs. 1043.00 lakhs (Previous year Rs. 891.00 lakhs) and the details of amount spent are as under:

	31.3.2024	31.3.2023
a) Gross amount required to be spent by the Company during the year	**1043.00**	891.00
b) Amount approved by the board to be spent during the year	**1043.00**	891.00
c) Amount spent during the year on :-		
(i) Construction/acquisition of any asset	**-**	-
(ii) On purpose other than (i) above	**408.16**	536.79
d) Details related to spent/unspent obligation		
(i) Contribution to implementing agencies	**377.20**	506.47
(ii) Administrative expenses incurred (restricted to 5% of amount spent during the year)	**30.96**	30.32
(iii) Unspent amount in relation to :-		
- ongoing project	**634.84**	354.21
- other than ongoing project	**-**	-
	1043.00	891.00

* Includes 5% on Rs. 242 lakhs spent from CSR unspent A/c during the year.

e) Details of ongoing project

	Opening Balance*		Amount	Amount spent during the year		Closing Balance	
	With Company	In CSR Unspent A/c**	required to be spent during the year	From Company's Bank A/c	From CSR unspent A/c	With Company	In CSR Unspent A/c**
March 31, 2024	**354.21**	**130.00**	**1043.00**	**408.16**	**242.00**	**634.84**	**242.21**
March 31, 2023	230.00	-	891.00	536.79	100.00	354.21	130.00

*(Refer foot note to Note No. 26)

**Refer Note No. 14

36. Earnings per share

	As at 31.3.2024	As at 31.3.2023
Profit for the year attributable to owners of the Company (A)	**88304.29**	69046.69
Weighted average number of equity shares for the purpose of basic earning per share and diluted earning per share (B)	**51982244**	51993920
Basic and Diluted Earnings per share after tax (Rs.) [A/B] (Face value of Rs. 2 each)	**169.87**	132.80

37. Contingent liabilities not provided for

	As at 31.3.2024	As at 31.3.2023
a) Demands from excise, income tax, sales tax and other authorities not accepted by the Group @^	**8750.91**	7220.06
b) Claims against the Group not acknowledged as debts	**1.37**	1.37

@ all these matters are subject to legal proceedings in the ordinary course of business and in the opinion of the Group, these are not expected to have material effect on the financial statements of the Group when ultimately concluded and interest, if any, would be additional.

^ Demands of income-tax for the financial years 2014-15 to 2018-19 and 2020-21 include amounts relating to certain expenses being treated as non-deductible business expenses pursuant to the re-assessment/assessment orders passed in connection with search carried out by the Income-tax department under section 132 of the Income-tax Act, 1961 on a promoter of the Holding Company. The Group is of the view that these are admissible business expenses and accordingly, has appealed against the re-assessment/assessment orders before the CIT (Appeals) which appeals are pending disposal. Further, consequential effect of these orders has been given to the similar expenses to the extent the same can be estimated with reasonable certainty, incurred in FY 2019-20 & subsequent financial years and claimed/considered as deductible business expenses for determining the contingent liability.

c) The Holding Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the requirements of the Companies Act. There are no amounts that were due to be transferred by the subsidiary companies and associate companies to the Investor Education and Protection Fund.

d) The Group has received various show cause notices from various Government Authorities asking it to explain why certain amounts mentioned therein should not be paid or for providing information and explanations. Thus the Group does not consider these to constitute a liability of any kind. As and when these notices are recevied, the Group responds to the same in accordance with the provisions of the law.

(All amounts are in Rs. lakhs unless otherwise stated)

38. Commitments	As at 31.3.2024	As at 31.3.2023
a) The estimated amount of contracts remaining to be executed on capital amount and not provided for (net of advances)	**3708.91**	1217.54

b) The Group has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services and employee benefits including union agreements, in normal course of business. The Group does not have any other long term contracts including derivative contracts for which there will be any material foreseeable losses.

39. Expenditure on scientific research and development	As at 31.3.2024	As at 31.3.2023
Revenue expenditure	**1140.48**	1080.62
Capital expenditure	**162.58**	133.85

40. Leases

40.1 Group as a lessee

The Group has lease contracts for various items of land, offices, warehouses, retail stores, store equipment and vehicles used in its operations. Leases of land have a term ranging from 45 to 99 years, offices, warehouses and stores have lease terms between 2 and 18 years, store equipment have a lease terms of 5 years, while motor vehicles generally have lease terms between 3 and 5 years. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed.

The Group also has certain leases of warehouses of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	As at 31.3.2024	As at 31.3.2023
Carrying amount of:		
Right-of-Use: Office buildings, warehouses and stores	**23903.74**	26295.05
Right-of-Use: Store equipment & furniture	**232.22**	348.93
Right-of-Use: Land*	**621.42**	631.93
Right-of-Use: Vehicles	**24.25**	89.14
Total	**24781.63**	27365.05

	Right-of-Use: Office buildings, warehouses and stores	Right-of-Use: Store equipment & furniture	Right-of-Use: Land*	Right-of-Use: Vehicles	Total
Cost					
Balance as at April 1, 2022	**35003.42**	**4880.38**	**1874.52**	**604.88**	**42363.20**
Additions / Modifications	7912.45	-	-	0.00	7912.45
Derecognition	(4348.83)	(2379.08)	(1200.54)	(283.88)	(8212.33)
Balance as at March 31, 2023	**38567.04**	**2501.30**	**637.98**	**321.00**	**42063.32**
Additions / Modifications	3360.22	168.77	-	-	3528.99
Derecognition	(1993.27)	-	-	(12.42)	(2005.69)
Balance as at March 31, 2024	**39933.99**	**2670.07**	**673.98**	**308.58**	**43586.62**
Accumulated depreciation					
Balance as at April 1, 2022	**10294.00**	**3640.32**	**126.33**	**405.06**	**14465.71**
Depreciation expense	4426.74	891.13	26.30	110.68	5454.85
Derecognition	(2448.75)	(2379.08)	(110.58)	(283.88)	(5222.29)
Balance as at March 31, 2023	**12271.99**	**2152.37**	**42.05**	**231.86**	**14698.27**
Depreciation expense	4628.38	285.48	10.51	60.57	**4984.94**
Derecognition	(870.12)	-	-	(8.10)	(878.22)
Balance as at March 31, 2024	**16030.25**	**2437.85**	**52.56**	**284.33**	**18804.99**
Balance as at March 31, 2024	**23903.74**	**232.22**	**621.42**	**24.25**	**24781.63**
Balance as at March 31, 2023	26295.05	348.93	631.93	89.14	27365.05

*Includes Rs. 4.27 lakhs (Previous year - Rs. 4.34 lakhs) in respect of plot of land in one of a subsidiary for which a notice of termination of lease has been received from the Government of U.P. The Subsidiary has disputed the said notice by a petition filed before the Allahabad High Court and the same is pending disposal.

(All amounts are in Rs. lakhs unless otherwise stated)

40. Leases (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at 31.3.2024	As at 31.3.2023
Balance as at April 1	**31912.57**	30602.23
Addition	**3488.01**	7807.57
Accretion of interest*	**2384.82**	2549.65
Payments	**(6360.43)**	(6584.46)
Rent concessions	**(87.37)**	(295.55)
De-recognition of lease liabilities on termination	**(1329.30)**	(2166.87)
Balance as at March 31**	**30008.30**	31912.57
Current	**4241.22**	3982.97
Non-current	**25767.08**	27929.60

* Lease liabilities carry an effective interest rate of 7.85%

** For maturities of lease liabilities, Refer Note No. 42.3

The following are the amounts recognised in profit or loss:

	As at 31.3.2024	As at 31.3.2023
Depreciation expense of right-of-use assets	**4984.94**	5454.85
Interest expense on lease liabilities (Refer Note No. 33)	**2384.82**	2549.65
Expense relating to short-term leases (Refer Note No. 34)	**338.42**	151.26
Variable lease payments (Refer Note No. 34)	**208.07**	127.22
Gain on termination of leases (Refer Note No. 28)	**(202.18)**	(266.79)
Rent concessions (Refer Note No. 28)	**(87.37)**	(295.55)
	7626.70	7720.64

The Group has lease contracts for stores that contains variable payments based on the revenue earned during the year. These terms are negotiated by management for certain stores as per prevalent market conditions. Management's objective is to align the lease expense with the revenue earned. The following provides information on the Group's variable lease payments:

	For the Year Ended 31.3.2024	For the Year Ended 31.3.2023
Variable rent	**208.07**	127.22
	208.07	127.22

40.2 Group as a lessor

The Group has let out and sub-let part of its owned and rented office premises under lease arrangements which are cancellable in nature but renewable on mutually agreeable terms. These leases have terms ranging between 11 months to 3 years. Rental income recognised by the Group during the year is Rs. 449.34 Lakhs (Previous Year Rs.451.29 Lakhs).

(All amounts are in Rs. lakhs unless otherwise stated)

41. Employee benefit plans

(a) Defined contribution plans and amounts recognised in the consolidated statement of profit and loss/other comprehensive income

	Year ended 31.3.2024	Year ended 31.3.2023
Contribution towards provident fund (Refer Note No. 32)	**110.56**	112.51
Contribution towards superannuation fund	**121.75**	118.50
Employers' contribution to employee's state insurance scheme	**2.32**	3.44
	234.63	234.45

(b) Other long term employee benefits (based on actuarial valuation)

	Year ended 31.3.2024	Year ended 31.3.2023
Compensated absences – amount recognized in the consolidated statement of profit and loss	**481.15**	365.02

(c) Defined benefit plans

Gratuity

The Group makes annual contributions to gratuity funds established as trusts, for the defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity as per provisions of the Payment of Gratuity Act,1972 or the relevant Company Scheme, whichever is beneficial.

The plan typically exposes the Group to actuarial risks such as: loss of investment risk, interest rate risk, mortality rate risk and salary rate risk.

Loss of Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest rate risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the plan's liability.

Mortality rate risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary rate risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit and loss and the funded status and Amounts recognised in the consolidated balance sheet for defined benefit plan:

Net employee benefit expense recognized in employee cost	Year Ended 31.3.2024	Year Ended 31.3.2023
Current service cost	**472.70**	531.72
Past service cost	**75.35**	-
Net interest cost	**(6.04)**	3.07
Net employee benefit expense recognized in employee cost	**542.01**	534.79

(All amounts are in Rs. lakhs unless otherwise stated)

(c) Defined benefit plans - Gratuity (continued)

Amount recognised in other comprehensive income:

	Year ended 31.3.2024	Year ended 31.3.2023
Actuarial (gain)/loss on obligations arising from change in financial assumption	**192.55**	(465.20)
Actuarial loss on obligations arising from change in demographic adjustments	**(73.69)**	-
Actuarial loss on obligations arising on account of experience adjustments	**136.93**	198.80
Return on plan assets (excluding amounts included in net interest expense)	**(41.16)**	(12.33)
Net expense/(income) for the year recognized in other comprehensive income	**214.63**	(278.73)

(I) Changes in the present value of the defined benefit obligation are as follows:

	Year ended 31.3.2024	Year ended 31.3.2023
Opening defined obligation	**10790.19**	10940.78
Current service cost	**472.70**	531.72
Past service cost	**75.35**	-
Interest cost (Gross)	**734.28**	683.91
Benefits paid	**(796.48)**	(1099.83)
Actuarial loss/(gain) on obligations arising from change in financial assumptions	**192.55**	(465.19)
Actuarial loss/(gain) on obligations arising from change in demographic adjustments	**(73.69)**	-
Actuarial loss/(gain) on obligations arising on account of experience adjustments	**136.93**	198.80
Closing defined benefit obligation	**11531.83**	10790.19
(II) Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	**10603.03**	10587.06
Interest income (Gross)	**740.33**	680.84
Return on plan assets (excluding Amounts included in net interest expense)	**41.16**	12.33
Contribution by employer	**187.17**	422.63
Benefits paid	**(796.48)**	(1099.83)
Closing fair value of plan assets	**10775.19**	10603.03
(III) Net Liability recognised in the consolidated balance sheet (I - II)	**756.64**	187.16

The major categories of plan assets of the fair value of the total plan assets are as follows:

	Amount	% of total plan assets
As at March 31, 2024		
Government debt securities	**210.02**	**1.95%**
Other debt instruments	**10.34**	**0.10%**
Insurer managed funds	**10602.65**	**98.40%**
Others	**(47.82)**	**-0.44%**
	10775.19	**100.00%**
As at March 31, 2023		
Government debt securities	209.43	1.98%
Other debt instruments	10.34	0.10%
Insurer managed funds	10369.45	97.80%
Others	13.81	0.13%
	10603.03	100.00%

(All amounts are in Rs. lakhs unless otherwise stated)

(c) Defined benefit plans - Gratuity (continued)

The principal assumptions used in determining gratuity obligation for the Group's plans are shown below:

	As at 31.3.2024	As at 31.3.2023
Discount rate (in %)	7.20%	7.50%-7.55%
Salary escalation rate (in %)	7.50%-8.00%	7.50%-8.00%
Expected rate of return on plan assets	7.20%	7.50%-7.55%

A quantitative sensitivity analysis for significant assumption shown above as at March 31, 2024 is as shown below:

Assumption	**Impact on defined benefit obligation**	
	As at 31.3.2024	As at 31.3.2023
Impact of increase in 0.5% in discount rate	-2.71%	-3.07%
Impact of decrease in 0.5% in discount rate	2.86%	3.25%
Impact of increase in 0.5% in salary escalation rate	2.83%	3.21%
Impact of decrease in 0.5% in salary escalation rate	-2.71%	-3.07%

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 occurring at the end of the reporting period.

Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflations, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The following payments are expected as contributions to the defined benefit plan in future years:

Rupees in Lakhs

	Year ended 31.3.2024	Year ended 31.3.2023
Within the next 12 months (next annual reporting period)	**2372.86**	1976.00
Between 2 and 5 years	**4900.50**	4452.55
Between 6 and 9 years	**4723.63**	4625.06
10 years and above	**6686.47**	8188.03
Total expected payments	**18683.46**	19241.64

The average duration of the defined benefit plan obligation at the end of the reporting period is 5.49~6.52 years (Previous year 6.27~6.66 years).

(d) Defined benefit plans - Provident Fund

The Holding Company makes monthly contributions towards provident fund which is administered by Godfrey Phillips India Limited Provident Fund (the Fund), an exempted PF Trust. The conditions governing the exemption require that the employer shall make good the loss, if any, incurred on the investments made by the Fund and also make good the deficiency in the rate of interest as may be notified by the EPFO from year to year.

Amounts recognised on account of PF contribution by the Holding Company during the year are as follows :-

	Year ended 31.03.2024	Year ended 31.03.2023
Amount recognised in profit and loss	**1400.08**	1354.27
Amount recognised in other comprehensive income	**304.20**	-
	1704.28	1354.27

42. Financial instruments and risk management

42.1. Fair value measurements

The fair value of financial assets and liabilities are included at the amount at which the instruments could be exchanged in as current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) The fair value of cash and cash equivalents, trade receivables, trade payables, security deposits received, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value.

ii) The financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by using valuation techniques that are appropriate in the circumstances and for which sufficient data are available.

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and/or debt based mutual fund investments, bonds or debentures.

Level 2: This level of hierarchy includes items measured using inputs, other than quoted prices included within level 1, that are observable for such items, directly or indirectly.

Level 3: This level of hierarchy includes items measured using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main items in this category are unquoted equity instruments. The fair valuation of the major unquoted equity investment i.e. investment held in K K Modi Investment & Financial Services Private Limited, has been carried out by an independent valuer using the asset approach valuation technique. The valuer has used significant inputs like market data, growth projections, future cash flow discounting @ 13% to 15%, P/E multiple, etc., as the case may be, in arriving at the gross value and then applied discount rates ranging between 56% to 58% to arrive at the fair value for current and previous year.

(All amounts are in Rs. lakhs unless otherwise stated)

42. Financial instruments and risk management (continued)

42.2. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at amortised cost or at fair value and fair value heirarchy.

As at March 31, 2024	Carrying amount	Fair Value
Financial assets		
Financial instruments at FVTPL:		
Investment in		
- mutual funds	233289.49	233289.49
- equity shares	5019.34	5019.34
- preference shares	211.38	211.38
- debentures	1715.11	1715.11
- in others	155.15	115.15
Financial instruments at amortised cost:		
Investment in		
- others (Perpetual Bonds)	12277.32	12147.85
Trade receivables	17286.65	17286.65
Cash and cash equivalents	1045.87	1045.87
Other bank balances	1451.70	1451.70
Loans	869.20	869.20
Other financial assets		
- Fixed Deposits with remaining maturity of more than 12 months	70.00	70.00
- Security deposits	1580.51	1580.51
- Interest accrued on bank and other deposits	458.29	458.29
- Compensation receivable	2414.40	2414.40
- other receivables	1103.76	1103.76
Financial instruments at FVTOCI:		
Investments in equity instruments designated upon initial recognition	39728.59	39728.59
Total financial assets	**318636.76**	**318507.29**
Financial liabilities		
Financial instruments at amortised cost:		
Borrowings	4530.44	4530.44
Trade payables	46676.57	46676.57
Other financial liabilities		
- Security deposits	207.87	207.87
- Interest accrued but not due on borrowings	0.89	0.89
- Unclaimed dividends	635.36	635.36
- Payable to gratuity funds	719.51	719.51
- Liability towards property, plant and equipments	652.95	652.95
Others	15.78	15.78
Total financial liabilities	**53439.37**	**53439.37**

(All amounts are in Rs. lakhs unless otherwise stated)

Financial instruments and risk management (continued)

42.2. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at amortised cost or at fair value and fair value heirarchy.

As at March 31, 2023	Carrying amount	Fair Value
Financial assets		
Financial instruments at FVTPL:		
Investment in		
- mutual funds	216910.38	216910.38
- equity shares	4534.38	4534.38
- preference shares	185.79	185.79
- debentures	2473.57	2473.57
- in others	1135.30	1135.30
Financial instruments at amortised cost:		
Investment in		
- others (Perpetual Bonds)	5073.00	4954.97
Trade receivables	14951.61	14951.61
Cash and cash equivalents	1572.76	1572.76
Other bank balances	2457.72	2457.72
Loans	447.90	447.90
Other financial assets		
- Security deposits	2062.72	2062.72
- Interest accrued on bank and other deposits	225.80	225.80
- other receivables	908.47	908.47
Financial instruments at FVTOCI:		
Investments in equity instruments designated upon initial recognition	27362.21	27362.21
Total financial assets	**280301.61**	**280183.58**
Financial liabilities		
Financial instruments at amortised cost:		
Borrowings	3585.37	3585.37
Trade payables	36548.99	36548.99
Other financial liabilities		
- Security deposits	119.38	119.38
- Interest accrued but due on borrowings	0.18	0.18
- Unclaimed dividends	600.22	600.22
- Payable to gratuity funds	237.55	237.55
- Liability towards property, plant and equipments	1234.35	1234.35
- Others	15.78	15.78
Total financial liabilities	**42341.82**	**42341.82**

Note: Investment in associates are accounted for using the equity method and are not covered under Ind AS 107 and hence not been included above.

42.2.Fair value hierarchy (continued)

Note for Financial assets

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:
Investments at FVTPL: Fair value for investments aggregating to Rs. 24385.63 lakhs (previous year Rs.21685.51 lakhs) have been determined with reference to the market quoted price of the investments, a level 1 valuation, Rs.215753.46 lakhs (previous year Rs.203368.13 lakhs) have been determined with reference to the declared NAV, a level 2 valuation and Rs. 211.38 lakhs (previous year Rs.185.79 lakhs), has been determined with reference to the net asset value of the entity, a level 3 valuation
Financial instruments at amortised cost: Fair value for bonds aggregating to Rs. 12147.85 lakhs (previous year Rs.4954.57 lakhs) is determined with reference to the market quoted price of the investments, a level 1 valuation. For all other financial assets and financial liabilities, the carrying value approximate the fair value due to short term maturity.
Investments at FVTOCI: Fair value for equity shares aggregating to Rs. 39728.59 lakhs (previous year Rs.27362.21 lakhs) a level 3 valuation is determined by reference to net asset values (NAVs) of the entity.

42.3.Financial risk management objectives and policies

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by its Board of Directors.
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, deposits, foreign currency receivables, payables, loans and borrowings.
The Group manages market risk through its finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest in order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, the finance department undertakes the interest rate risk management exercise from time to time.
The Group is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign currency risk

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas markets and purchases from suppliers in various foreign currencies.
The Group evaluates exchange rate exposure arising from foreign currency transactions and it follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivable.
The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the Consolidated Financial Statements. The Group's maximum credit exposure to credit risk is Rs. 316139.19 lakhs (previous year Rs. 276271.13 lakhs). The Group has excluded cash and cash equivalents, other bank balances and investments in associates as the credit risk associated with them is minimal.
Financial assets are provided for, when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been provided for, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss in the subsequent reporting period. The management believes that there is no significant exposure of credit risk due to the nature of Group's business other than those for which impairment allowance has been recorded.
For details of trade receivables those are past due date refer note no. 13

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligation on time or at a reasonable price. The Group's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Board of Directors. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

(All amounts are in Rs. lakhs unless otherwise stated)

42.3. Financial risk management objectives and policies (continued)

(A) Maturities of financial liabilities

The table below analyze the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances, except lease liabilities, due within 12 months equal their carrying values as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at March 31, 2024			
Borrowings	4530.44	200.00	4730.44
Lease liabilities	6516.55	34497.22	41013.77
Trade payables	46676.57	-	46676.57
Other financial liabilities	2045.09	187.27	2232.36
	59768.65	**34884.49**	**94653.14**
As at March 31, 2023			
Borrowings	3585.37	200.00	3785.37
Lease liabilities	6465.90	37896.88	44362.78
Trade payables	36548.99	-	36548.99
Other financial liabilities	2099.93	107.53	2207.46
	48700.19	**38204.41**	**86904.60**

(B) Foreign currency risk exposure

Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:

Particulars	Currency	As at 31.3.2024		As at 31.3.2023	
		Amount in foreign currency (lakhs)	Amount in Rs. lakhs	Amount in foreign currency (lakhs)	Amount in Rs. lakhs
Trade receivables	USD	88.44	7220.63	32.28	2599.18
Current liabilities	USD	56.93	4837.56	57.38	4808.97
	EURO	7.82	719.47	7.11	649.90
	GBP	0.52	55.74	0.06	6.10
	SGD	-	-	0.02	1.15

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rate such as USD, with all other variables held constant. The impact on the Group’s profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives:

(All amounts are in Rs. lakhs unless otherwise stated)

Currency of exposure	As at 31.3.2024		As at 31.3.2023	
	5% increase	5% decrease	5% increase	5% decrease
Impact on profit before tax as at the end of the reporting year -USD	**119.15**	**(119.15)**	(110.49)	110.49

(C) Exposure in mutual fund investments

The Group manages its surplus funds majorly through investments in mutual fund schemes. The fair value of these investments is reflected through net asset values (NAVs) declared by the Asset Management Company on daily basis with regard to the invested schemes. The Group is exposed to market price risk on such investments.

Sensitivity analysis of mutual fund investments

Had the NAVs been higher/lower by 1% at the end of the reporting period, profit for the year ended 31.3.2024 would have increased/decreased by Rs.2332.89 lakhs (for the year ended 31.3.2023 by Rs.2169.10 lakhs).

43. Capital management

For the purposes of the Group`s capital management, capital includes issued capital and all other equity reserves excluding non controlling interest. Net debts comprises of non-current and current debts (including trade payables and other financial liabilities), other current liabilities as reduced by cash and cash equivalents and current investments. 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 economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt.

Gearing ratio	As at 31.3.2024	As at 31.3.2023
Borrowings	**4530.44**	3585.37
Trade payables	**46676.57**	36548.99
Lease Liabilties	**30008.30**	31912.57
Other financial liabilities	**2232.36**	2207.46
Other current liabilities	**61770.84**	55944.75
Less : Cash and cash equivalents as per cash flow	**1045.87**	1572.76
: Current investments	**15769.93**	13844.09
Net debt (A)	**128402.71**	114782.29
Total equity	**423211.42**	354793.21
Capital and net debt (B)	**551614.13**	469575.50
Gearing Ratio (A/B)	**23.28%**	24.44%

No changes were made in the objectives, policies or processes during the year ended March 31, 2024.

44. Related party transactions

44.1 Disclosure of related parties	Place of incorporation and operation	Proportion of ownership interest / voting rights held by the parent entity	
		As at 31.3.2024	As at 31.3.2023
(a) Associates:			
IPM India Wholesale Trading Private Limited	India	24.80%	24.80%
KKM Management Centre Private Limited	India	36.75%	36.75%

(b) Entities of which the Holding Company is an associate:
K K Modi Investment & Financial Service Private Limited, India
Philip Morris Global Brands Inc., USA

(c) Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to:
PMFTC Inc., Philippines
Philip Morris Products S.A.
PT Hanjaya Mandala Sampoerna Tbk.
AO Philip Morris Izhora, Russia
PT. Philip Morris Indonesia

(d) Key management personnel & their relatives and other directors:
Dr. Bina Modi, President, Managing Director and Chairperson of the Board*
Mr. Samir Kumaar Modi, Executive Director
Mr. Ruchir Kumar Modi, Ordinary Director (upto August 5,2021), and a relative of Mr. Samir Modi and Mrs. Bina Modi
Ms. Charu Modi, a relative of Mr. Samir Kumaar Modi and Dr. Bina Modi
Mr. Sharad Aggarwal , Wholetime Director and Functional Chief Executive officer
Mr. Sunil Agrawal, Chief Financial Officer
Mr. Sanjay Kumar Gupta, Company Secretary
Mr. Amit Kaushal, Executive Director of a subsidiary (upto September 20,2022)
Mr. Ashrant Bhartia, Director of a subsidiary
Mr. R A Shah, Non Independent Director and Chairman of the Board (Upto August 26, 2022)
Mr. Lalit Bhasin, Independent Director
Mr. Atul Kumar Gupta, Independent Director
Mrs. Nirmala Bagri, Independent Director
Mr. Sumant Bhardwaj, Independent Director
Mr. Subramanian Lakshminarayanan, Independent Director (w.e.f. May 28,2022)
Mr. Ajay Vohra, Independent Director (w.e.f. July 01,2023)
*Dr. Bina Modi was appointed as Chairperson w.e.f August 26,2022 in addition to her pre-existing role as President and Managing Director.

(e) Enterprises over which key management personnel and their relatives are able to exercise significant influence:
Modicare Limited
Beacon Travels Private Limited
Indofil Industries Limited
HMA Udyog Private Limited
Bina Fashion N Food Private Limited
Priyal Hitay Nidhi
Colorbar Cosmetics Private Limited
MHP Staffing Private Limited
Modi Innovative Education Society
Modi Stratford Enterprise Management Private Limited
International Research Park Laboratories Limited
Crawford Bayley & Co.
Bhasin & Co.
Rajputana Developers Limited
Quick Investment (India) Limited
Good Investment (India) Limited
Super Investment (India) Limited
Swasth Investment Private Limited

(f) Other related parties:
Godfrey Phillips India Limited employees Gratuity Fund No.1
Godfrey Phillips India Limited employees Gratuity Fund No.2
Godfrey Phillips India Limited Management Staff Superannuation Fund
Godfrey Phillips India Limited Provident Fund
International Tobacco Company Limited employees Gratuity Fund No.1
International Tobacco Company Limited employees Gratuity Fund No.2
International Tobacco Company Limited Management Staff Superannuation Fund

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44. Related party transactions (continued)

44.2 Disclosure of transactions between the Group and related parties and the status of outstanding balances as at the year end

(All amounts are in Rs. lakhs unless otherwise stated)

A	Nature of transactions	Associates		Key management personnel and their relatives@@		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the holding company		Other related parties	
		Year ended 31.3.2024	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023
i)	**Trading transactions**												
	Sale of goods, spare parts, etc.	**98594.91@**	63262.61@	**-**	-	**197.57**	221.62	**68554.73&**	30955.52&	**-**	-	**-**	-
	Refund of secutity Deposit (Indofil)	**-**	-	**-**	-	**-**	82.50	**-**	-	**-**	-	**-**	-
	Purchase of goods/services/spare parts	**9652.32@**	3840.43@	**-**	-	**2028.52$**	1943.97$	**19590.95&&**	11614.60&&	**-**	-	**-**	-
	Receipts from secondment of services	**-**	-	**-**	-	**146.00$***	123.34$*	**-**	-	**-**	-	**-**	-
	Miscellaneous income	**1137.53@**	1065.93@	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
	Rent and hire charges received	**-**	-	**-**	-	**412.17**	420.59	**-**	-	**-**	-	**-**	-
	Payments for professional services availed	**-**	-	**-**	-	**12.14**	10.40	**-**	-	**-**	-	**-**	-
	Donation given $$$	**-**	-	**-**	-	**262.00**	150.00	**-**	-	**-**	-	**-**	-
	Expenses recovered	**8774.67@**	9781.57@	**-**	-	**87.42**	23.53	**278.63@@@**	290.62@@@	**-**	-	**-**	-
	Expenses reimbursed	**-**	-	**-**	-	**-**	-	**22.89@@@**	-	**-**	-	**-**	-
ii)	**Other related party transactions**												
	Dividend payment (gross)												
	- Philip Morris Global Brands Inc.	**-**	-	**-**	-	**-**	-	**-**	-	**5742.21**	3654.13	**-**	-
	- K K Modi Investment & Financial Service Private Limited	**-**	-	**-**	-	**-**	-	**-**	-	**6827.88**	4345.01	**-**	-
	- Quick Investment (India) Limited	**-**	-	**-**	-	**983.75**	626.02	**-**	-	**-**	-	**-**	-
	- Good Investment (India) Limited	**-**	-	**-**	-	**1,896.05**	1,206.58	**-**	-	**-**	-	**-**	-
	- Super Investment (India) Limited	**-**	-	**-**	-	**231.99**	147.63	**-**	-	**-**	-	**-**	-
	- Swasth Investment Private Limited	**-**	-	**-**	-	**35.20**	22.40	**-**	-	**-**	-	**-**	-
	- HMA Udyog Private Limited	**-**	-	**-**	-	**53.78**	21.62	**-**	-	**-**	-	**-**	-
	Bina Modi	**-**	-	**1.32**	0.84	**-**	-	**-**	-	**-**	-		
	Samir Kumaar Modi	**-**	-	**0.88**	0.56	**-**	-	**-**	-	**-**	-		
	- Ruchir Modi	**-**	-	**0.88**	0.56	**-**	-	**-**	-	**-**	-		
	- Charu Modi	**-**	-	**0.00**	0.00	**-**	-	**-**	-	**-**	-		
	Technical services fee and royalty												
	- Philip Morris Products S.A.	**-**	-	**-**	-	**-**	-	**1545.62**	1454.39	**-**	-	**-**	-

44.2 Disclosure of transactions between the Group and related parties and the status of outstanding balances as at the year end (continued) **(All amounts are in Rs. lakhs unless otherwise stated)**

A	Nature of transactions	Associates		Key management personnel and their relatives@@		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the holding company		Other related parties	
		Year ended 31.3.2024	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023	**Year ended 31.3.2024**	Year ended 31.3.2023
iii)	**Contribution to trusts**												
	Godfrey Phillips India Limited Management Staff Superannuation Fund	-	-	-	-	-	-	-	-	-	-	**97.66**	96.06
	Godfrey Phillips India Limited Provident Fund	-	-	-	-	-	-	-	-	-	-	**1536.25**	1177.99
	Godfrey Phillips India Limited Gratuity Fund no. 1	-	-	-	-	-	-	-	-	-	-	**41.38**	(6.62)
	Godfrey Phillips India Limited Gratuity Fund no. 2	-	-	-	-	-	-	-	-	-	-	**678.13**	244.17
	International Tobacco Company Limited Management Staff Superannuation Fund	-	-	-	-	-	-	-	-	-	-	**24.08**	22.44
	International Tobacco Company Limited Gratuity Fund no.1	-	-	-	-	-	-	-	-	-	-	**(4.57)**	33.70
	International Tobacco Company Limited Gratuity Fund no.2	-	-	-	-	-	-	-	-	-	-	**41.70**	(15.19)
iv)	**Compensation & Post Employment benefits of key management personnel and other directors $$**												
	- Samir Kumaar Modi	-	-	**5142.27^**	3680.02^	-	-	-	-	-	-	-	-
	- Bina Modi	-	-	**3453.27**	1661.69	-	-	-	-	-	-	-	-
	- Ashrant Bhartia	-	-	**0.02**	0.02	-	-	-	-	-	-	-	-
	- Sunil Agrawal	-	-	**247.31**	260.69	-	-	-	-	-	-	-	-
	- Sanjay Kumar Gupta	-	-	**156.84**	156.05	-	-	-	-	-	-	-	-
	- Sharad Aggarwal	-	-	**1225.53**	743.17	-	-	-	-	-	-	-	-
	- Amit Kaushal	-	-	-	153.97	-	-	-	-	-	-	-	-
	- R A Shah	-	-	-	6.00	-	-	-	-	-	-	-	-
	- Lalit Bhasin	-	-	**18.00**	20.00	-	-	-	-	-	-	-	-
	- Atul Kumar Gupta	-	-	**14.00**	16.00	-	-	-	-	-	-	-	-
	- Nirmala Bagri	-	-	**14.00**	13.00	-	-	-	-	-	-	-	-
	- S Lakhshminaryan	-	-	**6.00**	7.00	-	-	-	-	-	-	-	-
	- Sumant Bhardwaj	-	-	**9.00**	10.00	-	-	-	-	-	-	-	-
	- Ajay Vohra	-	-	**3.00**	-	-	-	-	-	-	-	-	-

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44.2 Disclosure of transactions between the Group and related parties and the status of outstanding balances as at the year end (continued) **(All amounts are in Rs. lakhs unless otherwise stated)**

B	Outstanding balance	Associates		Key management personnel and their relatives@@		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the holding company		Other related parties	
		As at 31.3.2024	As at 31.3.2023	**As at 31.3.2024**	As at 31.3.2023	**As at 31.3.2024**	As at 31.3.2023	**As at 31.3.2024**	As at 31.3.2023	**As at 31.3.2024**	As at 31.3.2023	**As at 31.3.2024**	As at 31.3.2023
	Trade receivables	**4227.42@**	6440.95@	**-**	-	**2.57**	12.49	**-**	73.96@@@	**-**	-	**-**	-
	Loans given	**-**	-	**1.67**	3.67	**-**	-	**-**	-	**-**	-	**-**	-
	Trade payables	**5600.34@**	2485.42@	**-**	-	**189.11**	277.65	**2257.54&&&**	1649.19&&&	**-**	-	**-**	-
	Dues payable	**-**	-	**1.18**	17.86	**4.95**	4.95	**-**	-	**-**	-	**-**	-
	Commission payable to Samir Kumaar Modi(gross)	**-**	-	**2427.99**	2,508.08	**-**	-	**-**	-	**-**	-	**-**	-
	Commission payable to Bina Modi(gross)	**-**	-	**2313.87**	1,160.56	**-**	-	**-**	-	**-**	-	**-**	-
	Remuneration payable to Mr.Sharad Aggarwal	**-**	-	**301.87**	-	**-**	-	**-**	-	**-**	-	**-**	-
	Remuneration payable to KMP	**-**	-	**7.59**	-	**-**	-	**-**	-	**-**	-	**-**	-
	Gratuity payable to Ashrant Bhartia	**-**	-	**17.31**	17.31	**-**	-	**-**	-	**-**	-	**-**	-
	Other recoverable	**363.68@**	500.66@	**8.71**	-	**128.77**	1.35	**86.27@@@**	-				
	Technical service fee and royalty payable												
	- Philip Morris Products S.A.	**-**	-	**-**	-	**-**	-	**352.52@@@**	315.11@@@	**-**	-	**-**	-
	Other payable/(recoverable)												
	Godfrey Phillips India Limited Employees Gratuity Fund No.1	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**41.38**	(6.62)
	Godfrey Phillips India Limited Employees Gratuity Fund No.2	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**678.13**	244.17
	International Tobacco Company Limited Employees Gratuity Fund No.1	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(4.57)**	(35.20)
	International Tobacco Company Limited Employees Gratuity Fund No.2	**-**	-	**-**	-	**-**	-	**-**	-			**41.70**	(15.19)
	Godfrey Phillips India Limited Provident Fund	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**219.46**	206.38
	Godfrey Phillips India Limited Employees Gratuity Fund No.1	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**59.38**	2.39
	Godfrey Phillips India Limited Provident Fund	**-**	-	**-**	-	**-**	-	**-**	-	**-**		**9.30**	135.72

@relates to transactions with IPM India Wholesale Trading Private Limited and figures of purchase of goods have been reduced by Rs. 234508.79 lakhs (previous year Rs. 170910.28 lakhs) owing to resale of Marlboro cigarettes manufactured by the Company.

$ includes Rs.1119.40 lakhs (previous year Rs. 890.07 lakhs) from Beacon Travels Private Ltd, Rs.741.08 lakhs (previous year Rs. 781.86 lakhs) from Bina Fashions and Foods Private Limited and Rs. 151.30 lakhs (previous year Rs. 251.82 lakhs) from Colorbar Cosmetics Private Limited

$* includes Rs. 146.00 lacs (previous year Rs. 123.34 lakhs) from Colorbar Cosmetics Pvt. Ltd

$$ excludes incremental liability for gratuity and compensated absences which are actuarially determined on an overall basis.

^ Includes perquisite value of rent free accomodation as per Sec 17(2) of Income Tax Act, 1961.

$$$ including for CSR activities.

@@An amount aggregating to Rs.1351.63 lakhs was paid and received back from certain KMPs by the Group pursuant to the ESPS scheme

@@@ relates to transaction with Philip Morris Products S.A.

& includes Rs. 40688.12 lakhs (Previous year Rs.30955.23 lakhs) from Philip Morris Products S.A., PT.Hanjaya Mandala Sampoera Tbk Rs.35.09 lakhs (Previous year Rs. Nil), AO Philip Morris Izhora Rs.27831.52 lakhs (Previous year Rs.Nil)

&& includes Rs.18185.01 lakhs (previous year Rs.10600.62 lakhs) from PMFTC Inc., Rs. 1271.13 lakhs (previous year Rs.940.76 lakhs) from PT Hanjaya Mandala Sampoerna Tbk., Rs.134.81 (previous year Rs.73.22 lakhs) from PT Phillips Morris Indonesia

&&& includes Rs. 2143.23 lakhs (previous year Rs. 1649.19.00 lakhs) from PMFTC Inc.,Rs.91.42 lakhs (Previous year Rs. Nil) from PT Hanjaya Mandala Sampoerna Tbk

45. Segment Information

Products from which reportable segments derive their revenues

The Group's reportable segments under Ind AS 108 are as follows:

i) Cigarette, tobacco and related products

ii) Retail and related products

iii) Others

Segment information for the year ended March 31, 2024 and March 31, 2023 is as follows:

(All amounts are in Rs. lakhs unless otherwise stated)

		As at March 31, 2024				As at March 31, 2023			
		Cigarette,tobacco and related products	**Retail and related products**	**Others**	**Total**	Cigarette, tobacco and related products	Retail and related products	Others	Total
1	**Segment revenue**								
	- External sales (gross)	**481185.75**	**42702.19**	**-**	**523887.94**	381255.92	41520.45	-	422776.37
	- Other operating income	**1934.92**	**1645.04**	**2993.03**	**6572.99**	1811.19	1200.37	194.76	3206.32
	Total revenue	**483120.67**	**44347.23**	**2993.03**	**530460.93**	383067.11	42720.82	194.76	425982.69
2	**Segment result**	**78071.79**	**(6423.56)**	**2149.33**	**73797.56**	75038.34	(7649.04)	116.21	67505.51
	Unallocable income net of unallocable expenses				**19862.71**				11742.93
	Profit before finance costs and tax				**93660.27**				79248.44
	Less: Finance costs				**229.68**				350.99
	Profit before tax				**93430.59**				78897.45
	Share of profit of associates				**16067.85**				8360.99
	Profit before tax and after share of profit of associates				**109498.44**				87258.44
3	**Other information**								
	Capital expenditure including capital work in progress and capital advances	**8281.23**	**1147.67**	**-**	**9428.90**	7266.55	1378.72	-	8645.27
	Depreciation and amortization	**10474.57**	**4044.50**	**-**	**14519.07**	10435.78	4849.66	-	15285.44
	Non cash expenditure other than depreciation	**30.98**	**74.41**	**-**	**105.39**	1503.54	107.43	-	1610.97

45. Segment Information (continued)

(All amounts are in Rs. lakhs unless otherwise stated)

		As at March 31, 2024				As at March 31, 2023			
		Cigarette,tobacco and related products	**Retail and related products**	**Others**	**Total**	Cigarette, tobacco and related products	Retail and related products	Others	Total
a)	**Segment assets**								
	Allocable assets	**239914.36**	**25960.01**	**53744.52**	**319618.89**	186502.49	27245.67	39612.63	253360.79
	Unallocable assets				**264707.03**				243462.20
	Total assets				**584325.92**				496822.99
b)	**Segment liabilities**								
	Allocable liabilities	**118616.80**	**24668.52**	**63.60**	**143348.92**	104598.22	24960.16	25.86	129584.24
	Unallocable liabilities				**17141.15**				11913.75
	Total liabilities				**160490.07**				141497.99
c)	**Capital Employed**								
	Allocable capital employed	**121297.56**	**1291.49**	**53680.92**	**176269.97**	81904.27	2285.51	39586.77	123776.55
	Unallocable capital employed				**247565.88**				231548.45
	Total capital employed				**423835.85**				355325.00
	Total (b+c)				**584325.92**				496822.99

d) Entity wide information

The Group operates in two principle geographical areas - India and Outside India.

The Group's revenue from operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers		**Non-current assets ****	
	Year ended 31.3.2024	Year ended 31.3.2023	**As at 31.3.2024**	As at 31.3.2023
India	**396120.58**	330490.34	**96710.12**	99549.76
Outside India	**134340.35**	95492.35	**-**	0.60
Total	**530460.93**	425982.69	**96710.12**	99550.36

** Non current assets do not include deferred tax assets, financial assets-investments & other non-current financial assets

e) Segment accounting policies for the purpose of monitoring segment performance and allocating resources between segments:

In addition to the significant accounting policies applicable to the business segments as set out in Note No.4, the accounting policies in relation to segment accounting are as under:

i) Segment revenue and expenses:

Segment revenue and expenses only include items directly attributable to the segment. They do not include investment income, interest income from loans given, dividend income, profit or loss on sale/redemption/fair valuation of investments, provision for diminution in value of investments, finance cost, donations and provision for taxation (current and deferred tax). Since the corporate office of the Holding Company primarily caters to the cigarette and tobacco products segment, its expenses have been considered to be attributable to the same. Revenue of Rs. 98594.91 lakhs (Previous year Rs. 63262.61 lakhs) in the Cigarette, Toabacco and related products is from one (previous year : one) customer. No other single contributed to ten per cent or more to the Group's revenue for the year ended March 31, 2024 and March 31, 2023.

ii) Segment assets and liabilities:

All segment assets and liabilities are directly attributable to the segment.

Segment assets include all operating assets used by the segment and consist principally of net fixed assets, inventories, trade receivables, loans and advances and operating cash and bank balances. Segment liabilities include all operating liabilities and consist principally of trade payables and other financial liabilities. Segment assets and liabilities do not include investments, loans given, bank balances for unclaimed dividend and corporate social responsibilities and fixed deposits' unclaimed interest, share capital, reserves and surplus, loan funds, dividends payable and income-tax (current and deferred tax).

46. Employee share-based payment information

a. Description of employee share-based payment arrangements

During the Financial Year 2023-24, the Holding Company has implemented a share-based employee incentive plan in the name of "Godfrey Phillips Employees Share Purchase Scheme-2023" (hereinafter referred to as "ESPS 2023") which is being administered through an irrevocable Trust formed under the provisions of the Indian Trusts Act, 1882, in the name of "Godfrey Phillips ESPS Trust". The ESPS 2023 was approved by the Shareholders of the Company on 7th January 2024.

Detail of shares granted and accepted are as under:

Sl. No.	Grant Date	Vesting date	No. of Shares	Exercise Price (Rs.)	Offer acceptance period	Lock in Period	Method of Settlement
1	29th January 2024	29th January 2024	40,000	983	30 days from the date of offer i.e. 28th February 2024	For 1/3rd of Shares offered: One year from the date of transfer (Type 1). For next 1/3rd of Shares offered: Two year from the date of transfer (Type 2). For balance Shares offered: Two and half year from the date of transfer (Type 3).	Equity
	Total		**40,000**				

b. Measurement of fair values

The weighted average fair value of shares as on grant date:

Particulars		Method of Valuation	Weighted average fair value as on the grant date (Rs.)
Employee stock purchase scheme -2023			
Type 1	Lock in for 1 year	Binomial method	1170.82
Type 2	Lock in for 2 years	Binomial method	1125.60
Type 3	Lock in for 2.5 years	Binomial method	1114.29
Weighted average fair value			**1136.90**

c. The inputs used in the measurement of grant date fair value are as follows:

Stock Price (on the date previous to the date of grant) (Rs.)	2261.15
Exercise Price (Rs.)	983.00
Expected Life (no. of Years)	0.08
Risk free rate of interest (%)	7.11
Implied Volatility factor (%)	26.24
Dividend Yield on Market Price (%)	0.00

d. Details of employee share purchase scheme is presented below

ESPS 2023	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of shares	Weighted average exercise price in Rs	Number of shares	Weighted average exercise price in Rs
(i) outstanding at the beginning of the period;	-	-	-	-
(ii) granted during the period;	40,000	983	-	-
(iii) forfeited during the period;	-	-	-	-
(iv) exercised during the period;	40,000	983	-	-
(v) expired during the period;	-	-	-	-
(vi) outstanding at the end of the period;	40,000	983	-	-
(vii) exercisable at the end of the period.	-	-	-	-

Note: Excludes shares which were either not accepted or surrendered by the employees

(All amounts are in Rs. lakhs unless otherwise stated)

47. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 (continued)

Name of the entity	As at 31.3.2024		For the year ended 31.3.2024		For the year ended 31.3.2024		For the year ended 31.3.2024	
	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs.in Lakhs)	As % of consolidated profit or loss	Amount (Rs.in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in Lakhs)
Parent								
Godfrey Phillips India Limited	90.63%	384117.95	99.65%	88084.37	-4.21%	(383.43)	89.96%	87700.94
Subsidiaries								
a) Indian								
1.International Tobacco Company Limited	1.35%	5728.90	0.25%	223.69	0.07%	5.92	0.24%	229.61
2.Chase Investments Limited	8.55%	36219.78	0.58%	512.94	104.27%	9485.50	10.26%	9998.44
3.Friendly Reality Projects Limited	1.51%	6382.81	0.07%	61.24	0.00%	-	0.06%	61.24
4.Rajputana Infrastructure Corporate Limited	1.34%	5664.93	1.18%	1039.41	0.00%	-	1.07%	1039.41
5.Unique Space Developers Limited	0.03%	130.19	0.00%	(0.95)	0.00%	-	0.00%	(0.95)
b) Foreign								
1.Godfrey Phillips Middle East DMCC*	0.00%	-	-0.04%	(38.21)	0.00%	-	-0.04%	(38.21)
Non controlling interests in all subsidiaries	0.15%	624.43	0.10%	92.64	0.00%	-	0.10%	92.64
Associates								
a) Indian								
1.IPM India Wholesale Trading Private Limited	1.73%	7329.36	18.17%	16065.73	0.00%	-	16.48%	16065.73
2.KKM Management Centre Private Limited	0.08%	348.18	0.00%	2.12	0.00%	-	0.00%	2.12
ESPS Trust								
Godfrey Phillips ESPS Trust	0.00%	(1.40)	0.00%	(1.50)	0.00%	-	0.00%	(1.50)
Adjustments on consolidation	-5.36%	(22709.28)	-19.96%	(17644.55)	-0.12%	(10.73)	-18.11%	(17655.28)
	100.00%	**423835.85**	**100.00%**	**88396.93**	**100.00%**	**9097.26**	**100.00%**	**97494.19**

*under liquidation

The amount stated above are as per the standalone financial statements of each of the individual entities, before making any adjustments for intragroup transactions and/or balances.

(All amounts are in Rs. lakhs unless otherwise stated)

47. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 (continued)

Name of the entity	As at 31.3.2023		For the year ended 31.3.2023		For the year ended 31.3.2023		For the year ended 31.3.2023	
	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs.in Lakhs)	As % of consolidated profit or loss	Amount (Rs.in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in Lakhs)
Parent								
Godfrey Phillips India Limited	89.73%	318839.57	88.12%	60837.70	2.54%	191.57	79.68%	61029.27
Subsidiaries								
a) Indian								
1.International Tobacco Company Limited	1.55%	5499.29	0.26%	179.29	0.34%	25.34	0.27%	204.63
2.Chase Investments Limited	7.40%	26277.43	0.24%	162.33	97.24%	7338.33	9.79%	7500.66
3.Friendly Reality Projects Limited	1.78%	6321.57	-0.03%	(22.58)	0.00%	-	-0.03%	(22.58)
4.Rajputana Infrastructure Corporate Limited	1.22%	4348.92	-0.02%	(14.55)	0.00%	-	-0.02%	(14.55)
5.Unique Space Developers Limited	0.04%	131.13	0.00%	(1.34)	0.00%	-	0.00%	(1.34)
b) Foreign								
1.Godfrey Phillips Middle East DMCC	0.02%	64.23	-0.54%	(372.09)	0.00%	-	-0.49%	(372.09)
2.Flavors and More, Inc.*	0.00%	-	0.00%	0.00	0.00%	-	0.00%	0.00
Non controlling interests in all subsidiaries	0.15%	531.79	-0.01%	(3.81)	0.00%	-	0.00%	(3.81)
Associates								
a) Indian								
1.IPM India Wholesale Trading Private Limited	2.50%	8,871.64	12.13%	8,375.64	0.00%	-	10.94%	8375.64
2.KKM Management Centre Private Limited	0.10%	346.06	-0.02%	(15.59)	0.00%	-	-0.02%	(15.59)
b) Foreign								
1.KKM Management Centre Middle East (FZC)**	0.00%	-	0.00%	0.95	0.00%	-	0.00%	0.95
Adjustments on consolidation	-4.48%	(15906.63)	-0.12%	(83.06)	-0.11%	(8.32)	-0.12%	(91.38)
	100.00%	**355325.00**	**100.00%**	**69042.88**	**100.00%**	**7546.92**	**100.00%**	**76589.80**

*since the share of losses have exceeded the value of investment made

The amount stated above are as per the standalone financial statements of each of the individual entities, before making any adjustments for intragroup transactions and/or balances.

(All amounts are in Rs. lakhs unless otherwise stated)

48. Ratio Analysis				**As at 31.3.2024**	As at 31.3.2023	% Change
	Ratio	Numerator	Denominator			
a)	Current ratio	Current assets	Current liabilities	**1.66**	1.37	21.2%
b)	Debt-Equity ratio	Total lease liabilities, borrowings and long term debt	Total equity	**0.07**	0.09	-21.2%
c)	Debt service coverage ratio*	Profit before interest and tax	Finance cost	**42.88**	31.08	38.0%
d)	Return on equity ratio	Total comprehensive income	Average Total Equity	**25.03%**	23.62%	6.0%
e)	Inventory turnover ratio	Turnover	Average inventory	**4.42**	4.81	-8.1%
f)	Trade receivables turnover ratio	Turnover including indirect taxes	Average trade receivable	**69.92**	61.87	13.0%
g)	Trade payables turnover ratio	Total purchases excluding indirect taxes	Average trade payables	**7.11**	6.11	16.3%
h)	Net capital turnover ratio	Revenue from operations	Shareholder's equity	**1.25**	1.20	4.5%
i)	Net profit ratio	Total comprehensive income	Operating revenue	**18.38%**	17.98%	2.2%
j)	Return on capital employed	Profit before tax	Average capital employed	**25.59%**	24.21%	5.7%
k)	Return on investment	Interest income and Net gain on sale/redemption/ fair valuation of current and non current investment	Average current and non-current investment	**6.53%**	4.35%	50.1%

* Debt service coverage ratio improved mainly due to increase in EBIT and decrease in interest cost.

49. Following a detailed review of the Holding Company's retail business division being operated under the name 24Seven and after due consideration of the Stake holders' feedback, long term performance of the retail business since inception, prevailing market conditions of the retail sector and long term business strategy of the Holding Company, the Board of Directors, at its meeting held on April 12, 2024 has decided to exit from carrying out the business of its retails business division and the exit will be subject to completion of the necessary formalities.

The division had non-current assets of Rs. 20182.11 lakhs (includes Right of use assets Rs.14454.31 lakhs) as at March 31, 2024 and forms part of Retail and related products as reportable segment under Ind AS 108 as detailed in Note no. 45.

50. The Components of the Group have used multiple accounting software for maintaining the books of account and all of these have the feature of recording audit trail (edit log) facility. While in all other software this feature was operational throughout the year, in SAPS4 Hana it was made operational during the course of the year, for all relevant transactions recorded in these softwares, except that the audit trail was not enabled for direct changes to the underlying database using privileged access rights in Oracle EBS and SAPS4 HANA software. However, no instance of audit trail feature having been tampered with was noted for these software during the period of the year that these were operational.

51. A. During the financial year 2020-21, the Group had purchased land admeasuring 74.650 sq. meter ('Sikri Bagh Land') from Rajputana Fertilizers Limited by way of registered sale deed dated 12 October 2020, for a consideration of Rs. 6025 Lakhs, with the intention of developing it into real estate property. The Group is in possession of the Sikri Bagh land and the same is also mutated in its name.

Sub Divisional Magistrate (SDM), Modi Nagar, amended the revenue records of the entire village Sikri Khurd with land admeasuring approximately 597 Bighas and declared the land at entire village as an enemy property. This amendment covers the aforementioned Sikri Bagh Land. Based on writ petition filed by an aggrieved party, the Hon'ble Allahabad High Court set aside the impugned order of custodian of enemy property and permitted concerned authorities to issue notice to the concerned person. Accordingly, the SDM office set aside its earlier impugned order including updating of land records and decided to issue notice to the concerned persons as provided under Rule 4(1B) of Enemy Property Act, 2015. The Group is in receipt of Show Cause Notice (SCN) from SDM office under Rule 4(1A) of Enemy Property Act, 2015 against which necessary reply has been submitted with detailed explanation and justification defending the title and ownership in the name of Group with a request to cancel/vacate the said SCN. The response against the reply given is awaited as on date.

B. Further, some portion of land has been notified for compulsory acquisition of land under 11(1) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013 ("Right to Fair Compensation Act 2013") for which the preliminary notification was issued by the Government on 8th April, 2022. On 17th February 2023 final Notification under Section 19(1) of the Right to Fair Compensation Act 2013 was issued by the Governor declaring that the land mentioned in the preliminary notification is required for public purposes. On 13th July 2023 the Collector declared the compensation rate for the land to be acquired under Section 23 of the Right to Fair Compensation Act 2013 and the compensation amount is computed at the rate of Rs. 30 thousand per square meter. In accordance with Section 30 of the Right to Fair Compensation Act, 2013 the Collector has determined the final award, which includes the imposition of a "Solatium" amount equal to one hundred percent (i.e. of Rs. 30 thousand per square meter), as evident in the comprehensive award detailed in serial number 23 of the order dated 13th July, 2023. On 21st July 2023 Notice under section 37(2) of the Right to Fair Compensation Act was issued under which the compensation rate and necessary documentation required to claim the compensation was informed. It is pertinent to note all such notices/communication carried a reference to the fact that the right to receive the compensation is subject to establishing the clear title of the land including that of the enemy property.

On 22nd August 2023, the Group filed a reference application after the declaration of the final award passed on 13th July 2023 and has also asked for enhanced compensation which is yet to be received.

As on date, 4024 Square meter land of the Group under Khasra No. 357, 359, 371 and 372 has been acquired under Right to Fair Compensation Act, 2013.

Based on final award, the Company has recognised revenue of Rs. 2414.40 laksh and the cost of land acquired of Rs. 741.57 lakhs has been expensed off by releasing from inventory/stock-in-trade in these financial statements.

Further, the Group continues to be in peaceful possession of the balance land parcel and the management based on the aforesaid acquisition has concluded that the net realisable value of the remaining land would be higher than the carrying value as at 31st March, 2024.

52. The Holding Company, vide agreement(s) dated 11th October 2022, had sold/assigned (a) Trademarks along with all the rights, titles and interests therein and (b) certain non-current assets including the rights in the Leasehold Land; used in relation to the Chewing business (part of cigarettes, tobacco and related products segment) of the Holding Company for an aggregate sale consideration of Rs 8000.00 lakhs to non-related third parties. Consequently, the resultant net gain of Rs.3490.96 lakhs was accounted for in the previous year and included in Other income.

53. There is no transaction and outstanding balance with struck off companies during the year and as at March 31, 2024 and March 31, 2023.

As per our report of even date

For and on behalf of the Board of Directors
of Godfrey Phillips India Limited
CIN: L16004MH1936PLC008587

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: May 30, 2024

SUNIL AGRAWAL
Chief Financial Officer

SANJAY KUMAR GUPTA
Company Secretary

Place: New Delhi
Date: May 30, 2024

DR. BINA MODI
(DIN 00048606)
Chairperson, Managing Director & CEO

SAMIR KUMAAR MODI
(DIN 00029554)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

DR. LALIT BHASIN
(DIN 00001607)

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

Directors

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INDIA LIMITED

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