NOTES

To Consolidated Financial Statements for the year ended 31st March, 2017

Back ground and operations

Marico Limited (herein after referred to as 'the Company'), headquartered in Mumbai, Maharashtra, India, together with its subsidiaries is referred as 'Marico' or 'Group'. Marico carries on business in branded consumer products. In India, Marico manufactures and markets products under the brands such as Parachute, Parachute Advansed, Nihar, Nihar Naturals, Saffola, Hair & Care, Revive, Mediker, Livon, Set-wet, etc. Marico's international portfolio includes brands such as Parachute, Parachute Advansed, Fiancée, Hair Code, Caivil, Hercules, Black Chic, Code 10, Ingwe, X-men, Thuan Phat etc.

Note 1: Significant accounting policies:

This note provides a list of the significant accounting policies adopted in preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

The consolidated financial statements were approved for issue by Board of Directors on 2nd May, 2017.

a) Basis of preparation:

i. Compliance with IND AS:

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 & other relevant provisions of the Act.

These consolidated financial statements for the year ended 31st March, 2017 are the first financials with comparatives prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Group prepared its financial statements in accordance with the generally accepted accounting principles (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS.

The date of transition to Ind AS is 1st April, 2015. Refer Note 38 for the first time adoption exemptions availed by the Group.

Reconciliations and explanations for the effect of the transition from Previous GAAP to Ind AS on the Group's Consolidated Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note 38.

ii. Historical cost convention:

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

- certain financial assets and liabilities (including derivative instruments) and contingent consideration that are measured at fair value;
- assets held for sale measured at lower of cost or fair value less cost to sell;
- defined benefit plan assets measured at fair value; and
- share-based payment liability measured at fair value

b) Principles 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 and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

ii. Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iii) below), after initially being recognised at cost in the consolidated balance sheet.

iii. Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in consolidated profit and loss, and the group's share of other comprehensive income of the investee in consolidated other comprehensive income.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

iv. Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions 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 the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

c) Segment Reporting:

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Managing Director & CEO is designated as the CODM.

d) Foreign currency transactions:

i. Functional and presentation currencies:

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in INR which is the functional and presentation currency for Marico Limited.

ii. Transactions & Balances:

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the Statement Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

iii) Group Companies:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date
- income and expenses are translated at average exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

e) Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Group recognizes revenue when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

i. Sale of goods:

Timing of recognition: Sale of goods is recognized when substantial risks and rewards of ownership are passed to the customers, depending on individual terms, and are stated net of trade discounts, rebates, incentives, subsidy, sales tax and value added tax except excise duty.

Measurement of revenue: Accumulated experience is used to estimate and provide for discounts, rebates, incentives & subsidies. No element of financing is deemed present as the sales are made with credit terms, which is consistent with market practice.

ii. Revenue from services is recognized in the accounting period in which the services are rendered.

f) Income recognition

i. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

ii. Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

iii. Revenue from royalty income is recognized on accrual basis.

g) Government Grants:

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and reduce from corresponding cost.

Income from export incentives such as premium on sale of import licenses, duty drawback etc. are recognized on accrual basis to the extent the ultimate realization is reasonably certain.

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

h) Income Tax:

Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Group will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

i) Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, less accumulated depreciation/amortisation and impairments, if any. Historical cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Borrowing cost attributable to acquisition, construction of qualifying assets are capitalized until such time as the assets are substantially ready for their intended use. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs & maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

Transition to IND AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation and amortization:

Depreciation is calculated using the straight-line method to allocate cost of property, plant and equipment, net of residual values, over their estimated useful lives.

As per technical evaluation of the Group, the useful life considered for the following items is lower than the life stipulated in Schedule II to the Companies Act, 2013:

Assets	Useful Life (Years)
Motor Vehicle – Motor Car, Bus and Lorries, Motor Cycle, Scooter	5
Office equipment - Mobile and Communication tools	2
Computer – Server and Network	3
Plant & Machinery – Moulds	6
Leasehold lands	Lease period

Extra shift depreciation is provided on "Plant" basis.

Depreciation in respect of assets of foreign subsidiaries is provided on a straight line basis based on useful life of the assets as estimated by the Management which are as under:

Assets	Useful Life (Years)
Factory and office building	5 to 25
Plant & Machinery	2 to 15
Furniture & fixtures (including leasehold improvements)	2 to 15
Vehicles	3 to 10

Assets individually costing Rs. 25,000 or less are depreciated fully in the year of acquisition.

Fixtures in leasehold premises are amortized over the primary period of the lease or useful life of the fixtures whichever is lower.

Depreciation on additions / deletions during the year is provided from the month in which the asset is capitalized up to the month in which the asset is disposed off.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

j) Intangible Assets:

i Goodwill:

Goodwill on acquisitions of subsidiaries is included in intangible assets. It is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses arising on the disposal of an entity are calculated after netting of the carrying amount of Goodwill relating to the entity sold, from the proceeds of disposal.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

ii. Intangible assets with finite useful life:

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. Cost includes taxes, duties and other incidental expenses related to acquisition and other incidental expenses.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of respective intangible assets, but not exceeding the useful lives given here under:

Assets	Useful Life (Years)
Computer software	3

iii. Intangible assets with indefinite useful life:

Intangible assets with indefinite useful lives are measured at cost and are not amortised, but are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

iv. Research & Development:

Capital expenditure on research and development is capitalized and depreciated as per accounting policy mentioned in para i & j above. Revenue expenditure is charged off in the year in which it is incurred.

v. Transition to Ind AS:

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

k) Investment property

Property (land or a building-or part of a building-or both) that is held (by the owner or by the lessee under a finance lease) for long term rental yields or for capital appreciation or both, rather than for:

i. use in the production or supply of goods or services or for administrative purposes; or

ii. sale in the ordinary course of business:

is recognized as Investment Property in the books

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Depreciation is provided on all Investment Property on straight line basis, based on useful life of the assets determined in accordance with para "i" above.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Transition to IND AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

l) Non-Current Asset held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

m) Lease:

i. As a leasee

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. The same is accounted at the lower of fair value of the leased property or the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary increase.

ii. As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

n) Investment & Other financial assets:

i. Classification:

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

Classification of debt assets will be driven by the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii. Measurement:

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset.

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cashflows & for selling the financial assets, where the assets cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive the dividend is established.

iii. Impairment of financial assets:

The Group assesses if there is any significant increase in credit risk pertaining to the assets and accordingly creates necessary provisions, wherever required.

iv. Derecognition of financial assets:

A financial asset is derecognised only when

- the Group has transferred the rights to receive the cash flows from the financial asset or
- the Group retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows so received to one or more recipients

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risk and rewards of ownership of the financial asset, the financial asset is decrecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involment in the financial asset.

o) Derivatives and hedging activities:

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 27. Movements in the hedging reserve in shareholders' equity are shown in Note 12(c). The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedge reserve

The effective part of the changes in fair value of hedge instruments is recognized in other comprehensive income, while any ineffective part is recognized immediately in the statement of profit and loss.

p) Inventories:

Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value.

Work-in-progress, finished goods and stock-in-trade (traded goods) are valued at lower of cost and net realizable value.

By-products and unserviceable / damaged finished goods are valued at estimated net realizable value.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost is assigned on the basis of weighted average method.

In case of Marico Middle East FZE costs of inventories are ascertained on First In First Out basis instead of weighted average basis, the impact of which is not material. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

q) Trade Receivables:

Trade receivables are recognised initially at fair value and subsequently measured at cost less provision for impairment.

r) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

s) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

t) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

u) Employee Benefits:

i. Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Superannuation Fund:

The Group makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Group has no obligation to the scheme beyond its monthly contributions.

iii. Provident fund:

Provident fund contributions are made to a trust administered by the Group in India. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the Trust set up by the Company is additionally provided for in India. Actuarial losses and gains are recognized in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

iv. Gratuity:

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to Employees Gratuity Fund. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

v. Leave encashment / Compensated absences:

The Group provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

vi. Employee Stock Option Plan:

The fair value of options granted under the Group's employee stock option scheme (excess of the fair value over the exercise price of the option at the date of grant) is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holding shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

vii. Employee Stock Appreciation Rights Scheme

Liability for the Group's Employee Stock Appreciation Rights (STAR), granted pursuant to the Group's Employee Stock Appreciation Rights Plan, is measured, initially and at the end of each reporting period until settled, at the fair value of the STARs, by applying an option pricing model, be and is recognized as employee benefit expense over the relevant service period. The liability is presented as employee benefit obligation in the Balance Sheet.

v) Provisions and Contingent Liabilities:

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

w) Cash and Cash Equivalents:

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

x) Impairment of assets:

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment,assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

y) Earnings Per Share:

i. Basic earnings per share: Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii. Diluted earnings per share: Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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

z) Contributed Equity:

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

aa) Dividend:

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

ab) Rounding off:

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Crore, unless otherwise stated

ac) Amendments to Ind AS 7, 'Statement of cash flows' on disclosure initiative:

The amendment to Ind AS 7 introduced an additional disclosure that will enable users of consolidated financial statements to evaluate changes in liabilities arising from financing activities. This includes changes arising from cash flows (e.g. drawdowns and repayments of borrowings) and non-cash changes (i.e. changes in fair values), changes resulting from acquisitions and disposals and effect of foreign exchange differences. Changes in financial assets must be included in this disclosure if the cash flows were, or will be, included in cash flows from financing activities. This could be the case, for example, for assets that hedge liabilities arising from financing liabilities. The Group is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after 1st April, 2017.

ad) Amendments to Ind AS 102, 'Share based payments'

The amendment to Ind AS 102 clarifies the measurement basis for cash settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in Ind AS 102 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The Group is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after 1st April, 2017.

The group intends to adopt the amendments when it becomes effective. There are no other standards or amendments that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2 Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. These estimates and associated assumptions are based on historical experience and management's best knowledge of current events and actions the Group may take in future.

Information about critical estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are included in the following notes:

(a) Impairment of financial assets (including trade receivable) (Note : 29)

(b) Estimation of defined benefit obligations (Note 15)

(c) Estimation of current tax expenses and payable (Note 26)

(d) Estimated impairment of intangible assets with indefinite useful life (Note 5)

(e) Estimation of provisions and contingencies (Note 14)

(a) Impairment of financial assets (including trade receivable)

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the Customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the group as well as forward looking estimates at the end of each reporting period.

(b) Estimation of defined benefit obligations

The liabilities of the group arising from employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions Refer (note 15) for significant assumption used.

(c) Estimation of current tax expenses and payable

Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the group operates. Any difference between the estimates and final tax assessments will impact the income tax as well the resulting assets and liabilities.

(d) Estimated impairment of Goodwill and intangible assets with indefinite useful life

Impairment testing for Goodwill & intangible assets with indefinite useful life is done at least once annually and upon occurrence of an indication of impairment. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions.

Goodwill with indefinite useful life held in Vietnam and South Africa business, are considered significant CGUs in terms of size and sensitivity to assumptions used. No other CGUs are considered significant in this respect.

Particulars	Vietnam	South Africa
Period of Cash flow projections	10 years	10 years
Avg Sales Growth (%)	14%	10%
Avg Gross Margins (%)	48%	31%
Terminal Sales Growth (%)	2%	3%
Pre- tax discount rate	13%	10%

The growth rates and margins used to make estimate future performance are based on past performance and our estimates of future growths and margins achievable in the CGUs. Pre-tax discount rates reflect specific risks relating to the relevant segments and geographies in which the CGUs operate.

(e) Estimation of provisions and contingencies

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the group. The group exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

NOTES To Consolidated Financial Statements for the year ended 31st March, 2017

3 Property, Plant And Equipment

(₹ in Crore)

Particulars	Freehold land	Leasehold land	Buildings	Plant and machinery	Furniture and fittings	Vehicles	Office Equipment	Leasehold improvements	Total	CWIP
Year ended 31st March, 2016										
Gross carrying amount										
Deemed Cost as at 1st April, 2015	**16.60**	**32.26**	**260.59**	**230.60**	**9.52**	**1.12**	**4.76**	**1.22**	**556.67**	**3.04**
Additions	0.14	-	5.37	42.53	2.16	0.75	5.41	-	56.36	91.64
Disposals / transfers	-	-	(0.54)	(1.57)	(0.02)	(0.15)	(0.01)	-	(2.29)	(58.00)
Exchange Differences	0.68	0.15	0.07	0.26	0.03	(0.07)	0.05	-	1.17	0.05
Adjustments	0.12	(0.12)	-	-	0.40	-	-	(0.40)	-	-
Closing gross carrying amount	**17.54**	**32.29**	**265.49**	**271.82**	**12.09**	**1.65**	**10.21**	**0.82**	**611.91**	**36.73**
Accumulated depreciation										
Depreciation charge during the year	-	0.56	14.24	59.08	2.40	0.63	5.73	-	82.64	-
Disposals / transfers	-	-	-	(0.97)	(0.01)	(0.06)	-	-	(1.04)	-
Exchange Differences	-	-	(0.04)	(0.33)	(0.01)	(0.02)	-	-	(0.40)	-
Closing accumulated depreciation	**-**	**0.56**	**14.20**	**57.78**	**2.38**	**0.55**	**5.73**	**-**	**81.20**	**-**
Impairment loss										
Impairment charge/(reversal) during the year	-	-	0.18	6.14	-	-	0.05	-	6.37	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Closing impairment loss	**-**	**-**	**0.18**	**6.14**	**-**	**-**	**0.05**	**-**	**6.37**	
Net carrying amount	**17.54**	**31.73**	**251.11**	**207.90**	**9.71**	**1.10**	**4.43**	**0.82**	**524.34**	**36.73**
Year ended 31st March, 2017										
Gross carrying amount										
Opening gross carrying amount	**17.54**	**32.29**	**265.49**	**271.82**	**12.09**	**1.65**	**10.21**	**0.82**	**611.91**	**36.73**
Additions	-	0.14	4.92	99.97	2.74	1.89	2.70	10.32	122.68	93.45
Disposals / transfers	(0.03)	-	(0.55)	(4.70)	(0.43)	(0.29)	(0.11)	-	(6.11)	(118.84)
Exchange Differences	(0.86)	(0.29)	(5.45)	(8.20)	(0.25)	(0.58)	(0.24)	-	(15.87)	(0.18)
Adjustments	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	**16.65**	**32.14**	**264.41**	**358.89**	**14.15**	**2.67**	**12.56**	**11.14**	**712.61**	**11.16**
Accumulated depreciation										
Opening accumulated depreciation	**-**	**0.56**	**14.20**	**57.78**	**2.38**	**0.55**	**5.73**	**-**	**81.20**	
Depreciation charge during the year	-	0.72	14.46	61.58	3.52	0.77	3.25	1.04	85.34	
Disposals / transfers	-	-	-	(2.95)	(0.15)	(0.11)	(0.06)	-	(3.27)	
Exchange Differences	-	(0.05)	(1.00)	(3.81)	(0.13)	(0.18)	(0.13)	-	(5.30)	
Closing accumulated depreciation	**-**	**1.23**	**27.66**	**112.60**	**5.62**	**1.03**	**8.79**	**1.04**	**157.97**	**-**
Impairment loss										
Opening Impairment Loss	**-**	**-**	**0.18**	**6.14**	**-**	**-**	**0.05**	**-**	**6.37**	
Impairment charge/(reversal) during the year	-	-	0.95	(0.95)	0.52	-	(0.03)	-	0.49	
Exchange Differences	-	-	-	0.13	0.46	-	0.00	-	0.59	
Closing Impairment loss	**-**	**-**	**1.13**	**5.32**	**0.98**	**-**	**0.02**	**-**	**7.45**	**-**
Net carrying amount	**16.65**	**30.91**	**235.62**	**240.97**	**7.55**	**1.64**	**3.75**	**10.10**	**547.19**	**11.16**

(i) **Property, plant and equipment pledged as security**
First ranking pari passu charge over all current and future plant and machinery for External Commercial Borrowings loan as on 31st March, 2016 and 1st April, 2015 (Refer note 13(a)).

(ii) **Impairment loss**
Impairment provision mainly pertains to building, plant & machinery, furniture & fittings and office equipment which are lying idle, damaged and having no future use.

(iii) **Contractual obligations**
Refer to Note 34 for disclosure of contractual commitments for acquisition of property, plant and equipment.

(iv) **Capital work-in-progress**
Capital work-in-progress mainly comprises new manufacturing units set up in Guwahati, India (North Eastern Region).

(v) **Leased assets**
Gross carrying amount of leasehold land represents amounts paid under lease agreements which are due for renewal in the years ranging from 2070 to 2109. In one case where the lease is expiring in 2070, the company has an option to purchase the property.

4 Investment Properties

(₹ in Crore)

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Gross carrying amount		
	Opening gross carrying amount/Deemed cost	31.41	17.99
	Additions (Refer note (v) below)	-	13.42
	Closing gross carrying amount	**31.41**	**31.41**
	Accumulated Depreciation	0.74	-
	Depreciation charge during the year*	0.69	0.74
	Closing accumulated depreciation	**1.43**	**0.74**
	Net carrying amount	**29.98**	**30.67**
	* Includes exchange difference		
(i)	**Amounts recognised in profit or loss for investment properties**		
	Rental income	1.20	0.91
	Direct operating expenses for property that generated rental income	0.15	0.20
	Profit from investment properties before depreciation	**1.05**	**0.71**
	Depreciation	(0.43)	(0.43)
	Profit from investment properties	**0.62**	**0.28**

(ii) Leasing arrangements

Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Within one year	1.20	0.91	0.64
Later than one year but not later than 5 years	1.36	2.56	3.47
Later than 5 years	-	-	-

(iii) Fair value

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment properties	58.09	56.05	29.33

Estimation of fair value

The group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties.

(iv) The fair values of investment properties have been determined by independent valuer who holds recognised and relevant professional qualification. The main inputs used are rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

(v) During the year 2015-16 building appearing as asset held for disposal of net carrying value of Rs.12.74 Crore (Deemed cost of Rs. 12.96 Crore less depreciation of Rs. 0.22 Crore) has been reclassified as investment property.

NOTES

To Consolidated Financial Statements for the year ended 31st March, 2017

5 Other Intangible assets

(₹ in Crore)

Particulars	Trademarks and copyrights (refer note (i), (ii) and (iii) below)	Computer software	Total	Goodwill
Year ended 31st March, 2016				
Gross carrying amount				
Deemed cost as at 1st April, 2015	**23.69**	**6.41**	**30.10**	**489.15**
Additions	-	4.47	4.47	
Disposals	-	-	-	
Exchange differences	(1.86)	0.11	(1.75)	8.21
Closing gross carrying amount	**21.83**	**10.99**	**32.82**	**497.36**
Accumulated amortisation				
Amortisation charge for the year	0.01	4.07	4.08	-
Disposals	-	-	-	-
Exchange differences	-	0.01	0.01	-
Closing accumulated amortisation	**0.01**	**4.08**	**4.09**	-
Closing net carrying amount	**21.82**	**6.91**	**28.73**	**497.36**
Year ended 31st March, 2017				
Opening gross carrying amount	**21.83**	**10.99**	**32.82**	**497.36**
Additions	0.22	2.35	2.57	-
Disposals	-	-	-	-
Exchange differences	0.86	(0.12)	0.74	(17.91)
Closing gross carrying amount	**22.91**	**13.22**	**36.13**	**479.45**
Accumulated amortisation	**0.01**	**4.08**	**4.09**	-
Amortisation charge for the year	0.22	3.81	4.03	-
Disposals	-	-	-	-
Exchange differences	(0.02)	(0.05)	(0.07)	-
Closing accumulated amortisation	**0.21**	**7.84**	**8.05**	-
Closing net carrying amount	**22.70**	**5.38**	**28.08**	**479.45**

(i) During the year ended 31st March, 2007, the Company carried out financial restructuring scheme ('Scheme') under the relevant provisions of the Companies Act, 1956 which was approved by the shareholders on 8th February , 2007 and subsequently by the Hon'ble High Court vide its order dated 23rd March, 2007. In terms of the Scheme, the Company adjusted the carrying value of Rs. 448.15 Crore of intangible assets such as trademarks, copyrights, business and commercial rights as on 31st January, 2007 and related deferred tax adjustment of Rs. 139.06 Crore (net adjustment of Rs. 309.09 Crore) against the balance in Securities Premium Reserve of Rs. 129.09 Crore and Capital Redemption Reserve of Rs. 180 Crore.

(ii) During the year ended 31st March, 2014, Capital Reduction scheme pertaining to Marico Consumer Care Limited ("MCCL") for adjustment of intangible assets aggregating Rs. 723.72 Crore, was duly approved and given effect to.

(iii) Trademarks of Rs 18.56 Crore as at 31st March, 2017 (Rs. 18.56 Crore as at 31st March, 2016 and as at 1st April, 2015) are pending registration/ recording in the name of the Company, in certain countries.

6(a) Investments

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non current investment			
Equity instruments			
In others	0.14	1.47	4.52
Intercorporate deposits	15.77	-	-
Bonds	24.78	24.78	24.78
Government securities	0.01	0.01	0.01
Mutual funds	17.71	16.32	5.60
	58.41	**42.58**	**34.91**
Current investments			
Intercorporate deposits	131.62	116.16	60.76
Debentures	15.94	-	-
Mutual funds	383.97	348.27	239.85
Government or trust securities	1.97	5.36	-
	533.50	**469.79**	**300.61**
Total Investments	**591.91**	**512.37**	**335.52**
Non current investment			
Investment in equity instruments (fully paid-up)			
In others			
Quoted at FVPL			
Nil (31st March, 2016: 17,102, 1st April, 2015: 29,648) equity shares of Kaya Limited	-	1.47	4.52
Unquoted at cost FVPL			
136,500 (31st March, 2016 : Nil, 1st April, 2015 : Nil) equity shares of Rs. 10 each of Clover energy private limited	0.14	-	-
Total (equity instruments)	**0.14**	**1.47**	**4.52**
Investment in bonds (at amortised cost)			
Quoted			
Power Finance Corporation Limited	2.96	2.96	2.96
28,479 (31st March, 2016 : 28,479, 1st April, 2015 : 28,479) Secured, Redeemable, Tax free Non-convertible Bonds, 8.20% , face value of Rs. 1,000/- each, redeemable on 1st February, 2022.			
Indian Railway Finance Corporation	2.26	2.26	2.26
21,751 (31st March, 2016 : 21,751, 1st April, 2015 : 21,751) Secured, Redeemable, Tax free Non-convertible Bonds , 8.00% , face value of Rs. 1,000/- each, redeemable on 23rd February, 2022.			
National Highways Authority of India	2.57	2.57	2.57
24,724 (31st March, 2016 : 24,724, 1st April, 2015 : 24,724) Secured, Redeemable, Tax free Non-convertible Bonds , 8.20% , face value of Rs. 1,000/- each, redeemable on 25th January, 2022.			
Rural Electrification Corporation Limited	6.50	6.50	6.50
61,238 (31st March, 2016 : 61,238, 1st April, 2015 : 61,238) Secured, Redeemable, Tax free Non-convertible Bonds , 8.12% , face value of Rs. 1,000/- each, redeemable on 29th March, 2027.			
Rural Electrification Corporation Limited	5.25	5.25	5.25
50 (31st March, 2016 : 50, 1st April, 2015 : 50) Secured, Redeemable, Tax free Non-convertible Bonds , 8.46% , face value of Rs. 1,000,000/- each, redeemable on 29th August, 2018.			
Housing & Urban Development Corporation Ltd	5.24	5.24	5.24
50 (31st March, 2016 : 50, 1st April, 2015 : 50) Secured, Redeemable, Tax free Non-convertible Bonds , 8.56% , face value of Rs. 1,000,000/- each, redeemable on 2nd September, 2028.			
Total investment in Bonds	**24.78**	**24.78**	**24.78**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment in government securities at amortised cost			
Unquoted			
National Savings Certificates (Deposit with government authorities)	0.01	0.01	0.01
Total	**0.01**	**0.01**	**0.01**
Investment in mutual funds at FVPL			
Quoted			
Reliance Fixed Horizon Fund-XXIX-Series 16-Growth Plan	11.13	10.24	-
10,000,000 (31st March, 2016 : 10,000,000, 1st April, 2015 : Nil) units of Rs. 10 each fully paid			
DHFL Pramerica Fixed Maturity Plan Series 62 - Regular Plan - Growth	5.29	4.89	4.50
41,25,148 (31st March, 2016 : 41,25,148, 1st April, 2015 : 20,000,000) units of Rs. 10 each fully paid			
Reliance Fixed Horizon Fund-XXVI-Series 2-Growth Plan	1.29	1.19	1.10
1,000,000 (31st March, 2016 : 1,000,000, 1st April, 2015 : 1,000,000) units of Rs. 10 each fully paid			
Total investment in mutual funds	**17.71**	**16.32**	**5.60**
Aggregate amount of quoted investments	42.49	42.57	34.90
Market value/ Net asset value of quoted investments	58.39	43.09	35.12
Aggregate amount of unquoted investments	0.15	0.01	0.01
Current investments			
Investment in debentures at amortised cost			
Quoted			
Kotak Mahindra Prime Ltd	15.94	-	-
150 (31st March, 2016 : Nil, 1st April, 2015 : Nil) Unsecured, Non convertible debentures face value of Rs.1,000,000 each			
Total investment in bonds	**15.94**	**-**	**-**
Investment in mutual funds at FVPL			
Quoted			
LIC Nomura MF Fixed Matuirity Plan Series 77-396 Days-Growth	-	-	8.79
Nil (31st March, 2016 : Nil, 1st April, 2015 : 80,00,000) units of Rs. 10 each fully paid			
ICICI Prudential FMP Series 78-95 Days-Plan K-Cumulative	-	15.17	-
Nil (31st March, 2016 : 15,000,000, 1st April, 2015 : Nil) units of Rs. 10 each fully paid			
Unquoted			
Axis Treasury Advantage Fund - Growth	-	-	7.76
Nil (31st March, 2016 : Nil, 1st April, 2015 : 50,053) Units of Rs. 1,000 each fully paid			
Birla Sunlife Cash Plus -Growth-Regular	-	-	4.26
Nil (31st March, 2016 : Nil, 1st April, 2015 : 190,148) Units of Rs. 100 each fully paid			
Birla Sunlife Floating Rate Long Term -Growth-Regular	20.32	5.01	5.10
1,022,046 (31st March, 2016 : 275,258, 1st April, 2015 : 304,582) Units of Rs. 100 each fully paid			
Birla Sun Life Savings Fund - Growth-Regular Plan	33.26	-	-
1,043,788 (31st March, 2016 : Nil, 1st April, 2015 : Nil) Units of Rs. 100 each fully paid			
DHFL Pramerica Low Duration Fund - Growth	-	21.18	-
Nil (31st March, 2016 : 10,371,654, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
DWS Treasury Fund -Cash-Growth	-	-	15.02
Nil (31st March, 2016 : Nil, 1st April, 2015 : 1,001,013) Units of Rs. 100 each fully paid			
HDFC Liquid Fund - Growth	-	5.01	21.16
Nil (31st March, 2016 : 16,801, 1st April, 2015 : 7,674,464) Units of Rs. 1000 each fully paid			
HDFC Cash Management Fund-Savings Plan-Growth	-	-	5.54
Nil (31st March, 2016 : Nil, 1st April, 2015 : 1,897,404) Units of Rs. 10 each fully paid			
HDFC Corporate Debt Opportunities Fund - Regular - Growth	28.21	25.53	-
20,803,342 (31st March, 2016 : 20,803,342, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
HDFC Banking and PSU Debt Fund-Reg-Growth	-	-	2.00
Nil (31st March, 2016 : Nil, 1st April, 2015 :1,813,187) Units of Rs. 10 each fully paid			
HDFC Short Term Plan - Regular Plan - Growth	26.83	-	-
8,277,730 (31st March, 2016 : Nil, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
ICICI Prudential Money Market Fund -Regular Plan -Growth	13.50	-	20.02
601,824 (31st March, 2016 : Nil, 1st April, 2015 : 1,036,048) units of Rs. 100 each fully paid			
ICICI Prudential Ultra Short Term - Growth	24.36	15.23	-
7,140,093 (31st March, 2016 : 9,948,137, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
IDFC Ultra Short Term Fund -Growth-Regular Plan	-	-	2.54
Nil (31st March, 2016 : Nil, 1st April, 2015 : 1,301,391) Units of Rs. 10 each fully paid			
IDFC Money Manager Fund-Treasury Plan-Growth	-	19.04	-
Nil (31st March, 2016 : 8,045,461, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
Kotak Liquid Scheme Plan A-Growth	-	5.76	20.03
Nil (31st March, 2016 : 18,754, 1st April, 2015 : 70,607) Units of Rs. 1,000 each fully paid			
Kotak Bond (Short Term) - Growth	38.02	25.25	-
12,368,951 (31st March, 2016 : 8,959,674, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
LIC Nomura Liquid Fund-Growth	-	10.68	-
Nil (31st March, 2016 : 38,956, 1st April, 2015 : Nil) Units of Rs. 1000 each fully paid			
LIC MF Savings Plus Fund - Regular Growth Plan-St-Gp	1.42	-	-
571,671 (31st March, 2016 : Nil, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
L&T Ultra Short Term Fund-Growth	-	-	2.29
Nil (31st March, 2016 : Nil, 1st April, 2015 : 1,011,382) units of Rs. 10 each fully paid			
Principal Debt Opportunities Fund Corporate Bond Plan-Regular Plan Growth	-	-	10.29
Nil (31st March, 2016 : Nil, 1st April, 2015 : 47,877) Units of Rs. 1,000 each fully paid			
Reliance Liquid Fund-Treasury Plan-Growth	23.08	1.73	26.03
58,368 (31st March, 2016 : 4,696, 1st April, 2015 : 76,423) Units of Rs. 1,000 each fully paid			
Reliance Medium Term Fund-Growth	7.24	25.06	-
2,120,390 (31st March, 2016 : 7,986,353, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
Reliance Short Term Fund-Growth	16.50	15.14	-
5,355,039 (31st March, 2016 : 5,355,039, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
Religare Invesco Ultra Short Term Fund-Growth	11.47	-	10.97
53,098 (31st March, 2016 : Nil, 1st April, 2015 : 56,982) Units of Rs. 1,000 each fully paid			
Religare Invesco Credit Opportunities Fund-Growth	43.85	25.84	9.56
236,227 (31st March, 2016 : 149,408, 1st April, 2015 : 60,034) Units of Rs. 1,000 each fully paid			

NOTES

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(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Religare Invesco Medium Term Bond Fund-Growth	-	10.70	-
Nil (31st March, 2016 : 70,172, 1st April, 2015 : Nil) Units of Rs. 1,000 each fully paid			
SBI Magnum Insta Cash -Reg Plan-Growth	-	15.09	20.02
Nil (31st March, 2016 : 58,764, 1st April, 2015 : 64,792) Units of Rs. 1,000 each fully paid			
SBI Treasury Advantage Fund-Regular Plan-Growth	-	30.37	-
Nil (31st March, 2016 : 181,028, 1st April, 2015 : Nil) Units of Rs. 1,000 each fully paid			
Templeton India TMA-SIP-Growth	-	-	3.51
Nil (31st March, 2016 : Nil, 1st April, 2015 : 16,797) Units of Rs. 1,000 each fully paid			
Baroda Pioneer Treasury Advantage Fund- Plan A-Growth	37.38	32.60	-
197,177 (31st March, 2016 : 187,598, 1st April, 2015 : Nil) units of Rs. 1,000 each fully paid			
JM Money Manager Fund-Super Plus Plan-Bonus Option-Bonus Units	5.24	4.85	4.47
3,748,072 (31st March, 2016 : 3,748,072 , 1st April, 2015 : 3,748,072) units of Rs. 10 each fully paid			
JM Money Manager Fund-Super Plan-Bonus Option-Bonus Units	5.83	5.44	5.03
4,524,192 (31st March, 2016 : 4,524,192, 1st April, 2015 : 4,524,192) units of Rs. 10 each fully paid			
JP Morgan India Treasury Fund-SIP-Growth	-	-	20.47
Nil (31st March, 2016 : Nil, 1st April, 2015 : 11,140,952) units of Rs. 10 each fully paid			
Edelweiss Liquid Fund - Super IP - Gr (Formerly known as JP Morgan India Liquid Fund-SIP-Growth)	2.64	2.49	2.30
1,269,009 (31st March, 2016 : 1,269,009, 1st April, 2015 : 1,269,009) units of Rs. 10 each fully paid			
Birla Sun Life Floating Rate Fund-Short Term Plan-Growth	-	-	10.27
Nil (31st March, 2016 : Nil, 1st April. 2015 : 551,505) units of Rs. 100 each fully paid			
LIC Nomura MF Liquid Fund - Growth	-	-	2.42
Nil (31st March, 2016 : Nil, 1st April, 2015 : 9,550) units of Rs. 1,000 each fully paid			
Tata Short Term Bond Fund Regular Plan - Growth	3.05	-	-
999,164, (31st March, 2016 : Nil, 1st April, 2015 : Nil) Units of Rs. 1000 each fully paid			
UTI-Short Term Income Fund- Institutional Option - Growth	4.53	-	-
2,273,863 (31st March, 2016 : Nil, 1st April, 2015 : Nil) Units of Rs. 10 each fully paid			
UTI Floating Rate Fund-STP-Growth	33.74	31.10	-
127,081 (31st March, 2016 : 127,081, 1st April, 2015 : Nil) units of Rs. 1000 each fully paid			
UTI Money Market - IP - Growth	3.50	-	-
19,238 (31st March, 2016 : Nil, 1st April, 2015 : Nil) Units of Rs. 1000 each fully paid			
Total	**383.97**	**348.27**	**239.85**
Investments in government or trust securities at amortised cost			
Unquoted			
Investments in government or trust securities	1.97	5.36	-
Total	**1.97**	**5.36**	**-**
Total Current Investments	**385.94**	**353.63**	**239.85**
Aggregate amount of quoted investments	15.94	15.17	8.79
Market value/ Net asset value of quoted investments	15.94	15.17	8.79
Aggregate amount of unquoted investments	385.93	338.46	231.06

6(b) Trade receivables

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables	250.01	255.48	179.91
Less: Allowance for doubtful debts	(3.02)	(3.39)	(3.16)
Total receivables	**246.99**	**252.09**	**176.75**
Current Portion	246.99	252.09	176.75
Non-Current Portion	-	-	-
Break up of security details			
Secured, considered good	-	-	-
Unsecured, considered good	246.99	252.09	176.75
Doubtful	3.02	3.39	3.16
Total	**250.01**	**255.48**	**179.91**
Allowance for doubtful debts	(3.02)	(3.39)	(3.16)
Total trade receivables	**246.99**	**252.09**	**176.75**

For credit risk and provision for loss allowance refer note 28(A)

6(c) Loans

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non current			
Unsecured, considered good			
Loans to employees	3.73	3.75	3.49
Total non current loans	**3.73**	**3.75**	**3.49**
Current			
Unsecured, considered good			
Loan to related parties (Refer Note 32)	1.89	0.74	0.66
Loan to employees	4.23	4.26	4.35
Total current loans	**6.12**	**5.00**	**5.01**

6(d) Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank balance in current accounts	17.98	26.43	29.80
Deposits with maturity of less than three months	12.87	65.28	47.73
Remittance in transit	2.89	-	-
Cheques on hand	-	-	0.76
Cash on hand	0.23	1.45	0.77
Total cash and cash equivalents	**33.97**	**93.16**	**79.06**

6(e) Bank balances other than cash and cash equivalents

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fixed deposits with maturity more than 3 months but less than 12 months	192.98	223.54	131.78
Balances with banks for unclaimed dividend	0.33	0.44	0.27
Total bank balance other than cash and cash equivalents	**193.31**	**223.98**	**132.05**

The details of specified bank notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 as provided in the table below:

During the year, the companies incorporated in India including amounts in respect of joint ventures had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308 (E) dated 31st March, 2017 on the details of the specified bank notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. The denomination wise SBNs and other notes as per the notification are given below:

(₹ in Crore)

Details	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	0.14	0.07	0.21
(+) Permitted receipts	-	0.17	0.17
(-) Permitted payments	-	0.15	0.15
(-) Amount deposited in Banks	0.14	-	0.14
Closing cash in hand as on 30th December, 2016	-	0.09	0.09

* For the purpose of this clause, the term 'Specified Bank notes' shall have the same meaning provided in the notification of the Government of India, in the ministry of finance, department of Economic Affairs number S.O. 3407 (E), dated 8th November, 2016.

6(f) Other Non current financial assets

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured considered good (Unless otherwise stated)			
Security deposits with public bodies and others			
Considered good	15.23	12.73	13.42
Considered doubtful	1.01	1.00	-
	16.24	13.73	13.42
Less: Provision for doubtful deposits	(1.01)	(1.00)	-
	15.23	12.73	13.42
Fixed deposits-maturing after 12 months (Refer Note below)	0.48	1.02	1.67
Total other non current financial assets	**15.71**	**13.75**	**15.09**

Note : Fixed deposits with banks include Rs. 0.12 Crore (Rs. 0.21 Crore as at 31st March, 2016 and Rs. 0.21 Crore as on 1st April, 2015) deposited with sales tax authorities, Rs. 0.06 Crore (Rs. 0.36 Crore as at 31st March, 2016 and Rs. 0.39 Crore as on 1st April, 2015) held as lien by banks against guarantees issued on behalf of the Group and Rs. 0.12 Crore (Rs. Nil as at 31st March, 2016 and Rs. 0.57 Crore as on 1st April, 2015) for other earmarked balances.

6(f) Other current financial assets

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(i) Derivatives			
Foreign exchange forward contracts, options and interest rate swaps	2.11	4.15	0.58
	2.11	**4.15**	**0.58**
(ii) Others			
Security deposits	0.04	0.32	0.18
Other deposits	1.02	0.65	0.73
Insurance claim receivable	-	1.95	0.05
	1.06	**2.92**	**0.96**
Total other current financial assets	**3.17**	**7.07**	**1.54**

7 Deferred Tax Assets (Net)

The balance comprises temporary differences attributable to :

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Liabilities / provisions that are deducted for tax purposes when paid	3.23	27.32	20.79
Defined benefit obligations	1.48	1.08	0.46
On Intangible assets adjusted against Capital Redemption Reserve and Securities premium account under the Capital Restructuring scheme	-	9.41	12.46
MAT Credit entitlement	-	57.08	119.02
	4.71	**94.89**	**152.73**
Other items:			
On hedge reserve	-	8.80	25.94
Provision for doubtful debts/ advances that are deducted for tax purposes when written off	-	1.68	1.00
Other timing differences	6.07	2.02	3.15
	6.07	**12.50**	**30.09**
Total deferred tax assets	**10.78**	**107.39**	**182.82**
Deferred tax liability:			
Additional depreciation/amortisation on property, plant and equipment, and investment property for tax purposes due to higher tax depreciation rates.	(0.02)	39.89	44.64
Financial assets at fair value through Profit and loss	-	2.45	1.00
Other timing differences	1.26	0.12	0.25
Total deferred tax liabilities	**1.24**	**42.46**	**45.89**
Net deferred tax assets	**9.54**	**64.93**	**136.93**

Movement in deferred tax assets

(₹ in Crore)

Particulars	Liabilities / provisions that are deducted for tax purposes when paid	Defined benefit obligations	On Intangible assets*	MAT Credit entitlement	Other items	Total deferred tax assets
As at 1st April, 2015	**20.79**	**0.46**	**12.46**	**119.02**	**30.09**	**182.82**
(Charged)/credited:						
to Profit and loss	6.53	-	(3.05)	(56.53)	1.11	(51.94)
to other comprehensive income	-	0.62	-	-	(17.05)	(16.43)
Deferred tax on basis adjustment	-	-	-	(5.41)	(1.65)	(7.06)
As at 31st March, 2016	**27.32**	**1.08**	**9.41**	**57.08**	**12.50**	**107.39**
(Charged)/credited:						
to Profit and loss	(24.09)	-	(9.41)	(57.08)	3.04	(87.54)
to other comprehensive income	-	0.40	-	-	(8.81)	(8.41)
Deferred tax on basis adjustment	-	-	-	-	(0.66)	(0.66)
As at 31st March, 2017	**3.23**	**1.48**	**-**	**-**	**6.07**	**10.78**

*On Intangible assets adjusted against Capital Redemption Reserve and Securities premium account under the Capital Restructuring scheme. (Refer Note 12(c)).

Movement in deferred tax liabilities

(₹ in Crore)

Particulars	Property plant and equipment and Investment property	Change in fair value of hedging instruments	Other items	Total deferred tax liabilities
As at 1st April, 2015	**44.64**	**1.00**	**0.25**	**45.89**
(Charged)/credited :				-
to Profit and loss	(4.75)	1.45	(0.13)	(3.43)
to other comprehensive income	-	-	-	-
Deferred tax on basis adjustment	-	-	-	-
As at 31st March, 2016	**39.89**	**2.45**	**0.12**	**42.46**
(Charged)/credited :				
to Profit and loss	(39.91)	(2.45)	1.14	(41.22)
to other comprehensive income				
Deferred tax on basis adjustment				
As at 31st March, 2017	**(0.02)**	**-**	**1.26**	**1.24**

8 Other Non Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	6.01	18.58	12.37
Advances to vendors	-	0.30	-
Prepaid expenses	0.85	0.71	1.24
Fringe benefit tax payments	0.48	0.48	0.48
Deposits with statutory/government authorities	10.88	10.50	10.74
Total other non-current assets	**18.22**	**30.57**	**24.83**

9 Inventories

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials			
- In Stock	569.03	288.08	356.66
- In Transit	50.69	71.25	10.85
Packing materials			
- In Stock	85.96	75.21	77.10
- In Transit	0.05	-	-
Work-in-progress	159.35	137.21	128.78
Finished goods			
- In Stock	361.83	322.50	387.03
- In Transit	0.40	0.33	-
Traded goods	13.12	17.71	19.80
By-Products	3.51	3.79	6.03
Stores and Spares	9.50	9.48	8.47
Total inventories	**1,253.44**	**925.56**	**994.72**

Refer note 1(p) for basis of valuation

Amounts recognised in profit or loss

Write-downs/ (reversals) of inventories during the year to net realisable value amounted to Rs. (1.59) Crore (31st March, 2016 Rs 2.61 Crore). These were recognised as an expense during the year and included under "change in value of inventories' of work-in-progress, stock-in-trade and finished goods in statement of profit and loss.

10 Other Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances to vendors	52.23	88.18	73.12
Deposits with statutory/government authorities (Refer note below)	31.75	14.36	11.48
Prepaid expenses	13.68	13.12	10.76
Others	0.22	0.20	0.37
Total other current assets	**97.88**	**115.86**	**95.73**

Deposits with government authorities and others includes government grants of Rs. 6.75 Crore for the year ended 31st March, 2017.

11 Assets Classified as Held for Sale

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Land and Building (Refer note 4 (v))	12.45	12.45	28.71
Total assets classified as held for sale	**12.45**	**12.45**	**28.71**

Non-recurring fair value measurements

Fair value of Building classified as held for sale was Rs.40.69 Crore as at 31st March, 2017, Rs.39.12 Crore as at 31st March, 2016 and Rs.47.45 Crore as on 1st April, 2015. Building classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair values of these assets have been determined by independent valuer who holds recognised and relevant professional qualification. The main inputs include details obtained from "The Ready Reckoner", location factor and physical verification of the property. All resulting fair value estimates for assets held for sale are included in level 3.

The Company decided to sell land and building which was classified as asset held for sale as on 31st March, 2015. The assets situated at Goa were sold during the year ended 31st March, 2016, and the gain of Rs. 9.23 Crore was included in net gain on disposal of Property, Plant and Equipment in Note 20. The other asset was reclassified to investment property during the year ended 31st March, 2016. The delay in respect of the remaining asset (building) which the group has committed to sell is caused by certain event and circumstances which are beyond the entity's control.

12(a) Equity Share Capital

(₹ in Crore)

Particulars	No. of shares (in Crore)	Amount
Authorised share capital		
As at 1st April, 2015		
Equity shares of Re. 1/- each	115.00	115.00
Preference shares of Rs. 10/- each	10.00	100.00
Total	**125.00**	**215.00**
As at 31st March, 2016		
Equity shares of Re. 1/- each	150.00	150.00
Preference shares of Rs. 10/- each	6.50	65.00
Total	**156.50**	**215.00**
As at 31st March, 2017		
Equity shares of Re. 1/- each	150.00	150.00
Preference shares of Rs. 10/- each	6.50	65.00
Total	**156.50**	**215.00**
Issued, subscribed and paid-up as at 31st March, 2017		
1,290,471,198 equity shares of Re. 1/- each fully paid-up (refer note (v) below)	129.05	129.05
Total	**129.05**	**129.05**

(i) Movements in equity share capital

Particulars	No of shares (in Crore)	Equity Share capital (par value)
As at 1st April, 2015	64.50	64.50
Shares issued during the year - ESOP (Refer note 35)	0.01	0.01
Bonus Issue (Refer note (v) below)	64.51	64.51
As at 31st March, 2016	**129.02**	**129.02**
Equity shares of Re. 1/- each	-	-
Shares issued during the year - ESOP (Refer Note 35)	0.03	0.03
As at 31st March, 2017	**129.05**	**129.05**

(ii) Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has one class of equity shares having a par value of Re.1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Shares reserved for issue under options

Information relating to Marico ESOS 2007, Marico ESOS 2014, MD CEO ESOP Plan 2014 and Marico ESOP 2016, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 35.

(iv) Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of Re. 1/- each fully paid-up				
Harsh C Mariwala with Kishore V Mariwala (For Valentine Family Trust)	148,337,200	11.49	146,752,000	11.37
Harsh C Mariwala with Kishore V Mariwala (For Aquarius Family Trust)	148,338,200	11.49	146,752,000	11.37
Harsh C Mariwala with Kishore V Mariwala (For Taurus Family Trust)	148,338,000	11.49	146,752,000	11.37
Harsh C Mariwala with Kishore V Mariwala (For Gemini Family Trust)	148,338,100	11.49	146,752,000	11.37
First State Investments Services (UK) Ltd (along with Persons acting in concert)	97,225,880	7.53	108,091,457	8.38

(v) During the year ended 31st March, 2016, the Company has issued 645,085,599 fully paid-up bonus equity shares of face value Re. 1 each in the ratio of 1:1 with record date of 24th December, 2015. As a result EPS has been adjusted for reporting as well as for all the comparative periods.

Aggregate number of shares allotted as fully paid-up by way of bonus shares	For the year ended 31st March, 2016
Equity shares allotted as fully paid-up bonus shares by capitalization of general reserve	645,085,599

12(b) Reserves and Surplus

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Securities premium reserve	411.28	408.46	407.97
General reserve	298.70	298.70	363.21
Share based option outstanding account	7.62	6.42	2.96
Treasury Shares	(60.69)	(68.37)	(28.29)
WEOMA reserve	44.82	20.18	2.66
Retained earnings	2,254.98	1,965.97	1,759.87
Adjustment pursuant to the Scheme of Capital Reduction of MCCL (Refer note 12 (c))	(723.72)	(723.72)	(723.72)
Total Reserves and surplus	**2,232.99**	**1,907.64**	**1,784.66**

(i) Securities premium reserve

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Balance	408.46	407.97
Add: Receipt on exercise of employee stock options	2.82	0.58
Less : Amount adjusted towards bonus share issue expenses	-	(0.09)
Closing Balance after Minority Interest	**411.28**	**408.46**

(ii) General Reserve

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Balance	298.70	363.21
Less: Transferred to share capital on account of issue of bonus shares	-	(64.51)
Closing Balance after Minority Interest	**298.70**	**298.70**

(iii) Share based option outstanding account (refer note 35)

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Balance	6.42	2.96
Appropriations during the year	(2.82)	-
Compensation of option granted during the year	4.02	3.46
Closing Balance after Minority Interest (ESOP)	**7.62**	**6.42**

(iv) Treasury Shares (refer note 38)

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Balance	(68.37)	(28.29)
Add : (Purchase)/sale of treasury shares by the trust during the year (net)	7.68	(40.08)
Closing Balance after Minority Interest	**(60.69)**	**(68.37)**

(v) WEOMA reserve (refer Note 38)

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Balance	20.18	2.66
Add : Income of the trust for the year	24.64	17.52
Closing Balance after Minority Interest	**44.82**	**20.18**

(vi) Retained earnings

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Balance	1,965.97	1,759,87
Net Profit for the period	798.59	711.48
Remeasurement of post empoyment benefit obligation, net of tax	(0.96)	(2.95)
Less: Dividend	(451.59)	(435.43)
Less: Tax on dividend (net of tax on dividend received from Indian and foreign subsidiaries of Rs. 34.89 Crore) (Previous year Rs. 23.22 Crore)	(57.03)	(67.00)
Closing Balance (Retained earnings after Minority Interest)	**2,254.98**	**1,965.97**

12(c) Other Reserves

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Hedge reserve	1.46	(15.24)	(48.70)
Foreign currency translation reserve	(37.82)	(4.05)	-
Total other reserves	**(36.36)**	**(19.29)**	**(48.70)**

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Hedge reserve

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	(15.24)	(48.70)
Deferred Hedging Gain / (Loss) on hedging instruments	(9.67)	(16.43)
Gain / (Loss) transferred to Income Statement	35.20	67.02
Deferred tax on hedge reserve	(8.83)	(17.13)
Closing Balance hedge reserve	**1.46**	**(15.24)**

Foreign currency translation reserve

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	(4.05)	-
Less: Transferred to retained earnings	-	-
Exchange gain/(loss) on translation during the year	(33.77)	(4.05)
Closing Balance Foreign currency translation reserve	**(37.82)**	**(4.05)**

Non controlling interest (NCI)

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	14.31	13.65
Total Comprehensive Income for the year	12.37	11.84
Less : Dividend distributed to minority shareholders	(13.45)	(11.88)
Other adjustments	0.11	0.70
Closing Balance Non controlling interest (NCI)	**13.34**	**14.31**

Nature and purpose of other reserves

Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

General Reserve

The General Reserve is used from time to time to record transfer of profit from retained earnings, for appropriation purposes. As general reserve is created by transfer from one component of equity to another and it is not an item of other comprehensive income, item included in the General Reserve will not be reclassified subsequently to Profit or Loss.

Share based option outstanding account

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

WEOMA reserve and Treasury shares

Profit on sale of treasury shares by WEOMA trust is recognised in WEOMA reserve. (refer note 38)

Hedge Reserve

The group uses forward and options contracts to hedge its risks associated with foreign currency transactions relating to certain firm commitments and forecasted transactions. The group also uses Interest rates swap contracts to hedge its interest rate risk exposure. The group designates these as cash flow hedges. These contracts are marked to market as at the year end and resultant exchange differences, to the extent they represent effective portion of the hedge, are recognized directly in hedge reserve. The ineffective portion of the same is recognized immediately in the Statement of Profit and Loss.

Exchange differences taken to hedge reserve account are recognized in the Statement of Profit and Loss upon crystallization of firm commitments or occurrence of forecasted transactions or upon discontinuation of hedge accounting resulting from expiry / sale / termination of hedge instrument or upon hedge becoming ineffective.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Adjustment pursuant to the Scheme of Capital Reduction of MCCL

During the year ended 31st March, 2014, Hon'ble High Court of Bombay had approved the Scheme of Capital Reduction vide its order dated 21st June, 2013 in accordance with the provisions of Section 78 (read with Sections 100 to 103) of the Companies Act, 1956, pertaining in the group's wholly owned subsidiary, Marico Consumer Care Limited (MCCL). Pursuant to the Capital Reduction Scheme, intangible assets aggregating Rs. 723.72 Crore, were adjusted against the Share capital to the extent of Rs. 53.96 Crore and securities premium to the extent of Rs. 669.76 Crore. Consequently, in the consolidated financial statements of Marico, intangible assets to the extent of Rs. 723.72 Crore were adjusted under reserves and surplus.

13(a) Non-Current Borrowings

(₹ in Crore)

	Maturity Date	Terms of repayment	Coupon / Interest rate	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured						
Term Loan						
From banks						
External commercial borrowing from The Hongkong and Shanghai Banking Corporation Limited (Refer note (ii) below)	USD 6 million due on 11th August, 2015 USD 9 million due on 11th February, 2016 USD 12 million due on 11th August, 2016 USD 15 million due on 11th February, 2017	The loan is repayable over a period of 6 years commencing from 11th February, 2011 on semiannual installments	3 months LIBOR + 2.1%	-	179.28	262.78
Total non-current borrowings				**-**	**179.28**	**262.78**
Less: Current Maturities of long-term debt (Refer note 13 (b))				-	178.53	93.36
Less: Interest accrued (Refer note 13 (b))				-	0.75	1.02
Non-current borrowings				**-**	**-**	**168.40**

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To Consolidated Financial Statements for the year ended 31st March, 2017

13(a) Current Borrowings

(₹ in Crore)

	Maturity Date	Terms of repayment	Coupon /Interest rate	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans repayable on demand						
Secured						
From banks						
Cash credit (Refer Note (i) below)	Payable on demand	Payable on demand	6.00% to 12.25% per annum	33.87	16.72	8.64
Pre-shipment credit in Foreign Currency (Refer Note (i) below)	Repayable on 9th June, 2017 Rs. 21.25 Crore and repayable on 21st July, 2017 Rs. 27.10 Crore (FY 16 - Nil)	For a term of twelve months	1.00% to 1.4% per annum (FY 16 - Nil)	48.35	-	-
Export Packing credit (Refer Note (i) below)	Repayable on 31st May, 2017 Rs. 10 Crore and 25th September, 2017 Rs. 10 Crore (FY 16 - Repayable on 27th May, 2016 and 20th June, 2016 for Rs. 10 Crore and 5 Crore respectively)	For a term of two months to six months (FY 16 - For a term of two to four months)	Bank Base rate/Relevant Benchmark rate plus applicable spread ranging between 6.7% to 9.5% per annum less Interest Subvention of 3% per annum (FY 16 - Bank Base rate plus applicable/Relevant Benchmark rate spread ranging between 8.9% to 9.5% per annum less Interest Subvention of 3% per annum)	20.00	15.00	-
Working capital demand loan (Refer Note (i) below)	Repayable on 18th October, 2017 - Rs. 10 Crore 19th October, 2017 - Rs. 10 Crore 15th December, 2017 - Rs. 34.19 Crore	For a term of twelve months	Bank Base rate/Relevant Benchmark Rate plus applicable spread ranging between 0.1% to 0.2% per annum (FY 16 - Nil)	54.19	14.82	13.97
Unsecured						
Working capital demand loan	Repayable on 31st May, 2017 - Rs.57.89 Crore and 29th December, 2017 - Rs.18.99 Crore.	for terms upto twelve months	LIBOR plus applicable spread ranging from 0.80% to 1.10% per annum (FY 16 LIBOR plus applicable spread ranging from 0.80% to 1.10% per annum)	76.88	78.07	112.69
Cash credit	Payable on demand	Payable on demand	LIBOR plus applicable spread ranging from 0.80% to 1.10% per annum (FY 16 LIBOR plus applicable spread ranging from 0.80% to 1.10% per annum)	5.78	28.31	30.22
Total current borrowings				**239.07**	**152.92**	**165.52**
Less: Interest accrued (Refer Note 13(b))				0.27	0.13	0.08
Current borrowings as per balance sheet				**238.80**	**152.79**	**165.44**

(i) Export Packing Credit, Cash Credit, Pre-shipment credit in foreign currency and Working capital demand loan is secured by hypothecation of inventory and debtors, value of Rs. 1,500.43 Crore as at 31st March, 2017, Rs. 1,177.65 Crore as at 31st March, 2016 and Rs. 1,171.47 Crore as at 1st April, 2015.

(ii) ECB loan was secured by (i) Pledge of shares of Marico South East Asia Corporation (a Subsidiary company, formerly known as International Consumer Products Corporation), carrying value of Rs. 254.98 Crore as at 1st April, 2015, 31st March, 2016 and 31st March, 2017 (ii) First ranking pari passu charge over all current and future plant and machinery, carrying value of Rs. 188.57 Crore as at 1st April, 2015, Rs. 175.38 Crore as at 31st March 2016 and the said loan has been repaid during the year and (iii) Mortgage on land and building situated at Andheri, Mumbai (Mortgage was only for previous year ended 31st March, 2015), carrying value of Rs. 44.08 Crore as at 1st April, 2015.

13(b) Other Financial Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current			
Current maturities of long-term debt (refer note 13(a))	-	178.53	93.36
Interest accrued and not due on borrowings (refer note 13(a))	0.27	0.88	1.10
Capital Creditors	4.66	5.20	4.43
Salaries and benefits payable	11.25	7.69	6.62
Bonus payable	5.38	13.81	13.21
Security deposits from customer and others	1.25	0.43	1.49
Unclaimed dividend (refer note below)	0.33	0.44	0.27
Others liabilites	0.36	0.28	0.43
Derivative designated as hedges			
Foreign-exchange forward contracts	3.14	1.42	0.36
Foreign-exchange interest Rate Swaps used as designated interest rate hedges contracts	-	0.39	1.17
Total other current financial liabilities	**26.64**	**209.07**	**122.44**

Note : Amount payable to Investor Education and Protection Fund Rs. Nil as on 1st April, 2015, 31st March, 2016 and 31st March, 2017.

13(c) Trade Payables

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current			
Trade payables	696.60	669.04	564.42
Total trade payables	**696.60**	**669.04**	**564.42**

14 Provisions

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current			
Disputed indirect taxes (refer note (a))	56.41	50.64	42.25
Total current provisions	**56.41**	**50.64**	**42.25**

(a) Provision for disputed indirect taxes mainly pertains to Entry tax dispute in the state of Himachal Pradesh and West Bengal where company has filed a writ petition in both the states before the honourable high court and the matter is sub judice. It is not practicable to state the timing of the judgement & final outcome. Management has assessed that unfavourable outcome of the matter is more than probable and therefore has created provisions for necessary amounts.

(b) Movement in provisions

(₹ in Crore)

Disputed indirect taxes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Charged / (credited) to profit or loss	50.64	42.25	25.15
Add: Additional provision recognised	6.02	12.41	17.60
Less: Amount used during the year	(0.25)	(4.02)	-
Less: Unused amounts reversed during the year	-	-	(0.50)
Balance as at the end of the year	**56.41**	**50.64**	**42.25**

15 Employee benefit obligations current

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Leave encashment/Compensated absences (refer note (iii) below)	9.59	8.37	7.53
Incentives / Bonus	30.38	25.65	28.23
Gratuity (refer note (i) below)	3.68	3.11	2.85
Share-appreciation rights (refer note (v) below)	7.88	16.68	14.84
Others	0.50	0.44	0.52
Total employee benefit obligations current	**52.03**	**54.25**	**53.97**

Employee benefit obligations non current

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Leave encashment/Compensated absences (refer note (iii) below)	1.18	1.38	1.20
Incentives / Bonus	-	-	0.13
Gratuity (refer note (i) below)	5.28	6.22	3.91
Share-appreciation rights (refer note (v) below)	7.65	4.00	7.76
Others	1.75	1.21	0.60
Total employee benefit obligations non current	**15.86**	**12.81**	**13.60**

Notes:

(i) Gratuity

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan in India is funded through gratuity trust in India.

(ii) Provident fund

Contributions are made to a trust administered by the group. The group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the Trust set up by the group is additionally provided for. There is no shortfall as at 31st March, 2017, 31st March 2016 and 1st April, 2015.

(iii) Leave Encashment/Compensated absences.

The group provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation.

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current leave obligations expected to be settled within the next 12	9.59	8.37	7.53

(iv) Superannuation

Marico India makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by Insurance companies. The company has no obligation to the scheme beyond its monthly contributions.

(v) Share-appreciation rights

In respect of Employee Stock Appreciation Rights (STAR) granted pursuant to the group's Employee Stock Appreciation Rights Plan, 2011, the liability shall be measured, initially and at the end of each reporting period until settled, at the fair value of the share appreciation rights, by applying an option pricing model, (excess of fair value as at the period end over the Grant price) is recognized as employee compensation cost over the vesting period (refer note 38).

(a) **Balance sheet amounts - Gratuity**

(₹ in Crore)

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
1st April, 2015	21.83	15.07	6.76
Current service cost	2.46	-	2.46
Interest expense	1.65	-	1.65
Interest income	-	(1.94)	(1.94)
Total amount recognised in profit or loss	**4.11**	**(1.94)**	**2.17**
Remeasurements			-
(Gain)/loss from change in financial assumptions	1.35	-	1.35
Experience (gains)/ losses	2.11	0.79	2.90
Total amount recognised in other comprehensive income	**3.46**	**0.79**	**4.25**
Employer contributions	-	3.25	(3.25)
Benefit Payments	(2.77)	(2.17)	(0.60)
31st March, 2016	**26.63**	**17.30**	**9.33**
1st April, 2016	26.63	17.30	9.33
Current service cost	3.09	-	3.09
Interest expense	1.99	-	1.99
Interest income	-	(1.34)	(1.34)
Total amount recognised in profit or loss	**5.08**	**(1.34)**	**3.74**
Remeasurements			-
(Gain)/loss from change in demographic assumptions	0.95	-	0.95
(Gain)/loss from change in financial assumptions	1.11	-	1.11
Experience (gains)/ losses	(0.07)	(0.62)	(0.69)
Total amount recognised in other comprehensive income	**1.99**	**(0.62)**	**1.37**
Employer contributions	(0.41)	3.41	(3.82)
Benefit Payments	(3.86)	(2.20)	(1.66)
31st March, 2017	**29.43**	**20.47**	**8.96**

The Net liability disclosed above relates to funded & unfunded plans are as follows (₹ in Crore)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Present value of funded obligations	23.42	19.98	17.67
Fair value of plan assets	(20.47)	(17.30)	(15.07)
Deficit of funded plan	**2.95**	**2.68**	**2.60**
Unfunded plans	6.01	6.65	4.16
Deficit of gratuity plan	**8.96**	**9.33**	**6.76**

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The following table shows a breakdown of the defined benefit obligation (Gratuity) and plan assets by country:

(₹ in Crore)

Plan type	31st March, 2017					31st March, 2016					1st April, 2015				
	India	Bangladesh	Dubai	Eygpt	Total	India	Bangladesh	Dubai	Eygpt	Total	India	Bangladesh	Dubai	Eygpt	Total
Present value of obligations	23.42	2.96	2.57	0.48	29.43	19.98	3.41	2.23	1.01	26.63	17.67	1.86	1.46	0.84	21.83
Fair value of plan assets	(20.47)	-	-	-	(20.47)	(17.30)	-	-	-	(17.30)	(15.07)	-	-	-	(15.07)
Total liability	**2.95**	**2.96**	**2.57**	**0.48**	**8.96**	**2.68**	**3.41**	**0.48**	**1.01**	**9.33**	**2.60**	**1.86**	**1.46**	**0.84**	**6.76**

The significant actuarial assumptions were as follows

	31st March, 2017				31st March, 2016				1st April, 2015			
	India	Bangladesh	Dubai	Eygpt	India	Bangladesh	Dubai	Eygpt	India	Bangladesh	Dubai	Eygpt
Discount rate	6.77%	11.00%	3.18%	8.00%	7.72%	11.00%	3.18%	8.00%	7.89%	11.00%	3.15%	12.50%
Rate of return on Plan assets*	6.77%	NA	NA	NA	7.72%	NA	NA	NA	7.89%	NA	NA	NA
Future salary rise**	10.00%	12.00%	5.00%	14.40%	10%	12.00%	5.00%	14.40%	10%	12.00%	5.00%	12.00%
Attrition rate	17.00%	17.50%	5.25%	10.00%	17%	17.50%	5.25%	10.00%	17%	17.50%	5.25%	NA

*The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

**The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. (The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.)

Sensitivity Analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Crore)

	As at 31st March, 2017	As at 31st March, 2016
Projected benefit obligation on current assumptions	29.43	26.63
Delta effect of +1% change in rate of discounting	(1.39)	(1.18)
Delta effect of -1% change in rate of discounting	1.55	1.32
Delta effect of +1% change in rate of salary increase	1.17	1.03
Delta effect of -1% change in rate of salary increase	(1.10)	(0.96)
Delta effect of +1% change in rate of Employee turnover	(0.19)	(0.12)
Delta effect of -1% change in rate of Employee turnover	0.21	0.12

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The major categories of plans assets are as follows:

(₹ in Crore)

	31st March, 2017		31st March, 2016		1st April, 2015	
	Amount	in %	Amount	in %	Amount	in %
Special deposit scheme	0.53	2.59%	-	0%	-	0%
Insurer Managed funds	19.91	97.26%	17.30	100%	15.07	100%
Other	0.03	0.15%	-	0%	-	0%
Total	**20.47**	**100%**	**17.30**	**100%**	**15.07**	**100%**

(b) Provident Fund

Amount recognised in the Balance sheet

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Liability at the end of the year	-	-	-
Fair value of plan assets at the end of the year	122.01	98.60	85.80
Present value of benefit obligation as at the end of the period	(117.45)	(94.43)	(82.31)
Difference	4.56	4.17	3.49
Unrecognized past service cost	(4.56)	(4.17)	(3.49)
(Assets) / Liability recognized in the Balance Sheet	-	-	-

Changes in defined benefit obligations:

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Liability at the beginning of the year	94.43	82.31	81.83
Interest cost	8.75	7.20	6.75
Current service cost	8.49	6.73	6.01
Employee contribution	10.78	9.40	8.21
Liability Transferred in	7.11	2.82	2.99
Liability Transferred out	(6.38)	(3.33)	(4.15)
Benefits paid	(5.73)	(10.70)	(19.34)
Actuarial (gain)/loss on obligations (Due to change in financial obligation)	-	-	-
Actuarial (gain)/loss on obligations (Due to Experience)	-	-	-
Liability at the end of the year	**117.45**	**94.43**	**82.31**

Changes in fair value of plan assets:

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Fair value of plan assets at the beginning of the year	98.60	85.80	82.59
Expected return on plan assets	8.77	7.21	6.75
Contributions	18.74	16.12	14.24
Transfer from other Company	7.11	2.82	2.99
Transfer to other Company	(6.38)	(3.33)	(4.15)
Benefits paid	(5.73)	(10.84)	(19.34)
Actuarial gain/(loss) on plan assets	0.90	0.82	2.72
Fair value of plan assets at the end of the year	**122.01**	**98.60**	**85.80**

Expenses recognised in the Statement of Profit and Loss :

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Current service cost	7.96	6.72	6.02
Interest cost	8.77	7.20	6.75
Expected return on plan assets	(8.77)	(7.20)	(6.75)
Net actuarial (gain)/loss to be recognized	-	-	-
(Income) / Expense recognised in the Statement of Profit and Loss	**7.96**	**6.72**	**6.02**

The major categories of plans assets are as follows :

Particulars	31st March 2017		31st March, 2016		1st April, 2015	
	Amount	in %	Amount	in %	Amount	in %
Central Government securities	14.18	11.62%	24.37	24.72%	20.03	23.34%
State loan/State government Guaranteed Securities	13.71	11.24%	15.21	15.43%	15.32	17.86%
Public Sector Units	38.50	31.55%	43.33	43.94%	40.05	46.68%
Private Sector Units	7.41	6.07%	7.81	7.92%	6.50	7.57%
Equity / Insurance Managed Funds	45.03	36.91%	3.63	3.68%	-	0.00%
Others	3.18	2.61%	4.25	4.31%	3.90	4.55%
Total	**122.01**	**100.00%**	**98.60**	**100.00%**	**85.80**	100.00%

The significant actuarial assumptions were as follows:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Discount rate	6.67%	7.72%	7.89%
Rate of return on Plan assets*	8.85%	8.80%	8.75%
Future salary rise**	10%	10%	10%
Attrition rate	17%	17%	17%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate		

*The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

**The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. (The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.)

(c) Privileged leave (Compensated absences for employees):

Amount recognized in the Balance Sheet and movements in net liability:

(₹ in Crore)

	31st March, 2017	31st March, 2016	1st April, 2015
Opening balance of compensated absences (a)	9.75	8.73	6.78
Present value of compensated absences (As per actuarial valuation) as at the year end (b)	10.77	9.75	8.73

The privileged leave liability is not funded.

(d) Superannuation fund

Marico India has recognised Rs. Nil for the year ended 31st March, 2017, Rs. 0.15 Crore for the year ended 31st March, 2016 and Rs. 0.22 Crore for the year ended 31st March, 2015 towards contribution to superannuation fund in the Statement of Profit and Loss.

Marico India has recognised Rs. 0.12 Crore for the year ended 31st March, 2017, Rs. 0.05 Crore for the year ended 31st March, 2016, towards employee state insurance plan in the Statement of Profit and Loss.

Risk exposure (For Gratuity and Provident Fund)

Through its defined benefit plans, the group is exposed to below risk:

Asset volatility : The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan assets has investments in insurance/equity managed fund, fixed income securities with high grades, public/private sector units and government securities. Hence assets are considered to be secured.

Changes in bond yields : A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

The Trust ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the group's ALM objective is to match assets to the obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due.

Defined benefit liability and employer contributions

The weighted average duration of the gratuity for the group ranges from 4.88 to 12.37 years as at 31st March, 2017, 5.59 to 12.32 years as at 31st March, 2016 and 5.51 to 12.71 years as at 1st April, 2015.

The expected maturity analysis of gratuity is as follows:

(₹ in Crore)

	31st March, 2017	31st March, 2016	1st April, 2015
Within the next 12 months	4.07	3.82	3.31
Between 2 and 5 years	14.85	17.27	11.65
Between 6 and 10 years	15.79	23.31	11.87
Total	**34.71**	**44.40**	**26.83**

16 Deferred Tax Liabilities (Net)

The balance comprises temporary differences attributable to :

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred tax assets			
Liabilities / provisions that are deducted for tax purposes when paid	22.15	-	-
On Intangible assets adjusted against Capital Redemption Reserve and Securities Premium Account under the Capital Restructuring Scheme	7.06	-	-
MAT Credit entitlement	7.74	-	-
	36.95	**-**	**-**
Other items:			
Provision for doubtful debts / advances that are deducted for tax purposes when written off	1.77	-	-
Other timing differences	0.42	-	-
	2.19	**-**	**-**
Total deferred tax assets	**39.14**	**-**	**-**
		-	-
Deferred tax liability:			
Additional depreciation/amortisation on property, plant and equipment, and investment property for tax purposes due to higher tax depreciation rates.	40.35	1.00	0.07
Financial assets at fair value through Profit & Loss	7.96	0.21	0.13
Outside basis tax	11.85	21.63	16.08
Other timing differences	1.01	-	-
Total deferred tax liabilities	**61.17**	**22.84**	**16.28**
Net deferred tax liabilities	**22.03**	**22.84**	**16.28**

Movement in deferred tax assets

(₹ in Crore)

Particulars	Liabilities / provisions that are deducted for tax purposes when paid	On intangible assets	MAT credit entitlement	Other items	Total deferred tax assets
As at 1st April, 2015	**-**	**-**	**-**	**-**	**-**
(Charged)/credited :					-
to Profit and loss	-	-	-	-	-
to other comprehensive income	-	-	-	-	-
Deferred tax on basis adjustment	-	-	-	-	-
As at 31st March, 2016	-	-	-	-	-
(Charged)/credited :					
to Profit and loss	22.15	7.06	7.74	2.19	39.14
to other comprehensive income	-	-	-	-	-
As at 31st March, 2017	**22.15**	**7.06**	**7.74**	**2.19**	**39.14**

NOTES

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Movement in deferred tax liabilities

(₹ in Crore)

Particulars	Property plant and equipment and Investment property	Financial assets at fair value through Profit & Loss	Outside basis tax	Other items	Total deferred tax liabilities
As at 1st April, 2015	**0.07**	**0.13**	**16.08**	**-**	**16.28**
(Charged)/credited :					
to Profit and loss	0.93	0.08	5.55	-	**6.56**
to other comprehensive income	-	-	-	-	**-**
Deferred tax on basis adjustment	-	-	-	-	**-**
As at 31st March, 2016	**1.00**	**0.21**	**21.63**	**-**	**22.84**
(Charged)/credited :					
to Profit and loss	39.35	7.75	(9.78)	1.01	**38.33**
to other comprehensive income	-	-	-	-	**-**
Deferred tax on basis adjustment	-	-	-	-	**-**
As at 31st March, 2017	**40.35**	**7.96**	**11.85**	**1.01**	**61.17**

17 Current tax liabilities

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	36.09	38.90
Add: Current tax payable for the year	292.21	250.30
Less: Taxes paid	(296.41)	(252.82)
Foreign Currency Translation Reserve	(0.24)	(0.29)
Closing balance	**31.65**	**36.09**
Current Tax assets	**0.92**	**1.98**
Current Tax liabilities	**32.57**	**38.07**

The Current tax assets and liabilities has been derived at based on individual entity.

18 Other current liabilities

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Statutory dues including provident fund, Tax deducted at source and others	40.88	33.89	30.34
Book overdraft	-	12.55	4.36
Other current liabilities	**40.88**	**46.44**	**34.70**
Contractual obligation	54.61	65.23	61.79
Advance from customer	23.16	26.92	28.86
Other payable	0.91	1.39	1.22
Total Other payables	**78.68**	**93.54**	**91.87**
Total other current liabilities	**119.56**	**139.98**	**126.57**

19 Revenue From Operations

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Sale of products including excise duty		
Finished goods*	5,788.94	5,884.63
By-products	129.09	130.16
Other operating revenue:		
Export incentives	8.49	4.86
Other incentives	2.14	-
Sale of Scrap	7.26	4.80
Total Revenue from continuing operations	**5,935.92**	**6,024.45**

*Finished goods includes traded goods

20 Other Income

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
(a) Other income		
Rental income	1.20	0.91
Dividend income from investments measured at fair value through profit or loss	-	25.59
Interest income from financial assets at amortised cost	36.32	32.36
Others	8.00	11.86
Total of other income	**45.52**	**70.72**
(b) Other gains/(losses):		
Net gain on disposal of property, plant and equipment / business	2.77	19.16
Net gain on financial assets mandatorily measured at fair value through profit or loss and net gain on sale of investments*	49.02	3.45
Total of other gain/(losses)	**51.79**	**22.61**
Total other income	**97.31**	**93.33**

*Includes net gain on financial assets mandatorily measured at fair value through Profit or Loss of Rs 18.56 Crore (31st March, 2016: Rs.1.39 Crore)

21(a) Cost of Materials Consumed

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Raw materials at the beginning of the year	359.33	367.51
Add: Purchases	2,573.18	2,374.08
Less: Raw materials at the end of the year	619.72	359.33
Total raw materials consumed	**2,312.79**	**2,382.26**
Packing materials at the beginning of the year	75.21	77.10
Add: Purchases	463.24	471.41
Less: Packing materials at the end of the year	86.01	75.21
Total packing materials consumed	**452.44**	**473.30**
Total cost of materials consumed	**2,765.23**	**2,855.56**

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21(b) Changes in Inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Opening inventories		
Finished goods	322.83	387.03
Work-in-progress	137.21	128.78
By-products	3.79	6.03
Stock-in-trade	17.71	19.80
Closing inventories		
Finished goods	362.23	322.83
Work-in-progress	159.35	137.21
By-products	3.51	3.79
Stock-in-trade	13.21	17.71
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**(56.67)**	**60.10**

22 Employee Benefit Expense

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Salaries, wages and bonus	342.36	321.84
Contribution to provident fund (Refer Note 15)	14.28	11.73
Employee share-based payment expense (Refer Note 35)	4.02	3.46
Stock appreciation right expenses (Refer Note 35)	13.89	15.74
Staff welfare expenses	29.63	20.63
Total employee benefit expense	**404.18**	**373.40**

23 Depreciation and Amortization Expense

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Depreciation on Property, Plant and Equipment (Refer Note 3)	85.34	82.64
Depreciation on Investment properties (Refer Note 4)	0.44	1.77
Amortisation of intangible assets (Refer Note 5)	4.03	4.08
Impairment loss / (reversal of loss) of capitalised assets (Refer Note 3)	0.49	6.37
Total Depreciation and amortization expense	**90.30**	**94.86**

24 Other Expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Consumption of stores and spares	21.31	18.11
Power, fuel and water	29.32	31.06
Contract manufacturing charges	187.35	188.43
Rent and storage charges	50.56	39.37
Repairs to:		
- Building	11.65	10.81
- Plant and equipment	21.24	20.03
- Others	5.22	4.15
Freight, forwarding and distribution expenses	238.59	229.94
Advertisement and sales promotion	659.46	692.72
Insurance	8.94	7.69
Rates and taxes	31.16	36.79
Commission to selling agents	6.06	5.60
Communication expenses	10.36	9.44
Printing and stationery	3.06	2.56
Research and development expenses	7.31	5.15
Net Losses on foreign currency transactions and translations (Refer note (iii))	33.35	61.06
Travelling, conveyance and vehicle expenses	45.60	43.17
Royalty	0.31	0.25
Commission to Non-executive directors	1.82	1.31
Provision for doubtful debts, loans, advances and investments	0.09	1.33
Add: Bad debts written off	-	0.06
	0.09	1.39
Miscellaneous expenses (Refer note (i) below)	150.63	112.96
Total	**1,523.39**	**1,521.99**

(i) Miscellaneous expenses include :

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Labour charges	26.03	20.61
Training and seminar expenses	8.48	7.54
Outside services	30.01	21.55
Legal and professional charges	60.33	39.34
Donation	5.73	8.84

(ii) Corporate social responsibility expenditure

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Amount required to be spent as per the section 135 of the Act	13.15	11.35
Amount spent during the year on:		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	14.56	10.02

(iii) Net Losses on foreign currency transactions and translations is other than as consider in finance cost.

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25 Finance Costs

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest and finance charges on financial liabilities not at fair value through profit or loss	9.24	10.54
Bank and other financial charges	2.29	2.50
Fair value changes on interest rate swaps designated as cash flow hedges transfer from OCI	(0.39)	(0.78)
Exchange differences regarded as an adjustment to borrowing costs	4.89	5.92
Other borrowing costs	0.55	2.44
Finance costs expensed in profit or loss	**16.58**	**20.62**

26 Income Tax Expense

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
a) Income tax expense		
Current tax		
Current tax on profits for the year	292.21	250.30
Total current tax expense	**292.21**	**250.30**
Deferred tax		
(Decrease)/ Increase in deferred tax liabilities	45.52	55.07
Total deferred tax expense/(benefit)	**45.52**	**55.07**
Income tax expense	**337.73**	**305.37**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit before income tax expense	1,148.70	1,028.70
India tax rate	**34.608%**	**34.608%**
Tax at the Indian tax rate	397.54	356.01
Tax effect of amounts which are not deductible/ (allowable) in calculating taxable income :		
Exempt Income	(0.77)	(12.67)
Corporate social responsibility expenditure	5.40	2.42
Employee share based expense	5.96	6.27
Expenses not deductible for tax purposes	-	1.58
Other items		
Deduction under various Section of Income Tax Act,1961	(73.57)	(50.22)
Dividend to be taxed at lower rate	(39.44)	(12.76)
Long Term Capital Gains on sale of land taxed at different rate	-	(1.50)
Interest income on loan to WEOMA Trust eliminated in financial statement	1.18	0.73
Provision for Impairment of Investment in joint venture	0.56	-
Other	(0.22)	(1.06)
Difference in overseas tax rate	42.38	21.77
Adjustment to current tax of prior periods	(1.29)	(5.20)
Income tax expense	**337.73**	**305.37**

27 Fair Value Measurements

(a) Financial Instruments by category

(₹ in Crore)

Particulars	Note	31st March, 2017			31st March, 2016			1st April, 2015		
		FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Financial Assets										
Investments										
Equity Instruments	6(a)	0.14	-	-	1.47	-	-	4.52	-	-
Bonds and debentures	6(a)	-	-	40.72	-	-	24.78	-	-	24.78
Mutual funds	6(a)	401.68	-	-	364.59	-	-	245.45	-	-
Government securities	6(a)	-	-	1.98	-	-	5.37	-	-	0.01
Trade receivables	6(b)	-	-	246.99	-	-	252.09	-	-	176.75
Inter corporate deposits	6(a)	-	-	147.39	-	-	116.16	-	-	60.76
Loans	6(c)	-	-	9.85	-	-	8.75	-	-	8.50
Derivative financial assets	6(f)		2.11		-	4.15	-	-	0.58	-
Security deposits	6(f)	-	-	16.29	-	-	13.70	-	-	14.33
Cash and bank balances	6(d),6(e)	-	-	21.43	-	-	28.32	-	-	31.60
Fixed deposits	6(d),6(e)&6(f)	-	-	206.33	-	-	289.84	-	-	181.18
Insurance claim receivable	6(f)	-	-	-	-	-	1.95	-	-	0.05
Total financial assets		**401.82**	**2.11**	**690.98**	**366.06**	**4.15**	**740.96**	**249.97**	**0.58**	**497.96**
Financial Liabilities										
Borrowings	13(a)	-	-	239.07	-	-	332.20	-	-	428.30
Derivative financial liabilities	13(b)	-	3.14	-	-	1.81	-	-	1.53	-
Trade payables	13(c)	-	-	696.60	-	-	669.04	-	-	564.42
Capital creditors	13(b)	-	-	4.66	-	-	5.20	-	-	4.43
Others	13(b)	-	-	18.57	-	-	22.65	-	-	22.02
Total financial liabilities		**-**	**3.14**	**958.90**	**-**	**1.81**	**1,029.09**	**-**	**1.53**	**1,019.17**

Fair value hierarchy

(b) This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crore)

	Note	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value - recurring fair value measurements as 31st March, 2017					
Financial assets					
Equity Instruments	6(a)	-	-	0.14	0.14
Mutual funds - growth plan	6(a)	17.71	383.97	-	401.68
Derivative designated as hedges					
Foreign exchange forward contracts, options and interest rate swaps	6(f)	-	2.11	-	2.11
Total financial assets		**17.71**	**386.08**	**0.14**	**403.93**
Financial liabilities					
Derivatives designated as hedges					
Foreign exchange forward contracts	13(b)	-	3.14	-	3.14
Total financial liabilities		**-**	**3.14**	**-**	**3.14**

(₹ in Crore)

	Note	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at amortized cost for which fair value are disclosed as 31st March, 2017					
Financial Assets					
Investments					
Bonds and debentures (including interest accrued)	6(a)	42.75	-	-	42.75
Government securities	6(a)	-	-	1.98	1.98
Inter - corporate deposits (including interest accrued)	6(a)	-	-	147.39	147.39
Total financial assets		**42.75**	**-**	**149.37**	**192.12**
Financial liabilities					
Borrowings (including interest accrued)	13(a)	-	-	239.07	239.07
Total financial liabilities		**-**	**-**	**239.07**	**239.07**
Financial assets and liabilities measured at fair value - recurring fair value measurements as 31st March, 2016					
Financial assets					
Listed equity instrument	6(a)	1.47	-	-	1.47
Mutual funds - growth plan	6(a)	16.32	348.27	-	364.59
Derivative designated as hedges					
Foreign exchange forward contracts, options and interest rate swaps	6(f)	-	4.15	-	4.15
Total financial assets		**17.79**	**352.43**	**-**	**370.22**
Financial liabilities					
Derivatives designated as hedges					
Foreign exchange forward contracts	13(b)	-	1.42	-	1.42
Foreign-exchange Interest Rate Swaps used as designated Interest rate hedges contracts	13(b)	-	0.39	-	0.39
Total financial liabilities		**-**	**1.81**	**-**	**1.81**
Financial assets and liabilities measured at amortized cost for which fair value are disclosed as 31st March, 2016					
Financial Assets					
Investments					
Bonds (including interest accrued)	6(a)	26.46	-	-	26.46
Government securities	6(a)	-	-	5.37	5.37
Inter - corporate deposits (including interest accrued)	6(a)	-	-	116.16	116.16
Total financial assets		**26.46**	**-**	**121.53**	**147.99**
Financial liabilities					
Borrowings (including interest accrued)	13(a)	-	-	332.20	332.20

(₹ in Crore)

	Note	Level 1	Level 2	Level 3	Total
Total financial liabilities		**-**	**-**	**332.20**	**332.20**
Financial assets and liabilities measured at fair value - recurring fair value measurements as 1st April, 2015					
Financial assets					
Listed of equity instruments	6(a)	4.52	-	-	4.52
Mutual funds - growth plan	6(a)	5.60	239.85	-	245.45
Derivative designated as hedges					
Foreign exchange forward contracts, options and interest rate swaps	6(f)	-	0.58	-	0.58
Total financial assets		**10.12**	**240.43**	**-**	**250.55**
Financial liabilities					
Derivatives designated as hedges					
Foreign exchange forward contracts	13(b)	-	0.36	-	0.36
Foreign-exchange Interest Rate Swaps used as designated Interest rate hedges contracts	13(b)	-	1.17	-	1.17
Total financial liabilities		**-**	**1.53**	**-**	**1.53**
Financial assets and liabilities measured at amortized cost for which fair value are disclosed as 1st April, 2015					
Financial Assets					
Investments					
Bonds (including interest accrued)	6(a)	26.16	-	-	26.16
Government securities	6(a)	-	-	0.01	0.01
Inter corporate deposits (including interest accrued)	6(a)	-	-	60.76	60.76
Total financial assets		**26.16**	**-**	**60.77**	**86.93**
Financial liabilities					
Borrowings (including interest accrued)	13(a)	-	-	428.30	428.30
Total financial liabilities		**-**	**-**	**428.30**	**428.30**

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

Level 1: Financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, mutual funds, bonds and debentures, that have quoted price and NAV published by the mutual funds. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is considered here.For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the group carries such instruments at cost less impairment, if applicable.

The Group's policy is to recognize transfers into and transfer out of fair value hierarchy levels as at the end of the reporting period.

(c) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Crore)

	Note	31st March, 2017		31st March, 2016		1st April, 2015	
		Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets							
Investments							
Bonds and debentures	6(a)	40.72	42.76	24.78	26.46	24.78	26.16
Government securities	6(a)	1.98	1.98	5.37	5.37	0.01	0.01
Inter - corporate deposits	6(a)	147.39	147.39	116.16	116.16	60.76	60.76
Total financial assets		**190.09**	**192.12**	**146.31**	**147.99**	**85.55**	**86.93**
Financial liabilities							
Borrowings	13(a)	239.07	239.07	332.20	332.20	428.30	428.30
Total financial liabilities		**239.07**	**239.07**	**332.20**	**332.20**	**428.30**	**428.30**

The carrying amounts of trade receivables, trade payables, capital creditors, loans and advances, security deposit, fixed deposit, insurance claim receivable, other financial liabilities and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

28 Financial Risk Management

Financial Risks

In the course of its business, the group is exposed to a number of financial risks: credit risk, liquidity risk, market risk (including foreign currency risk and interest rate risk, commodity price risk and equity price risk). This note presents the group's objectives, policies and processes for managing its financial risk and capital.

Board of Directors of the group have approved Risk Management Framework through policies regarding Investment , Borrowing and Foregin Exchange Management policy. Management ensures the implementation of strategies and achievement of objectives as laid down by the Board through central treasury function.

Approved Treasury Management Guidelines define and classify risks as well as determine, by category of transaction, specific approval, execution and monitoring procedures.

In accordance with the aforementioned policies, the group only enters into plain vanilla derivative transactions relating to assets, liabilities or anticipated future transactions.

(A) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk arises on liquid assets, financial assets, derivative assets, trade and other receivables.

In respect of its investments, the group aims to minimize its financial credit risk through the application of risk management policies. Credit limits are set based on a counterparty value. The methodology used to set the list of counterparty limits includes, counterparty Credit Ratings (CR) and sector exposure. Evolution of counterparties is monitored regularly, taking into consideration CR and sector exposure evolution. As a result of this review, changes on credit limits and risk allocation are carried out. The group avoids the concentration of credit risk on its liquid assets by spreading them over several asset management companies and monitoring of underlying sector exposure.

Trade receivables are subject to credit limits, controls & approval processes. Due to large geographical base & number of customers, the group is not exposed to material concentration of credit risk. Basis the historical experience, the risk of default in case of trade receivable is low. Provision is made for doubtful receivables on individual basis depending on the customer ageing, customer category, specific credit circumstances & the historical experience of the group.

The gross carrying amount of trade receivables is Rs 246.99 Crore as at 31st March, 2017 (Rs. 252.09 as at 31st March, 2016 and Rs. 176.75 Crore as at1st April, 2015).

Reconciliation of loss allowance provision- Trade receivables

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
Loss allowance at the beginning of the year	3.39	3.16
Add : Changes in loss allowances	(0.37)	0.23
Loss allowance at the end of the year	3.02	3.39

Security deposits are interest free deposits given by the group for properties taken on lease. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of security deposit is Rs. 16.28 Crore as at 31st March, 2017, Rs. 14.05 Crore as at 31st March, 2016 and Rs. 13.61 Crore as at 1st April, 2015.

Reconciliation of loss allowance provision- Deposits/advances

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
Loss allowance at the beginning of the year	1.00	-
Add : Changes in loss allowances due to provision	(1.00)	1.00
Loss allowance at the end of the year	-	1.00

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The current ratio of the group as at 31st March, 2017 is 1.96 (as at 31st March, 2016 is 1.60, as at 1st April, 2015 is 1.63) whereas the liquid ratio of the group as at 31st March, 2017 is 1.08 (as at 31st March, 2016 is 1.01, as at 1st April, 2015 is 0.82)

Maturities of financial liabilities

(₹ in Crore)

Particulars	Note	Less than	1 year to	2 years to	3 years	Total
		1 year	2 years	3 years	and above	
Contractual maturities of financial liabilities 31st March, 2017						
Non-derivatives						
Borrowings	13(a)	247.58	-	-	-	247.58
Trade Payables	13(c)	696.60	-	-	-	696.60
Other Financial Liabilities	13(b)	23.23	-	-	-	23.23
Total Non- derivative liabilities		**967.41**	**-**	**-**	**-**	**967.41**
Derivative (Net - Settled)						
Foreign exchange forward contracts	13(b)	3.14	-	-	-	3.14
Total derivative liabilities		**3.14**	**-**	**-**	**-**	**3.14**

(₹ in Crore)

Particulars	Note	Less than 1 year	1 year to 2 years	2 years to 3 years	3 years and above	Total
Contractual maturities of financial liabilities 31st March, 2016						
Non-derivatives						
Borrowings	13(a)	339.42	-	-	-	339.42
Trade payables	13(c)	669.04	-	-	-	669.04
Other financial liabilities	13(b)	27.85	-	-	-	27.85
Total Non- derivative liabilities		**1,036.31**	**-**	**-**	**-**	**1,036.31**
Derivative (Net - Settled)						
Foreign exchange forward contracts	13(b)	1.81	-	-	-	1.81
Total derivative liabilities		**1.81**	**-**	**-**	**-**	**1.81**
Contractual maturities of financial liabilities 1st April, 2015						
Non-derivatives						
Borrowings	13(a)	266.93	175.40	-	-	442.33
Trade Payables	13(c)	564.42	-	-	-	564.42
Other Financial Liabilities	13(b)	26.45	-	-	-	26.45
Total Non- derivative liabilities		**857.79**	**175.40**	**-**	**-**	**1,033.20**
Derivative (Net - Settled)						
Foreign exchange forward contracts	13(b)	1.53	-	-	-	1.53
Total derivative liabilities	**-**	**1.53**	**-**	**-**	**-**	**1.53**

(C) Market Risk

The group is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

(i) Foreign currency risk

The group is exposed to foreign currency risk from transactions and translation.

Transactional exposures arise from transactions in foreign currency. They are managed within a prudent and systematic hedging policy in accordance with the group's specific business needs through the use of currency forwards and options.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR as on 31st March, 2017.

(₹ in Crore)

Particulars	CAD	EUR	GBP	SGD	USD	VND	THB	IDR
Financial assets								
Foreign currency debtors for export of goods	0.24	-	-	-	60.98	-	-	-
Bank balances	-	0.11	0.06	-	12.58	0.01	-	0.04
Cash on hand	-	-	-	-	-	-	-	0.01
Other receivable / (payable)	-	-	0.01	0.01	0.38	-	0.01	-
Derivative asset								
Foreign exchange forward contracts sell foreign currency	-	-	-	-	(8.87)	-	-	-
Net Exposure to foreign currency risk (assets)	**0.24**	**0.11**	**0.07**	**0.01**	**65.07**	**0.01**	**0.01**	**0.05**

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(₹ in Crore)

Particulars	EUR	LKR	GBP	AUD	USD	SAR	SGD
Financial liabilities							
Foreign currency Creditors for Import of goods and services	0.02	0.11	1.30	-	26.49	3.91	0.15
Foreign Currency Loan	-	-	-	-	177.40	-	-
Derivative liabilities							
Foreign exchange forward contracts buy foreign currency	(1.86)	-	-	(1.19)	(62.09)	-	-
Foreign exchange Option contracts buy option		-	-	(3.91)	(13.46)	-	-
Net Exposure to foreign currency risk (liabilities)	**(1.84)**	**0.11**	**1.30**	**(5.10)**	**128.34**	**3.91**	**0.15**

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR as on 31st March, 2016.

(₹ in Crore)

Particulars	AED	ARS	BDT	CAD	EUR	GBP	SGD	USD	VND	IDR
Financial assets										
Foreign currency debtors for export of goods	0.01	-	-	0.19	2.02	-	-	61.82	-	-
Bank balances	-	-	-	-	1.88	0.01	-	8.82	0.01	0.02
Cash on hand	-	-	-	-	0.75	0.01	-	0.40	-	-
Other receivable / (payable)	0.01	0.01	0.01	-	0.02	-	0.01	-	-	-
Derivative asset										
Foreign exchange forward contracts sell foreign currency	-	-	-	-	-	-	-	(1.23)	-	-
Net Exposure to foreign currency risk (assets)	**0.02**	**0.01**	**0.01**	**0.19**	**4.67**	**0.02**	**0.01**	**69.81**	**0.01**	**0.02**

(₹ in Crore)

Particulars	BDT	LKR	GBP	AUD	USD	IDR
Financial liabilities						
Foreign currency creditors for import of goods and services	0.10	0.06	1.02	-	100.55	-
Foreign Currency Loan	-	-	-	-	127.03	-
Other receivable / (payable)	-	-	0.08	0.01	52.41	0.05
Derivative liabilities						
Foreign exchange forward contracts buy foreign currency	-	-	-	(4.83)	(42.11)	-
Foreign exchange option contracts buy option	-	-	-	(4.83)	(12.72)	-
Net Exposure to foreign currency risk (liabilities)	**0.10**	**0.06**	**1.11**	**(9.65)**	**225.16**	**0.05**

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR as on 1st April, 2015.

(₹ in Crore)

Particulars	AED	ARS	AUD	EUR	GBP	SGD	USD	VND	IDR	THB
Financial assets										
Foreign currency debtors for export of goods	0.01	-	-	-	-	-	47.19	-	-	-
Others	-	-	-	-	-	-	0.53	-	-	-
Bank balances	-	-	-	-	0.05	-	2.59	0.01	0.01	-
Cash on hand	-	-	-	0.03	0.01	-	0.04	-	-	-
Other receivable / (payable)	0.01	0.01	0.01	0.02	-	0.02	0.84	-	-	0.14
Derivative asset	-	-	-	-	-	-	-	-	-	-
Net Exposure to foreign currency risk (assets)	**0.02**	**0.01**	**0.01**	**0.05**	**0.06**	**0.02**	**51.19**	**0.01**	**0.01**	**0.14**

(₹ in Crore)

Particulars	BDT	EUR	GBP	SGD	USD	AUD	THB	IDR
Financial liabilities								
Foreign currency creditors for import of goods and services	-	0.65	1.49	0.01	107.00	3.89	0.01	-
Foreign currency Creditors for Capital goods	-	-	-	-	0.87	-	-	-
Foreign Currency Loan	-	-	-	-	117.51	-	-	-
Bank Balances		0.04	-	-	-	-	-	0.13
Other receivable / (payable)	0.01	-	-	-	-	-	-	-
Derivative liabilities								
Foreign exchange forward contracts buy foreign currency	-	(3.22)	-	-	(23.68)	(1.16)	-	-
Foreign exchange option contracts buy option	-	-	-	-	(20.76)	(2.73)	-	-
Net Exposure to foreign currency risk (liabilities)	**0.01**	**(2.53)**	**1.49**	**0.01**	**180.94**	**-**	**0.01**	**0.13**

Excludes Loans payable of Rs. 178.87 Crore [USD 27,000,000] (Rs. 262.49 Crore [USD 42,000,000]) assigned to hedging relationship against highly probable forecast sales. The Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 1 year (Previous year: 2 years).

(₹ in Crore)

Particulars	Impact on profit after tax		Impact on other component of equity	
	31st March,		31st March,	
	2017	2016	2017	2016
USD Sensitivity				
INR/USD Increase by 6% (31 March 2016-5%)	(5.10)	(6.83)	2.62	1.75
INR/USD Decrease by 6% (31 March 2016-5%)	5.10	6.83	(2.62)	(1.75)
AUD Sensitivity				
INR/AUD Increase by 6% (31 March 2016-6%)	-	-	0.20	0.32
INR/AUD Decrease by 6% (31 March 2016-6%)	-	-	(0.20)	(0.32)

ii) Interest Rate Risk

The group is exposed primarily to fluctuation in USD interest rates. Interest rate risk on financial debt is managed through interest rate swaps.

The group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the group agrees with other parties to exchange, at specified intervals (mainly quarterly), The difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Variable rate borrowings	185.77	300.48	380.38
Fixed rate borrowings	53.30	31.72	47.92
Total borrowings	**239.07**	**332.20**	**428.30**

As at the end of the reporting period, the group had the following variable rate borrowings and interest rate swap contracts outstanding:

Particulars	31st March, 2017			31st March, 2016			1st April, 2015		
	Weighted Average Interest Rate	Balance	% of Total Loans	Weighted Average Interest Rate	Balance	% of Total Loans	Weighted Average Interest Rate	Balance	% of Total Loans
Bank Overdrafts, Bank Loans	3.40%	185.77	77.70%	2.88%	300.48	90.45%	2.95%	380.38	88.81%
Interest rate Swaps (Notional principal amount)	-	-	-	1.25%	(89.64)	-	1.25%	(131.39)	-
Net Exposure to Cash Flow Interest rate Risk	**-**	**185.77**	**-**	**-**	**210.84**	**-**	**-**	**248.99**	**-**

Financial assets classified at amortized cost have fixed interest rate. Hence, the group is not subject to interest rate risk on such financial assets.

Sensitivity

(₹ in Crore)

Particulars	Impact on profit after tax		Impact on other component of equity	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Interest rates - Increase by 50 basis point (50 bps)	0.61	0.98	-	(0.29)
Interest rates - decrease by 50 basis point (50 bps)	(0.61)	(0.98)	-	0.29

iii) Price risk

Mutual fund Net Asset Values (NAVs) are impacted by a number of factors like interest rate risk, credit risk, liquidity risk , market risk in addition to other factors. A movement of 1% in NAV on either side can lead to a gain/loss of Rs. 4.01 Crore on the overall portfolio as at 31st March, 2017 and Rs. 3.64 Crore as at 31st March, 2016.

Impact of hedging activities

Derivate Asset and Liabilities through Hedge Accounting

Derivative Financial Instruments

The group's derivatives mainly consist of currency forwards and options ; interest rate swaps. Derivatives are mainly used to manage exposures to foreign exchange, interest rate and commodity price risk as described in section Market risk

Derivatives are initially recognised at fair value. They are subsequently remeasured at fair value on a regular basis and at each reporting date as a minimum, with all their gains and losses, realised and unrealised, recognised in the statement of Profit and Loss unless they are in a qualifying hedging relationship.

Hedge Accounting

The group designates and documents certain derivatives and other financial assets or financial liabilities as hedging instruments against changes in fair values of recognised assets and liabilities (fair value hedges), highly probable forecast transactions (cash flow hedges). The effectiveness of such hedges is assessed at inception and verified at regular intervals.

Fair value hedges

The group uses fair value hedges to mitigate foreign currency and interest rate risks of its recognised assets and liabilities.

Changes in fair values of hedging instruments designated as fair value hedges and the adjustments for the risks being hedged in the carrying amounts of the underlying transactions are recognised in the statement of profit and loss.

The group uses cash flow hedges to mitigate a particular risk associated with a recognised asset or liability or highly probable forecast transactions, such as anticipated future export sales, purchases of equipment and raw materials

The effective part of the changes in fair value of hedging instruments is recognised in other comprehensive income, while any ineffective part is recognised immediately in the statement of Profit and Loss.

Type of hedge and risks	Nominal value		Carrying amount of Hedging Instrument		Maturity date	Hedge ratio effec-tiveness	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
31st March, 2017									
Cash flow Hedge									
Foreign Exchange Risk									
Foreign Exchange Forward Contracts	86.14	16.78	2.47	(0.52)	April 2017- March 2018	1:1	1 USD - Rs. 67.6804 1 AUD - Rs. 52.0500 1 EUR - Rs. 71.2450	1.24	(1.24)
Foreign Exchange Options Contracts	50.70	17.37	1.16	0.07	April 2017- February 2018	1:1	1 USD - Rs. 67.1404 1 AUD - Rs. 51.2200	0.49	(0.49)
Foreign Exchange Forward Contracts (For Foreign Currency Loan)	-	48.36	-	(1.69)	April 2017- July 2017	1:1	1 USD - Rs. 71.6750	(1.57)	1.57
31st March, 2016									
Cash flow Hedge									
Foreign Exchange Risk									
Foreign Exchange Forward Contracts	123.08	48.89	0.90	(0.20)	April 2016- February 2017	1:1	USD 1 - Rs. 68.4673 AUD 1 - Rs. 49.4850	1.10	(1.10)
Foreign Exchange Options Contracts	1.81	17.55	0.02	0.72	April 2016- March 2017	1:1	USD 1 - Rs. 66.8584 AUD 1 - Rs. 47.4090	0.16	(0.16)

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Type of hedge and risks	Nominal value		Carrying amount of Hedging Instrument		Maturity date	Hedge ratio effec-tiveness	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Interest Rate Risk									
Interest Rate Swap	-	89.43	-	(0.39)	April 2016-February 2017	1:1	1.25%	0.78	(0.78)
Fair Value hedge									
Foreign Exchange Risk									
Foreign Exchange Forward Contracts (Foreign Currency Loan)	1.35	53.00	(19.58)	(0.11)	April 2016-February 2017	1:1	USD 1 - Rs. 68.8736 ZAR 1 - Rs. 4.4355	(0.15)	0.15
Foreign Exchange Options Contracts (Foreign Currency Loan)	-	53.00	-	1.76	April 2016-February 2017	1:1	USD 1 - Rs. 66.4009	1.76	(1.76)
1st April, 2015									
Cash flow Hedge									
Foreign Exchange Risk									
Foreign Exchange Forward Contracts	7.47	28.06	0.01	(0.40)	April 2015 to October 2015	1:1	USD 1 - Rs. 63.2336 AUD 1 - Rs. 50.8264 EUR 1 - RS. 72.8490	(1.03)	1.03
Foreign Exchange Options Contracts	27.33	23.49	0.08	0.50	April 2015 to November 2015	1:1	USD 1 - Rs. 62.1052 AUD 1 - Rs. 48.9800	(0.59)	0.59
Interest Rate Risk									
Interest Rate Swap	-	131.25	-	(1.17)	April 2015-February 2017	1:1	1.25%	0.60	(0.60)
Fair Value hedge									
Foreign Exchange Risk									
Foreign Exchange Forward Contracts (Foreign Currency Loan)	5.44	-	0.03	-	April 2015-December 2016	1:1	ZAR 1 - Rs. 5.1514	(0.17)	0.17

Disclosure of effects of Hedge Accounting on Financial Performance

(₹ in Crore)

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in Statement of Profit and Loss because of the reclassification
31st March, 2017				
Cash Flow				
Foreign Exchange Risk	1.74	-	(1.95)	Other expenses
Interest Rate Risk	-	-	(0.39)	Finance cost
Foreign Exchange Risk	(1.57)	-	1.65	Finance cost

(₹ in Crore)

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in Statement of Profit and Loss because of the reclassification
31st March, 2016				
Cash Flow				
Foreign Exchange Risk	1.26	–	0.85	Other expenses
Interest Rate Risk	(0.78)	_	(1.55)	Finance cost
Foreign Exchange Risk	1.61	–	(0.04)	Finance cost

29 Capital Management

(a) Risk Management

The group's capital management is driven by group's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the group's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

The debt equity ratio highlights the ability of a business to repay its debts. As at 31st March, 2017, the ratio was 10.22%.

The Group complies with all statutory requirement as per the extant regulations.

(₹ in Crore)

Particulars	31st March 2017	31st March 2016	1st April 2015
Net Debt	239.08	332.20	428.31
Total equity	2,339.02	2,031.70	1,814.10
Net Debt to equity ratio	10.22%	16.35%	23.61%

(b) Dividend

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
Equity shares		
Interim dividend for the year	451.59	435.43

30 Segment Information

(i) Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the group. The CODM examine the group performance from a geographic perspective and has identified two of its following business as identifiable segments:

a) India - this part of the business includes domestic consumer goods

b) International

(ii) The amount of the group's revenue is shown in the table below.

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
Segment revenue (Sales and other operating income)		
India	4,579.45	4,679.58
International	1,356.47	1,344.87
Total segment revenue	**5,935.92**	**6,024.45**
Less : Inter segment revenue	-	-
Total	**5,935.92**	**6,024.45**

Revenue from similar products from external customers (₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
Edible	3,293.82	3,427.32
Hair Oils	1,419.85	1,366.83
Personal care	818.11	849.09
Others	404.14	381.21
Total	**5,935.92**	**6,024.45**

The country is domicile in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
India	4,579.45	4,679.58
Bangladesh	591.32	592.23
Vietnam	380.15	303.90
Others	385.00	448.74
	5,935.92	**6,024.45**
Segment results (Profit before tax and interest)		
India	1,058.83	963.12
International	198.66	207.40
Total segment results	**1,257.49**	**1,170.52**
Less : (i) Finance cost	16.58	20.62
(ii) Other un-allocable expenditure net of unallocable income	91.21	120.67
Profit before tax	**1,149.70**	**1,029.23**
Share of profit/ (loss) of Joint Venture	(1.00)	(0.53)
Profit Before Tax after share of profit/ (loss) of Joint Venture	**1,148.70**	**1,028.70**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Segment assets			
India	1,695.72	1,369.68	1,376.76
International	914.44	981.06	967.61
Unallocated	989.36	1,030.43	782.13
Total segment assets	**3,599.52**	**3,381.17**	**3,126.50**
Segment liabilities			
India	703.05	723.07	670.58
International	287.65	301.67	220.98
Unallocated	269.80	324.73	420.84
Total segment liabilities	**1,260.50**	**1,349.47**	**1,312.40**

Geographical non-current assets (Property, plant and equipment, capital work in progress, investment properties, goodwill, other intangible assets and other non-current assets) are allocated based on the location of the assets.

Information regarding geographical non-current assets is as follows:

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
India	544.54	546.80	519.84
Bangladesh	50.43	55.25	59.48
Vietnam*	481.66	500.51	486.02
Others	37.45	45.84	56.44
	1,114.08	**1,148.40**	**1,121.78**

* Includes Goodwill on consolidation amounting to Rs. 453.92 as at 31st March, 2017, Rs. 473.03 Crore as at 31st March, 2016 and Rs. 461.29 Crore as at 1st April, 2015.

31 Interests in Other Entities

(a) Subsidiaries

The group's subsidiaries at 31st March, 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non controlling interest		
		31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015
		%	%	%	%	%	%
Subsidiary companies:							
Marico Bangladesh Limited (MBL)	Bangladesh	90	90	90	10	10	10
Marico Middle East FZE (MME)	UAE	100	100	100	Nil	Nil	Nil
Marico Bangladesh Industries Limited (MBLIL)	Bangladesh	100	100	100	Nil	Nil	Nil
Egyptian American Company for Investment and Industrial Development SAE (EAIIDC)	Egypt	100	100	100	Nil	Nil	Nil
Marico Malaysia Sdn. Bhd. (MMSB)	Malaysia	100	100	100	Nil	Nil	Nil
MEL Consumer Care SAE (MELCC)	Egypt	100	100	100	Nil	Nil	Nil
Marico Egypt Industries Company (MEIC)	Egypt	100	100	100	Nil	Nil	Nil

Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non controlling interest		
		31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015
Marico South Africa Consumer Care (Pty) Limited (MSACC)	South Africa	100	100	100	Nil	Nil	Nil
Marico South Africa (Pty) Limited (MSA)	South Africa	100	100	100	Nil	Nil	Nil
Marico South East Asia Corporation (Formerly known as International Consumer Products Corporation)	Vietnam	100	100	100	Nil	Nil	Nil
Beaute Cosmetique Societe Par Actions (BCS)	Vietnam	Nil	Nil	99	Nil	Nil	1
Thuan Phat Foodstuff Joint Stock company (TPF)	Vietnam	Nil	99.99	99.99	Nil	0.01	0.01
Marico Consumer Care Limited (MCCL)	India	100	100	100	Nil	Nil	Nil
Marico Innovation Foundation (MIF)	India	NA	NA	NA	NA	NA	NA
Subsidiary firm:							
MEL Consumer Care & Partners - Wind (Through MELCC)	Egypt	99	99	99	1	1	1

During the previous year ended 31st March, 2015, Marico South East Asia Corporation (formerly known as International Consumer Product Corporation), a subsidiary of the Company in Vietnam has bought back its shares resulting into increase in the percentage of the Company's shareholding to 100%.

The principle activity of the group is consumer goods business.

Marico Innovation Foundation ("MIF"), a company incorporated under Section 25 of the Companies Act, 1956 (being a private company limited by guarantee not having share capital) primarily with an objective of fuelling and promoting innovation in India, is a wholly owned subsidiary of the Company with effect from 15th March, 2013. Based on control assessment carried out by Marico Limited, the same is not consolidated as per IND AS 110

During the year ended 31st March, 2016, Marico South East Asia Corporation (formerly known as International Consumer Product Corporation) a subsidiary of the Company divested its entire stake in Beaute Cosmetique Societe Par Actions (BCS) on 14th May, 2015. Accordingly the financial statements of BCS are consolidated from 1st April, 2015 to 14th May, 2015. The profit on sale of this divestment amounting to Rs. 9.62 Crore has been included in Other Income under the Statement of Profit and Loss Account.

(b) Interest in joint ventures

Name of entity	Carrying Amount as at 31st March, 2017	Carrying Amount as at 31st March, 2016	Carrying Amount as at 1st April, 2015	Accounting method	Share in Profit/(loss)		
					31st March, 2017	31st March, 2016	1st April, 2015
Bellezimo Professionale Products Private Limited	-	0.82	-	Equity Method	(1.01)	(0.53)	-
Zed Lifestyle Pvt Limited	16.30	-	-	Equity Method	0.01	-	-
Total equity accounted investments	16.30	0.82	-		(1.00)	(0.53)	-

32 Related Party Transactions

I Name of related parties and nature of relationship:

(a) Joint venture:

Bellezimo Professionale Products Private Limited

Zed Lifestyle Pvt Limited

(b) Key management personnel (KMP):

Mr. Saugata Gupta, Managing Director and CEO

Mr. Harsh Mariwala, Chairman and Non Executive Director

Mr. Rajeev Bakshi, Independent Director

Mr. Atul Choksey, Independent Director

Mr. Nikhil Khattau, Independent Director

Mr. Anand Kripalu, Independent Director

Mr. Rajen Mariwala, Non Executive Director

Mr. B.S. Nagesh, Independent Director

Ms. Hema Ravichandar, Independent Director

(c) Individual holding directly / indirectly an interest in voting power and their relatives (where transactions have taken place) - Significant Influence:

Mr.Harsh Mariwala, Chairman & Non Executive Director

Mr.Rishabh Mariwala, son of Mr.Harsh Mariwala

(d) Post employment benefit controlled trust

Marico Limited Employees Provident Fund

Marico Limited Employees Gratuity Fund

(e) Others - Entities in which above (c) has significant influence and transactions have taken place:

Marico Kaya Enterprises Limited (upto 18th April, 2015)

Kaya Limited

Kaya Middle East FZE

II Transactions with related parties

The following transactions occurred with related parties:

Key management personnel compensation

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
Short-term employee benefits	4.57	4.03
Post-employment benefits	0.19	0.16
Employee share-based payment	11.83	3.88
Total compensation	**16.59**	**8.07**
Remuneration / Sitting fees to Non-Executive Director (Exluding Non-Executive Chairman)	**2.19**	**1.54**

The above remuneration to Key Management personnel compensation does not include contribution to gratuity fund, as this contribution is a lump sum amount for all relevant employees based on actuarial valuation.

Contribution to post employment benefit controlled trust (refer note 15).

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(₹ in Crore)

Particulars	Joint Venture (Referred in I (a), (b) and (c) above)		Others (Referred in I (e) and (f) above)	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Expenses paid on behalf of related parties	-	-	**0.61**	**1.24**
Kaya Limited	-	-	0.61	1.06
Marico Kaya Enterprises Limited	-	-		0.18
Others	-	-		
Expenses paid by Related parties on behalf of Marico Limited	**-**	**-**		**0.23**
Kaya Middle East FZE	-	-		0.23
Sale of goods	**-**	**-**	**0.11**	**0.24**
Kaya Limited	-	-	0.11	0.24
Sale of assets	**-**	**-**	**0.11**	**-**
Others	-	-	0.11	-
Lease Rental Income	**-**	**-**	**0.87**	**0.72**
Kaya Limited	-	-	0.87	0.71
Others	-	-		0.01
Loans and Advances Recovered	**-**	**-**	**1.95**	**1.99**
Kaya Limited	-	-	1.95	1.64
Marico Kaya Enterprises Limited	-	-	-	0.05
Others	-	-	-	0.30
Investments made during the year	**0.27**	**1.35**	**-**	**-**
Bellezimo Professionale Products Private Limited	0.27	1.35	-	-
Donation Given / CSR Activities	**0.46**	**2.15**	**-**	**-**
Marico Innovation Foundation	0.46	2.15	-	-
Deposit Taken	**-**	**-**	**-**	**0.10**
Kaya Limited	-	-	-	0.10
Loans given	**1.50**	**-**	**-**	**-**
Bellezimo Professionale Products Private Limited	1.50	-	-	-
Provision for Impairment of Investment	**0.08**	**-**	**-**	**-**
Bellezimo Professionale Products Private Limited	0.08	-	-	-
Professional fees paid	**-**	**-**	**6.36**	**6.36**
Mr. Harsh Mariwala, Chairman and Non Executive Director	-	-	6.35	6.35
Others	-	-	0.01	0.01

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III Outstanding balances

(₹ in Crore)

Particulars	Joint Venture (Referred in I (a), (b) and (c) above) For the year ended			Others (Referred in I (g) above) For the year ended		
	As at	As at	As at	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties						
Trade receivables	**-**	**-**	**-**	**-**	**0.12**	**-**
Kaya Limited	-	-	-		0.12	
Interest Accrued on Loan and advances	**0.11**	**-**	**-**	**-**	**-**	**-**
Bellezimo Professionale Products Private Limited	0.11	-	-	-	-	-
Security Deposit Payable	**-**	**-**	**-**	**0.10**	**0.10**	**-**
Kaya Limited	-	-	-	0.10	0.10	-
Dues Payable	**-**	**-**	**-**	**-**	**-**	**0.11**
Others	-	-	-	-	-	0.11
(e) Loans to/from related parties						
Kaya Limited						
Beginning of the year	-	-	-	**0.74**	**0.60**	**1.97**
Expense incurred on behalf of kaya limited	-	-	-	0.61	1.06	1.27
Rent Income	-	-	-	0.87	0.72	0.62
Remittance received	-	-	-	(1.95)	(1.64)	(3.26)
Balance at the end	-	-	-	**0.27**	**0.74**	**0.60**
Bellezimo Professionale Products Private Limited						
Beginning of the year	-	-	-	-	-	-
Loan given during the year	1.62	-	-	-	-	-
Balance at the end	**1.62**	**-**	**-**	**-**	**-**	**-**
Others	**-**	**-**	**-**	**-**	**-**	**0.06**

Terms and conditions of transaction with related parties

All the transactions are at arms length and in normal course of business.

Disclosure for loans and advances in terms of Securities & Exchange Board of India (Listing obligation and disclosure requirements) Regulations 2015.

Loans and advances in the nature of loans to joint venture :

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans to joint venture:Bellezimo Professionale Products Private Limited			
Balance as at the year end	1.62	-	-
Maximum amount outstanding at any time during the year	1.62	-	-

The joint ventures do not hold any shares in the Company.

33 Contingent Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Disputed tax demands / claims:			
Sales tax / VAT	116.55	94.01	47.55
Income tax	59.90	60.35	47.14
Service tax	0.17	0.17	0.17
Customs duty	0.31	0.31	0.31
Agricultural produce marketing cess	-	9.69	9.69
Employees state insurance corporation	0.18	0.18	0.18
Excise duty on subcontractors	0.54	0.54	0.54
Excise duty on CNO dispatches (Refer note below)	-	685.50	565.62
Excise duty on By-product	4.68	4.67	4.67
Excise duty on Oats	20.23		
Claims against the Company not acknowledged as debts	18.97	19.66	18.74
Corporate guarantees given to banks on behalf of Broadcast Audience Research Council (BARC)	0.60	0.60	0.60

It is not practicable for the group to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings.

Note:

This contingent liability pertained to a possible obligation in respect of pure coconut oil packs up to 200 ml. This claim had been contested by the excise department. Based on the various judicial pronouncements, management believed that the probability of success in the matter was more likely than not and accordingly, the possible excise obligation was treated as a contingent liability in accordance with requirements of Indian Accounting Standard (Ind AS) 37 "Provisions, Contingent Liabilities and Contingent Assets". The possible obligation of Rs. 563.73 Crores as at 31st March, 2016 (Rs. 443.85 Crores as at April 1, 2015) for the clearances made after June 3, 2009 (i.e. the date of issue of Board circular) till March 31, 2016 and Rs. 121.77 Crores as at March 31, 2016 (Rs. 121.77 Crores as at April 1, 2015) for clearances made prior to June 3, 2009 was disclosed as contingent liability to the extent of the time horizon covered by show cause notices issued by the excise department within the normal period of one year (from the date of clearance) as per the excise laws.

The aforementioned amount has not been considered under contingent liability as on 31st March 2017 as the matter has now been settled by orders of different adjudication authorities in the current financial year holding that clearance of pure coconut oil packs up to 200ml merits classification under chapter 15 and not under chapter 33 as contemplated by the excise department and accordingly the excise department has also withdrawn its circular dated June 3,2009 .

Consequently pending show cause notices issued by the excise authorities will not survive and therefore the contingent liability has been deleted from current financial year.

34 Commitments

(a) Capital commitments:

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	59.09	59.80	14.60
Total	**59.09**	**59.80**	**14.60**

(b) Non-cancellable operating leases

The group's significant leasing arrangements are in respect of residential flats, office premises, warehouses, vehicles etc. taken on lease. The arrangements range between 11 months to 3 years and are generally renewable by mutual consent or mutually agreeable terms. Under these arrangements refundable interest-free deposits have been given.

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Lease rental payments recognized in the Statement of Profit and Loss.	44.22	33.57	33.45
In respect of assets taken on non-cancellable operating lease:			
Lease obligations			
Future minimum lease rental payments			
- not later than one year	30.09	24.21	18.86
- later than one year but not later than five years	63.20	55.01	25.00
- later than five years	16.85	20.91	0.16
Total	**110.14**	**100.13**	**44.02**

35 Share-Based Payments

(a) Employee stock option plan

The Corporate Governance Committee of the Board of Directors of Marico Limited had granted stock options to certain eligible employees of the Company and it's subsidiaries pursuant to the Marico Employees Stock Options Scheme 2007 ("the Scheme"). Each option represents 1 equity share in the Company. The vesting period and the exercise period under the Scheme was not less than one year and not more than 5 years. The Scheme was administered by the Corporate Governance Committee of the Board comprising Independent Directors. All stock options granted under the Scheme were exercised on 10th June, 2015.

Marico ESOS 2007	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Weighted average share price of options exercised	-	57.46	55.40
Number of options granted, exercised, and forfeited			
Balance as at beginning of the year	-	103,600	212,600
Granted during the year	-		
Less : Exercised during the year (prior to bonus issue, refer Note 12 (a))	-	103,600	109,000
Forfeited / lapsed during the year			
Balance as at end of the year	-	-	**103,600**
Weighted average remaining contractual life of options outstanding at end of period (in years)	-	-	0.03

During the year ended 31st March, 2015, the Company implemented the Marico Employee Stock Option Scheme 2014 ("Marico ESOS 2014"). Marico ESOS 2014 was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on 25th March, 2014 enabling the grant of 300,000 stock options to the Chief Executive Officer of the Company (Currently designated as Managing Director & CEO).

Pursuant to the said approval, on 1st April, 2014 the Company granted 300,000 stock options to the Managing Director & CEO of the Company, at an exercise price of Re.1 per stock option. Each option represents 1 equity share in the Company. The vesting period is 2 years from the date of grant and the exercise period is 18 months from the date of vesting. As at 31st March 2016, the aforesaid 300,000 stock options have increased to 600,000 on account of issue of bonus equity shares by the Company in the ratio of 1:1.

Marico ESOS 2014	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Weighted average share price of options exercised	1.00	-	-
Number of options granted, exercised, and forfeited			
Balance as at beginning of the year	600,000	300,000	-
Adjustment on account of bonus issue (Refer note 12 (a))	-	300,000	-
Granted during the year	-	-	300,000
Less : Exercised during the year	300,000	-	-
Forfeited / lapsed during the year	-	-	-
Balance as at end of the year	**300,000**	**600,000**	**300,000**
Weighted average remaining contractual life of options outstanding at end of period (in years)	0.50	1.00	2.00

During the year ended 31st March, 2015, the Company implemented the Marico MD CEO Employee Stock Option Plan 2014 ("MD CEO ESOP Plan 2014" or "the Plan"). The MD CEO ESOP Plan 2014 was approved by the shareholders at the 26th Annual General Meeting held on July 30, 2014 enabling grant of stock options not exceeding in the aggregate 0.5% of the number of issued equity shares of the Company, from time to time, through notification of one more Scheme(s) under the Plan. Each stock option represents 1 equity share in the Company. The vesting period and the exercise period under the Plan is not less than one year and not more than 5 years.

Pursuant to the aforesaid approval, on 5th January, 2015, the Company notified Scheme I under the Plan and granted 46,600 stock options to the Managing Director & CEO of the Company, at an exercise price of Re.1 per stock option. The vesting date for stock options granted under the Scheme I is 31st March, 2017. Further, the exercise period is one year from the date of vesting. As at 31st March 2016, the said 46,600 stock options have increased to 93,200 on account of issue of bonus equity shares by the Company in the ratio of 1:1. In view of the implementation of Marico Employee Stock Option Plan, 2016, as explained below, no further grant of stock options is envisaged under this Plan.

MD CEO ESOP Plan 2014	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Weighted average share price of options exercised	-	-	-
Number of options granted, exercised, and forfeited			
Balance as at beginning of the year	93,200	46,600	
Adjustment on account of bonus issue (Refer note 12 (a))	-	46,600	-
Granted during the year	-	-	46,600
Less : Exercised during the year	-	-	-
Forfeited / lapsed during the year	-	-	-
Balance as at end of the year	**93,200**	**93,200**	**46,600**
Weighted average remaining contractual life of options outstanding at end of period (in years)	1.00	2.00	3.00

Marico ESOP 2016

Marico ESOP 2016 was approved by the shareholders during the current year ended 31st March, 2017, enabling grant of stock options not exceeding in the aggregate 0.60% of the aggregate number of issued equity shares of the Company, from time to time. The plan envisages to grant stock options to employees of Marico on an annual basis through one or more Schemes notified under the Plan. Each option represents 1 equity share in the Company. The Vesting Period and the Exercise Period, both range from 1 year to 5 years. Pursuant to the said approval, the Company notified below schemes under the plan :

Particulars	Scheme I	Scheme II	Scheme III	Scheme IV
Options granted	80,000	939,700	101,080	719,830
Exercise price	1.00	280.22	1.00	256.78
Vesting date	31st March,2019	31st March,2019	30th Nov, 2019	30th Nov,2019

Particulars	Scheme I	Scheme II	Scheme III	Scheme IV
Marico ESOP 2016				
Weighted average share price of options exercised	-	-	-	-
Number of options granted, exercised, and forfeited				
Balance as at beginning of the year	-	-	-	-
Adjustment on account of bonus issue (Refer note 12 (a))	-	-	-	
Granted during the year	80,000	939,700	101,080	719,830
Less : Exercised during the year	**-**	**-**	**-**	**-**
Forfeited / lapsed during the year	-	-	-	-
Balance as at end of the year	**80,000**	**939,700**	**101,080**	**719,830**
Weighted average remaining contractual life of options outstanding at end of period (in years)	3.00	3.00	3.67	3.67

Particulars	2017	2016	2015
Aggregate of all stock options to current paid-up equity share capital (percentage)	0.17%	0.05%	0.07%

The following assumptions were used for calculation of fair value of grants (figures in bracket represent previous year):

Particulars	Marico ESOS 2014	MD CEO ESOP Plan 2014	Marico ESOP 2016 Scheme I	Marico ESOP 2016 Scheme II	Marico ESOP 2016 Scheme III	Marico ESOP 2016 Scheme IV
Risk-free interest rate (%)	(8.00%)	(8.00%)	7%	7%	6.75%	6.75%
Expected life of options (years)	(3 years)	(3 years 3 months)	3 years 2 months	3 years 2 months	3 years 6 months	3 years 6 months
Expected volatility (%)	(26.62%)	(23.66%)	26%	26%	26.10%	26.10%
Dividend yield (%)	(3.5%)	(3.5%)	1%	1%	0.96%	0.96%

(b) Share appreciation rights

The Corporate Governance Committee has granted Stock Appreciation Rights (“STAR”) to certain eligible employees pursuant to the Company’s Employee Stock Appreciation Rights Plan, 2011 (“Plan”). The grant price is determined based on a formulae as defined in the Plan. There are schemes under each Plan with different vesting periods. Scheme I to IV have matured on their respective vesting dates. Under the Plan, the specified eligible employees are entitled to receive a Star Value which is the excess of the maturity price over the grant price subject to certain conditions. The Plan is administered by Corporate Governance Committee comprising independent directors.

Details of STAR Scheme:

Particulars	**STAR II**						**STAR III**					
Grant Date	**1st December, 2011**			**1st December, 2012**			**1st December, 2012**			**2nd December, 2013**		
Grant Price (Rs.)	**148.53**			**213.91**			**213.91**			**208.96**		
Vesting Date	**30th November, 2014**			**30th November, 2014**			**30th November, 2015**			**30th November, 2015**		
	As at 31st March			**As at 31st March**			**As at 31st March**			**As at 31st March**		
	2017	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**
Number of grants outstanding at the beginning of the year	-	-	620,600	-	-	151,200	-	897,600	1,074,200	-	184,100	202,300
Add : Granted during the year	-	-	-	-	-	-	-	-	-	-	-	-
Less : Forfeited during the year	-	-	71,100	-	-	62,700	-	197,200	176,600	-	29,900	18,200
Less : Exercised during the year	-	-	549,500	-	-	88,500	-	700,400	-	-	154,200	-
Number of grants at the end of the year	-	-	-	-	-	-	-	-	897,600	-	-	184,100
Carrying amount of liability - included in employee benefit obligation												
Classified as long-term	-	-	-	-	-	-	-	-	-	-	-	-
Classified as short-term	-	-	-	-	-	-	-	-	12.58	-	-	2.26

	STAR IV						**STAR V**								
Grant Date	**2nd December, 2013**			**5th August, 2015**			**5th August, 2015**			**4th November, 2015**			**1st December, 2015**		
Grant Price (Rs.)	**104.48**			**104.48**			**217.46**			**197.61**			**203.63**		
Vesting Date	**30th November, 2016**			**30th November, 2016**			**30th November, 2017**			**30th November, 2017**			**30th November, 2017**		
	As at 31st March			**As at 31st March**			**As at 31st March**			**As at 31st March**			**As at 31st March**		
	2017	**2016***	**2015**	**2017**	**2016***	**2015**	**2017**	**2016***	**2015**	**2017**	**2016***	**2015**	**2017**	**2016***	**2015**
Number of grants outstanding at the beginning of the year	1,414,600	1,823,200	1,057,600	429,400	-	-	1,360,000	-	-	156,200	-	-	5,400	-	-
Add : Granted during the year	-	-	-	-	555,400	-	-	1,521,600	-	-	156,200	-		5,400	-
Less : Forfeited during the year	134,600	408,600	146,000	81,600	126,000	-	219,400	161,600	-	13,500	-	-	5,400	-	-
Less : Exercised during the year	1,280,000	-	-	347,800		-		-	-		-	-		-	-
Number of grants at the end of the year	-	1,414,600	911,600	-	429,400	-	1,140,600	1,360,000	-	142,700	156,200	-	-	5,400	-
Carrying amount of liability - included in employee benefit obligation															
Classified as long-term			7.76				-	2.33			0.22			0.01	
Classified as short-term		15.79			0.89		6.88	-		1.00					

Particulars	STAR VI				STAR VII			
Grant Date	1st December, 2015		5th August, 2016		2nd December, 2016		1st December, 2016	
Grant Price (Rs.)	203.63		280.22		256.78		256.78	
Vesting Date	30th November, 2018		30th November, 2018		30th November, 2018		30th November, 2019	
	As at 31st March		As at 31st March		As at 31st March		As at 31st March	
	2017	2016*	2017	2016	2017	2016	2017	2016
Number of grants outstanding at the beginning of the year	1,702,200	-	-	-	-	-	-	-
Add : Granted during the year	-	1,723,800	135,800	-	137,700	-	536,260	-
Less : Forfeited during the year	284,400	21,600	-	-	15,240	-	41,190	-
Less : Exercised during the year	-	-	-	-	-	-	-	-
Number of grants at the end of the year	1,417,800	1,702,200	135,800	-	122,460	-	495,070	-
Carrying amount of liability - included in employee benefit obligation								
Classified as long-term	6.82	1.44	0.22	-	0.14	-	0.47	-
Classified as short-term	-	-	-	-	-	-	-	-

* Numbers are adjusted for 1:1 bonus issued in December 2015, wherever required.

The Company has formed "Welfare of Mariconians Trust" (The Trust) for the implementation of the schemes that are notified or may be notified from time to time by the Company under the Plan. The Company has advanced Rs.54.26 Crore as at 31st March, 2017 (Rs. 66.56 Crore as at 31st March, 2016 and Rs. 28.16 Crore as on 1st April, 2015) to the Trust for purchase of the Company's shares under the Plan As per the Trust Deed and Trust Rules, upon maturity, the Trust shall sell the Company's shares and hand over the proceeds to the Company. The Company, after adjusting the loan advanced and interest thereon (on loan advanced after 1st April, 2013), shall utilize the proceeds towards meeting its STAR Value obligation.

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The fair value of the STARs was determined using the Black-Scholes model using the following inputs at the grant date and as at each reporting date:

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Share price at measurement date (INR per share)	294.9	244.3	385.8
Expected volatility (%)	24.5% - 27.1%	26.2% - 28.6%	24%-27%
Dividend yield (%)	0.96%	0.96%	0.57%
Risk-free interest rate (%)	6%	7%	7%

(c) Expense arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
Employee stock option plan	4.02	3.46
Stock appreciation rights	13.89	15.74
Total employee share based payment expense	**17.91**	**19.20**

36 Earnings Per Share

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
(a) Basic earnings per share		
Basic earnings per share attributable to the equity holders of the company	6.21	5.53
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity holders of the company	6.20	5.53
(c) Earnings used in calculating earnings per share		
Basic earnings per share	798.59	711.48
Diluted earnings per share	798.59	711.48
(d)Weighted average number of shares used as the denominator		
Weighted average number of equity shares outstanding	1,290,233,390	1,290,164,173
Shares held in controlled trust	(3,666,161)	(3,594,443)
Weighted average number of equity shares in calculating basic earnings per share	1,286,567,229	1,286,569,730
Options	2,006,113	690,209
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	**1,288,573,342**	**1,287,259,939**

(e) Information concerning the classification of securities

(i) Options

Options granted to employees under Marico ESOS 2014,MD CEO ESOP Plan 2014 and Marico Employee Stock Option Plan 2016 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 35.

(ii) Treasury shares

Treasury shares are excluded for the purpose of calculating basic and diluted earnings per share.

37 Additional information required by Schedule III

Name of the Entities	Net Assets i.e. total assets minus total liabilities				Share in profit or loss			
	As a % of consolidated net assets		Amount		As a % of consolidated profit or loss		Amount	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Parent:								
Marico Limited	125.02%	108.52%	2,924.24	2,538.31	103.91%	85.24%	842.69	691.26
Subsidiaries:								
- Indian								
Marico Consumer Care Limited	1.37%	1.19%	32.15	27.80	0.54%	0.54%	4.35	4.41
- Foreign								
Marico Bangladesh Limited	5.50%	6.78%	128.62	158.59	15.17%	14.73%	122.99	119.44
Marico Bangaldesh Industries Limited	0.02%	0.01%	0.42	0.25	0.02%	0.00%	0.18	0.04
Marico Middle East	-7.37%	-6.82%	(171.04)	(159.45)	-1.88%	-0.97%	(15.24)	(7.85)
MEL Consumer Care	-0.27%	-0.46%	(6.32)	(10.88)	-0.23%	-0.27%	(1.81)	(2.18)
Marico Egypt Industries Company	1.55%	3.91%	36.33	91.39	-1.58%	0.40%	(12.82)	3.25
Egyptian American Company for Investment and Industrial Development SAE	-0.07%	-0.44%	(1.74)	(10.35)	0.67%	-0.24%	5.43	(1.92)
Marico South Africa Consumer Care	2.17%	1.92%	48.51	44.87	0.02%	0.00%	0.15	0.00
Marico South Africa	1.65%	1.46%	38.66	33.87	0.26%	0.29%	2.13	2.35
MEL Consumer Care & Partners - Wind	-0.84%	-1.34%	(19.56)	(31.42)	-0.92%	-0.69%	(7.43)	(5.58)
Marico Malaysia Sdn Bhd	0.01%	0.01%	0.20	0.25	0.00%	-0.01%	(0.01)	(0.06)
Marico South East Asia Corporation	1.09%	2.73%	25.56	63.81	1.65%	5.07%	13.41	41.16
Beaute Cosmetique Societe Par Actions	0.00%	0.33%	-	7.63	0.00%	-0.11%	-	(0.93)
Thuant Phat Foodstuff Joint Stock Company	0.63%	0.57%	14.80	13.40	0.25%	-0.06%	2.04	(0.52)
Joint Ventures								
- Indian								
Bellezimo Professionale Products Private Limited	0.00%	0.00%	-	-	0.00%	0.00%	-	-
Zed Lifestyle Private Limited	0.00%	0.00%	-	-	0.00%	0.00%	-	-
Subtotal			**3,050.83**	**2,768.07**			**956.06**	**842.87**
Intercompany Elimination & Consolidation Adjustments	-30.43%	-31.48%	(711.81)	(736.39)	-17.89%	-14.74%	(145.09)	(119.54)
Grand total:			**2,339.02**	**2,031.68**			**810.97**	**723.33**
Minority Interest in all subsidiaries	0.57%	0.61%	13.34	14.31	1.53%	1.46%	12.38	11.85

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Name of the Entities	Share in other comprehensive income				Share in total comprehensive income			
	As a % of other comprehensive income		Amount		As a % of total comprehensive income		Amount	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Parent:								
Marico Limited	86.03%	-130.15%	15.52	23.048	108.23%	90.14%	858.21	714.74
Subsidiaries:								
- Indian								
Marico Consumer Care Limited	0.00%	0.00%	-	-	0.55%	0.56%	4.35	4.41
- Foreign								
Marico Bangladesh Limited	-3.55%	5.42%	0.64	(0.98)	15.59%	14.94%	123.63	118.46
Marico Bangaldesh Industries Limited	0.00%	0.00%	-	-	0.02%	0.01%	0.18	0.04
Marico Middle East	-33.50%	-0.30%	(0.23)	-	-1.95%	-0.99%	(15.47)	(7.85)
MEL Consumer Care	1.29%	0.00%	-	-	-0.23%	-0.27%	(1.81)	(2.18)
Marico Egypt Industries Company	0.00%	0.00%	-	-	-1.62%	0.41%	(12.82)	3.25
Egyptian American Company for Investment and Industrial Development SAE	0.00%	0.00%	-	-	0.68%	-0.24%	5.43	(1.92)
Marico South Africa Consumer Care	0.00%	0.00%	-	-	0.02%	0.00%	0.15	0.00
Marico South Africa	0.00%	0.00%	-	-	0.27%	0.30%	2.13	2.35
MEL Consumer Care & Partners - Wind	0.00%	0.00%	-	-	-0.94%	-0.70%	(7.43)	(5.58)
Marico Malaysia Sdn Bhd	0.00%	0.00%	-	-	0.00%	-0.01%	(0.01)	(0.06)
Marico South East Asia Corporation	0.00%	0.51%	-	(0.09)	1.69%	5.18%	13.41	41.07
Beaute Cosmetique Societe Par Actions	0.00%	0.00%	-	-	0.00%	-0.12%	-	(0.93)
Thuant Phat Foodstuff Joint Stock Company	0.00%	0.00%	-	-	0.26%	-0.07%	2.04	(0.52)
Joint Ventures								
- Indian								
Bellezimo Professionale Products Private Limited	0.00%	0.00%	-	-	0.00%	0.00%	-	-
Zed Lifestyle Private Limited	0.00%	0.00%	-	-	0.00%	0.00%	-	-
Subtotal			**15.93**	**22.41**			**971.99**	**865.28**
Intercompany Elimination & Consolidation Adjustments	188.30%	-22.45%	(33.97)	4.05	-22.58%	-14.57%	(179.06)	(115.49)
Grand total:			**(18.04)**	**26.46**			**792.93**	**749.79**
Minority Interest in all subsidiaries	0.06%	0.05%	(0.01)	(0.01)	1.56%	1.49%	12.37	11.84

38 First time adoption of Ind AS

Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31st March, 2017, the comparative information presented in these financial statements for the year ended 31st March, 2016 and in the preparation of an opening Ind AS balance sheet at 1st April, 2015 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Group has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

The Group has applied same exemption for investment in subsidiaries, associates and joint ventures.

A.1.2 Cumulative translation differences

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with Ind AS 21 from the date a subsidiary or equity method investee was formed or acquired.

The group elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

A.1.3 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 - Intangible Assets and investment property covered by Ind AS 40 - Investment Properties.

Accordingly, the group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

A.1.4 Share-based payment transactions

Ind AS 102 deals with the accounting and disclosure requirements related to share-based payment transactions. The standard addresses three types of share-based payment transactions: equity-settled, cash-settled, and with cash-alternatives. A first-time adopter is encouraged, but is not required, to apply Ind AS 102 to:

(i) equity instruments that vested before the date of transition to Ind AS,

(ii) liabilities arising from share-based payment transactions that were settled before the date of transition to Ind AS.

The Group has availed this exemption and has not applied fair value to the equity instruments and liabilities that were vested and settled before the date of transition to Ind AS.

A.2 Ind AS mandatory exceptions

A.2.1 Hedge accounting

Hedge accounting can only be applied prospectively from the transition date to transactions that satisfy the hedge accounting criteria in Ind AS 109, at that date. Hedging relationships cannot be designated retrospectively, and the supporting documentation can not be created retrospectively. As a result, only hedging relationships that satisfied the hedge accounting criteria as of 1st April, 2015 are reflected as hedges in the Group's result under Ind AS.

The Group had designated various hedging relationships as cash flow hedges under the previous GAAP. On date of transition to Ind AS, the entity had assessed that all the designated hedging relationship qualifies for hedge accounting as per Ind AS 109. Consequently, the Group continues to apply hedge accounting on and after the date of transition to Ind AS.

A.2.2 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for Investment in equity instruments carried at FVPL in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

A.2.3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirement provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.4 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Ind AS 101 requires the Group to reconcile equity, total comprehensive income, and cash flow for prior periods. The following reconciliation provide the explanantions and quantification of the differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

(A) Reconciliation of Equity as at 1st April, 2015 and as at 31st March, 2016

(B) Reconciliation of statement of profit and loss for the year ended 31st March, 2016 and

(C) The impact on cash flows from operating, investing and financing activities for the year ended 31st March, 2016

B: Reconciliation between previous GAAP and Ind AS

Reconciliation of Balance sheet as at date of transition (1st April, 2015)

(₹ in Crore)

Particulars	Notes to first time adoption	Previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		556.67	-	556.67
Capital work-in-progress		3.04	-	3.04
Investment properties	14	17.99	-	17.99
Goodwill		489.15	-	489.15
Other intangible assets		30.10	-	30.10
Financial assets				
(i) Investments	1 (d) , 8	29.92	4.99	34.91
(ii) Loans	1 (c)	11.89	(8.40)	3.49
(iii) Other financial assets	9	16.98	(1.89)	15.09
Deferred tax assets	10	111.17	25.76	136.93
Other non-current assets	9	23.80	1.03	24.83
Total non-current assets		**1,290.71**	**21.49**	**1,312.20**
Current assets				
Inventories		994.72	-	994.72
Financial assets		-		
(i) Investments	8	297.81	2.80	300.61
(ii) Trade receivables		176.75	-	176.75
(iii) Cash and cash equivalents	1	78.80	0.26	79.06

NOTES

To Consolidated Financial Statements for the year ended 31st March, 2017

(₹ in Crore)

Particulars	Notes to first time adoption	Previous GAAP*	Adjustments	Ind AS
(iv) Bank balances other than (iii) above	1	129.75	2.30	132.05
(v) Loans	1 (c)	24.77	(19.76)	5.01
(vi) Other financial assets	9	1.14	0.40	1.54
Current tax assets (net)		0.12	-	0.12
Other current assets	9	95.33	0.40	95.73
		1,799.19	(13.60)	1,785.59
Assets classified as held for sale	14	28.71	-	28.71
Total current assets		**1,827.90**	**(13.60)**	**1,814.30**
Total assets		**3,118.61**	**7.89**	**3,126.50**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		64.50	-	64.50
Other Equity				
Reserves and Surplus	1(a), 1(b), 4, 2	1,727.86	(56.80)	1,784.66
Other reserves	5, 10	32.40	(81.10)	(48.70)
Equity attributable to owners		1,824.76	(24.30)	1,800.46
Non-controlling interests		13.65	-	13.65
Total equity		**1,838.41**	**(24.30)**	**1,814.11**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	6	168.75	(0.35)	168.40
Employee benefit obligation	3	8.78	4.82	13.60
Deferred tax liabilities	10	0.07	16.21	16.28
		177.60	**20.68**	**198.28**
Current liabilities				
Financial liabilities				
(i) Borrowings		165.44	-	165.44
(ii) Trade payables		564.42	-	564.42
(iii) Other financial liabilities	6	122.83	(0.39)	122.44
Provisions		42.25	-	42.25
Employee benefit obligations	3	42.13	11.84	53.97
Current tax liabilities		39.00	0.02	39.02
Other current liabilities	1	126.53	0.04	126.57
Total current liabilities		**1,102.60**	**11.51**	**1,114.11**
Total liabilities		**1,280.20**	**32.19**	**1,312.39**
Total equity and liabilities		**3,118.61**	**7.89**	**3,126.50**

Reconciliation of Balance Sheet (31st March, 2016)

(₹ in Crore)

Particulars	Notes to first time adoption	Previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		524.34	-	524.34
Capital work-in-progress		36.73	-	36.73
Investment properties	14	30.67	-	30.67
Goodwill		497.96	(0.60)	497.36
Other intangible assets	7,16	21.50	7.23	28.73
Investment accounted for using the equity method		-	0.82	0.82
Financial assets				
(i) Investments	1 (d) , 8	39.92	2.66	42.58
(ii) Loans	1 (c)	54.34	(50.59)	3.75
(iii) Other financial assets	9	15.48	(1.73)	13.75

(₹ in Crore)

Particulars	Notes to first time adoption	Previous GAAP*	Adjustments	Ind AS
Deferred tax assets	10	58.18	6.75	64.93
Other non-current assets	9	29.99	0.58	30.57
Total non-current assets		**1,309.11**	**(34.88)**	**1,274.23**
Current assets				
Inventories	16	925.81	(0.25)	925.56
Financial assets		-		-
(i) Investments	8	463.28	6.51	469.79
(ii) Trade receivables	16	252.43	(0.34)	252.09
(iii) Cash and cash equivalents	1, 16	90.36	2.80	93.16
(iv) Bank balances other than (iii) above		223.98	-	223.98
(v) Loans	1 (c)	20.97	(15.97)	5.00
(vi) Other financial assets	1, 9	8.43	(1.36)	7.07
Current tax assets (net)		1.97	0.01	1.98
Other current assets	9	115.32	0.54	115.86
		2,102.55	**(8.06)**	**2,094.49**
Assets classified as held for sale	14	12.45	-	12.45
Total current assets		**2,115.00**	**(8.06)**	**2,106.94**
Total assets		**3,424.11**	**(42.94)**	**3,381.17**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		129.02	-	129.02
Other Equity				
Reserves and Surplus	1(a), 1(b), 4, 2	1,890.01	17.63	1,907.64
Other reserves	5, 10	77.87	(97.16)	(19.29)
Equity attributable to owners		2,096.90	(79.53)	2,017.37
Non-controlling interests		14.31	-	14.31
Total equity		**2,111.21**	**(79.53)**	**2,031.68**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	16	0.41	(0.41)	-
Employee benefit obligations	3	11.61	1.20	12.81
Deferred tax liabilities	10	0.94	21.90	22.84
Total non-current liabilities		**12.96**	**22.69**	**35.65**
Current liabilities				
Financial liabilities				
(i) Borrowings		152.79	-	152.79
(ii) Trade payables	16	669.08	(0.04)	669.04
(iii) Other financial liabilities	6, 16	209.50	(0.43)	209.07
Provisions		50.64	-	50.64
Employee benefit obligations	3	40.04	14.21	54.25
Current tax liabilities	1	38.04	0.03	38.07
Other current liabilities	1, 16	139.85	0.13	139.98
Total current liabilities		**1,299.94**	**13.90**	**1,313.84**
Total liabilities		**1,312.90**	**36.59**	**1,349.49**
Total equity and liabilities		**3,424.11**	**(42.94)**	**3,381.17**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

NOTES

To Consolidated Financial Statements for the year ended 31st March, 2017

Reconciliation of total comprehensive income for the year ended 31st March, 2016

(₹ in Crore)

Particulars	Notes to first time adoption	Previous GAAP*	Adjustments	Ind AS
Continuing operations				
Revenue from operations	12, 16	6,139.17	(114.72)	6,024.45
Other income	1, 1(d), 8 , 9	93.36	(0.03)	93.33
Total Income		**6,232.53**	**(114.75)**	**6,117.78**
Expenses				
Cost of materials consumed	12, 16	2,848.64	6.92	2,855.56
Purchases of stock-in-trade		154.89	-	154.89
Changes in inventories of finished goods, stock-in-trade and work-in progress		60.10	-	60.10
Excise duty	11	7.13	-	7.13
Employee benefit expense	2, 3, 13, 16	364.00	9.40	373.40
Depreciation and amortization expense	7, 16	102.15	(7.29)	94.86
Other expenses	1, 5, 9, 12, 16	1,641.60	(119.61)	1,521.99
Finance costs	6, 16	20.25	0.37	20.62
Total expenses		**5,198.76**	**(110.21)**	**5,088.55**
Profit before exceptional items, share of net profits of investments accounted for using equity method and tax		1,033.77	(4.54)	1,029.23
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	16	-	(0.53)	(0.53)
Profit before exceptional items and tax		1,033.77	(5.07)	1,028.70
Exceptional items		-	-	-
Profit before tax from continuing operations		1,033.77	(5.07)	1,028.70
Income tax expense				
Current tax	1, 15	249.55	0.75	250.30
Deferred tax	10	47.58	7.49	55.07
Total tax expense		297.13	8.24	305.37
Profit for the year (A)		**736.64**	**(13.31)**	**723.33**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of post employment benefit obligations				(4.25)
Income tax relating to items that will not be reclassified to profit or loss				
Remeasurements of post employment benefit obligations				1.30
Total				**(2.95)**
Items that may be reclassified to profit or loss				
Exchange differences on translation of foreign operations				(4.05)
Change in fair value of hedging instruments				51.18
Income tax relating to items that will be reclassified to profit or loss				
Change in fair value of hedging instruments				(17.72)
Total				**29.41**
Other comprehensive income for the year (B)				**26.46**
Total comprehensive income for the year (A+B)				**749.79**

NOTES

To Consolidated Financial Statements for the year ended 31st March, 2017

Reconciliation of Balance Sheet as at 31st March, 2016 and 1st April, 2015

(₹ in Crore)

Particulars	Notes to First time adoption	31st March, 2016	1st April, 2015
Shareholder's equity under previous GAAP		2,096.84	1,824.78
Add/Less :			
Gain/ (loss) on fair valuation of investments	1,8	4.66	3.27
(Increase)/ decrease due to fair valuation accounting of Share based payments	3	(30.78)	(16.66)
Increase/ (decrease) due to WEOMA Trust consolidation	1	(45.67)	(21.11)
Increase/ (decrease) due to reversal of amortisation of brands	7	7.28	-
Other adjustments	6,9	0.20	0.67
Tax impact of above Ind AS adjustments	10	(15.14)	9.50
Shareholder's equity under Ind AS		**2,017.39**	**1,800.45**

Reconciliation of total comprehensive income for the year ended 31st March, 2016

(₹ in Crore)

	Notes to First time adoption	31st March, 2016
Profit after tax as per previous GAAP		736.63
Add/Less :		
Fair valuation of investments	8	1.39
Share based payments	2, 3	(13.79)
Increase/ (decrease) due to WEOMA Trust consolidation	1	(1.99)
Increase/ (decrease) due to reversal of amortisation of brands	7	7.28
Remeasurement of post employment benefit obligation	13	4.13
Time value of option reclassfied to OCI	5	(1.68)
Other adjustments	9	(0.40)
Tax impact on the above		(8.24)
Total adjustments		(13.30)
Net profit/loss as per Ind AS		723.33
Other comprehensive income	15	26.46
Total comprehensive income as per IndAS		**749.79**

Impact of Ind AS adoption on the statements of cash flows for the year ended 31st March, 2016

(₹ in Crore)

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	832.56	(14.94)	817.62
Net cash flow from investing activities	(235.66)	38.78	(196.88)
Net cash flow from financing activities	(579.85)	(21.14)	(600.99)
Net increase/(decrease) in cash and cash equivalents	17.05	2.70	19.75
Cash and cash equivalents as at 1st April, 2015	77.39	1.67	79.06
Effects of exchange rate changes on cash and cash equivalents	(1.43)	-	(1.43)
Cash and bank balances adjusted upon divestment of business	(4.22)	-	(4.22)
Cash and cash equivalents as at 31st March, 2016	88.79	4.37	93.16

C: Notes on First-time adoption

1 Consolidation of the Trust

The company has formed Welfare of Mariconions Trust (WEOMA trust) for implementation of the schemes that are notified or may be notified from time to time by the Company under the plan, providing share based payment to its employees. WEOMA purchases shares of the Company out of funds borrowed from the Company. The Company treats WEOMA as its extension and shares held by WEOMA are treated as treasury shares.

The Consolidation of the WEOMA trust financials statements with that of the Company does not in any manner affect the independence of the trustees where the rights and obligations are regulated by the trust deed.

Own equity instruments (treasury shares) are recognised at cost and deducted from equity. Profit on sale of treasury shares by WEOMA trust is recognised in WEOMA reserve.

(i) The sources and application of funds of the Trust consolidated as at 31st March, 2016 and 1st April, 2015 were as follows:

(₹ in Crore)

Particulars	31st March, 2016	1st April, 2015
Corpus Fund	2.64	2.66
Current Liabilities	0.35	0.09
Cash & Bank equivalents	2.98	0.26
Fixed deposits	-	2.30
Non current investments	1.47	4.52
Other Current Assets	0.10	0.06
Net asset	**1.56**	**4.39**

(ii) Impact on the Company's profit and loss post WEOMA Trust consolidation for the year 31st March, 2016

(₹ in Crore)

Particulars	31st March, 2016
Income	
Interest on Fixed Deposits with Bank	0.15
Expenditure	
Administrative Expenses	0.02
Interest derecognition on loan from WEOMA-Consolidation	2.12
Impact on profit before tax	(1.99)

(iii) Summarised statement of cash flows of the Trust consolidated for the year ended 31st March, 2016

(₹ in Crore)

Particulars	31st March, 2016
Cash and cash equivalents 1st April, 2015	0.26
Cash flow from operating activities	2.73
Cash flow from investing activities	-
Cash flow from financing activities	-
Cash and cash equivalents 31 March 2016	2.99

Other items adjusted owing to the Trust consolidation include :

(a) Treasury shares

Upon consolidation, the investment in the Company's equity shares made by WEOMA Trust is debited to the Company's equity as treasury shares amounting to Rs. 68.37 Crore as at 31st March, 2016 (Rs. 28.29 Crore as at 1st April, 2015).

(b) WEOMA reserve

The income of the Trust till date forms a part of WEOMA reserve amounting to Rs. 20.18 Crore as at 31st March, 2016 (Rs. 2.66 Crore as at 1st April, 2015).

(c) Other Non Current Financial Assets and other income

Loan advanced to the Trust is eliminated on consolidation amounting to Rs. 50.59 Crore as at 31st March, 2016 (Rs. 8.40 Crore as at 1st April, 2015) forming a part of non current loans and Rs. 15.97 Crore as at 31st March, 2016 (Rs. 19.76 Crore as at 1st April, 2015) being current loans in previous GAAP Accordingly, interest on above loan is also eliminated amounting to Rs. 2.12 Crore.

(d) Investments

The fair value of investments held by the Trust consolidated as per Ind AS amounts to Rs 1.47 Crore as at 31st March, 2016 (Rs. 4.52 Crore as at 1st April, 2015). The profit for the year ended 31st March, 2016 decreased by Rs. 3.05 Crore.

2 Employee Stock Option Liability

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share option outstanding account decreased by Rs. 0.64 Crore as at 31st March, 2016 (1st April, 2015 - Rs. 0.31 Crore). The profit for the year ended 31st March, 2016 increased by Rs. 0.33 Crore. There is no impact on total equity.

3 STAR

Under the previous GAAP, the cost of cash-settled employee share-based plan were recognised using the intrinsic value of the rights (excess of market value as at year end and the Grant price) over the vesting period after adjusting amount recoverable from WEOMA trust. As per Ind AS 102, the Share appreciation rights liability shall be measured, initially and at the end of each reporting period until settled, at the fair value of the share appreciation rights, by applying an option pricing model, taking into account the terms and conditions on which the share appreciation rights were granted, and the extent to which the employees have rendered service to date. There is an increase in liability by Rs. 15.41 Crore whereby Rs. 1.20 Crore (Rs 4.82 Crore as at 1st April, 2015) is long term and Rs. 14.21 Crore (Rs 11.84 Crore as at 1st April, 2015) is short term. The profit for the year ended 31st March, 2016 decreased by Rs. 14.12 Crore. Equity has decreased by Rs 30.78 Crore as at 31st March, 2016 (1st April, 2015 - Rs 16.66 Crore)

4 Retained Earnings

Retained earnings as at 1st April, 2015 has been adjusted consequent to the above Ind AS transition adjustments

5 Time Value reclassified to OCI

Under previous GAAP, the Group recognised movements in time value of options and forward element of forward contracts and Interest rate swaps in profit or loss in the period in which they arose. Under Ind AS, these movements are reclassified to OCI and thereby decreasing hedge reserve balance by Rs. 2.15 Crore as at 31st March, 2016 (1st April, 2015 Rs. 0.47 Crore). The profit for the year ended 31st March, 2016 is decreased by Rs 1.68 Crore. There is no impact on total equity.

6 Borrowings

Under previous GAAP, transaction costs incurred towards origination of borrowings were charged to profit or loss as and when incurred. Ind AS 109 requires these transaction costs to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Accordingly, borrowings as at 31st March, 2016 have been reduced by Rs. 0.35 Crore (1st April, 2015 Rs. 0.73 Crore) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31st March 2016 reduced by Rs. 0.39 Crore as a result of the additional interest expense.

7 Other Intangible assets

In previous GAAP, there was a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. As per Ind AS 38, assets having an indefinite life are not amortised and tested annually for impairment. The amortisation charged on copyrights and trademarks is reversed thereby increasing the value of intangible assets, retained earning and profit by Rs 7.28 Crore as at 31st March, 2016.

8 Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March, 2016. This increased the retained earnings by Rs. 4.66 Crore as at 31st March, 2016 (1st April, 2015 - Rs 3.27 Crore). The profit for the year ended 31st March, 2016 increased by Rs. 1.39 Crore.

9 Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by Rs 1.18 Crore as at 31st March, 2016 (1st April, 2015 Rs 1.49 Crore). The prepaid rent increased by Rs. 1.12 Crore as at 31st March, 2016 (1st April, 2015 - INR 1.40 Crore).Total equity decreased by Rs 0.06 Crore as on 1st April, 2015. The profit for the year and total equity as at 31st March, 2016 decreased by Rs 0.02 Crore due to amortisation of the prepaid rent of Rs 0.53 Crore which is partially off-set by the notional interest income of Rs 0.55 Crore recognised on security deposits.

10 Deferred tax has been recognised on adjustments made on transition to Ind AS

Revenue from operations

11 Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31st March 2016 by Rs. 7.13 Crore. There is no impact on the total equity and profit

12 Revenue, Advertisement and Sales Promotion (ASP) and other expense

The group will recognise revenue at the fair value of consideration received or receivable. Any sales incentive, discounts or rebates in any form, including cash discounts given to customers will be considered as selling price reductions and accounted as reduction from revenue. Under IGAAP, some of these costs were included in 'advertising and sales promotion' expenses. Accordingly, Rs. 85.41 Crore has been reclassified from advertising and sales promotion expenses to Sales, Rs. 7.12 Crore has been reclassified from advertising and sales promotion expenses to cost of goods sold and Rs 28.92 Crore from other expenses to sales.

Employee benefits expense

13 Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31st March, 2016 increased by Rs. 4.13 Crore. There is no impact on the total equity as at 31st March, 2016.

14 Investment property and Asset held for sale

Under the previous GAAP, investment properties were presented as part of non-current investments. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

Under the previous GAAP, asset held for sale were presented as part of other current assets. Under Ind AS, asset held for sale are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

15 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss includes remeasurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments. The concept of other comprehensive income did not exist under previous GAAP.

16 Investment in Joint venture

Under previous GAAP, Bellizimo Professionale Product Private Limited was classified as jointly controlled entity and accounted for using the proportionate consolidation method. Under Ind AS, Bellizimo Professionale Product Private Limited has been classified as a joint venture and accounted for using the equity method since the company is a limited liability company whose legal form offers separation of the company from the investors. The parties to the joint arrangements do not have direct rights to the assets and liabilities of Bellizimo Professionale Product Private Limited.

(i) The following assets and liabilities were previously proportionately consolidated under previous GAAP:

(₹ in Crore)

Particulars	Proportionate share of assets and liabilities As at 31 March, 2016
Non-current assets	
Fixed assets	0.05
Other financial asset	0.04
Current assets	
Inventories	0.25
Trade receivables	0.34
Cash and cash equivalents	0.18
Current tax asset (net)	0.01
	0.87
Current liabilities	
Short-term borrowings	0.41
Trade payables	0.04
Other current financial liabilities	0.10
Other current liabilities	0.09
	0.64
Net assets derecognised	**0.23**

(ii) The following items of income and expenditure were previously proportionately consolidated under previous GAAP:

(₹ in Crore)

Particulars	As at 31 March, 2016
Revenue from operations	0.39
Expenses:	
Cost of material consumed	0.45
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(0.25)
Employee benefits expense	0.26

Particulars	As at 31 March, 2016
Finance costs	0.02
Depreciation and amortisation expense	0.01
Other expenses	0.43
Total expenses	**0.92**
Profit(Loss) for the period	**(0.53)**
Impact on account of equity accounting of the joint venture under Ind AS:	
Share of profits of joint venture recognised as per equity method	**(0.53)**

(iii) Summarised statement of cash flows for the year ended 31 March, 2016 not considered under Ind AS in the consolidated statement of cash flows:

(₹ in Crore)

Particulars	As at 31 March, 2016
Opening cash and cash equivalents 1st April, 2015	-
Cash flow from operating activities	(0.91)
Cash flow from investing activities	(0.06)
Cash flow from financing activities	1.15
Closing cash and cash equivalents 31st March, 2016	**0.18**

As per our attached report of even date.

For Price Waterhouse
Chartered Accountants
Firm Registration No. 301112E

UDAY SHAH
Partner
Membership No. 46061

Place: Mumbai
Date: May 2, 2017

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: May 2, 2017