GODFREY PHILLIPS
INDIA LIMITED

Omaxe Square
Plot No.14, Jasola District Centre
Jasola, New Delhi-110025 India.
Tel.: +91 11 2683 2155, 6111 9300
Fax: +91 11 4168 9102
www.godfreyphillips.co.in
isc@godfreyphillips.co.in

6th August 2025

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001
SCRIP CODE: 500163

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai 400051
SYMBOL: GODFRYPHLP

Sub.: Submission of Annual Report for the Financial Year 2024-25.

Dear Sirs,

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find enclosed herewith the Annual Report of the Company for the Financial Year 2024-25, being sent to the Shareholders of the Company through E-mail.

Further, in compliance with Regulation 36(1)(b) of the SEBI Listing Regulations, the Company is in process of dispatching the physical letters providing the weblink to access the Annual Report for the Financial Year 2024-2025, to those shareholders whose email ids are not registered with the Company/ RTA/Depository Participants.

Kindly take the same on records.

Thanking you,
Yours Faithfully,
For Godfrey Phillips India Limited

PUMIT KUMAR CHELLARAMANI
Digitally signed by PUMIT KUMAR CHELLARAMANI
Date: 2025.08.06 14:43:17 +05'30'

Pumit Kumar Chellaramani
Company Secretary and Compliance Officer

Encl.: As above

GODFREY PHILLIPS
INDIA LIMITED

TOGETHER WE ARE LIMITLESS

ANNUAL REPORT 2024-2025

GODFREY PHILLIPS
INDIA LIMITED

ANNUAL REPORT 2024-25

Contents

GODFREY PHILLIPS
INDIA LIMITED

Corporate Information

Board of Directors

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

MS. CHARU MODI - EXECUTIVE DIRECTOR
(DIN 00029554)

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

MR. PAUL NORMAN JANELLE- NON EXECUTIVE DIRECTOR (w.e.f. 16th May 2025)
(DIN 03489805)

MRS. NIRMALA BAGRI- INDEPENDENT DIRECTOR
(DIN 01081867)

MR. SUMANT BHARADWAJ- INDEPENDENT DIRECTOR
(DIN: 08970744)

MR. SUBRAMANIAN LAKSHMINARAYANAN- INDEPENDENT DIRECTOR
(DIN: 02808698)

MR. AJAY VOHRA- INDEPENDENT DIRECTOR
(DIN: 00012136)

MR. AVTAR SINGH MONGA-INDEPENDENT DIRECTOR
(DIN: 00418477)

CHIEF FINANCIAL OFFICER
Mr. Vishal Dhariwal

COMPANY SECRETARY
Mr. Pumit Kumar Chellaramani

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

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

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

LEAF DIVISION
Guntur (Andhra Pradesh)

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

INTERNAL AUDITORS
Lodha and Co., Chartered Accountants

SECRETARIAL AUDITORS
Chandrasekaran Associates, Company Secretaries

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

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

CORPORATE IDENTIFICATION NUMBER
L16004MH1936PLC008587
www.godfreyphillips.co.in

DR. BINA MODI
Chairperson's Message

Dear Shareholders,

The global economic environment in 2025 reflects a phase of cautious recovery amid continuing uncertainties. While growth remains moderate, supported by strengthening labour markets and a gradual easing of inflationary pressures, certain risks continue to persist. Geopolitical tensions and volatility in commodity prices continue to shape the external landscape, requiring businesses to remain agile and adaptive. Within this context, the emphasis remains on prudent risk management and the pursuit of long-term, sustainable growth.

We can see that some opportunities are emerging across sectors, driven by the accelerated adoption of technology and sector-specific reforms. Investments in digital infrastructure and sustainable business practices are reshaping industry structures and enabling new avenues of expansion. Fiscal consolidation, coupled with a focus on innovation and operational efficiency, will be essential in enhancing competitiveness and resilience.

Recent forecasts around global institutional economic outlook suggest a stable, albeit measured, global growth outlook. Infrastructure development and the growing transition towards environmentally sustainable technologies offer further support. While certain headwinds remain, improved policy coordination and increased predictability in the business environment provide a more supportive backdrop for corporate planning and investment.

India continues to exhibit robust economic momentum, underpinned by resilient domestic demand, enhanced capital expenditure, and sustained progress on structural reforms. Growth in the industrial and services sectors has been reinforced by public infrastructure investments and demographic advantages. Despite global challenges such as worsening geopolitical situation, likely trade disruptions arising from reciprocal tariffs announced by Trump administration and climate-linked vulnerabilities, India remains well positioned to maintain its growth trajectory and deepen its integration with global value chains particularly through renewed thrust on bilateral trade agreements.

The Indian tobacco sector continues to play a significant role in supporting rural livelihoods and contributing to overall economic activity. Tobacco cultivation is concentrated in agro-climatic zones with limited alternatives, thereby sustaining millions of farming families. The sector also contributes meaningfully to export revenues and provides employment across the value chain. These socio-economic linkages underline its continued relevance within regional development frameworks.

However, the domestic legal cigarette industry continues to face regulatory challenges, more particularly with respect to taxation policy, which have inadvertently contributed to the expansion of the illicit tobacco trade over a period of time. This remains an area of concern, as it not only undermines stated policy on public health but also contributes to revenue leakages for the government exchequer. Of late, the enforcement measures against illicit trade have intensified, but sustained resolution will require coordinated efforts between the tobacco industry stakeholders and government agencies to uphold market integrity and policy effectiveness.

In FY25, Godfrey Phillips India achieved strong financial performance, reporting a 34% increase in consolidated Gross Sales Value to ₹14,480 crore and Consolidated Net Profit from continuing operations rising by 24% to ₹1,153 crore. This growth was supported by higher domestic cigarette volumes and deeper penetration in international markets for unmanufactured tobacco. Our longstanding partnership with Philip Morris International for the iconic 'Marlboro' brand, along with a growing relationship with Ferrero India in the confectionery business, continues to strengthen our market position and to diversify revenue streams.

We have also made measurable progress in integrating business sustainability with social and environmental responsibility. Our Dow Jones Sustainability Index score improved from 43 to 64 in FY25, reflecting our ongoing focus on ESG principles. As a company deeply connected to agriculture and tobacco trade, focus in our CSR programs remains on empowering tobacco growing community, ensuring sustainable livelihoods, and contributing meaningfully to ecological balance. Our efforts through various CSR initiatives reflect our commitment to inclusive development and shared value creation.

We were recognised as a 'Great Place to Work' for the seventh consecutive year, underscoring our continued commitment to building a supportive and performance-driven work environment. Initiatives such as the Employee Share Purchase Scheme 2024 were introduced to align long-term employee interests with business growth, contributing to talent retention and organisational stability.

As we look ahead, we remain focused on reinforcing our position in the domestic market, accelerating international expansion, and driving innovation across our product portfolio. Sustainability, governance, and regulatory alignment will remain central to our strategic roadmap. We believe that responsible growth, underpinned by sound environmental and social practices, will enable us to deliver consistent value to all our stakeholders. Therefore, we are supremely confident in our ability to build a future-ready, resilient, and responsible Godfrey Phillips India.

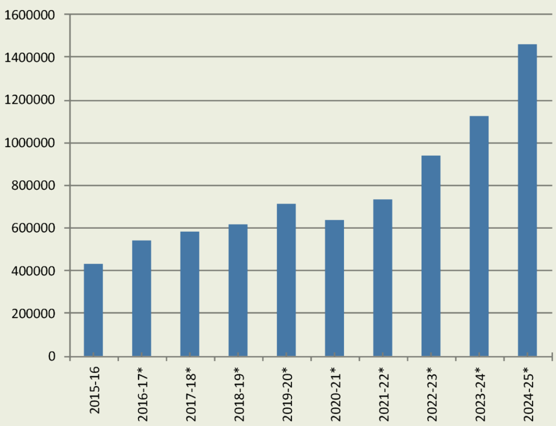
To conclude, I extend my sincere appreciation and gratitude to our employees, management team, board of directors, farming community, customers, business partners, bankers, other stakeholders and government authorities for their invaluable support, guidance and cooperation. Also, I wish to extend my heartfelt thanks to you, our dear shareholders, because your trust remains the cornerstone of our continued progress.

Sincerely,

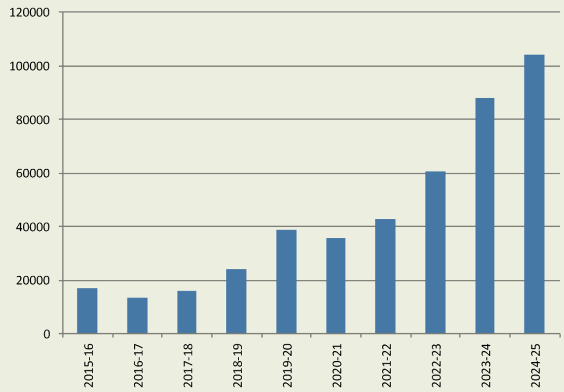
Dr. Bina Modi

Financial Highlights
Trends

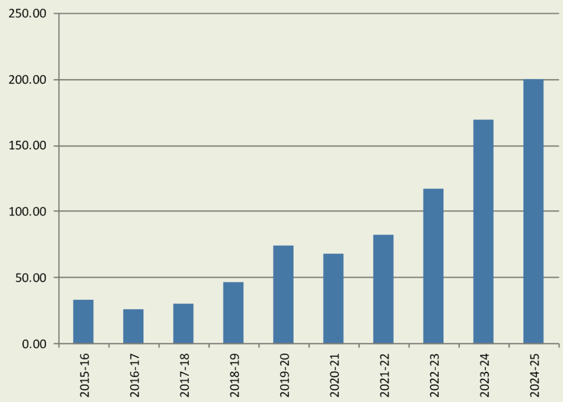
Gross Revenue* (Rs. In lakhs)



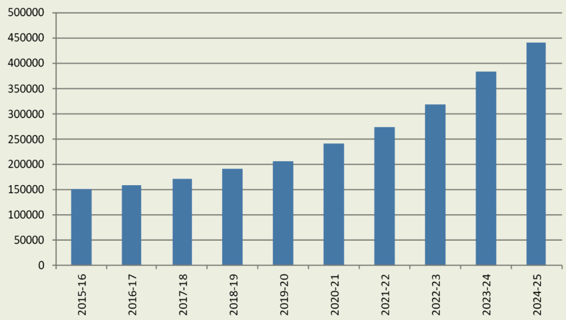
Profit After Tax (Rs. In lakhs)



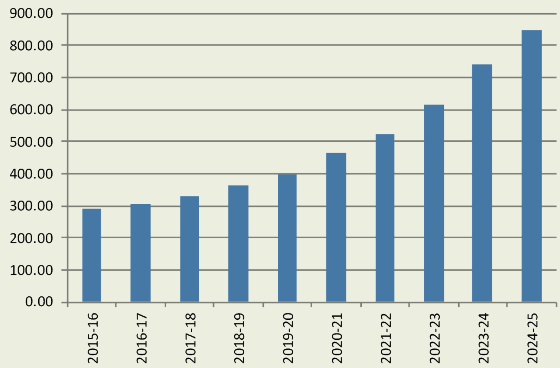
Earning per Share (In Rs.)



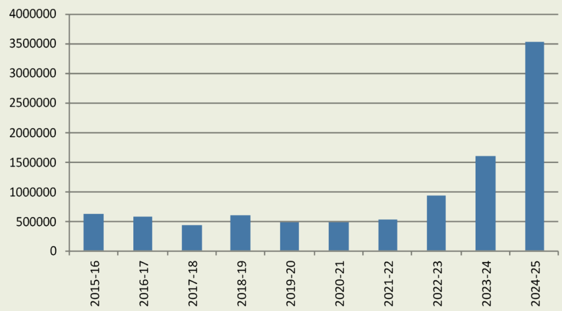
Shareholders' Fund (Rs. In lakhs)



Book value per Equity Share (In Rs.)



Market Capitalization** (Rs. In lakhs)



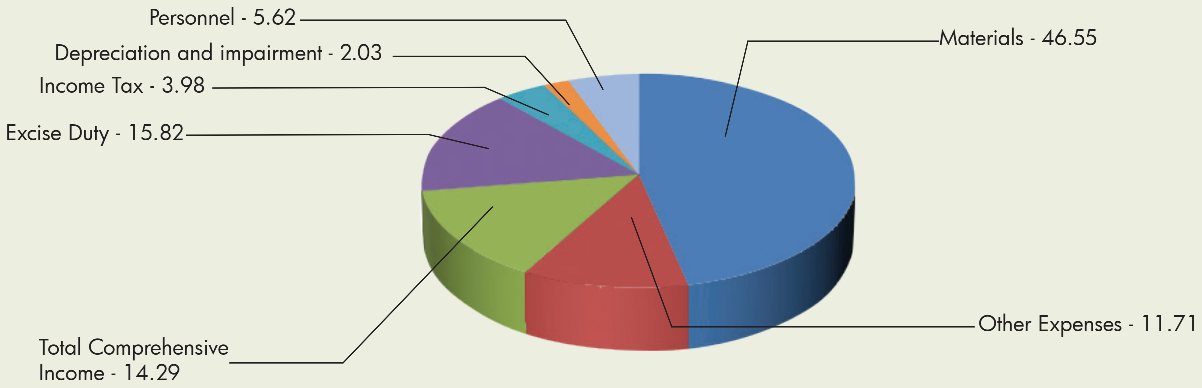
All the figures reported above includes figures pertaining to discontinued operation.

*Gross Revenue figures for the financial years 2016-17 to 2024-25 includes all applicable indirect taxes.

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

Financial Highlights

Revenue Distribution



(Rs. In Lakhs)

PARTICULARS	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
CAPITAL EMPLOYED										
Property, Plant and Equipment (including Capital Work-in-Progress, Intangible Assets, Intangible Assets under development & Investment Property)	**66226**	64213	65199	71553	72667	68348	67983	65001	68709	72434
Right of use Assets***	**12354**	24592	27170	27697	30380	34475	-	-	-	-
Investments	**238902**	258244	236395	171870	147584	118992	114267	89516	50006	39588
Other Assets (net)*	**143486**	72451	25656	35350	31166	20085	11703	18955	47504	50719
Deferred Tax Assets (net)	**-**	-	-	-	-	-	-	-	180	1186
Total	**460969**	419500	354420	306470	281797	241900	193953	173472	166399	163927
FINANCED BY										
Shareholders' Funds	**440911**	384118	318840	272369	241643	206085	189627	170728	159183	150964
Borrowings	**2922**	4396	3463	2978	7490	1114	4118	2672	7216	12963
Lease Liabilities***	**14826**	30008	31913	30602	31969	34459	-	-	-	-
Deferred Tax Liabilities (Net)	**2309**	978	204	521	695	242	208	72	-	-
Total	**460969**	419500	354420	306470	281797	241900	193953	173472	166399	163927
OPERATING PERFORMANCE**										
Gross Revenue	**730779**	566468	442529	332582	304344	315102	267103	293027	444281	429876
Excise Duty	**115647**	88503	69733	54104	43609	19144	11499	56509	200923	195922
Depreciation	**14844**	14268	15065	14216	13845	15238	9592	9565	9413	10220
Profit Before Taxation	**133438**	108656	78961	56160	46495	51590	36264	23429	19777	24562
Profit After Taxation	**104320**	88084	60838	43197	35694	38788	24097	16076	13635	17166
Total Comprehensive Income	**104406**	87701	61029	43204	35558	37769	23914	16551	13226	16947
Proposed Dividend / Interim Dividend	**49334**	29117	22877	14558	12479	12479	5199	4159	4159	4159
Corporate Dividend Tax	**-**	-	-	-	-	2565	1069	855	847	847
INVESTORS' DATA										
Earning Per Equity Share from Continuing operations and Discontinued operation (Rs)	**200.64**	169.41	117.01	83.08	68.65	74.60	46.35	30.92	26.22	33.02
Dividend Per Equity Share (%)	**4750**	2800	2200	1400	1200	1200	500	400	400	400
Number of Shareholders	**74994**	38489	Above 40000	30821	37921	22371	19079	21707	20000	16825

All the figures reported above are Ind-AS compliant.

* Includes net liabilities associated with discontinued operation

** Includes results of discontinued operation

*** Upon trasition to IndAS-116, "Leases" w.e.f. 2019-20

DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the 88th Annual Report on the business and operations along with the Audited Financial Statements of the Company for the financial year ended 31st March 2025.

ECONOMIC ENVIRONMENT

Global macroeconomic conditions in 2025 reflect cautious optimism, as policymakers balance the twin objectives of supporting growth and maintaining stability. Global GDP is projected to expand by 2.8%, in line with 2024, underscoring the resilience of underlying economic fundamentals amid persistent global uncertainties. Advanced economies are expected to grow by 1.8%, compared to 1.6% in the previous year, supported by steady performance in the United States, where consumption and labour market conditions continue to drive expansion. The Euro area is projected to regain some momentum following a subdued performance in 2024, aided by declining energy costs and improved fiscal positions.

In contrast, growth in emerging and developing economies is expected to moderate slightly to 4.2%, reflecting tighter external financing conditions and a slowdown in global trade. Despite these challenges, investment sentiment is showing gradual improvement, supported by easing supply constraints and greater predictability in policy environments. However, structural productivity gaps and region-specific vulnerabilities continue to warrant close monitoring.

Inflationary pressures continued to ease through 2025. Headline inflation is projected to decline to 3.4%, from 4.0% in 2024, driven by stable commodity prices, improved logistics, and tighter fiscal controls in several major economies. However, core inflation remains above central bank targets in a number of advanced economies, primarily due to sustained cost pressures in services and wage growth. Central banks, including the US Federal Reserve and the European Central Bank, are therefore expected to adopt a more measured approach to monetary policy, gradually transitioning from restrictive stances while maintaining flexibility to respond to evolving inflation dynamics. While risks from geopolitical developments and commodity price fluctuations persist, monetary authorities are better equipped to address them within coordinated policy frameworks.

India continues to rank among the world's fastest-growing major economies. Real GDP is projected to expand by 6.2% in 2025, supported by robust domestic demand, rising capital expenditure, and favourable credit conditions. The United Nations forecasts a slightly higher growth rate of 6.6%, citing sustained momentum in the manufacturing and services sectors, complemented by ongoing public investment in infrastructure. While external challenges such as global trade fluctuations, energy price volatility and climate-related risks remain, India's policy consistency, fiscal discipline and demographic profile provide a foundation for continued economic expansion and deeper integration into the global economy. However, the current skirmishes on the international border with Pakistan could play spoilsport.

TOBACCO INDUSTRY

India continues to maintain its leadership as the world's second-largest tobacco producer, with an estimated production of approximately 800 million kilograms in FY 2024–25, reinforcing its critical contribution to India's agricultural economy. Tobacco cultivation occupies 0.24% of India's total arable land, primarily in semi-arid and rain-fed regions where alternative crops are economically less viable. This continued reliance on tobacco for farming income underscores its economic importance to rural economies.

India's tobacco production spans 13 states, with Andhra Pradesh, Karnataka, and Gujarat being major contributors. The country produces a variety of tobacco types, such as Flue-Cured Virginia (FCV), Non-FCV, and other non-cigarette tobacco products, catering to both domestic demand and global markets. In FY 2024–25, FCV production reached 304 million kilograms, accounting for approximately one-third of India's total tobacco output.

India's competitive advantage in the global tobacco trade is driven by low production costs and a wide product offering. While cigarette exports remain modest, India has established a significant export presence in Bidis, Hookah tobacco, Chewing tobacco, and Zarda, meeting regional preferences across international markets. In FY 2024–25, India exported about 300 million kilograms of tobacco products, generating about ₹12,000 crores in export revenues. Projections for FY 2025–26 suggest that export revenues will likely exceed ₹13,000 crores, driven by sustained global demand and market diversification strategies.

The tobacco sector continues to be a key contributor to rural livelihoods, employing approximately 45.7 million individuals across cultivation, processing, trading, and manufacturing. This sector also plays a major role in supporting small landholder farmers, rural women, and tribal communities.

Despite its economic significance, the tobacco industry continues to face challenges due to higher taxation, health awareness campaigns, and regulatory measures. These conditions have unwittingly contribute to the growth of the illicit tobacco market, which undermines public health efforts and tax revenue collections. In FY 2023–24, illicit trade was estimated to account for over 25% of the total tobacco market, contributing to a substantial loss in tax revenue. For instance, FY 2023–24 tax revenues were reported to be ₹72,788 crores, but illicit trade continues to hinder additional revenue generation. Although enforcement agencies have seemingly stepped up actions such as seizures and market surveillance, with over ₹1,000 crores worth of tobacco products reported to have been seized in the last year, continued collaboration between industry stakeholders and regulatory authorities is essential to address this ongoing issue.

Looking ahead, the Indian tobacco industry is focusing on long-term, sustainable growth. Key priorities include enhancing supply chain transparency, adopting best-in-class agricultural practices, and ensuring quality compliance across its products. These efforts are expected to strengthen India's position in the global tobacco market while contributing to inclusive rural development. As India continues to innovate and adapt to changing consumer preferences and regulatory changes, it remains well-positioned to continue leading the global tobacco industry in the years to come.

CONSUMER INDUSTRY

India's consumer sector continues to make a significant contribution to the country's economic growth. Supported by favourable demographics, rising disposable incomes, urbanisation and accelerated digital adoption, this has emerged as key contributors of consumption. Structural shifts in consumer preferences, reinforced by enabling policy interventions, are shaping the future trajectory of this sector.

The Fast-Moving Consumer Goods FMCG market was valued at USD 245.4 billion in 2024 and is expected to expand to approximately USD 615.87 billion by 2027, reflecting a CAGR of 27.9% from 2021. This growth is underpinned by rising internet penetration, with over 886 million users online as of 2024. The increasing adoption of e-commerce and direct-to-consumer formats is reshaping how consumers engage with brands. The online FMCG market is projected to grow from USD 4,540 million in 2022 to USD 76,761 million by 2032. Digital marketing accounted for 44% of the total USD 5.9 billion in digital advertising expenditure in 2024, underscoring its expanding role in brand strategy. To address evolving demand, companies are strengthening supply chains, expanding distribution networks and diversifying product offerings.

Looking ahead, India's consumer sector is well-positioned to benefit from a convergence of supportive demand trends, digital integration and investment activity. Sustained focus on innovation, agility and customer engagement will be integral to driving long-term, inclusive growth and stakeholder value.

SEGMENTWISE PERFORMANCE IN 2024-25

Cigarettes

The domestic cigarette industry outlook in India remained reasonably optimistic. While the industry continued to grapple with challenges such as escalating tobacco prices and input costs, it has shown resilience amidst global geopolitical tensions and supply chain disruptions. Improving macroeconomic indicators, coupled with the prospects of a normal monsoon, stable tobacco prices and a sustained recovery in rural demand, are expected to drive moderate volume growth in the near term.

During the year, your Company has re-emphasized its focus on core brands and has taken specific actions to enhance the brand image equity through product value adds and packaging enhancements. Four Square has demonstrated remarkable resilience and strength and increased its market share. Similarly, legacy brands like Cavanders and North Pole have also seen significant thrust in terms of improving consumer relevance and have seen a resurgence in the market.

We have also maintained our agility in investing behind variants like Shift and Define in Slim dia & FS Crush Tropical in regular dia to focus our energies behind building on their success across the geographies. Their success highlights the company's strategic focus on innovation.

Strong distribution networks, including expanded permissible e-commerce channels and deeper penetration into untapped markets, have also ensured wider product availability and enhanced accessibility to the consumers.

Going forward, our focus is on strengthening and expanding our market presence, increasing the consumer relevance of our core brands, and staying ahead of curve in terms of addressing emerging consumer needs.

Confectionary Products

Company's confectionary business has shown growth during the year and gross sales grew by 18% over last year and operating profit grew by about 40%. Growth has largely come from Naturalz Imli which is the flagship brand of the Company and hard boiled segment, backed by strong distribution network available across markets. We have recently launched a new variant in the hard boiled segment by the name "Lemon Chaskaa", which seems to be gaining some traction across launched markets.

Exports

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

Commodity/Product	2024-25	2023-24
	Value (Rs. in crores)	Value (Rs. in crores)
Unmanufactured Tobacco/ Composite Leaf Blend	2010.19	1206.38
Cigarettes	67.87	108.65
Cut tobacco	42.23	28.37
Candy	0.11	Nil
Total	**2120.40**	**1343.40**

Like previous years, unmanufactured tobacco exports have grown this year too and your Company has done commendably well by achieving the highest ever export revenue of Rs. 2010.19 Crores, registering a growth of 66.63% over the previous year. To expand the export footprint, your Company actively engaged with potential customers and successfully secured additional orders. This initiative has not only enhanced Company's revenue stream but also strengthened its position in the global market. Also, your Company has identified and introduced new crop varieties, including Sun-Cured Virginia, Kurnool Rustica, Lanka, and Lalchoupadia, alongside regular crops, which further diversified its product portfolio and enhanced revenue growth. A focused approach, combined with continuous monitoring of purchases, faster processing, and improved processing yields, has significantly enhanced efficiency and operational effectiveness across the supply chain.

Retail

The Board of Directors of the Company, at its meeting held on 12th April 2024 and after due consideration of the stakeholders' feedback, long-term performance of the retail business since its inception, prevailing market conditions of retail sector and long-term business strategy of the Company, had decided to exit from carrying out the business operations of its Retail Business Division. Subsequently, the Company has undertaken the necessary formalities for an orderly exit and have closed the operations of the said division during the current year.

HUMAN RESOURCE DEVELOPMENT

Your Company's Human Resource strategy centres on the "People First" philosophy. There has been continuous emphasis on building progressive and contemporary people processes and practices, focused on delivering superior business results and outstanding employee experience. The Company has continued to strengthen organization capability through leadership development and succession planning. During the year, your Company has deepened its investment in learning and development across levels through curated workshops. It is committed to fostering a safe, inclusive and high performing culture and has also rolled out unique employee wellness interventions last year. Your Company has been recognized for the 7th time in a row, as a Great Place to Work, thereby instilling a sense of pride in all its employees and stakeholders. The Company's operating leadership remains connected to the employees and has been instrumental in inspiring and motivating people to deliver their best. Your Company is dedicated to building a future-ready inclusive workplace, aligned with its strategic priorities.

INFORMATION TECHNOLOGY (IT)

Your Company has continued to push the boundaries of technological innovation, focusing on transformative projects that enhance operational efficiency and drive digital growth. This year, we have embarked on several key initiatives which have significantly streamlined our processes and improved overall productivity.

There has been an increased focus on digitization of operational processes to improve visibility and deliver operational efficiencies. We have modernized our Green Leaf Traceability system across the value chain. Key Business Intelligence Dashboards have been implemented across various functions to enhance visibility and governance of compliances. Further, with Generative Artificial Intelligence technologies gaining significant maturity in recent times and unlocking lot more possibilities, few pilots are underway around these technologies to realize the potential for our internal processes.

Our IT infrastructure has been further strengthened with the expansion of SD-WAN (Software Defined – Wide Area Network) solution across all the locations, improving scalability and resiliency. Our multi-cloud environment has also been made more resilient to handle increasing data volumes, through network enhancements, thereby also ensuring high availability of mission critical applications.

Our commitment to strong IT governance practices is reflected in the successful completion of ISO 27001 audit. We have enhanced our cyber security posture to the next level through enhanced controls for data security. We continue to focus on our employees as the strongest pillar of Information security through multiple initiatives in like Awareness sessions, Quizzes, Simulation drills, etc. throughout the year.

TREASURY OPERATIONS

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

FINANCIAL RESULTS

Continuing operations	**2024-25 Rs. in Lakhs**	2023-24 Rs. in Lakhs
Profit before Depreciation and Tax from continuing operations	**1,56,175.65**	1,24,836.68
Less: Depreciation and amortization	**11,970.13**	10,516.83
Profit before tax from continuing operations	**1,44,205.52**	1,14,319.85
Less: Provision for tax		
- current tax	**30,673.51**	21,126.88
- deferred tax	**1,153.88**	870.65
Profit after tax for the year from continuing operations	**1,12,378.13**	92,322.32
Discontinued operation		
(i) Loss before tax from discontinued operation	**(10,767.79)**	(5,663.28)
(ii) Tax benefit from discontinued operation	**2,710.03**	1,425.33
Loss for the year from discontinued operation	**(8,057.76)**	(4,237.95)
Profit for the year	**1,04,320.37**	88,084.37
Add: Other comprehensive income/(loss)-net of tax	**85.19**	(383.43)
Total Comprehensive Income	**1,04,405.56**	87,700.94

During the year, the gross sales value registered a growth of 30.18% by reaching the level of Rs. 6,866.64 crores from Rs. 5,274.68 crores last year. Similarly, the profit after tax is Rs. 1,043.20 crores as compared to Rs. 880.84 crores last year.

DIVIDEND

Your Directors are pleased to recommend the final dividend of 3,000 % i.e. Rs. 60/- per equity share of face value of Rs.2/- each over and above the interim dividend of Rs 35 per equity share paid in December 2024. The proposed dividend will absorb Rs. 311.96 crores. There is no amount proposed to be transferred to the general reserves.

DEPOSITS

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

ANNUAL RETURN

As required under Section 134(3)(a) and section 92(3) of the Companies Act, 2013, the Annual Return as on 31st March 2025 has been uploaded on the Company's website and the same can be accessed at https://godfreyphillips.co.in/sustainabililty/annual-return.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year under review, the Company has incorporated a wholly-owned subsidiary company by the name of White Horse Realty Limited having its Registered Office at Mumbai, for the purpose of carrying out business in the field of Real Estate Development.

As on 31st March 2025, your Company had six operating subsidiaries, two associate companies and a controlled entity. The basic details of these companies form part of the Annual Return as on 31st March 2025, which can be accessed through the link given above.

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

CONSOLIDATED FINANCIAL STATEMENTS

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

INTERNAL CONTROL SYSTEMS

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

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, the Company continued to deepen its commitment to Corporate Social Responsibility (CSR) with a strategic focus on promotion of education, environmental sustainability, conservation of natural resources, water management including maintaining quality of water, healthcare including preventive healthcare, and support for good agricultural practices.

Large sum of money continues to be allocated to ongoing project for promoting education through programs aimed at imparting special education and employment enhancing vocational skills. While tobacco farmers in Andhra Pradesh remained a primary stakeholder in the community development programs, the Company expanded its CSR footprint to include places like Delhi, Mumbai, Ahmedabad, and Jammu—with its healthcare program reaching out to people in low-income bracket who form a critical yet underserved link in the distribution chain.

In drought-prone and rain shadow regions of Andhra Pradesh with poor groundwater levels, we maintained three biodiversity parks spanning 23.5 acres, nurturing over 9,000 native trees. Our fourth biodiversity park in Vithamrajupalli village was successfully handed over to the local community. Additionally, we ensured the healthy maintenance of 70,000 saplings planted in the previous year, with the majority now self-sustaining. Complementing these efforts, we built 11 new check-dams across three districts and repaired 30 existing ones, enhancing our total number of check-dams to 47. Along with providing an irrigation source for a second crop and supporting groundwater recharge, these interventions have helped the Company meet its water conservation ESG targets, with current water storage capacity standing at over 2,10,000 kilolitres. The Chairperson of the CSR Committee and CMD of the Company, Dr. Bina Modi, visited the region to personally review the impact of our efforts in Andhra Pradesh.

In line with our ESG commitment to ensure access to clean drinking water for the farming community, the Company undertook a scientific initiative to identify, map, and geotag all RO water plants across 839 villages in Andhra Pradesh. The study also included secondary drinking water sources and will serve as a blueprint for future interventions in fluoride-contaminated areas, enabling targeted support to communities lacking safe or improved potable water. It will allow us to build further on our existing 63 RO water plants.

To strengthen livelihood infrastructure, the Company constructed 103 new community agri-sheds, directly benefiting over 700 farmers and supporting thousands more indirectly. These structures provide crucial shelter for crops like tobacco, chili, and gram, as well as protection for livestock.

In line with our broader goal of environmental sustainability, feasibility studies for water harvesting structures were initiated in rain-starved areas such as Ghaziabad, Uttar Pradesh, to extend water conservation efforts to newer geographies.

Recognising the need for inclusive healthcare, the Company organized over 100 health screening camps for people in low-income bracket and their families at wholesale dealer locations, enabling convenient access to medical services. The camps offered comprehensive check-ups, including screenings on some 100 odd health parameters and consultations with physicians and ophthalmologists, benefitting over 2,500 individuals.

The CSR efforts of the Company are overseen by the CSR Committee of the Board, constituted in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition, terms of reference, and details of the Committee's meetings are provided in the Corporate Governance Report. A brief outline of the CSR Policy, overview of activities undertaken, the amount spent/unspent, reasons for any unspent amount, and the Committee's composition are disclosed in **'Annexure - 2'** to this Report.

DIRECTORS

Based on the recommendation of the Nomination and Remuneration Committee, Dr. Bina Modi was re-appointed as the Managing Director of the Company for another term of five years w.e.f. 14th November 2024 by the Board at its meeting held on 7th August 2024, which appointment was subsequently approved by the shareholders at the 87th Annual General Meeting held on 6th September 2024.

Based on the recommendation of the Nomination and Remuneration Committee, Ms. Charu Modi was appointed as an Additional Director of the Company with effect from 6th July 2024 by the Board in its meeting held on 6th July 2024 and thereafter as an Executive Director for a period of Five years w.e.f. 7th September 2024 by the Board in its meeting held on 7th August 2024, which appointment was subsequently approved by the Shareholders at the 87th Annual General Meeting held on 6th September 2024.

Based on the recommendation of the Nomination and Remuneration Committee, Mr. Avtar Singh Monga was appointed as Non-Executive Independent Director of the Company for a period of Five consecutive years with effect from 12th November 2024 by the Board of Directors in its Meeting held on 11th November 2024, which appointment was subsequently approved by the Shareholders by way of Postal Ballot on 20th December 2024.

Dr. Lalit Bhasin ceased to be the Director of the Company on completion of his term as an Independent Director at the 87th Annual General Meeting of the Company held on 6th September 2024.

Mr. Samir Kumaar Modi ceased to be the Director/Executive Director of the Company on his retirement by rotation at the 87th Annual General Meeting held on 6th September 2024.

The Independent Directors of your Company have confirmed that:

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

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

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

PERFORMANCE EVALUATION OF THE BOARD, ETC.

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

KEY MANAGERIAL PERSONNEL

Based on the recommendations of the Nomination and Remuneration Committee and the Audit Committee, Mr. Vishal Dhariwal was appointed the Chief Financial Officer of the Company w.e.f. 1st March 2025 by the Board of Directors at its meeting held on 11th November 2024, in place of Mr. Sunil Agrawal, who assumed the role of an Advisor on key Business and Strategic matters w.e.f. 1st March 2025 and continues to be the Senior Management Personnel of the Company.

Further, based on the recommendations of the Nomination and Remuneration Committee, Mr. Pumit Kumar Chellaramani was appointed as Company Secretary and Compliance Officer of the Company with effect from 12th November 2024 by the Board of Directors at its meeting held on 11th November 2024, in place of Mr. Sanjay Kumar Gupta, who demitted office on his superannuation effective from close of business hours on 11th November 2024.

Dr. Bina Modi, Chairperson and Managing Director, Ms. Charu Modi, Executive Director, Mr. Sharad Aggarwal, Whole-time Director, Mr. Vishal Dhariwal, Chief Financial Officer and Mr. Pumit Kumar Chellaramani, Company Secretary of the Company are considered to be Key Managerial Personnel of the Company as on 31st March 2025 as per the provisions of the Companies Act, 2013 and the rules made thereunder.

BOARD MEETINGS

During the financial year 2024-25, the Board of Directors met 9 (nine) times. Details of the meetings of the Board held during the year, form part of the Corporate Governance Report.

AUDIT COMMITTEE

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

RISK MANAGEMENT

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

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

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

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) COMMITTEE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

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

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

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

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

The above statements were also noted by the Audit Committee at its meeting held on 15th May 2025.

RELATED PARTY TRANSACTIONS

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The aforesaid details are provided in the financial statements of the Company forming part of the Annual Report. Please refer to Note 52 of the standalone financial statements.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

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

NOMINATION AND REMUNERATION POLICY

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

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

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

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

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

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

The Nomination and Remuneration Policy is available on the Company's website at https://godfreyphillips.co.in/sustainabililty/policies. There is no major change in the Nomination and Remuneration policy of the Company during the year.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

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

UNCLAIMED SHARES

Status of the unclaimed shares as on 31st March 2025 has been mentioned in the Corporate Governance Report.

CORPORATE GOVERNANCE

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

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

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

STATUTORY AUDITORS

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

Auditors' Report on the financial statements (both standalone as well as consolidated) of the Company forms part of the Annual Report and does not contain any qualification, reservation, adverse remark or disclaimer. However, as an exception, the Auditors' in their report, have commented on the audit trail (edit log) feature of the accounting software used by the Company for maintaining its books of accounts. The Auditors' Report along with Note 51 to the financial statements of the Company, is self-explanatory in this regard. The Audit report is not modified to that extent.

COST AUDIT & COST RECORDS

In terms of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, Cost Audit & maintenance of Cost Records were not applicable on the Company during Financial Year 2024-25.

SECRETARIAL AUDIT

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

REPORTING OF FRAUDS BY AUDITORS

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

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

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

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

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

DIVIDEND DISTRIBUTION POLICY

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

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year 2024-25 with comparatives for the year 2023-24, are disclosed in **'Annexure - 8'** attached herewith.

EMPLOYEES SHARE PURCHASE SCHEME

During the year under report, the Company has implemented a share-based employee long term incentive plan in the name "Godfrey Phillips Employees Share Purchase Scheme-2024" ("ESPS 2024") which is being administered through the irrevocable Trust in the name of "Godfrey Phillips ESPS Trust". ESPS 2024 is being supervised by the Nomination and Remuneration Committee. The ESPS 2024 was implemented in compliance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

As at 31st March 2025, the Company has two Employees Share Purchase Schemes viz: ESPS 2024 and ESPS 2023 and no change has been made in both the schemes during the year under report. The Company has received a certificate from the Secretarial Auditors that the ESPS 2024 and ESPS 2023 have been implemented in accordance with the applicable SEBI Guidelines and the resolutions passed by the shareholders. The Certificate will be placed at the Annual General Meeting for inspection by the Members.

Details of the share based payments made during the year are provided in Note 48 to the financial statements of the Company. Further, the disclosures pursuant to the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Companies Act, 2013 are available on the website of the Company at https://www.godfreyphillips.co.in/employee-benefit-scheme-documents.

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

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

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

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

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

No material changes and commitments have occurred between the end of the financial year and the date of this report, affecting the financial position of the Company.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company except that the Company discontinued carrying out the business operations of its Retail Business Division.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under report, no application was made against the Company nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

THE FUTURE

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board

DR. BINA MODI
CHAIRPERSON

Place: New Delhi
Dated: 15th May 2025

Annexure - 1

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part A : Subsidiaries

Rupees In Lakhs

Particulars	International Tobacco Company Limited	Chase Investments Limited	Friendly Reality Projects Limited	Unique Space Developers Limited	Rajputana Infrastructure Corporate Limited	White Horse Realty Limited
Date since when subsidiary/ trust was acquired	30-Jun-69	1-Feb-94	31-Jan-91	12-Aug-94	10-Jan-07	26-Dec-24
Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Share Capital	300.00	280.46	33.31	231.96	26.50	10.00
Reserves and Surplus	5,872.36	71,594.03	6,858.82	(38.10)	6,409.34	(22.15)
Other Liabilities	1,153.10	11,420.45	4.80	0.29	359.89	1,012.10
Total Liabilities	7,325.46	83,294.94	6,896.93	194.15	6,795.73	999.95
Total Assets	7,325.46	83,294.94	6,896.93	194.15	6,795.73	999.95
Investments (other than in subsidiaries/fellow subsidiaries)	-	82,506.06	31.48	-	-	-
Turnover/ Total Income	7,021.88	880.87	5.25	4.51	49.47	-
Profit/(loss) before taxation	581.74	873.00	(30.67)	(1.41)	8.76	(22.15)
Provision for taxation	147.66	185.78	-	-	(387.53)	-
Profit/(loss) after taxation	434.08	687.22	(30.67)	(1.41)	396.29	(22.15)
Proposed Dividend	-	-	-	-	-	-
% of shareholding	100.00%	100.00%	92.20%	66.67%	92.20%	100.00%

Remarks

1. Rajputana Infrastructure Corporate Limited is a 100% subsidiary of Friendly Reality Projects Limited.
2. Shares in Unique Space Developers Limited are held through Chase Investments Limited and International Tobacco Company Limited.
3. Shares in Friendly Reality Projects Limited are partly held through Chase Investments Limited.
4. White Horse Realty Limited incorporated during the year.
5. Godfrey Phillips Middle East, DMCC is liquidated during the year.

Part B : Associates and Joint Ventures

Rupees in Lakhs

Particulars	KKM Management Centre Pvt. Limited	IPM India Wholesale Trading Pvt. Limited
Latest audited Balance Sheet Date	31-Mar-25	31-Mar-25
Shares of Associate/ Joint Venture held by the Company on the year end		
Number of shares	11,02,500	49,60,000
Amount of Investment	110.25	496.00
Extent of Holding %	36.75	24.80
Description of how there is significant influence	Since the Company holds more than 20% of voting power in these associates	
Reason why the associate is not consolidated	Not Applicable	
Networth attributable to Shareholding as per latest audited Balance Sheet	338.38	8,892.01*
Profit / (Loss) for the year	(26.67)	84,301.02
Considered in consolidation	(9.80)	20,906.65
Not considered in consolidation	(16.87)	63,394.37

*Adjusted for dividend of Rs.19,344.00 lakhs received during the year from the Associate company.

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

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN: 07438861)
Whole-time Director

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

SUBRAMANIAN LAKSHMINARAYANAN
(DIN 02808698)

AVTAR SINGH MONGA
(DIN 00418477)

Directors

Annexure - 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

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

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

2. Composition of CSR Committee:

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

** Dr. Lalit Bhasin ceased to be the member of the Committee on completion of his term as an Independent Director at the 87th Annual General Meeting of the Company held on 6th September 2024 and in his place, Mr. Atul Kumar Gupta was inducted as the member by the Board of Directors in its meeting held on 20th September 2024.*

***No meeting of the Committee was held during his tenure in FY 2024-25.*

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

CSR Policy	https://www.godfreyphillips.co.in/sustainabililty/policies *(There is no change in CSR policy during the year)*
CSR Committee Composition	https://www.godfreyphillips.co.in/sustainabililty/board-of-directors-and-committees
CSR Projects	https://www.godfreyphillips.co.in/sustainability/corporate-social-responsibility

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

5. (a) Average net profit of the company as per sub-section (5) of section 135: **Rs. 70,279.72 Lakhs**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 1,405.60 Lakhs**

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

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

(e) Total CSR obligation for the financial year (b + c - d): **Rs. 1,405.60 Lakhs**

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Promoting Education including Special Education and Employment Enhancing Vocational Skills	Promotion of education	No	Chhattisgarh	Raipur	Multi Year	688.50	Nil	688.50	No	Modi Innovative Education Society	CSR00012517

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent on the project	Mode of Implementation - Direct (Yes/No).	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Community Support & Development Programs – water management, biodiversity, good agricultural practices	Environmental sustainability	Yes	Andhra Pradesh	Prakasam, Palnadu	434.25	No	Eco Foundation for Research & Training (EFFORT)	CSR00000628
2.	Swasth Pehal- Health Screening	Promoting healthcare including preventive healthcare	Yes	Delhi, Jammu & Kashmir, Gujarat and Maharashtra	Delhi, Jammu, Ahmedabadand Mumbai	106.59	No	HEAL Foundation	CSR00006457
3.	Water management structures for farming community	Conservation of natural resources and maintaining quality of water	Yes	Andhra Pradesh	Prakasam, Palnadu, Kurnool	58.69	No	Rural Development Trust (RDT)	CSR00003740
4.	Water management structures for farming community	Conservation of natural resources and maintaining quality of water	Yes	Andhra Pradesh	Prakasam, Palnadu	40.59	No	Action for Food Production (AFPRO)	CSR00000747
5.	Maintaining green cover on common lands	Environmental sustainability	Yes	Andhra Pradesh	Prakasam	40.57	No	Society for National Integration through Rural Development (SNIRD)	CSR00007511
6.	Feasibility study on Water management	Conservation of natural resources and maintaining quality of water	Yes	Uttar Pradesh	Ghaziabad	2.42	No	Development Network & Research Foundation	CSR00000599
				Total		**683.11**			

(b) Amount spent in Administrative Overheads: **Rs. 34.29 Lakhs**

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

(d) Total amount spent for the Financial Year (a+b+c): **Rs. 717.40 Lakhs**

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

(Amount in Rupees Lakhs)

Total Amount Spent for the Financial Year.	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
717.40	1.00	25th April 2025	NA	NA	NA
	687.50	29th April 2025	NA	NA	NA

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

Sl. No.	Particulars	Amount (Rs. In Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	1,405.60
(ii)	Total amount spent for the Financial Year	717.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

(Amount in Rupees Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section 135	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeding financial Years	Deficiency, if any
					Amount	Date of transfer		
1.	2021-2022	230.00	Nil	Nil	NA	NA	Nil	Nil
2.	2022-2023	354.21	242.21	242.21	NA	NA	Nil	Nil
3.	2023-2024	634.84	634.84	634.84	NA	NA	Nil	Nil

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

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

The average 2% limit for CSR spending for the year 2024-25 was Rs. 1405.60 lakhs. During the year, it was planned to spend the entire amount but on the request of one of the implementing agency namely Modi Innovative Education Society, they were sanctioned a sum of Rs. 688.50 Lakhs towards an ongoing project for provision of Infrastructure for promotion of education, the amount pertaining to this ongoing project has been transferred to a separate bank account and will be released in tranches during the tenure of the project.

Sharad Aggarwal
(Whole-time Director)

Dr. Bina Modi
(Chairperson of CSR Committee)

Place: New Delhi
Date: 15th May 2025

Annexure - 3

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

(a)	Name(s) of the related party and nature of relationship	There are no such contracts or arrangements or transactions which are not at arm's length basis.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the resolution was passed in general meeting as required under first proviso to section 188	

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

(a)	Name(s) of the related party and nature of relationship	During the year, the Company has not entered into any material related party transaction. Please refer note 46 of the accompanying standalone financial statements for details of all related party transactions (non-material) which, in the opinion of the Board, are in the ordinary course of business of the Company and are at arm's length basis.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	

Place: New Delhi
Date: 15th May 2025

Dr. Bina Modi
Chairperson of the Board

GODFREY PHILLIPS
—INDIA LIMITED—

Annexure - 4

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2025

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

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Godfrey Phillips India Limited** (hereinafter referred as the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2025 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 (the "SCRA") and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable**

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable**

(vi) The Management has identified and confirmed the following Laws, as being specifically applicable to the

Company:

1. Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 and the Rules made hereunder.
2. Tobacco Board Act, 1975 and the Rules made thereunder.
3. Food Safety and Standards Act, 2006 and the Rules made thereunder.

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

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

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

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

We further report that:

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

Adequate notice is given to all directors to schedule the Board/ Committee Meetings. Agenda and detailed notes on agenda were sent in advance (and at a shorter notice for which necessary approvals obtained) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period no major events happened, which deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the one listed below:

(a) The Board of Directors of the Company, at its meeting held on 12th April 2024, decided to exit from carrying out the business operations of its Retail Business Division being operated under the name "24Seven" ("Retail Business Division"), subject to the completion of necessary formalities.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 6689/2025

Lakhan Gupta
Partner
Membership No. F12682
Certificate of Practice No. 26704
UDIN: F012682G000320473

Date: 15th May 2025

Place: New Delhi

Note: 1) *This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.*

Annexure-A to Secretarial Audit Report

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

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 6689/2025

Lakhan Gupta
Partner
Membership No. F12682
Certificate of Practice No. 26704
UDIN: F012682G000320473

Date: 15th May 2025
Place: New Delhi

Annexure - 5

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

(i) Ratio of remuneration of each Director to the median remuneration of all employees of your Company for the financial year ended 2024-25 is as follows:

Dr. Bina Modi	507.69:1
Ms. Charu Modi$	484.40:1
Mr. Samir Kumaar Modi$$	288.29:1
Mr. Sharad Aggarwal@	419.47:1
Dr. Lalit Bhasin#	1.80:1*
Mr. Atul Kumar Gupta	2.14:1*
Mrs. Nirmala Bagri	2.48:1*
Mr. Subramanian Lakshminarayanan	1.46:1*
Mr. Sumant Bharadwaj	1.80:1*
Mr. Ajay Vohra	0.90:1*
Mr. Avtar Singh Monga^	0.34:1*

**the ratio has been calculated based on sitting fees paid.*

$Ms. Charu Modi was initially appointed as an Additional Director of the Company with effect from 6th July 2024 by the Board in its meeting held on 6th July 2024 and thereafter, she was appointed as an Executive Director for a period of 5 (Five) years w.e.f. 7th September 2024.

$$Mr. Samir Kumaar Modi ceased to be a Director of the Company on 6th September 2024.

#Dr. Lalit Bhasin ceased to be the Director of the Company on 6th September 2024.

^Mr. Avtar Singh Monga was appointed as a Non-Executive Independent Director of the Company for a period of 5 consecutive years with effect from 12th November 2024.

@During the year, Mr. Sharad Aggarwal was offered 36000 Equity Shares under the "Godfrey Phillips Employees Share Purchase Scheme, 2024" at a purchase price of Rs. 1600/- each, calculated at 50% of average of daily closing price during the two calendar years i.e. 2023 and 2024 at National Stock Exchange (NSE) which offer was duly accepted by Mr. Aggarwal and total purchase price with respect thereto was paid by him. Therefore, the remuneration of Mr. Aggarwal includes the perquisite value of Rs. 2,626.31 Lakh attributable to the above referred shares.

(ii) Percentage increase/(decrease) in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2024-25 is as follows:

DIRECTORS	DESIGNATION	PERCENTAGE
Dr. Bina Modi	Chairperson and Managing Director	30.48%
Ms. Charu Modi$	Executive Director	N.A*
Mr. Samir Kumaar Modi$$	Executive Director	(50.24%)
Mr. Sharad Aggarwal@	Whole-time Director	203.78%

Dr. Lalit Bhasin#	Independent Director^	(11.11%)
Mr. Atul Kumar Gupta	Independent Director^	35.71%
Mrs. Nirmala Bagri	Independent Director^	57.14%
Mr. Subramanian Lakshminarayanan	Independent Director^	116.67%
Mr. Sumant Bharadwaj	Independent Director^	77.78%
Mr. Ajay Vohra	Independent Director^	166.67%
Mr. Avtar Singh Monga##	Independent Director^	N.A*

^Only sitting fees has been paid to the Independent Directors.

$Ms. Charu Modi was initially appointed as an Additional Director of the Company with effect from 6th July 2024 by the Board in its meeting held on 6th July 2024 and thereafter, she was appointed as an Executive Director for a period of 5 (Five) years w.e.f. 7th September 2024.

$$Mr. Samir Kumaar Modi ceased to be a Director of the Company on 6th September 2024.

#Dr. Lalit Bhasin ceased to be the Director of the Company on 6th September 2024.

##Mr. Avtar Singh Monga was appointed as a Non-Executive Independent Director of the Company for a period of 5 consecutive years with effect from 12th November 2024.

Remuneration paid for the first time during the year.

@During the year, Mr. Sharad Aggarwal was offered 36000 Equity Shares under the "Godfrey Phillips Employees Share Purchase Scheme, 2024" at a purchase price of Rs. 1600/- each, calculated at 50% of average of daily closing price during the two calendar years i.e. 2023 and 2024 at National Stock Exchange (NSE) which offer was duly accepted by Mr. Aggarwal and total purchase price with respect thereto was paid by him. Therefore, the remuneration of Mr. Aggarwal includes the perquisite value of Rs. 2626.31 Lakh attributable to the above referred shares.

KEY MANAGERIAL PERSONNEL (other than Directors):

Mr. Sunil Agrawal$@	Chief Financial Officer	373.27%
Mr. Vishal Dhariwal**	Chief Financial Officer	N.A*
Mr. Sanjay Kumar Gupta#	Company Secretary	(8.03%)
Mr. Pumit Kumar Chellaramani##	Company Secretary	N.A*

$Ceased to be the Chief Financial Officer w.e.f. close of business hours on 28th February 2025 and assumed the role of an Advisor on key Business and Strategic matters w.e.f. 1st March 2025.

@During the year, Mr. Sunil Agrawal was offered 12500 Equity Shares under the "Godfrey Phillips Employees Share Purchase Scheme, 2024" at a purchase price of Rs. 1600/- each, calculated at 50% of average of daily closing price during the two calendar years i.e. 2023 and 2024 at National Stock Exchange (NSE) which offer was duly accepted by Mr. Agrawal and total purchase price with respect thereto was paid by him. Therefore, the remuneration of Mr. Agrawal includes the perquisite value of Rs. 911.91 Lakh attributable to the above referred shares.

***Appointed as the Chief Financial Officer of the Company w.e.f. 1st March 2025.*

#Superannuated as the Company Secretary of the Company w.e.f. close of business hours on 11th November 2024.

##Appointed as the Company Secretary of the Company w.e.f. 12th November 2024.

Remuneration paid for the first time during the year.

(iii) The Percentage increase in the median remuneration of all employees in the financial year 2024-25 was 5.40%.

(iv) The Company had 911 permanent employees on its rolls as on 31st March 2025.

(v) The average percentile increases in salaries of employees other than managerial personnel in the financial year 2024-25 was 7.5% in comparison with 15.21% increase in total managerial remuneration.

(vi) The Company confirms that remuneration paid during the year 2024-25 is as per the Remuneration Policy of the Company.

Place: New Delhi
Date: 15th May 2025

Dr. Bina Modi
Chairperson of the Board

Annexure - 6

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

(A) CONSERVATION OF ENERGY

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

1. Adopted precise control on operation and maintenance along with enthalpy-based system in HVAC, resulting in savings of units per million ratio by 2.9%.
2. Enabled quick changeovers and reduction in diesel genset usage resulting in saving of 2.1 lakh units annually.

(B) TECHNOLOGICAL ABSORPTION, ADOPTION AND INNOVATION

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

1. Upgraded AMK drives and motors of KT-2 stem cutter with futuristic SIEMENS control system.
2. Designed and developed in-house the rejection conveyor for high-speed cigarette making machine.
3. Adopted visual inspection system for brand mix check at the drying drum on cigarette packing machine.
4. Adopted indigenously developed tube-filter detection and rejection control system for cigarette making and packing machine.
5. Designed and developed in-house design the missing packet detection system for the bundling unit of the high-speed cigarette packing machine.

(C) RESEARCH & DEVELOPMENT

(i) New Product Development

TOBACCO PRODUCTS

1. Collaborated with the brand teams to enhance the product and brand imagery of existing products to align with the brand plans.
2. Extensive efforts continued to be made on product innovations across various cigarette formats, consistently developing and introducing new products for both domestic and international markets to drive business growth in volume and value.
3. Work continued to be done around new product developments based on global market trends and changing consumer preferences in the domestic market thereby creating a pipeline of new products with differentiation.
4. Introduced several initiatives/measures to focus on project management, AI tools, time management, costs controls, etc. for ensuring productivity improvement, consistency in product quality and market competitiveness.
5. Updates on product development projects are regularly maintained in the PLM R&D Database ensuring their easy retrieval at any time and enabling the teams to develop new products with a shorter turnaround time.
6. New equipment are continuously added in the R&D lab to support quality checks of various raw materials and finished products with the objective of improving the product quality and consistency of our products thereby making them more appealing to consumers in both Domestic and International markets.
7. Obtained renewal of recognition of the R&D unit at Rabale from the Department of Scientific & Industrial Research (DSIR), Govt. of India till 31st March 2026.
8. The R&D laboratory participated in 8 international collaborative studies covering important test parameters of cigarette smoke, tobacco & non-tobacco materials and obtained Z-scores (within ±2) which reflect proximity of our lab results with the global lab data.
9. Continued to conduct shelf-life studies on understanding product behavior under different climatic conditions and packaging.

CONFECTIONARY PRODUCTS

1. Successfully developed the Lemon Chaskaa hard-boiled center-filled candy and the Imli soft candy for the International Business Division and the same have been well-received and are expanding our presence in the confectionery sector.
2. Work continues to explore variety of new flavors and formats within the confectionery segment as part of ongoing innovation aimed at bringing fresh and exciting products to the market to meet the changing consumer preferences and staying ahead of industry trends.

(ii) Benefits derived as result of these developments:

(i) Enhanced brand imagery.

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

(iii) optimized product cost.

(iii) Future plan of action:

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

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

Sr. No	Particulars	2024-25	2023-24
a)	Revenue Expenditure	**1204.52**	1140.48
b)	Capital Expenditure	**73.53**	162.58
	Total	**1278.05**	**1303.06**

AWARDS AND RECOGNITION

- Received the 'Gold Medal' in the 'National Awards for Manufacturing Competitiveness from the International Research Institute for Manufacturing (IRIM).
- Successfully completed surveillance audit for the Integrated Management System (IMS), including ISO 14001:2015, ISO 45001:2018, ISO 50001:2018.
- Successfully completed surveillance audit for ISO 9001:2015.
- Certified for ISO 26000:2010 (Social Responsibility).
- Received Green Tech safety Excellence Award.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The earnings in freely convertible currency by way of exports and other receipts during the year amounted to Rs. 2001.77 crores (previous year Rs. 1130 crores) as against the foreign exchange outgo on imports, dividends and other expenditure aggregating to Rs. 776.57 crores (previous year Rs. 473 crores).

Place: New Delhi
Date: 15th May 2025

Dr. Bina Modi
Chairperson of the Board

Annexure - 7

DIVIDEND DISTRIBUTION POLICY

Background

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

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

Factors considered while declaring Dividend:

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

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

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

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

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

a. by way of interim dividends declared by the Board from time to time during that financial year; and/or
b. by way of an annual dividend within thirty (30) days from the Annual General Meeting at which such dividend is declared, (the above, being the "Dividend Policy")."

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

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

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

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

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

Annexure - 8

KEY FINANCIAL RATIOS

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

Sl. No.	Description	2024-25	2023-24
(i)	Operating Profit Margin (%)	13.25	13.70
(ii)	Net Profit Margin[2] (%)	15.20	16.63
(iii)	Debtors Turnover Ratio[1] – Based on Gross Value	42.40	69.92
(iv)	Inventory Turnover Ratio	4.14	4.70
(v)	Current Ratio	2.01	1.63
(vi)	Return on net worth[2] (%)	25.32	24.95

Above ratios are calculated including the financials of discontinued operations.

1. **Debtors Turnover ratio** has been computed for both years on the basis of Gross Sales Value inclusive of all applicable taxes instead of Gross Revenue.

   Decline in Debtors Turnover ratio for the year ended 31st March 2025 is largely attributable to higher quantum of credit sales towards end of the year which debts have been subsequently realized.
2. **Net Profit Margin and Return on Net worth ratios** have been computed based on Total Comprehensive Income.
3. **Interest Coverage Ratio and Debt Equity Ratio** are not relevant for the company as it has negligible debt other than that arising out of accounting impact of lease liability as per Ind AS 116 applicable.

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

Dr. Bina Modi
Chairperson of the Board

Place: New Dehi
Date: 15th May 2025

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

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a systemic process by which companies are directed and controlled to enhance their wealth-generating capacity. The Corporate Governance initiatives of the Company are dedicated towards achieving basic objective of wealth creation for the benefit of all its stakeholders i.e. shareholders, employees, business associates and the society at large.

The Company believes in giving its executives ample freedom to operate and secure the Company's target by putting in their best efforts. The Board of the Company is primarily responsible for protecting and enhancing shareholders' value besides fulfilling the Company's obligations towards other stakeholders. The role of the Board of Directors is to provide strategic superintendence and control over the Company's management. The day-to-day management of the Company is vested in the managerial personnel and sufficient authority is delegated at different operating levels. Delegation of authority in the operating people helps generation of creativity and innovation. This also helps in harnessing potential of employees to the best advantage of the Company. It is imperative that our Company affairs are managed in a fair and transparent manner. There are robust metrics of authority structures and decision rights by which the Company is governed and controlled. We, therefore, ensure that we evolve and follow the Corporate Governance guidelines and best practices.

2. BOARD OF DIRECTORS

i) Composition of the Board:

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

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

As on 31st March 2025, the Board comprised Six Independent Directors (including a woman Director) and Three Executive Directors.

The Independent Directors of the Company have submitted their declarations affirming their Independence as on 31st March 2025.

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

Sl. No.	Name of Director	Category	No. of Board Meetings attended	Attendance at last AGM	Directorship/ Chairmanship of Board of other Companies@ as at 31st March, 2025	Membership/ Chairmanship of other Board Committees@@ as at 31st March, 2025
1.	Dr. Bina Modi* DIN 00048606	Executive Director (Promoter)	9 of 9	Yes	6	2
2.	Ms. Charu Modi** DIN 00029625	Executive Director (Promoter)	5 of 5	Yes	2	Nil
3.	Mr. Samir Kumaar Modi*** DIN 00029554	Executive Director (Promoter)	4 of 5	Yes	Not Applicable	Not Applicable
4.	Mr. Sharad Aggarwal DIN 07438861	Executive Director	9 of 9	Yes	1	Nil
5.	Dr. Lalit Bhasin# DIN 00001607	Non-Executive & Independent Director	5 of 5	Yes	Not Applicable	Not Applicable
6.	Mr. Atul Kumar Gupta DIN 01734070	Non-Executive & Independent Director	9 of 9	Yes	Nil	Nil
7.	Mrs. Nirmala Bagri DIN 01081867	Non-Executive & Independent Director	9 of 9	Yes	1	1
8.	Mr. Sumant Bharadwaj DIN 08970744	Non-Executive & Independent Director	9 of 9	Yes	Nil	Nil
9.	Mr. Subramanian Lakshminarayanan DIN 02808698	Non-Executive & Independent Director	9 of 9	Yes	1	2 (1 as Chairman)
10.	Mr. Ajay Vohra DIN 00012136	Non-Executive & Independent Director	8 of 9	No	Nil	Nil
11.	Mr. Avtar Singh Monga## DIN 00418477	Non-Executive & Independent Director	2 of 2	Not Applicable	3	2

* *Mother of Mr. Samir Kumaar Modi and Ms. Charu Modi.*
Dr. Bina Modi was re-appointed as the Managing Director of the Company for a period of 5 (Five) Years w.e.f. 14th November 2024 at the 87th Annual General Meeting of the Company held on 6th September 2024.

** *Daughter of Dr. Bina Modi and sister of Mr. Samir Kumaar Modi.*
Ms. Charu Modi was appointed as an Additional Director of the Company w.e.f. 6th July 2024 by the Board in its meeting held on 6th July 2024. Thereafter, she was appointed as an Executive Director for a period of 5 (Five) years w.e.f. 7th September 2024.

*** *Son of Dr. Bina Modi and brother of Ms. Charu Modi.*
Mr. Samir Kumaar Modi ceased to be a Director of the Company on 6th September 2024.

\# *Dr. Lalit Bhasin ceased to be a Director of the Company on 6th September 2024.*

\## *Mr. Avtar Singh Monga was appointed as a Non-Executive Independent Director of the Company for a period of 5 consecutive years w.e.f. 12th November 2024.*

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

@@ *Represents memberships/chairmanships of only Audit and Stakeholder Relationship Committees (excluding private companies and other non-corporate entities).*
Apart from above, none of the directors are related to any other director.

(iii) Name of the other listed entities in which the Directors are holding directorship including category of directorship as on 31st March 2025:

Sl.No.	Name of the Director	Name of the other Listed entity	Category of directorship
1.	Dr. Bina Modi	Nil	Not Applicable
2.	Ms. Charu Modi	Nil	Not Applicable
3.	Mr. Sharad Aggarwal	Nil	Not Applicable
4.	Mr. Atul Kumar Gupta	Nil	Not Applicable
5.	Mrs. Nirmala Bagri	APM Industries Limited	Non- Executive & Independent Director
6.	Mr. Sumant Bharadwaj	Nil	Not Applicable
7.	Mr. Subramanian Lakshminarayanan	Car Trade Tech Limited	Non- Executive & Independent Director
8.	Mr. Ajay Vohra	Nil	Not Applicable
9.	Mr. Avtar Singh Monga	RNFI Services Limited 3I Info-Tech Limited	Non- Executive & Independent Director Non- Executive & Independent Director

(iv) Board Meetings held during the year:

During the financial year 2024-25, the Board of Directors met 9 (Nine) times viz. on 12th April 2024, 30th May 2024, 1st June 2024, 6th July 2024, 7th August 2024, 20th September 2024, 11th November 2024, 19th November 2024 and 13th February 2025. The required quorum was present at all the meetings. The gap between two meetings did not exceed one hundred and twenty days.

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

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

Sl. No.	Name of the Director	No. of Equity Shares held as on 31st March 2025
1.	Mr. Atul Kumar Gupta	Nil
2.	Mrs. Nirmala Bagri	Nil
3.	Mr. Sumant Bharadwaj	Nil
4.	Mr. Subramanian Lakshminarayanan	Nil
5.	Mr. Ajay Vohra	Nil
6.	Mr. Avtar Singh Monga	Nil

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

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

(vii) Legal Compliances:

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

(viii) Familiarization Program for Directors:

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

In case of newly appointed Directors, the Chairperson and Managing Director of the Company has one to one discussion with them in order to familiarize the new inductees with the Company's business operations. Upon appointment, Directors also receive a formal communication describing their roles, functions, duties and responsibilities as a Director. The details of such familiarization programme has been available on the Company's website at https://godfreyphillips.co.in/sustainabililty/policies.

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

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

(ix) Key qualifications, expertise, and attributes :

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

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

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

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

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

3. AUDIT COMMITTEE

i) Composition and Terms of Reference:

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

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

As on 31st March 2025, the Audit Committee comprises Mr. Atul Kumar Gupta as its Chairman and Dr. Bina Modi, Mrs. Nirmala Bagri and Mr. Avtar Singh Monga as its other members. All the members of the Committee are financially literate, and the Chairman possesses the required accounting and financial management expertise.

During the year, Mr. Atul Kumar Gupta was appointed as the Chairman of the Committee by the Board of Directors in its meeting held on 20th September 2024, in place of Dr. Lalit Bhasin who ceased to be the Chairman and Member of the Committee on completion of his term as an Independent Director at the 87th Annual General Meeting of the Company held on 6th September 2024.

Further, Mr. Avtar Singh Monga was inducted as a member of the Committee by the Board of Directors in its meeting held on 13th February 2025.

Mr. Pumit Kumar Chellaramani, Company Secretary, acts as the Secretary to the Committee.

The Chairman of the Committee was present at the Annual General Meeting of the Company held on 6th September 2024 to answer the shareholders' queries.

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

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

Audit Committee met 5 (Five) times during the financial year 2024-25 i.e. on 12th April 2024, 30th May 2024, 7th August 2024, 11th November 2024 and 13th February 2025.

S. No.	Name	No. of meetings attended
1.	Mr. Atul Kumar Gupta*	5 of 5
2.	Dr. Bina Modi	5 of 5
3.	Mrs. Nirmala Bagri	5 of 5
4.	Dr. Lalit Bhasin**	3 of 3
5.	Mr. Avtar Singh Monga***	Nil

**Appointed as the Chairman of the Committee on 20th September 2024.*

*** Ceased to be the Chairman and Member of the Committee on 6th September 2024.*

****Inducted as a member of the Committee on 13th February 2025. No meeting of the Committee held during his tenure.*

4. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Committee are as under:

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

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

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

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

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

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

As on 31st March 2025, the Nomination and Remuneration Committee comprises Mr. Subramanian Lakshminarayanan, as its Chairman and Mrs. Nirmala Bagri, Mr. Sumant Bharadwaj and Mr. Avtar Singh Monga as its other members.

During the year, Mr. Subramanian Lakshminarayanan and Mr. Avtar Singh Monga were inducted as the members of the Committee by the Board of Directors in its meeting held on 6th July 2024 and 13th February 2025 respectively. Further, Mr. Subramanian Lakshminarayanan was appointed as the Chairman of the Committee by the Board of Directors in its meeting held on 20th September 2024 in place of Dr. Lalit Bhasin who ceased to be the Chairman and Member of the Committee on completion of his term as an Independent Director at the 87th Annual General Meeting of the Company held on 6th September 2024.

Mr. Pumit Kumar Chellaramani, Company Secretary, acts as the Secretary of the Committee.

The Committee met 6 (Six) times during the financial year 2024-25 i.e. on 24th April 2024, 30th May 2024, 28th June 2024, 7th August 2024, 11th November 2024 and 13th February 2025.

S. No.	Name	No. of meetings attended
1.	Mr. Subramanian Lakshminarayanan*	3 of 3
2.	Mrs. Nirmala Bagri	6 of 6
3.	Mr. Sumant Bharadwaj	6 of 6
4.	Dr. Lalit Bhasin**	4 of 4
5.	Mr. Avtar Singh Monga***	Nil

**Appointed as the Member of the Committee on 6th July 2024 and Chairman of the Committee on 20th September 2024.*
***Ceased to be the Chairman and Member of the Committee on 6th September 2024.*
****Inducted as a member of the Committee on 13th February 2025. No meeting of the Committee held during his tenure.*

Performance evaluation:

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

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

Independent Directors in their separate meeting held on 24th March 2025 evaluated the replies/ feedback received in response to the above referred questionnaire and expressed their satisfaction with the evaluation process.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises Mr. Atul Kumar Gupta as its Chairman and Dr. Bina Modi and Mrs. Nirmala Bagri as its other members as on 31st March 2025.

During the year, Mr. Atul Kumar Gupta was appointed as the Chairman of the Committee by the Board of Directors in its meeting held on 20th September 2024, in place of Dr. Lalit Bhasin who ceased to be the Chairman and Member of the Committee on completion of his term as an Independent Director at the 87th Annual General Meeting of the Company held on 6th September 2024.

Further, Mrs. Nirmala Bagri was inducted as a member of the Committee by the Board of Directors in its meeting held on 20th September 2024.

This Committee, besides sanctioning share transfers/transmissions and other related matters, looks into various aspects of interest of shareholders' and other investors' complaints. Further, the role of the Committee is as specified in Part D of the Schedule II of the SEBI Listing Regulations and Section 178 of the Act.

Mr. Pumit Kumar Chellaramani, Company Secretary, is designated as the Compliance Officer of the Company.

During the year, one meeting of the Committee was held on 7th August 2024 and all the members attended it.

5 (Five) complaints were received during the year from the Shareholders. All the complaints were disposed of during the year. There is no complaint pending for resolution as at 31st March 2025.

6. RISK MANAGEMENT COMMITTEE

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

The terms of reference of the Committee are as under:

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

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

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

During the year, Mr. Atul Kumar Gupta was appointed as the Chairman of the Committee by the Board of Directors in its meeting held on 20th September 2024, in place of Dr. Lalit Bhasin who ceased to be the Chairman and Member of the Committee on completion of his term as an Independent Director at the 87th Annual General Meeting of the Company held on 6th September 2024.

Details of meetings held and attendance:

The meetings of the Risk Management Committee were held on 12th April 2024 and 4th November 2024.

Sl. No.	Name	No. of meetings attended
1.	Mr. Atul Kumar Gupta*	2 of 2
2.	Dr. Lalit Bhasin**	1 of 1
3.	Mr. Sharad Aggarwal	2 of 2
4.	Mr. Kusumakar Pandey	2 of 2

**Appointed as the Chairman of the Committee on 20th September 2024.*
*** Ceased to be the Chairman and Member of the Committee on 6th September 2024.*

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee comprises Dr. Bina Modi as its Chairperson and Mr. Atul Kumar Gupta and Mrs. Nirmala Bagri as its other members.

During the year, Dr. Lalit Bhasin ceased to be the member of the Committee on completion of his term as an Independent Director at the 87th Annual General Meeting of the Company held on 6th September 2024 and Mr. Atul Kumar Gupta was inducted as a member of the Committee by the Board of Directors in its meeting held on 20th September 2024.

The terms of reference of the Committee are as under:

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

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

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

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

During the year, the Committee met once i.e. on 30th May 2024 and all the members attended it.

8. INDEPENDENT DIRECTORS' MEETINGS

The Independent Directors of the Company met on 24th March 2025, inter-alia to deliberate on the following:

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

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

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

9. SENIOR MANAGEMENT

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

The Senior Management team members of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

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

Sl. No.	Name of the Senior Management Personnel (SMP)	Designation	Changes, if any, during the Financial Year 2024-2025. (Yes/No)	Nature of change and effective date.
1.	Mr. Biswajit Deb	Head- Operations	No	-
2.	Mr. Harmanjit Singh	VP- Corporate Affairs	No	-
3.	Mr. Jithendra D S	Senior VP - Leaf	No	-
4.	Mr. Kusumakar Pandey	Senior VP & Head – IBD & SIA & Chief Risk Officer	No	-
5.	Mr. Kunal Gupta	Chief Executive Officer-Retail Business Division	Yes	Services discontinued w.e.f. 16th April 2024
6.	Mr. Lokesh Kumar Singh	VP & Head – Sales & Distribution	No	-
7.	Mr. Mohd. Irfan	GM & Head- IT	No	-
8.	Mr. Nikhilesh Kedari	VP & Head – Cigarette Business	No	-
9.	Mr. Pumit Kumar Chellaramani	Company Secretary and Compliance Officer	Yes	Appointed as Company Secretary and Compliance Officer w.e.f. 12th November 2024.
10.	Mr. Rajeev Kapoor	Senior VP – Corporate Finance	No	-
11.	Mr. Rajesh Nair	VP- Legal	No	-
12.	Mr. Rajesh Mehrotra	Executive Vice President	Yes	Superannuated w.e.f. 6th December 2024.
13.	Mr. Ritesh Srivastava	VP & Head – CIMR & Growth Office	No	-
14.	Mr. Rohit Sahni	Head - Sales Transformation	No	-
15.	Ms. Sakshi Anand	Senior VP & Chief Human Resource Officer & Head - ESG	No	-
16.	Mr. Sanjay Kumar Gupta	VP - Finance & Company Secretary	Yes	Superannuated w.e.f. 11th November 2024.
17.	Mr. Siddharth Chawla	Chief Operating Officer	Yes	Appointed w.e.f. 7th January 2025.
18.	Mr. Sunil Agrawal	EVP-Finance & CFO	Yes	Ceased to be CFO w.e.f. 1st March 2025 and assumed the role of an Advisor on key Business and Strategic matters and continues to be the Senior Management Personnel.
19.	Mr. Vishal Dhariwal	Chief Financial Officer	Yes	Appointed as CFO w.e.f. 1st March 2025.

10. REMUNERATION OF DIRECTORS

i) Remuneration policy:

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

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

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

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

iii) Details of remuneration paid/payable to the Directors: **(Amount in Lakhs)**

Sl. No.	Name of the Director	Salary and Other Allowances@	Perquisites	Commission	Sitting Fees for Board/ Committee Meetings $	Total
1.	Dr. Bina Modi	-	19.66	4486.26	-	**4505.92**
2.	Ms. Charu Modi*	136.00	131.18	4031.07	1.00	**4299.25**
3.	Mr. Samir Kumaar Modi**	104.00	445.77	2008.89	-	**2558.66**
4.	Mr. Sharad Aggarwal	979.19	2743.77	-	-	**3722.96**
5.	Dr. Lalit Bhasin#	-	-	-	16.00	**16.00**
6.	Mr. Atul Kumar Gupta	-	-	-	19.00	**19.00**
7.	Mrs. Nirmala Bagri	-	-	-	22.00	**22.00**
8.	Mr. Sumant Bharadwaj	-	-	-	16.00	**16.00**
9.	Mr. Subramanian Lakshminarayanan	-	-	-	13.00	**13.00**
10.	Mr. Ajay Vohra	-	-	-	8.00	**8.00**
11.	Mr. Avtar Singh Monga##	-	-	-	3.00	**3.00**
	Total	**1219.19**	**3340.38**	**10526.22**	**98.00**	**15183.79**

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

$Excluding GST paid under reverse charge.

**Ms. Charu Modi was appointed as an Additional Director of the Company w.e.f. 6th July 2024 by the Board in its meeting held on 6th July 2024. Thereafter, she was appointed as an Executive Director for a period of 5 (Five) years w.e.f. 7th September 2024.*

***Mr. Samir Kumaar Modi ceased to be the Director of the Company on 6th September 2024.*

#Dr. Lalit Bhasin ceased to be the Director of the Company on 6th September 2024.

##Mr. Avtar Singh Monga was appointed as a Non-Executive Independent Director of the Company for a period of 5 consecutive Years w.e.f. 12th November 2024.

Note: During the year, Mr. Sharad Aggarwal was offered 36000 Equity Shares under the "Godfrey Phillips Employees Share Purchase Scheme, 2024" at a purchase price of Rs. 1600/- each, calculated at 50% of average of daily closing price during the two calendar years i.e. 2023 and 2024 at National Stock Exchange (NSE) which offer was duly accepted by Mr. Aggarwal and total purchase price with respect thereto was paid by him. Therefore, the remuneration of Mr. Aggarwal includes the perquisite value of Rs. 2,626.31 Lakh attributes to the above referred shares.

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

Sl. No.	Name(s) of the Director	Amount involved (Rs. in Lakhs)	Nature of transactions
1.	Dr. Lalit Bhasin (Proprietor of Bhasin & Co.)	10.64*	Payment for professional services to Bhasin & Co., Advocates.

Note: This is not a material pecuniary relationship. Dr. Lalit Bhasin ceased to be a Director of the Company on 6th September 2024.

**during the period of his directorship with the Company.*

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

The Company has service contract with Dr. Bina Modi, Chairperson and Managing Director for a period of five years w.e.f. 14th November 2024. The notice period is six calendar months by either party and no severance fee is payable to her.

The Company has service contract with Ms. Charu Modi, Executive Director for a period of five years w.e.f. 7th September 2024. The notice period is three calendar months by either party. No severance fee is payable to her.

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

11. GENERAL BODY MEETINGS

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

Financial year	Date of the AGM	Time	Location	Particulars of Special Resolutions passed
2021-22	26th August 2022	3:00 PM	Video Conferencing (VC)/ Other Audio Video Means (OAVM)	(1) Approval for payment of Remuneration to Dr. Bina Modi (DIN 00048606), President & Managing Director from 1st June 2022 till 13th November 2024. (2) Re-appointment and approval of remuneration of Mr. Sharad Aggarwal (DIN 07438861) as Whole-time Director of the Company for a period of five years from 1st October 2022 till 30th September 2027. (3) Appointment of Mr. Subramanian Lakshminarayanan (DIN 02808698) as Non-Executive Independent Director of the Company for a period of five years from 28th May 2022 till 27th May 2027. (4) Approval for payment of managerial remuneration to the Directors for a financial year in excess of the prescribed limit of 11% of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 in such a manner that overall remuneration payable to all executive directors and to all non-executive directors in a financial year shall not exceed the limit of 14% and 1% respectively of net profits of the Company prescribed under Section 197 (1) (i) of the Act.
2022-23	1st September 2023	1:00 P.M	Video Conferencing (VC)/ Other Audio Video Means (OAVM)	(1) Re-appointment of Mrs. Nirmala Bagri (DIN: 01081867) as Non-Executive Independent Director of the Company for a second term of five Years from 1st April 2024 till 31st March 2029. (2) Appointment of Mr. Ajay Vohra (DIN 00012136) as Non-Executive Independent Director of the Company for a term of five Years from 1st July 2023 till 30th June 2028.
2023-24	6th September 2024	2:30 P.M.	Video Conferencing (VC)/ Other Audio Video Means (OAVM)	(1) Re-appointment of Dr. Bina Modi (DIN: 00048606) as a Managing Director of the Company for a period of 5 (five) years w.e.f. 14th November 2024 and approval of payment of remuneration to her. (2) Appointment of Ms. Charu Modi (DIN: 00029625) as an Executive Director of the Company and approval of payment of remuneration to her.

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

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

Sl. No.	Particulars of Special Resolution	Voting pattern						Date of declaration of Results
		Total No. of Shares	No. of Votes polled	Votes casted in favour of the Resolution		Votes casted against the Resolution		
				No. of Votes	% of Votes	No. of Votes	% of Votes	
1.	Approval of the 'Godfrey Phillips Employees Share Purchase Scheme, 2024' and its implementation through Trust.	5,19,93,920	4,39,78,512	3,79,91,594	86.39%	59,86,918	13.61%	20th December 2024
2.	Approval for acquisition / allocation of equity shares for implementation of 'Godfrey Phillips Employees Share Purchase Scheme, 2024'.	5,19,93,920	4,39,78,512	3,79,65,557	86.33%	60,12,955	13.67%	
3.	Approval for provision of money to Trust by the Company for purchase of its own shares for implementation of 'Godfrey Phillips Employees Share Purchase Scheme, 2024'.	5,19,93,920	4,39,78,512	3,79,65,059	86.33%	60,13,453	13.67%	
4.	Appointment of Mr. Avtar Singh Monga (DIN:00418477) as an Independent Director of the Company.	5,19,93,920	4,39,78,510	4,07,90,031	92.75%	31,88,479	7.25%	

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

The Postal Ballot was carried out as per the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules 2014 and relevant MCA circulars.

Currently, there is no special resolution proposed to be passed through postal ballot.

12. MEANS OF COMMUNICATION

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

The Earnings Presentation relating to the Quarters ended on 31st March 2024, 30th June 2024, 30th September 2024 and 31st December 2024 were submitted to the Stock Exchange(s) and are also available on the Company's website. The Earnings Presentation for the Quarter ended 31st March 2025 will be filed in due course.

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

13. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting

Date and Time	: Shall be separately intimated in due course.
Venue	: Shall be separately intimated in due course.
ii) Financial Year	: From 1st April to 31st March
Financial Calendar for 2025-26	
First Quarter Results	: Latest by 14th August 2025
Second Quarter Results	: Latest by 14th November 2025
Third Quarter Results	: Latest by 14th February 2026
Annual Results	: Latest by 30th May 2026
iii) Date of Book Closure	: Shall be separately intimated in due course.
iv) Dividend Payment Date	: Shall be separately intimated in due course.

v) Listing on the Stock Exchanges:

The Company's Equity Shares are listed on the National Stock Exchange of India Limited and BSE Limited:

National Stock Exchange of India Limited	**BSE Limited**
Exchange Plaza, Plot No. C/1, G Block,	Phiroze Jeejeebhoy Towers,
Bandra-Kurla Complex,	Dalal Street,
Bandra (East), Mumbai 400051	Mumbai – 400 001

The Company has paid the listing fees to the above Stock Exchanges for the financial year 2024-25.

vi) Registrar and Share Transfer Agents:

During the year under review, the name of the Register and Share Transfer Agent of the Company has been changed from Link Intime India Private Limited to MUFG Intime India Private Limited. The revised detail of RTA is as under:

MUFG Intime India Private Limited

(Formerly Link Intime India Private Limited)

C-101, 247 Park

L.B.S. Marg, Vikhroli (West)

Mumbai – 400083

Telephone No: 022-49186270

Fax: 022-49186060

E-mail id: rnt.helpdesk@in.mpms.mufg.com

vii) Share Transfer System:

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

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

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

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

viii) Distribution of shareholding as on 31st March 2025:

Range of Shareholding	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shares
1-5000	76,459	99.74%	49,54,562	9.53%
5001-10000	77	0.10%	5,27,132	1.01%
10001-20000	45	0.06%	6,17,015	1.19%
20001-30000	15	0.02%	3,80,491	0.73%
30001-40000	9	0.01%	2,99,762	0.58%
40001-50000	11	0.01%	5,07,773	0.98%
50001-100000	15	0.02%	10,60,545	2.04%
100001 and above	30	0.04%	4,36,46,640	83.94%
Total	**76,661**	**100%**	**5,19,93,920**	**100%**

ix) Categories of shareholding as on 31st March 2025:

Category of Shareholder	Number of Shares	Percentage of Holding
A. Promoter and Promoter Group	**3,77,37,479**	**72.58%**
B. Public Shareholding		
Individuals	62,81,636	12.08%
Foreign Portfolio Investors (CAT I & II)	50,57,305	9.73%
Mutual Funds	15,63,978	3.01%
Investor Education & Protection Fund (IEPF)	4,99,305	0.96%
Bodies Corporate	2,01,006	0.39%
NRIs & Foreign Nationals	2,56,713	0.49%
Unclaimed Suspense Account	30,280	0.06%
Insurance Companies	23,939	0.05%
Central Government/ State Government(s)	24,000	0.05%
Financial Institutions/Banks	24,900	0.05%
Alternative Investment Funds	94,271	0.18%
Foreign Banks	1,500	0.00%
Others including Directors & KMPs	1,97,608	0.38%
Total Public Shareholding (B)	**1,42,56,441**	**27.42%**
Total Shareholding (A+B)	**5,19,93,920**	**100%**

x) Dematerialization of shares:

The shares of the Company are compulsorily traded in the demateralised form and are available for trading under both the Depository Systems- NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). As on 31st March 2025, a total of 5,16,68,304 equity shares of the Company, which forms 99.37% of the share capital, stood demateralised.

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

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

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

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

xiii) Plant Locations:

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

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

xiv) Address for Correspondence:

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

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

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

xv) Credit Ratings:

CRISIL Ratings Limited has assigned the Credit Rating on the bank facilities availed by the Company during the year ended 31st March 2025, which is specified below:

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

xvi) Corporate Identity Number (CIN): L16004MH1936PLC008587

14. DISCLOSURES

(A) Basis of related party transactions:

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

Transactions with the related parties disclosed in Note No. 46 to the standalone financial statements for the year ended 31st March 2025 are in the ordinary course of business. Details of these transactions were placed at the Audit Committee meetings held on 30th May 2024, 7th August 2024, 11th November 2024 and 13th February 2025 on quarterly basis. The said transactions have no potential conflict with the interests of the Company at large. All details of such transactions are provided to the Audit Committee and Board, if required. It is also ensured that the interested directors neither participated in the discussions nor voted on such matters.

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

There are no transactions entered into by the Company with the related parties during the financial year ended 31st March 2025, whose terms and conditions are not in the ordinary course of business.

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

There are no transactions entered into by the Company with the related parties during the financial year ended 31st March 2025, whose terms and conditions are not on an arm's length basis.

iv) Policy on materiality of related party transactions and on dealing with related party transactions:

The Company has adopted a policy on materiality of related party transactions and on dealing with related party transactions and the same is available on the website of the Company at https://godfreyphillips.co.in/sustainabililty/policies. During the year, the said policy was reviewed by the Board and suitable amendments were made on the recommendation of the Audit Committee.

(B) Strictures and penalties:

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

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

(C) Whistle Blower Policy/Vigil Mechanism:

The Company has formulated and communicated the Whistle Blower Policy to all its Stakeholders by posting the same on the Company's Website at https://godfreyphillips.co.in/sustainabililty/policies.

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

(D) Details of Compliance with mandatory requirements:

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

(E) Subsidiary Companies:

i) The Company has adopted a policy for determining the material subsidiaries and updated the same on the website of the Company at https://godfreyphillips.co.in/sustainabililty/policies.

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

iii) The Audit Committee of the Company has reviewed the financial statements in respect of the investments made by its unlisted subsidiaries at its meeting held on 15th May 2025.

iv) Copies of the minutes of the board meetings of all the unlisted subsidiaries held during the year 2024-25 were placed at the board meeting of the Company held on 15th May 2025.

v) As required, the details of significant transactions and arrangements entered into between the Company and its unlisted subsidiaries, if any, are placed before the Board from time to time.

vi) Since none of the subsidiaries of the Company are material, the requirement of Secretarial Audit does not apply to any of them. The Secretarial Audit of the Company was carried out by Chandrasekaran Associates for the financial year ended 31st March 2025 and their report is annexed to the Directors' report.

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

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

(G) Certificate from Company Secretary in Practice:

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

(H) There is no instance during the financial year 2024-25 where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required to be accepted.

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

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

Type of service	Amount (Rs. In lakhs)
Audit and Related Service Fees (Audit & Review of Financial Statements and Certification work)	243.56
Tax Audit Fees	23.64
Non-Audit Fees	14.74
Reimbursement of Out-of-Pocket Expenses	16.98
Total	**298.92**

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

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

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

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

(L) Disclosure of accounting treatment:

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

(M) Annual Secretarial Compliance Report:

The Company has undergone an Audit for the financial year 2024-25 for all applicable compliances as per the SEBI Listing Regulations and Circulars/Guidelines issued thereunder.

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

15. ADOPTION OF DISCRETIONARY REQUIREMENTS

i) The Internal Auditor of the Company report to the Audit Committee.

ii) The financial statements of the Company are un-modified.

16. CODE OF CONDUCT

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

All the Directors and senior management personnel who are associated with the Company as on the date of this report, have affirmed compliance with the Code of Conduct for the financial year ended 31st March 2025. A declaration to this effect signed by Dr. Bina Modi, Chairperson and Managing Director and Chief Executive Officer of the Company is annexed to this report.

17. COMPLIANCE CERTIFICATE

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

18. DETAILS OF UNCLAIMED SHARES

Equity Shares in the Suspense Account:

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

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1st April, 2024	75	48,170
Number of shareholders and the outstanding shares are transferred to suspense account during the reporting period	-	-
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	11	6,595
Shareholders to whom shares were transferred from the suspense account during the year	11	6,595
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Companies Act, 2013	12	11,295
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March, 2025	**52**	**30,280**

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

19. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

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

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

20. CEO/CFO CERTIFICATION

A certificate signed by Dr. Bina Modi, Chairperson and Managing Director as CEO and by Mr. Vishal Dhariwal, Chief Financial Officer is attached with this report.

21. REPORT ON CORPORATE GOVERNANCE

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

For and on behalf of the Board

Place : New Delhi — **Dr. Bina Modi**

Date : 15th May 2025 — Chairperson

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

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

I, Bina Modi, Managing Director being the Chief Executive Officer (CEO) of Godfrey Phillips India Limited do hereby declare that all the members of the Board of Directors and the members of the Senior Management Team of the Company have affirmed compliance with the Code of Business Conduct of the Company during the financial year ended March 31, 2025.

DR. BINA MODI
Managing Director
(Chief Executive Officer)

Place: New Delhi
Date : 15th May 2025

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

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

We, Bina Modi, Managing Director being the Chief Executive Officer and Vishal Dhariwal, Chief Financial Officer of Godfrey Phillips India Limited, to the best of our knowledge and belief, do hereby confirm that:

a. We have reviewed the financial statements for the year ended March 31, 2025 and that to the best of our knowledge and belief:
   i) these statements do not contain any materially untrue or misleading statement nor omit any material fact;
   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2025 which are fraudulent, illegal or violative of the Company's code of business conduct.
c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies, have been disclosed to the Auditors and the Audit Committee.
d. We have indicated to the Auditors and the Audit Committee that, during the year ended March 31, 2025, there has not been any significant change in internal control over financial reporting and in accounting policies and that there is no instance of any fraud involving management or other employees having significant role in the Company's internal control system over financial reporting.

DR. BINA MODI
Managing Director
(Chief Executive Officer)

VISHAL DHARIWAL
(Chief Financial Officer)

Place: New Delhi
Date : 15th May 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers and based on declarations received from respective Directors, We hereby certify that none of the Directors on the Board of the Company, as stated below for financial year ended March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

SR. NO.	NAME OF DIRECTORS	DIN	DATE OF APPOINTMENT IN COMPANY
1.	Dr. Bina Modi	00048606	07/04/2014
2.	Ms. Charu Modi	00029625	06/07/2024
3.	Mr. Sharad Aggarwal	07438861	01/10/2017
4.	Mr. Atul Kumar Gupta	01734070	20/06/2015
5.	Mrs. Nirmala Bagri	01081867	01/04/2019
6.	Mr. Sumant Bharadwaj	08970744	13/02/2021
7.	Mr. Lakshminarayanan Subramanian	02808698	28/05/2022
8.	Mr. Ajay Vohra	00012136	01/07/2023
9	Mr. Avtar Singh Monga	00418477	12/11/2024

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

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 6689/2025

Lakhan Gupta
Partner
Membership No. F12682
Certificate of Practice No. 26704
UDIN: F012682G000320627

Date: 15th May 2025
Place: New Delhi

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

The Members of Godfrey Phillips India Limited

1. The Corporate Governance Report prepared by Godfrey Phillips India Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27 and 30(A), clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2025 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

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

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
   iii. Obtained and read the Register of Directors as on March 31, 2025 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
   iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2024 to March 31, 2025:
      (a) Board of Directors;
      (b) Audit Committee;
      (c) Annual General Meeting (AGM);
      (d) Nomination and Remuneration Committee;

(e) Stakeholders Relationship Committee;

(f) Risk Management Committee;

(g) Independent Director's meetings and

(h) Corporate Social Responsibility (CSR) Committee

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

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

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

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

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

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2025, referred to in paragraph 4 above.

Other matters and Restriction on Use

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

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

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

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN: 25502405BMLBTR5727

Place of Signature: New Delhi
Date: 15th May, 2025

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2024-2025

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

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	**Corporate Identification No. (CIN) of the Listed Entity**	L16004MH1936PLC008587
2.	**Name of the Listed Entity**	GODFREY PHILLIPS INDIA LIMITED (hereinafter referred as 'GPIL' or 'the Company')
3.	**Year of incorporation**	1936
4.	**Registered office address**	Macropolo Building, Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai– 400033, Maharashtra.
5.	**Corporate address**	14, Omaxe Square, Jasola District Centre, New Delhi, Delhi 110025
6.	**E-mail**	isc@godfreyphillips.co.in
7.	**Telephone**	011 -26832155, 61119300
8.	**Website**	www.godfreyphillips.co.in
9.	**Financial year for which reporting is being done**	2024-25
10.	**Name of the Stock Exchange(s) where shares are listed**	NSE and BSE
11.	**Paid-up Capital**	1,039.88 Lakhs
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Pumit Kumar Chellaramani Company Secretary and Compliance Officer 011-61119428, isc@godfreyphillips.co.in
13.	**Reporting boundary** Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities that form a part of its consolidated financial statements, taken together).	The financial disclosures made in this report are on a standalone basis. The data related to social performance comprises information on the standalone entity and its wholly owned subsidiary - International Tobacco Co. Ltd. The environmental disclosures are of cigarette and tobacco business of the Company and its aforesaid subsidiary.
14.	**Name of assurance provider**	Not Applicable; the Company will go for assurance in due course when it is mandated.
15.	**Type of assurance obtained**	Not Applicable

II PRODUCTS/SERVICES

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

S. No.	Description of main activity	Description of business activity	% Of turnover of the entity (FY 25)
1.	**Manufacturing**	**Food beverages and tobacco products:** GPIL is primarily engaged in the manufacturing and sale of cigarette.	67.70%
2.	**Trading**	**Wholesale Trading:** GPIL is also involved in the trading of unmanufactured tobacco. The Company procures tobacco leaves from farmers and traders and processes them for sale.	30.65%

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

S. No.	Product/Service	NIC Code	% of total turnover contributed (FY 25)
1	Cigarette	12003	67.70%
2	Unmanufactured Tobacco	46202	30.65%

III. OPERATIONS

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

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

19. Markets served by the entity:

a. Number of locations:

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

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

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

Exports constitute **31.48%** of the total turnover of the Company for FY25.

c. A brief on types of customers

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

- The Company's primary business is manufacturing and selling of cigarette. The Company's principal customers are adult smokers who purchase its products directly through retail stores. Its B2B customers include wholesalers, retailers, and other distributors, including importers who purchase GPIL's products in bulk quantities and then resell them.
- GPIL procures tobacco leaves from farmers and traders in its trading unmanufactured tobacco. The Company processes these tobacco leaves and sells the processed tobacco leaves in the domestic market, as well as exports it to other manufacturers, traders, and aggregators in the tobacco industry.
- The International Division of the Company exports cigarette and manufactured tobacco (also known as cut tobacco or cut filler) to manufacturers and traders globally.

IV. Employees

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

a. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	1041	979	94%	62	6%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total employees (D + E)**	**1041**	**979**	**94%**	**62**	**6%**
	WORKERS					
4.	Permanent (F)	36	36	100%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	**Total workers (F + G)**	**36**	**36**	**100%**	**0**	**0%**

b. Differently abled Employees and workers:

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

21. Participation/Inclusion/Representation of Women:

GPIL now has three women directors on the Board, Dr. Bina Modi, Ms. Charu Modi, and Ms. Nirmala Bagri. Dr. Bina Modi as Chairperson and Managing Director of GPIL, leads the Company in all operational aspects.

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	3	33%
Key Management Personnel*	5	2	40%

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

22. Turnover rate for permanent employees and workers:

	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)			FY 2022-23 (Year prior to the previous FY)		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Permanent Employees	22.9%	26.2%	23.1%*	14.0%	6.5%	13.6%	12.5%	7.0%	12.2%
Permanent Workers	-	-	-	-	-	-	-	-	-

**The Company's exit from the retail business led to a higher turnover rate for the year FY2024-25*

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

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

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	International Tobacco Company Limited	Subsidiary	100	Yes
2	Chase Investments Limited	Subsidiary	100	No
3	Friendly Reality Projects Limited	Subsidiary	92.20	No
4	Unique Space Developers Limited	Subsidiary	66.67	No
5	Rajputana Infrastructure Corporate Limited	Subsidiary	92.20	No
6	White Horse Realty Limited*	Subsidiary	100	No
7.	KKM Management Centre Private Limited	Associate	36.75	No
8.	IPM India Wholesale Trading Private Limited	Associate	24.80	No

**Incorporated on 26th December 2024.*

VI. CSR Details:

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

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

(ii) Turnover (in Rs. Lakhs) - 6,73,493.10

(iii) Net worth (in Rs. Lakhs) - 4,40,911.11

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	**Yes,** the Company through its Corporate Social Responsibility Programs engages with communities in the vicinity of its operations.	None of the complaints received violate any of the nine principles outlined in the BRSR.			None of the complaints received are violative of any of the nine principles of the BRSR.		
Investors (other than shareholders)	NA	GPIL does not have any investors other than shareholders.					
Shareholders	**Yes.** The Company through its Registrar and Transfer Agents (RTA), provides redressal to shareholder grievances. The Company has specific e-mail addresses earmarked for receiving shareholder complaints, viz rnt.helpdesk@in.mpms.mufg.com isc@godfreyphillips.co.in The web link for Whistleblower Policy is: https://godfreyphillips.co.in/sustainabililty/policies	**5** complaints were received in the current financial year and all of them were suitably resolved. Also, please note that none of the complaints received violate any of the nine principles outlined in the BRSR.			None of the complaints received violate any of the nine principles outlined in the BRSR.		
Employees and workers	**Yes.** Through Grievance Redressal Policy and other related policy such as Whistle Blower Policy, POSH. https://godfreyphillips.co.in/sustainabililty/policies The Whistleblower Policy has been uploaded on the intranet and the Company's website and is displayed at all the office facilities in regional languages. The Company also participates in Great Place to Work certification every year where employees receive survey links from external parties to share their feedback.	No complaints received.			No complaints received.		

Customers	**Yes.** There is a mechanism in place to receive and redress customer complaints. The customer grievance cell number +91 22 27646216 and email ID cgcell-gpi@modi-ent.com are displayed on the product packaging. GPIL's customers include retailers. For them, there are hawkers/ salesmen assigned by Wholesale Dealers (WDs), who service them and are trained to take feedback and complaints. In addition, for WDs who are GPIL's primary B2B customers, there are annual meets, besides regular business interaction with Company employees, wherein they can raise queries, provide feedback, etc. The Company's representatives also carry out regular market visits to take feedback and address issues.	None of the complaints received violate any of the nine principles outlined in the BRSR.	None of the complaints received violate any of the nine principles outlined in the BRSR.
Value Chain Partners	**Yes.** GPIL's Suppliers' Code of Conduct for value chain partners, allows them to approach managers directly. Such reports are treated confidentially. They can also utilize the Grievance Redressal Policy and Whistleblower Policy, or email ids mentioned on corporate website to raise complaints. The policies are hosted on the website https://godfreyphillips.co.in/sustainabililty/policies	None of the complaints received violate any of the nine principles outlined in the BRSR.	None of the complaints received violate any of the nine principles outlined in the BRSR.

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

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

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

GPIL undertook a comprehensive materiality study to pinpoint the most critical issues across a wide range of topics relevant to their key stakeholder groups. These stakeholders include value chain partners, suppliers, investors and shareholders, employees, and the community.

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

GPIL has classified elements related to responsible business conduct and sustainability matters, encompassing environmental, social, and governance factors, into either risks or opportunities. This classification is based on sound rationale, and the Company has developed strategies to either mitigate or adapt to the identified risks, considering the financial implications involved.

The Company will be conducting a double materiality assessment in the upcoming financial year. This exercise will help GPIL stay updated on its sustainability efforts and adopt processes and allocate resources effectively to make a significant impact while addressing the concerns of its stakeholders.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Human Capital Development	Opportunity	**Opportunity Perspective**: • Human capital development presents a significant opportunity for GPIL as it directly impacts the company's operational efficiency and long-term success. • By focusing on the growth and development of its employees, GPIL can cultivate a skilled and motivated workforce that drives productivity and innovation. • Investing in training and development helps the company attract and retain top talent, mitigating employee turnover rates and recruitment costs. • Improved employee well-being and job satisfaction lead to a positive work environment, contributing to enhanced performance and profitability. • Furthermore, a robust human capital strategy strengthens GPIL's reputation as an employer of choice, boosting customer and investor confidence.	- - -	**Positive** • Increased employee productivity and performance, leading to enhanced profitability and competitiveness. • Decreased employee turnover rates, reducing costs related to recruitment and training. • Improved capability to attract and retain top talent, driving innovation and superior business outcomes. • Enhanced reputation as an employer, strengthening customer and investor confidence and loyalty. • Better compliance with labour laws and regulations, thereby minimizing legal and regulatory risks and related expenses. **Negative** • Substantial costs involved in conducting training and development programs.
2	Community Development	Opportunity and Risk	Community development presents both opportunity and risk for GPIL. **Opportunity Perspective:** • On the opportunity side, investing in community development programs enables GPIL to create shared value for the Company and its communities. By promoting economic growth and improving living standards, GPIL can build stronger relationships with local stakeholders, which facilitates mutual trust and collaboration. • Engaging with local communities provides valuable insights into stakeholder needs and preferences, helping GPIL tailor its initiatives to better meet these needs. This strategic involvement not only fosters goodwill but also sets the foundation for long-term business growth, as new partnerships and collaborations can lead to expanded opportunities and enhanced competitiveness.	To ensure successful program implementation, GPIL prioritizes community alignment by conducting baseline studies, organizing community meetings to discuss findings, setting priorities, sharing implementation plans, and forming local committees to create sense of responsibility and ownership.	**Positive** • Establishing meaningful partnerships and collaborations with local organizations and businesses, opening new business opportunities. **Negative** • Higher operational costs

			Risk Perspective: • There are also risks involved in community development, particularly if the community fails to appreciate and adopt new methods, technologies, or initiatives introduced by GPIL. Such a situation can lead to friction between the Company and the community on other issues, potentially hindering progress and damaging mutual relations. • Additionally, failed projects could impact plans for other communities, necessitating careful strategic planning and execution.		
3	Human Rights	Risk	**Risk Perspective:** • GPIL's operations and supply chain could potentially impact the human rights of various stakeholders, including employees, suppliers, and local communities. • Human rights violations can lead to legal and regulatory sanctions, resulting in operational disruptions and financial setbacks. • Additionally, failing to uphold human rights standards could cause significant reputational damage if GPIL is perceived as not adhering to essential standards and laws.	GPIL adopts a proactive approach to managing human rights issues, with a structured management framework encompassing policy, training, mitigation actions, and grievance management. At the policy level, the company integrates its 'People First' philosophy into policies covering all stakeholders, including value chain partners and farmers, reinforcing its commitment to human rights. The Company also conducts targeted training sessions for its employees on human rights matters, such as the Prevention of Sexual Harassment (POSH) and anti-discrimination practices, ensuring widespread awareness and adherence to human rights principles. GPIL's facilities are ISO certified and subject to regular audits to ensure compliance with human rights standards. In FY25, GPIL conducted a human rights assessment across its operations and tobacco supply chain to identify potential human rights risks and develop a targeted mitigation plan to address these risks.	**Positive** • Positive brand identity for upholding human rights **Negative** • Financial penalties for non-compliance and short-term operational costs associated with human rights training.
4	Corporate Governance	Risk and Opportunity	**Risk Perspective**: • Failure to adhere to corporate governance standards poses a risk of reputational damage for GPIL. Inadequate corporate governance practices can expose the company to fraud, corruption, and mismanagement, potentially leading to significant operational and financial risks.	GPIL is committed to responsible business practices and maintaining the highest standards of corporate governance. The Company has implemented governance policies that comply with relevant laws, ensuring integrity and transparency throughout the organization.	**Positive** • Effective corporate governance can improve the Company's performance, leading to increased shareholder value and a stronger financial position.

			Opportunity Perspective: • Adopting strong corporate governance practices presents an opportunity for GPIL to enhance its reputation and ensure long-term sustainability. Effective governance promotes transparency, accountability, and ethical behaviour, which can strengthen stakeholder trust and engagement across all facets of the business.	Central to its governance framework is the Code of Business Conduct, which defines the values and behaviors expected from the Board of Directors and senior management personnel. Additionally, GPIL conducts regular board evaluations to ensure effectiveness and accountability in decision-making, fostering continuous improvement. The Company also employs a robust risk management framework to proactively identify and mitigate potential risks, and safeguarding the Company against fraud and operational inefficiencies.	• Companies with good corporate governance practices generally experience lower costs associated with legal and regulatory compliance, as well as a reduced risk of fines and penalties. **Negative** • Losses, fines, or penalties due to non-compliance.
5	Data Security and Privacy	Risk	**Risk Perspective**: Mismanagement of data poses significant risks, potentially leading to reputational harm and regulatory challenges for the organisation. Data breaches can result in the loss of sensitive information, which can damage the Company's reputation, and cause substantial financial losses.	GPIL has implemented a comprehensive Information Security Policy to ensure robust data privacy and cybersecurity measures. This policy provides a framework for Information Security Management and fosters awareness about security concerns within the Company's IT infrastructure and data handling processes. Furthermore, GPIL is ISO 27001 certified, thereby demonstrating its commitment to maintaining high standards of information security. The Company has set annual targets to ensure continued compliance with this certification.	**Positive** • Effective data management enables the organisation to identify and mitigate potential risks, such as cybersecurity threats and regulatory compliance issues. This proactive approach helps avoid penalties for non-compliance and protects the Company's reputation. **Negative** • Implementing privacy and cybersecurity measures may result in increased short-term costs. However, these investments are essential for safeguarding the Company against long-term risks and ensuring continuity.
6	Responsible Sourcing	Opportunity	**Opportunity Perspective:** • Implementing responsible sourcing practices can help GPIL ensure that ethical, social, and environmental standards are met throughout its supply chain. • By sourcing tobacco from suppliers who are sustainable and ethically compliant, the Company can meet consumer demand, thereby enhancing customer loyalty and expanding its market share. • Collaborating with suppliers on sustainable practices fosters stable and reliable supply chains, while also improving product quality through innovative and eco-friendly approaches.	-	**Positive** • Strengthened supplier relationships and minimized supply chain disruptions can result in lower procurement costs and increased operational efficiency. • Decreased legal and regulatory risks. • Lower environmental impact and enhanced social responsibility can lead to cost savings and bolster brand value.

			• Proactively adopting responsible sourcing ensures compliance with stringent regulations, reducing legal risks and safeguarding against supply chain disruptions. • These sustainable practices drive innovation, leading to the development of eco-friendly products and providing competitive advantages in emerging market segments.	-	**Negative** • Failing to adhere to responsible sourcing practices may cause supply chain disruptions, product recalls, legal penalties, and reputational harm, all of which can lead to higher costs and reduced profitability.
7	Waste Manage-ment	Risk and Opportunity	**Opportunity Perspective**: • Implementing effective waste management strategies can lead to significant cost savings by minimizing waste disposal expenses, reducing resource consumption, and enhancing operational efficiency. • Adopting sustainable waste management practices can strengthen the Company's reputation, fostering stronger trust and engagement with stakeholders. • Ensuring compliance with waste management regulations helps mitigate legal and financial risks that could arise from non-compliance. **Risk Perspective**: • Waste management practices related to end-user disposal are difficult to track. • Ineffective waste management can lead to increased costs, including higher disposal fees, fines for regulatory non-compliance, and potential legal liabilities.	The Company's waste management strategy aims to minimize waste generation and promote a circular economy through reuse and recycling. To achieve this, GPIL has undertaken several initiatives, including onboarding CPCB-certified vendors for responsible plastic waste disposal. Packaging innovations have been implemented, such as transitioning from paperboard boxes to wooden pallets and substituting plastic tie ropes with jute tie ribbons. To further enhance sustainability, the Company has introduced biodegradable packaging elements like paper blanks and TOR. Also, GPIL ensures compliance with Extended Producer Responsibility (EPR) norms, and the Plastic Waste Management Rules (2016).	**Positive** • Implementation of effective waste management practices can lead to cost savings by reducing waste generation and disposal expenses. • It can also result in more efficient use of the materials thereby reducing the costs. **Negative** • Non-compliance with waste management regulations can result in fines and penalties imposed by regulatory bodies. • Poor waste management practices can lead to increased costs for waste disposal and potential environmental clean-up efforts.
8	Water Management	Risk and Opportunity	**Opportunity Perspective**: GPIL can significantly improve water usage efficiency, cut costs, and showcase its commitment to environmental sustainability by adopting water-efficient technologies, reducing waste and pollution, and participating in community water stewardship initiatives. **Risk Perspective:** Climate change-induced water scarcity poses significant challenges to both the tobacco supply chain and operational processes. To ensure high product quality and maintain uninterrupted operations, a consistent and high-quality water supply is essential.	GPIL has been undertaking several initiatives to enhance water efficiency across its operations: • Installation of rainwater harvesting systems and effluent treatment plants at multiple manufacturing sites to ensure optimal water storage and reuse. • Implementation of watershed initiatives, such as constructing check dams, recharging borewells, and developing ponds in the leaf tobacco operational areas. • Introduction of waterless urinals in select sections of its manufacturing facilities. • Adoption of adiabatic cooling towers for heat rejection in the compressed air system. • Conduct of awareness sessions for employees and value chain partners to promote efficient water usage.	**Positive** • Cost savings through water efficiency. • Adherence to compliances related to water consumption and discharge to avoid fines and penalties. **Negative** • Increased short term operational costs.

9	Biodeversity Management	Risk and Opportunity	**Opportunity Perspective**: • Biodiversity initiatives can bolster GPIL's reputation, showcasing its commitment to environmental sustainability. • Engaging with local communities and biodiversity experts to develop programs can strengthen stakeholder relationships. • Preserving natural resources and ecosystems vital to the Company's operations enhance long-term sustainability **Risk Perspective:** • Biodiversity loss and degradation can disrupt supply chains, increase costs for GPIL, and negatively affect local communities and ecosystems.	GPIL is committed to conserving biodiversity and enhancing environmental sustainability. Through its CSR initiatives, the Company is actively increasing the green cover around its facilities and establishing dedicated biodiversity plantation parks. Additionally, GPIL takes meticulous measures to ensure its operations are not located in or near ecologically sensitive areas. It selects suppliers who prioritize biodiversity conservation and collaborates with them to ensure sustainable sourcing practices. By implementing biodiversity conservation measures, such as habitat restoration and protection, GPIL contributes to preserving natural resources and supporting local communities. Furthermore, this year, GPIL conducted a biodiversity assessment to evaluate the impact of its operations on biodiversity and vice versa. The assessment revealed that the Company's operations do not pose any major ecological risks.	**Positive** • Biodiversity conservation can lead to long-term cost savings by reducing reliance on external resources and boosting operational efficiency. Strengthening reputation and stakeholder engagement can enhance investor confidence, leading to potential financial benefits. **Negative** • Operational costs may rise due to the need for additional resources to maintain or restore biodiversity.
10	Emission and Energy Management	Risk and Opportunity	**Opportunity Perspective**: • Cost optimization and reduced consumption can be achieved through energy management, which helps to maximize resource efficiency and decrease costs. • The management of energy and emissions reduces the amount of Green House Gases (GHG) that the Company emits. • The Company's sustainability goals are directly tied to reducing GHG emissions. **Risk Perspective**: • The consumption of non-renewable energy leads to an increase in emissions that contribute to GHG emissions. • Energy-intensive manufacturing and production processes pose a risk of increasing GHG emissions.	GPIL is committed to environment management and has implemented various measures to reduce its GHG emissions by incorporating energy -efficient practices across its operations. The Company plans to use enhanced energy-efficient models and technologies consistently. To this end, the Company is turning to renewable energy sources and scaling up its solar energy consumption while constantly upgrading utilities at its different plants. The Company has also shifted to PNG for all its cigarette manufacturing operations. The Company is also exploring long term arrangements to use renewable energy. Company has also taken up large scale plantation drive to reduce the impact of its emissions in the long term.	**Positive** • Implementation of energy-efficient technologies and processes can result in long-term cost savings on energy bills. • Reduction of greenhouse gas emissions may help avoid carbon taxes and other regulatory penalties. **Negative** • Dependence on fossil fuels can expose the Company to price volatility and potential supply chain disruptions. • Rising energy prices can adversely affect production costs and profitability. • Implementing sustainable practices and technologies might require initial investments or incur higher operating costs.

11	Climate Risk Mitigation	Risk	**Risk Perspective:** Climate change poses a significant risk to the Company's operations and supply chain. The overall risk perspective can be categorized into the following categories: • **Impact on Tobacco Supply:** Climate change threatens tobacco leaf production, potentially disrupting cultivation and resulting in additional financial costs to the Company. • **Regulatory Challenges:** Stricter regulations concerning carbon emissions and energy usage may lead to higher compliance costs for the company. • **Physical Effects:** Extreme weather events and water scarcity due to climate change can disrupt the supply chain and operations, posing risks to both logistics and human resources. • **Reputational Risk:** The company may suffer reputational damage if it is perceived as inadequately addressing climate change impacts or failing to adapt effectively.	GPIL has conducted climate risk assessment to understand the climate risks relevant to the Company's operations and value chain and devised a comprehensive adaptation plan to safeguard its operations against climate impact.	**Positive** • Reduction in legal and regulatory risks, including potential penalties and fines for non-compliance with environmental regulations. **Negative** • Increased regulatory scrutiny and carbon pricing may elevate operational costs. • Supply chain disruptions from extreme weather can result in production delays and additional expenses. • Rising insurance costs and potential reputational damage due to climate-related incidents could adversely affect the Company's financial performance.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

GPIL operates under a comprehensive set of Board-approved policies that encompass NGRBC principles (P1 to P9) and their core elements. GPIL will continue to update these systems and processes in accordance with evolving disclosure standards, locally relevant laws, best industry practices, and Environmental, Social, and Governance (ESG) requirements. The overall responsibility for implementing these policies lies with various committees designated to operationalize them. The policies covering these principles are available on the Company's corporate website under the 'Investor Relations' section at www.godfreyphillips.co.in

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the policies, if available**	https://www.godfreyphillips.co.in/sustainabililty/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	
P1	Quality Management System (9001:2015)
P2	Environmental Management System (14001:2015) Energy Management System (50001:2018) ISO 9001, ISO 45001 certification NABL certification (R&D) (17025:2017)
P3	Great Place to Work - Certification, Occupational Health and Safety Management System (45001:2018) ISO 26000 – Social Responsibility
P4	ISO 9001 certification
P5	Great Place to Work-Certification, Occupational Health and Safety Management System (45001:2018) ISO 26000 – Social Responsibility
P6	Environmental Management System (14001:2015) Energy Management System (50001:2018) ISO 9001, ISO 45001 certification ISO 26000 – Social Responsibility
P7	GPIL does not have any codes/ certifications/ labels/ standards aligning with principle 7 of the NGRBCs.
P8	ISO 9001 certification ISO 26000 – Social Responsibility
P9	ISO 9001, Information Security Management System (ISO 27001)
Additional remarks	GPIL's manufacturing facilities have well-defined Environment, Health, and Safety (EHS) and quality management systems in place and are aligned with International Standards like ISO 14001: Environment Management System, OHSAS 18001/ISO 45001: Occupational Health and Safety Management Systems, ISO 9001: Quality Management System, ISO 50001: Energy Management System, Information Security Management System (ISO 27001) and Social Responsibility (ISO 26000). GPIL is also NABL: ISO 17025 certified to carry out competent R&D. GPIL has also been certified as a 'Great Place to Work' consecutively for the past seven years.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	**Environment**: **Energy and Emissions** Carbon neutral in operations (cigarette and reconstituted tobacco manufacturing plants) by 2030. 1. 50% of the total electricity consumed across manufacturing operations to be from renewable sources by 2030; and 2. 30% reduction in Greenhouse Gas (GHG) emissions in manufacturing operations by 2030. **Water Management** 3. Replenish 30% of water consumed by 2030, and each year thereafter; and 4. 5% reduction in water consumption per unit of production in cigarette manufacturing by 2030. **Waste Management** 5. Zero waste to landfill across manufacturing operations by 2030. **Biodiversity Management** 6. 100% of the tobacco purchased from GPIL contracted farmers will continue to abide by the prohibition on the use of highly hazardous pesticides (HHPs) as defined by FAO and WHO guidelines (YoY). 7. Zero net deforestation in supply chain of paper used in cigarette sticks by 2030.
	Social: **Community Development:** 1. To ensure 100% of GPIL contracted farmers have access to clean drinking water within 3 km of their habitat by 2030. **Human Capital Development** 2. Zero accidents in factories and offices for more than 10 years; Continuous endeavor to maintain zero accidents at factories and office premises (YoY). 3. 100% of contracted farmers are to be trained in a safe working environment and Personal Protective Equipment (PPE) during the usage of Crop Protection Agents (CPA) and handling green leaf. 4. Continue to be an equal opportunity employer (YoY). 5. Continue to be a 'Great Place to Work' organization (YoY). 6. 20% increase in learning manhours by FY'25 and sustain thereafter. **Human Rights** 7. Endeavour to have zero child labour and no forced labour across operations (YoY).

	Governance: **Corporate Governance:** 1. Establish an ESG Committee on Board. 2. Zero tolerance for violation of Company's Code of Conduct and 100% employee training on Code of Conduct. 3. Adherence to applicable laws and regulations. Zero tolerance for deviations. 4. Obtain ISO 26000 certification (Social Responsibility) for cigarette manufacturing facilities by 2028. 5. Ensure year-on-year compliance with ISO 27001 certification for Information Security.
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	**Environment** **Energy and Emissions** The Company is working on its plan to achieve carbon neutrality in operations by 2030. The process of setting up a renewable energy plant is in progress. Furthermore, efficient use of energy is one of the key metrics for the Company. There has been a ~10% reduction in energy consumed per unit of cigarettes produced in Ghaziabad plant and a ~7% reduction on similar measure in the Navi Mumbai plant, over the respective baselines. **Water Management** GPIL works to reduce consumption of natural resources and water being the prime resource, several initiatives have been actioned in the Company. GPIL has already achieved the specific water reduction target; the Ghaziabad plant has reduced water consumption by 30% on a per unit cigarettes produced basis; a similar reduction of ~10% has been achieved by the Navi Mumbai plant, over their respective baselines. Additionally, the total of 47 check dams built by the Company in tobacco growing areas in Andhra Pradesh over the years, are replenishing water back to natural sources. The Company is well placed to achieve the target of replenishing 30% of water consumed. **Waste Management** GPIL is actively implementing measures to ensure safe management of operational waste like segregation practices to facilitate safe disposal. Additionally, the disposed construction waste is reused by civil contractors while the E-waste is disposed by authorized recycler from whom GPIL obtains formal certification confirming the waste's diversion for reuse. Furthermore, GPIL is extending effective waste management practices to all its offices. **Biodiversity Management** Like last year, the Company ensured that in FY2024-25 also, GPIL contract farmers did not use highly hazardous pesticides as defined by FAO and WHO guidelines. On the zero net deforestation in supply chain of paper used in cigarette sticks, the Company is exploring solutions both from its existing and alternative vendors to integrate sustainable packaging elements in the supply chain.
	Social **Community Development** The Company's leaf tobacco operations are located in Andhra Pradesh, a region with high fluoride contamination in drinking water, posing serious health risks. To strengthen access to clean drinking water, the Company undertook a comprehensive mapping and geotagging initiative across 839 villages, identifying all functioning RO water plants as well as secondary sources of potable water. This data-driven exercise is a critical enabler in planning future interventions, allowing the Company to focus efforts on regions and communities that require the most support. Currently, over 63 community RO water plants have been installed, benefiting thousands of people in the area. Given the region's rain shadow geography and susceptibility to drought, the Company has also prioritized water conservation. Check-dams have been key in ensuring water availability for irrigation and enhancing groundwater recharge. In FY 2024–25, 30 of the older 36 check-dams were repaired, restoring them to optimal use. These structures alone facilitated potential water storage of over 2 lakh kiloliters during the year. Additionally, the construction of 11 new check-dams is expected to significantly augment this capacity, further strengthening community resilience and agricultural sustainability. **Human Capital Development** The Company achieved all the set targets in FY2024-25 also and has established systems and processes to ensure that it continues to be sustainable and consistent. Further, the Company has enforced an Equal Opportunity Policy which prohibits discrimination based on gender, religion, caste, disability, etc. In line with this commitment, the Company issues gender-neutral Job Descriptions (JDs) and is encouraging hiring of women across positions while practicing objective interview styles. Consultants are also being prompted to send gender balanced number of resumes for all functions. The Company was awarded the 'Great Place to Work For' certificate for 7th year in a row, highlighting the importance that GPIL places on its 'People First' policy. The learning manhours have increased by more than 20% over the baseline of FY2022-23; the entire learning and development ecosystem within the Company is now more diversified with the extensive range of subjects being covered.

	Governance **Corporate Governance** The Company's corporate governance system is based on strong and robust fundamentals. As a result, again the Company successfully met all its targets for FY2024-25. Last year, the Board's ESG Committee (formed in FY 2023) convened to review various elements across the ESG spectrum and discussed the progress. Updates on initiatives such as stakeholder engagement, new workstreams such as climate risks assessment, biodiversity assessment, and human rights assessment, were shared with the Committee. The inputs were incorporated in the workings across the organization. For ISO 26000, the Company has obtained a validation statement from TUV with regards to compliance standards for the cigarette manufacturing facilities. Additionally, the Company also achieved the ISO 26000 compliance for the corporate office in Delhi.

Governance, Leadership and Oversight

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

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

Dear Stakeholders,

We present to you our Business Responsibility and Sustainability Report (BRSR) for FY 2024-2025. I am pleased to share our progress towards our ESG commitments and our performance on the ESG KPIs.

Towards Sustainable Transformation

Our theme 'Together We are Limitless' encapsulates the boundless potential we possess when we come together. In a world facing unprecedented challenges, GPIL recognises the significance of a collective sense of responsibility, towards environment and sustainability. We acknowledge that all organisations, communities, and individuals must come together to preserve the natural world for the present and future generations.

Our organizational vision: ***"Working towards building sustainable and responsible business while promoting positive growth for all stakeholders."***

We believe that sustainability is not merely an obligation but an integral part of our business decisions, operations, and a vital value driver. To translate this belief into action, we have a comprehensive ESG strategy that outlines our targets across short, medium, and long-term time horizons.

Our short-term strategy focuses on efficiency, improvement in emissions, reduction in electricity, water and waste production and implementing better management practices. We intend to invest in renewable energy and formulate a decarbonisation roadmap for the long term. We are also in the process of conducting supplier assessments to identify and address potential ESG risks and implement a process to manage them.

Medium term efforts will include transition to renewable energy, become water positive, enhancing social initiatives under our CSR programs that impact our economically challenged stakeholders in the value chain. We intend to keep improving our Human Capital Development goals to ensure better productivity, engagement, attract and retain talent.

In the long term we want to achieve our ambitious goals and be recognised for our sustainable business practices that all want to emulate.

A clear roadmap on this strategy will enable us to minimise impact, maximise efficiencies, and foster sustained growth in short time too. Our commitment and dedicated efforts toward sustainability have been recognized, as evidenced by a consistent increase in our Dow Jones Sustainability Index (DJSI) score from 43 last year to 64 this year. This improvement is a testament to our rigorous approach to enhancing ESG performance and the collaborative efforts of our team and stakeholders. I'm delighted to share some of the key achievements of this year.

People First

Our Chairperson, Dr Bina Modi, is a vigorous proponent of empathetic leadership that puts the needs and goals of employees in the forefront and this 'People First' philosophy is an integral part of our core business strategy. We continue to foster a culture of learning and growth, inclusiveness, high engagement, and well-being in the workplace. This year the learning manhours increased by 20%, and the L&D ecosystem is now more diversified, covering an extensive range of subjects. We continue to encourage gender diversity and our total women representation is at 6% of the total employees. Our efforts like deploying gender neutral Job Descriptions to consultants, asking for a balanced number of resumes from consultants for all functions and encouraging the practice of objective interview style, have helped us. To further strengthen our people-centric initiatives, we have undertaken a comprehensive Human Rights Assessment across our operations and IPS tobacco supply chain. We are happy to note that no significant risks reflected in the report, but we are increasing our awareness sessions on Human Rights and all policies related to them. We have formulated a standalone Grievance Redressal Policy along with an Ethics Committee for easier resolution of any issues that may arise. We have also upped efforts on wellbeing with small but well received initiatives like arrangement of medical tests, vaccinations, physiotherapist, and specialised health awareness camps in our offices. Our recognition as a "Great Place to Work" for the seventh consecutive year reflects this commitment to employee well-being and development.

Our 'People First' philosophy extends to our communities and marginalised stakeholders in the value chain. We have a robust CSR program to help farmers and their community and this year we built check dams to recharge ground water and create additional irrigation source for farmers. 30 older check dams built in the past were all repaired and desilted to maximise benefit to both environment and community and today we have 47 check dams in total enabling alternative irrigation source for our farmers. We have constructed 63 Community RO water plants in total for easy access to safe and clean drinking water and will continue to build more until all our areas under the program have access. We continue to maintain biodiversity parks and promote afforestation. Furthermore, nearly 3,000 people, including daily wage hawkers and their families, benefited from over 100 health camps organized in Delhi, Mumbai, Jammu, and Ahmedabad regions. These initiatives under our CSR program builds trust and strengthens the relationship between GPIL and the communities we operate in, fostering positive change and sustainable development.

Sustainable Operations

We have made significant strides in minimizing our environmental impact by optimizing energy use, reducing waste, and increasing our reliance on renewable energy sources.

Our efforts in water and waste management have led to a reduction in waste and water intensity by 28% and 15% respectively, from last year. Recognizing the dual impact of climate change—both its environmental impact and its effects on our business activities—we have committed to becoming carbon-neutral in our operations by 2030. Furthermore, we conducted a climate risk assessment, and the ensuing adaptation plan are critical steps in safeguarding our business against climate-related risks. We also conducted a Biodiversity Risk Assessment and found no significant risks.

Responsible Business

Our commitment to responsible business practices underpins everything we do. Our robust governance frameworks ensure the highest standards of transparency and ethical conduct. This year, we met all our Governance targets. 100% of all employees are trained on Code of Business Conduct. We achieved ISO 26000 standards not only for our cigarette manufacturing facilities but also for our corporate office in Delhi. Additionally, our Company continues to be ISO 27001 certified year on year. Our culture of integrity and accountability has certainly contributed to our strong financial performance.

Together Towards a Sustainable Tomorrow

Looking ahead, we are committed to advancing our sustainability initiatives and broadening their impact.

We recognise the challenges of the industry and the growing expectations of us to adopt sustainable and ethical practices throughout our value chain, ramp up our efforts, innovate, or invest in technology to reduce the environmental impact of our operations. We assure all our stakeholders that our focus will remain on further integrating ESG principles into every aspect of our operations, driving innovation to achieve carbon neutrality and environmental conservation, and deepening our community engagement efforts. We are mindful that we cannot do this alone. Transformative change requires collaboration and unwavering commitment. Our united efforts and determination, collective strength, will truly make us unstoppable.

'Together we are truly limitless'.

Thank you for your continued support and trust!

Sharad Aggarwal
Whole-Time Director & Functional Chief Executive Officer

GODFREY PHILLIPS
INDIA LIMITED

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

The Company has a Board-level ESG Committee. Chaired by Mr. Sharad Aggarwal, Whole-time Director & Functional Chief Executive Officer, the Committee has experienced members guiding the integration of Business and Social responsibilities into the Company's vision and business decisions.

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

The Company has established a Board-level ESG Committee that facilitates the integration of ESG principles into business operations by providing guidance on the vision and targets. The Committee also reviews long-term ESG investments to steer the organization towards a sustainable future and provide the necessary impetus.

The composition of the Committee is as follows:

1. Mr. Sharad Aggarwal- Whole-time Director & Functional Chief Executive Officer
2. Mr. Atul Kumar Gupta- Non-Executive, Independent Director
3. Mr. Subramanian Lakshminarayanan- Non-Executive, Independent Director

10. Details of Review of NGRBCs by the Company:

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

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

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes, GPIL is certified in ISO 14001, 50001, 45001, and 27001, reflecting its commitment to excellence in environmental management, energy management, occupational health and safety, and information security. As part of the certification process, GPIL undergoes regular external audits to review and ensure the effectiveness of its management systems, including associated policies.								

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

The Company prioritises maximising stakeholder value by adhering to the principles of good corporate governance in accordance with the applicable laws and regulations.

The Company's Code of Business Conduct outlines the values and expected behaviour required of its Board of Directors and senior management personnel when dealing with various stakeholders. GPIL is committed to providing disclosures in reports and documents required to be filed or submitted to the regulatory authorities while protecting and maintaining confidentiality and disclosing price-sensitive information as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. GPIL's **Whistleblower Policy** along with other policies such as Grievance Redressal Policy, POSH and Human Rights provide the required mechanism to highlight and report unethical behaviour.

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

ESSENTIAL INDICATORS

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

GPIL ensures its Board of Directors and Key Management Personnel (KMPs) are periodically trained and made aware of the Company's sustainability initiatives. The Company also keeps its leadership team informed of developments and changes in the local and international business and industry environment, including legislation, the economy, and issues affecting the company. Additionally, it conducts various training programs for its employees and workers specific to their work profiles, helping them perform their tasks effectively and efficiently.

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	4	Corporate Governance, Social, Regulatory, Business Segment and ESG. **Topics covered:** Latest governance / regulatory requirements were discussed along with industry perspective and their impact on the business segment of the Company. Also, the role and responsibilities of the Independent Directors as per the SEBI LODR Regulations, 2015 and the Companies Act, 2013, were re-iterated. **Impact:** A strong governance structure continues to be in place because of all the aforementioned awareness activities, aiding GPIL in becoming a more focused, successful, and value-creating Company.	100%
Key Managerial Personnel	4	Corporate Governance, Social, Regulatory, Business Segment and ESG. **Topics covered:** Latest governance / regulatory requirements were discussed along with industry perspective and their impact on the business segment of the Company. **Impact:** These sessions help the top management to be more focussed in formulating strategic business plans and in identifying the risks and opportunities for achieving tangible business goals.	100%
Employees other than BoD and KMPs	108	• Software Training • Cyber Security Training • Environment Management Training • Fire Safety Training • Sales & Distribution Systems/Processes Training • Soft Skills Training • Business Operations Training • Health and Safety Training • Awareness of POSH and Human Rights Policies • ESG & Sustainability Training **Impact**: These activities and initiatives help GPIL employees in their career trajectory, overall development, and in achieving the Company's objectives.	83.81%
Workers	35	Training regarding various technical aspects and health and safety measures were provided. **Impact:** These activities and initiatives aid the GPIL workers in enhancing their technical skills, fostering overall development, and contributing to the Company's objectives.	100%

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

Monetary					
	NGRBC Principle	**Name of the regulatory/ Enforcement agencies/judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	Principle 1	Office of the Commissioner of CGST and Central Excise Commissionerate, Belapur, Navi Mumbai	82.9 Crores	Alleged under valuation of supply of goods resulting in short payment of tax under the GST laws.	Yes
		Additional Commissioner (Central Goods & Services Tax), Delhi East	82.5 Crores	Alleged improper availment and utilization of input tax credit (ITC) under the GST laws.	Yes
Compounding Fee	Not Applicable				
Settlement					

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

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1. Appeal has been successfully filed before the First Appellate Authority in Mumbai under Application Reference Number (ARN) AD2705250045357 dated 03.05.2025.	
2. Appeal has been successfully filed before the First Appellate Authority in Delhi under Application Reference Number (ARN) AD0705250004488 dated 01.05.2025.	

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

GPIL is committed to maintaining the highest standards of ethical conduct through its robust Anti-Corruption & Anti-Bribery Policy, which aligns with the applicable laws and regulations. This policy applies to employees, directors, and also to suppliers, with a separate Supplier Code of Conduct reinforcing these expectations. An Ethics Committee ensures effective policy implementation. The policy can be viewed at https://godfreyphillips.co.in/sustainabililty/policies

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

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Directors	0	
KMPs, Employees, Workers	0	

6. Details of complaints about conflict of interest:

	FY 2024-25 (Current FY)		FY 2023-24 (Previous FY)	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

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

Not applicable

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

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Number of days of accounts payables	49	59

9. Open-ness of business

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

Parameter	Metrics	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0.2%	0
	b. Number of trading houses where purchases are made from	4	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	0
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales*	74%	76%
	b. Number of dealers/distributors to whom sales are made	1178	962
	c. Sales to top 10 dealers / distributors as % total sales to dealers / distributors	14%	18%
Share in RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	12%	11%
	b. Sales (Sales to related parties / Total Sales)	43%	32%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	8%	22%
	d. Investments (Investments in related parties / Total Investments made)	5%	4%

** Total sales include the revenue generated from the operations of the Company.*

LEADERSHIP INDICATORS

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

GPIL actively engages its value chain partners through targeted awareness programs, especially focusing on farmers in the tobacco growing regions of Andhra Pradesh. The Company is committed to the principles outlined in the good Agricultural Labour Practices. These practices align with the labour standards of the International Labor Organization (ILO), such as the Rights at Work, the Declaration on Fundamental Principles, and other relevant conventions and cover principles essential for ensuring better labour practices, such as the prohibition of child labour, providing safe work environment to the workers in the farm, fair treatment, prohibition of forced labour and human trafficking, freedom of association, etc. To ensure compliance with the prescribed code of conduct in the value chain, GPIL conducts regular training sessions through different mediums like workshops, community meetings, and periodical interactions on best practices and solutions. Additionally, GPIL recognizes the importance of extending these programs to other value chain partners and is actively exploring opportunities to broaden the scope of these initiatives. This expansion aims to initiate focused discussions on ESG risk exposures, fair business practices, and environmental and social compliance.

Total number of awareness programs held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
GPIL conducted 7 awareness programs for its farmers in burley tobacco growing regions.	Principle 5: Business should respect & promote human rights. **Topics Covered:** • Child Labor • Income and Work Hours • Fair Treatment • Forced Labor & Human Trafficking • Safe Work Environment • Freedom of Association • Terms of Employment	The Company currently has awareness programs for the farmer base in Vinukonda (Andhra Pradesh), which comprises of the 8.5% of the total value chain partners.

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

Yes. The Company's Code of Conduct mandates that directors, senior management, and employees avoid any situations where their personal interests might conflict with the Company's interests. The Code of Business Conduct outlines the expected behaviour when interacting with internal or external stakeholders. Structures, procedures, and practices are in place to uphold this principle throughout the value chain. Directors and senior management personnel annually declare their compliance with the Company's Code of Conduct.

Additionally, directors are required to submit declarations, disclose their interests, and provide Form DIR 8 as per Section 164(2) and Rule 14(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014. This confirms they have not incurred any disqualification under Section 164(2) of the Companies Act, 2013, and remain eligible to serve as directors.

The Board has formulated and approved a policy on Related Party Transactions (RPT) and the determination of Material RPT. Details of these policies can be found at https://godfreyphillips.co.in/sustainabililty/policies.

Whenever there is a Related Party Transaction involving entities in which GPIL's directors have an interest, these transactions are reported to the Audit Committee for its information and to seek necessary approvals as needed.

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

GPIL, over the years through feedback from diverse group of stakeholders, has developed efficient business practices that support sustainable development and growth. As the Company's operations continue to grow and change, GPIL remains committed to enhancing its sustainability strategies.

To gain a better understanding of the disclosures related to this principle, the detailed question-by-question inputs and responses provided below can be reviewed.

ESSENTIAL INDICATORS

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

	FY 2024-25 Current FY	FY 2023-24 Previous FY	Details of improvements in environmental and social impacts
R&D	**8.1%** (103.8 lakhs) **Environment: 78.3%** (81.3 lakhs) **Social: 21.7%** (22.5 lakhs)	**14.0%** (182.8 lakhs) **Environment: 93.7%** (171.2 lakhs) **Social: 6.3%** (11.6 lakhs)	GPIL has state-of-the-art Research and Development facility to carry out research activities aimed at developing environmentally responsible processes and enhancing product quality.
Capex	**0.2%** (21 lakhs) **Environment: 79%** (16.5 lakhs) **Social: 21%** (4.5 lakhs)	**2.6%** (165.6 lakhs) **Environment: 100%** (165.6 lakhs) **Social: 0%** (0 lakhs)	GPIL has invested in advanced equipment with the objective of reducing the environmental impact of its operations and enhancing product quality. For instance, the Company has installed a metal detector to detect metal particles in tobacco, aimed at ensuring product quality. Similarly, the installation of a water activity meter assesses microbial growth potential, helping to ensure the optimal shelf life of tobacco and food products.

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

Yes, the Company strives to integrate sustainability principles into all its business practices. Vendors located near the plants are prioritized wherever possible, as this not only helps reduce transportation and inventory carrying costs but also improves the local economy. Detailed documentation and records ensure adherence to the Company's code along with transparency in transactions. During the onboarding process, vendors' compliance with PAN, GST, and TDS requirements is thoroughly checked. They are also evaluated based on their ability to deliver goods on time and meeting quality standards. Any non-conformities are identified and addressed through appropriate process controls.

All major raw material vendors associated with the organization hold ISO certifications. For suppliers of raw materials and packaging materials, the Company also engages with them on sustainability topics.

The sustainably sourced products are:

a. **Tobacco Leaves** - GPIL sources tobacco leaves (excluding Flue Cured Virginia) directly from contracted farmers. These contracts mandate adherence to Sustainable Tobacco Production principles, requiring compliance with applicable labour laws, the ALP (Agriculture Labour Practices) Code, and GAP (Good Agricultural Practices). The Company has outlined these in the GPIL Farmers' Handbook to make it unform and process driven. The Company equips field technicians with a customized digital application to collect data and monitor farmers' progress against the compliance checklist. GPIL actively works with farmers to implement GAP and sustainable agri- practices, which improve productivity, yield, and quality, reduce environmental impact, and ensure respect for human rights throughout the cultivation and sourcing process.

b. Input and Packaging Material – Certain packaging materials, such as TOR and gum tapes, are manufactured from sustainable materials which are compostable.

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

The Company's procurement includes 8.5% of sustainable procurement during FY 2024-25.

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

The Company has entered into agreements with CPCB / SPCB – approved recyclers and waste disposal vendors to ensure safe and sustainable disposal of materials such as e-waste, plastics, and hazardous waste. Additionally, certain types of waste are also disposed of through approved incinerators.

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

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

LEADERSHIP INDICATORS

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

NIC Code	Name of Product / Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
No. GPIL fully acknowledges the importance of a Lifecycle Assessment (LCA) for measuring environmental impact. While the Company has not yet conducted a comprehensive LCA which limits their full understanding of the environmental impact, GPIL has implemented initiatives to optimize energy and water usage and reduce waste. Also, GPIL proposes to prepare for LCA in near future.					

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

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

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Not Applicable		

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

At present, the materials used in the Company's main products' packaging are mostly paper therefore biodegradable, so reclaiming is not applicable. The Company does not have a comprehensive program for reclaiming one of its products' packaging waste, which is cigarette filters, mainly due to the size and resources required for collecting disposed filters in large quantities.

In addition, in compliance with EPR regulations, the Company has ensured safe recycling of 31.2 metric tonnes of plastic waste of confectionary business through CPCB authorized third-party agency.

	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Re-Used	**Recycled**	**Safely Disposed**	**Re-Used**	**Recycled**	**Safely Disposed**
Plastics (Including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous Waste	-	-	-	-	-	-
Other Waste	-	-	-	-	-	-

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

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

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

GPIL's People First Approach: The Company's cultural legacy is it commitment to the value of "People-First". This philosophy extends beyond its employees to include primary stakeholders like farmers, dealers, suppliers, retailers and all other stakeholders within its ecosystem. Recognizing that a high-performing organization is built on strong people practices & management, talent development and wellbeing, GPIL prioritizes investments in forward-thinking business practices and the adoption of technology to enhance employee well-being and create an efficiency-prone work environment.

Investing in Value Chain: GPIL understands that every individual within its value chain is crucial to its success. The Company also actively promotes the development and progress of all stakeholders through various initiatives and programs designed to empower and support individuals within the GPIL ecosystem.

To gain a clearer understanding of the disclosures related to this principle, please review the detailed question-by-question inputs and responses provided below.

ESSENTIAL INDICATORS

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

Category		% Of employees covered by									
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	979	979	100%	979	100%	-	-	-	-	-	-
Female	62	62	100%	62	100%	62	100%	-	-	-	-
Total	**1,041**	**1,041**	**100%**	**1,041**	**100%**	**62**	**6%**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	Not Applicable										
Female											
Total											

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

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	36	36	100%	36	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**36**	**36**	**100%**	**36**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	Nil										
Female											
Total											

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

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
The cost incurred on well-being measures as a % of the total revenue of the Company	0.20*	0.23

**The total employee well-being expense incurred is INR 1345.8 Lakhs. This includes the expenses incurred for health insurance, accidental insurance, and other health/ medical benefits related expenses.*

2. Details of retirement benefits:

Benefits	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes*	100%	100%	Yes*
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	9.1%	-	Yes	6.3%	-	Yes
Other (Please specify)	85.2%	-	Yes**	81.4%	-	Yes**

** To this purpose the Company had an in-house Trust for managing the employer and employee contributions. Subsequent to the year end, the Company has liquidated the PF Trust and transferred the employee account balances to the Government Provident Fund Scheme and transitioned to a contribution scheme.*

***Company's contribution under the GPIL's Superannuation Fund scheme is deposited with a separate Trust; employees also have an option to opt out of the scheme and instead take the same amount (15% of basic salary) as an additional allowance in lieu thereof.*

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

GPIL acknowledges the significance of inclusivity and the need to make its premises accessible to everyone, including differently abled employees and workers. In compliance with the Rights of Persons with Disabilities Act 2016, the Company has implemented measures to provide adequate access facilities for its employees and persons with disabilities whenever and wherever needed. GPIL remains committed to continually fostering an inclusive workplace.

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

Yes, GPIL has an Equal Opportunity Policy and Human Rights Policy that adhere to the Rights of Persons with Disabilities Act 2016, ensuring that individuals with disabilities are not subjected to any form of discrimination. GPIL focuses on recruiting talented individuals who align with the Company's values, without causing any discrimination based on age, colour, physical abilities, religion, caste, region, marital status, or sexual orientations.

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

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

GPIL, as an organisation, understands the importance of enabling and encouraging all employees to achieve a healthy work-life balance. Although there is no specific parental leave provision for male employees, the Company offers a comprehensive leave policy that includes more than the average number of casual leave days, in line with the industry standards. Male employees have been encouraged to utilize these leave options to manage their work and personal responsibilities effectively.

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

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

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

	Yes/ No (If yes, then give details of the mechanism in brief)
Permanent Workers	**Yes**, GPIL has a Grievance Redressal Policy with other relevant polices including POSH and Whistleblower Policy along with mechanisms in place which are available to all employees and workers. It ensures that the grievance is handled in a fair and just manner while adhering to the Company's standards.
Other than Permanent Workers	The policy defines a clear and accessible procedure for submitting grievances or complaints, as well as guidelines for investigating and resolving them in a timely and effective manner. The process may involve mediation or other forms of conflict resolution and include measures to prevent retaliation against those who raise concerns. For other than permanent workers too, this grievance system is available and accessible for logging in any complaints and feedback without prejudice or discrimination.
Permanent Employees	Employees are encouraged to initially discuss their concerns with their immediate supervisors before escalating issues to senior management. Workers also have opportunities to engage with management through regular formal and informal sessions.
Other than Permanent Employees	Furthermore, the Company fosters interactive dialogues among all employees and workers through various formal and informal channels, such as conferences, town halls, team meetings, and planning sessions. The Company also has policies and a grievance system in place for temporary, contractual, and non-permanent employees. All issues are addressed promptly and fairly.

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

Category	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees /workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1,041	4	0.4%	1,070	5	0.5%
Male	979	4	0.4%	1,004	5	0.5%
Female	62	-	0%	66	-	0%
Total Permanent Workers	36	31	86%	53	48	90.6%
Male	36	31	86%	53	48	90.6%
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2024-25 (Current FY)					FY 2023-24 (Previous FY)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	979	751	76.7%	761	77.7%	1,004	163	16.2%	774	77.1%
Female	62	56	90.3%	59	95.2%	66	4	6.1%	35	53%
Total	**1,041**	**807**	**77.5%**	**820**	**78.8%**	**1,070**	**167**	**15.6%**	**809**	**75.6%**
Workers										
Male	36	31	86.1%	31	86.1%	53	48	90.6%	48	90.6%
Female	0	-	-	-	-	-	-	-	-	-
Total	**36**	**31**	**86.1%**	**31**	**86.1%**	**53**	**48**	**90.6%**	**48**	**90.6%**

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

Category	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	979	888	90.7%	1,004	926	92.2%
Female	62	55	88.7%	66	54	81.8%
Total	**1,041**	**943**	**90.6%**	**1,070**	**980**	**91.6%**
Workers						
Male	36	36	100%	53	53	100%
Female	0	0	-	0	0	-
Total	**36**	**36**	**100%**	**53**	**53**	**100%**

10. Health and safety management system:

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

Yes. GPIL's occupational health and safety management system is accredited to ISO 45001:2018 which ensures best practices and compliance. Bolstered and monitored by various committees, the system and processes actively promote safety initiatives and adherence to occupational health and safety standards. This system is meticulously documented and implemented across all factory operations and annual audits are conducted by certified external auditors for gaps and improvements.

For the corporate office and sales branches, internal processes and assessment methods have been established for health and safety. The Corporate office adheres to ISO 26000 standard that provides guidance on health and safety as a core subject.

Additionally, the Company periodically organizes health screenings, vaccination drives, safety trainings, and sessions on fitness and wellbeing at its manufacturing facilities and offices, maintaining a safe and hygienic work environment.

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

The Company prioritises safety through a comprehensive EHS Risk Management framework, particularly for its manufacturing facilities. This proactive approach, in line with our 'People First' value, not only ensures compliance with regulations but also fosters a culture of safety and sustainability. This framework includes ongoing processes for risk identification, assessment, and mitigation, with active involvement from the workforce at each facility. It also covers comprehensive details on the various aspects of Actions and Reactions based on threat perceptions. On the shopfloor, this includes hazard spotting tours, suggestion schemes, daily briefings, and regular EHS committee meetings involving employees. Additionally, GPIL has instituted Hazard Identification and Risk Assessment (HIRA) to systematically identify potential hazards and risks and conducts periodical Job Safety Analysis for specific tasks. The Company also has processes for ISO, ASPECT IMPACT, OCP, and Training and Awareness programs to address work-related hazards. To manage near-miss incidents, GPIL has implemented control measures to mitigate identified workplace hazards, which are recorded in the risk register.

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

Yes. GPIL has established processes for workers to report work-related hazards and to withdraw from risky situations. Additionally, there is a near-miss report form for reporting and informing management about near-miss incidents. GPIL also encourages workers to raise hazards and issues during central department safety meetings and safety committee meetings. Emergency response procedures are in place for all units.

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

Yes, First aid facilities are available to employees and workers within the factories and office premises, with regular visits by a doctor for easy access. They can also seek reimbursement of hospitalisation expenses under the Company's medical benefits scheme through special sanctions. Staff grade employees benefit from a mediclaim policy premium reimbursement scheme provided by the Company, up to a specified limit. Additionally, employees are covered by group personal accident insurance policies that cover accidents at or outside of workplace and are entitled to seek re-imbursement of domiciliary medical expenses incurred in a year equivalent to one month of basic pay, which entitlement can be carried forward to the extent unused. For other categories of employees and workers, statutory benefits under ESIC are available.

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

Safety Incident/Number	Category	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

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

The Company places a high priority on the health and safety of its workforce. The Company's comprehensive Environment, Health, and Safety (EHS) Policy goes beyond standard protocols to instill a sense of ownership and accountability at all levels. GPIL's safety culture promotes the active participation of every individual in ensuring the well-being of themselves and their colleagues. Through robust protocols and regular training programs, employees are equipped with the necessary knowledge and skills to operate safely and effectively. Along with awareness, the employees are also supported by periodic health check-ups, vaccinations, and specialized camps, such as women-specific tests. The Company has also tied up with medical institutions to enable easy access and economical medical treatment for employees. Over and above, the Company also provides special medical sanctions in severe cases. The corporate office has programs like slotted nap time everyday and free physiotherapy sessions available weekly for employee wellbeing. Offices also promote fitness and health through activities like yoga days and other engagement programs.

GPIL's comprehensive Emergency Response Procedure (E.R.P), based on a detailed Risk Management study, outlines actions and reactions to various threats. The Company conducts periodical equipment tests and mock drills to ensure system efficacy, maintain easy access to Personal Protective Equipment on the shop floor, and install fire extinguishers and hydrants for fire safety. A Safety Committee of 12 members, representing management, associates, and contractors, holds quarterly meetings to address urgent safety concerns. There is a strict adherence to Work Permit Rule, recording of first aid cases and near-miss incidents to prevent recurrence. Regular training on fire and safety, celebrations of Safety Day/Week and first aid training for at least 20 people annually also contribute to making safe workplaces.

To ensure a safe and healthy work environment, the Company also ensures proper lighting, ventilation, air conditioning, ergonomic furniture, recreation and refreshment areas, safe drinking water, and clean toilets with aesthetically done décor.

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

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

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	No complaints were received in the reporting year	0	0	No complaints were received in the reporting year
Health & Safety	0	0	No complaints were received in the reporting year	0	0	No complaints were received in the reporting year

14. Assessments for the year:

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

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

The Company regularly conducts internal assessments to ensure ongoing safety and compliance. Information about safety-related incidents is meticulously recorded through near-miss reporting and safety tickets. In the event of an accident, a thorough investigation is carried out, and corrective and preventive measures are implemented based on the findings.

The collected information and data are shared across the organization at regular intervals, ensuring transparency and formal compliance. This systematic approach helps maintain a safe and healthy work environment for all employees. Additionally, all factories and corporate office are also ISO 26000 compliant, that has a strong focus on the health and safety of employees.

LEADERSHIP INDICATORS

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

A. Yes, GPIL offers the benefit of group term life insurance to all its employees.

B. No, GPIL does not offer term life insurance to workers, however, they are covered under a Group Personal Accident Policy in case of accidental death at workplace or outside of it.

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

GPIL collaborates with vendors who have a proven track record of full compliance with applicable laws. The Company ensures that necessary checks are in place and that statutory dues payable by service providers for their employees are deposited on time and in full, through an internal control mechanism. GPIL requires a challan copy regarding the deposit of PF and ESI for employees and workers engaged by contractors and third parties while processing their bills for payment. Additionally, online verification of GST returns and proof of PF and ESI deposits by the contractors or third parties is also conducted.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Employees	Nil. In the current and previous year, no employees/ workers have suffered any high consequence work-related injury/ ill-health/ fatalities			
Workers				

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

Yes. The Company recognises the need to support and encourage employees during career transitions and the importance of providing full assistance through the change. At the factories, retired employees are given the opportunity to work as trainers for the new generation of operators and technicians. In cases of layoffs, terminations, or early retirements, supervisors and management provide recommendations to facilitate re-employment. The Company also invests in human capital development programs to reskill and upskill employees that enable smooth transition to new opportunities when sought.

Furthermore, GPIL offers an optional superannuation fund scheme to its management grade employees. For those who choose to participate in the scheme, the Company contributes 15% of their basic salary to the fund. Upon retirement or severance, employees can utilize two-thirds or the full amount of the accumulated balance to subscribe to an annuity plan offered by the Life Insurance Corporation of India (LIC) or any other life insurance company, and thereby earn a regular income in form of pension. Additionally, all employees are eligible for a monthly pension from the Employees' Provident Fund Organization (EPFO) based on their contributions and length of service. This comprehensive approach ensures financial security for employees after leaving the Company.

5. Details on assessment of value chain partners:

GPIL is committed to ensuring ethical practices throughout its supply chain. The Supplier Code of Conduct outlines guidelines for value chain partners and their operations. Additionally, tobacco farmers are required to adhere to the Agricultural Labor Practices (ALP) Code, which includes criteria for health, safety, and working conditions for workers and labourers. To ensure compliance with the Code, the Company conducts regular assessments of its tobacco farmers through Field Technicians (FTs) who are equipped with a digital application to flag non-compliance, while other suppliers with signed contracts on adherence go through occasional checks on their compliance. The Company intends to set up a formal training and assessment framework for all suppliers in near future.

	% Of value chain partners (by value of business done with such partners) that were assessed*
Health and safety conditions	Approx 8.5%
Working conditions	Approx 8.5%

**This is in relation to tobacco farmers under the Integrated Production System (IPS) following sustainable practices*

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

One of the critical value chain partners for the Company are the tobacco farmers under the Integrated Production System (excluding Flue Cured Virginia (FCV) tobacco farmers) and therefore, ensuring the health and safety of these farmers is a top priority for GPIL. Periodic internal and external assessments, conducted by independent auditors such as Control Union, evaluate working conditions and health & safety standards within the farming communities. These assessments aim to identify potential health hazards like Green Tobacco Sickness and exposure to pesticides and fertilizers. GPIL mitigates these risks through ongoing education programs, monitoring practices, and enforcing strict procedures for farmers and workers.

Specific areas of focus include the proper use of Personal Protective Equipment (PPEs) during insecticide application, while handling wet green tobacco, safe handling and disposal of pesticides and fertilizers, and providing training and easy access to first aid. GPIL ensures adherence to these practices through stringent monitoring processes and addresses any identified gaps with high priority. Over and beyond, farmers are encouraged to resolve labour issues through local representatives and village elders. This dedicated approach creates a safer and healthier environment for everyone involved in the tobacco value chain.

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

GPIL actively identifies, manages, and advocates for the interests of both internal and external stakeholders throughout its value chain. The Company maintains periodical, sustained, and open communication with a diverse group, including employees, workers, customers, suppliers, investors, shareholders, retailers, tobacco farmers and farm labourers, civil society organizations, and the local communities in its areas of operation.

ESSENTIAL INDICATORS

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

The Company believes that identifying and engaging with stakeholders involves a thorough and iterative process. It is important for the Company to understand and constantly adapt to the interests, needs of the various groups or individuals that may be affected or impacted by the organization's activities. The steps taken to identify key stakeholder groups are as follows:

a. Internal Stakeholders Mapping: The Company undertook an internal stakeholder mapping exercise to identify and categorise individuals or groups within the organization who are from critical functions, play essential roles and or have direct interactions with external stakeholders. This included employees, managers, executives, and board members.

b. External Stakeholders Mapping: The Company also carried out an exercise to identify and categorise individuals or groups outside the organisation who are interested in or are affected by its sustainability activities. This primarily includes customers, bankers, suppliers, investors, and communities such as burley tobacco farmers, retailers, and hawkers.

c. Stakeholder Prioritisation: After identifying the stakeholders, the Company prioritised them based on their level of influence and impact on the business, as well as the impact of the Company's business activities on them. This helped the Company identify the most critical, vulnerable, and marginalized stakeholders that required deeper engagement.

This process enables the Company to tackle key sustainability challenges and opportunities by engaging with the right stakeholders in a transparent and accountable way.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Notices, Newspapers, Email, telecalls, websites	Quarterly and Annually	GPIL engages with its investors to build trust, enhance transparency, secure capital, influence shareholder decisions, and comply with mandatory regulations. Discussions during these engagements cover a wide range of topics, including financial performance and ESG disclosures.
Suppliers	Yes (Farmers)	Letters, emails, meetings, events, websites	Continuous	GPIL actively engages with its suppliers to strengthen relationships, ensure reliable supply chains, manage risks, and foster innovation for sustainable development. Discussions with suppliers focus on maintaining a sustainable supply chain and addressing human rights concerns
Customers	No	Emails, telecalls, conferences, mails, events, websites	Depending on the medium, it occurs weekly.	The Company periodically interacts with its customers to foster trust, gain insights into their needs, innovate new products, boost sales, and strengthen its reputation.
Senior Employees	No	Periodical emails, townhalls, intranet, meetings, workshops, trainings, internal social media groups, events	Continuous	Continuous and sustained interaction with senior management personnel is crucial for GPIL to retain top talent, cultivate leadership skills, boost workforce productivity, and drive innovation. Conversations with senior employees focus on creating a positive work environment.

Other Employees	No	Periodical emails, townhalls, Intranet, meetings, workshops, trainings, internal social media groups, events, notice board	Continuous	GPIL prioritises engagement and interaction with its other employees to enhance morale, retain talent, boost performance, foster innovation, and improve customer experience. Discussions during these engagements focus on wellbeing, work-life balance, fair wages, and recognition and rewards.
Community (Retailers, Farmers, Hawkers)	Yes (Farmers and retailers)	Emails, telecalls, community meetings, local programs, workshops, trainings,	Continuous	GPIL is deeply committed to fostering positive relationships with the communities in its operating areas. GPIL's engagement with the communities is aimed at addressing community needs, creating shared value, and building trust among the community and the Company. The main issues addressed during these engagements pertain to community health and safety and extending adequate support to vulnerable and marginalized sections.
Government Bodies	No	Industry Association	Need Based	With the significant impact of the industry on stakeholders and their livelihoods, the Company is committed to a proactive engagement with the government authorities. GPIL engages with the government. authorities through evidence and data-based advocacy, directly or through industry forums.

LEADERSHIP INDICATORS

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

The Company is dedicated to continuously improving its sustainability practices and stakeholder engagement. GPIL ensures sustainable operations, while mitigating risks and identifying opportunities for the Company. The Company conducted a comprehensive stakeholder engagement and materiality assessment exercise with the assistance of an external consultant in FY'23. The process included collecting feedback and input from all key stakeholders to identify topics significant to the business and the stakeholders. The identified gaps and observations from this thorough evaluation were analysed, and the materiality matrix, targets, and implementation roadmap were finalised and communicated both internally and externally. The Board was formally presented with an update on the process, the targets, and the proposed way forward. The Company has also established a governance structure that ensures the flow of information and feedback on the ESG program upwards and downwards. Additionally, the Company intends to conduct its double materiality assessment soon, and this process will remain periodical.

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

Yes. Surveys with stakeholders who influence, and impact GPIL's sustainability strategy and priorities are conducted at an organizational level. The Company strives to include the viewpoints of all groups of stakeholders in its policy document, business decisions, and operating activities.

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

GPIL is committed to supporting its community, which includes farmers, retailers, and hawkers, who are among the vulnerable and marginalized stakeholder groups of the Company. GPIL prioritises providing assistance and support to them. GPIL's CSR program has implemented several projects to aid the vulnerable and marginalized tobacco farmers and their family & community.

These initiatives range from large scale programs on mitigating climate change risks through the conservation of water, soil, and the environment, to projects on creating awareness around issues such as healthcare, safe drinking water, child labour and education of children. The Company also educates and monitors farmers on Good Agriculture Practices (GAP) which include best practices on sustainable agriculture, technology, mechanization, and health & safety awareness on topics such as green tobacco sickness, use of PPE, and disposal of empty CPA containers. Regular workshops are also held to discuss labour rights, dispute management, and other relevant subjects.

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

Principle 5: Businesses should respect and promote human rights.

The Company places the highest priority on human rights issues and has established various policies to address them. These include the Human Rights Policy, Code of Business Conduct, Equal Opportunity Policy, Health & Safety Policy, Prohibition of Sexual Harassment at Workplace Policy, Suppliers' Code of Conduct, Whistleblower Policy, and Grievance Redressal Policy. These policies with defined framework on process & system for management, collectively ensure the upholding of human rights at GPIL. Additionally, the Company complies with all applicable national and regional laws and regulations to maintain its human rights commitments.

ESSENTIAL INDICATORS

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

GPIL is deeply committed to upholding human rights and actively undertakes several initiatives to safeguard them. The Company has a standalone Human Rights Policy, which clearly outlines the principles to be adhered to by its internal stakeholders. Other policies such as Equal Opportunity, Code of Business Conduct and POSH also enforce clear guidelines to respect rights of all stakeholders.

The Company has an intensive induction process for all new employees who are introduced to the policies and receive their own copies of it separately. These polices are available on both intranet and corporate website for easy access. Code of Business Conduct ensures that the Company values and ways of working are clearly communicated. Whistleblower Policy is also available in regional languages to ensure no employee or worker is bereft of the information. All queries and clarifications are addressed proactively. Furthermore, awareness and reinforcement of these guidelines are conducted throughout the year through trainings and workshop.

Category	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1,041	640	61.5%	1,070	125	12%
Other than permanent	0	0	-	0	0	-
Total employees	**1,041**	**640**	**61.5%**	**1,070**	**125**	**12%**
Workers						
Permanent	36	0	-	53	0	-
Other than permanent	0	0	-	0	0	-
Total workers	**36**	**0**	**-**	**53**	**0**	**-**

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

Category	FY 2024-25 (Current FY)					FY 2023-24 (Previous FY)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	979	0	-	979	100%	1,004	0	-	1,004	100%
Female	62	0	-	62	100%	66	0	-	66	100%
Other than Permanent										
Male	Nil									
Female										
Workers										
Permanent										
Male	36	0	-	36	100%	53	0	-	53	100%
Female	0	0	-	-	-	0	0	-	0	-
Other than Permanent										
Male	Nil									
Female										

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

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	1450000	3	424114783
Key Managerial Personnel (other than BoD)	2	7196123.52	0	NA
Employees other than BoD and KMP	976	954191	62	971322.5
Workers	36	1087122	0	NA

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

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Gross wages paid to females as % of total wages	7.7%	6.2%

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

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

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

The Company is committed to providing clear and accessible grievance mechanisms for its employees and workers. The Company has a Grievance Redressal Policy along with other policies that include the POSH Policy and the Equal Opportunity Policy, which outline the procedures and processes available to employees and workers. Additionally, the Whistleblower Policy and mechanism is available to all employees, empowering them to bring any concerns related to human rights violations to the attention of the management. This policy is also available in regional languages to ensure that workers are aware of the mechanism.

GPIL ensures that its tobacco supply chain follows ethical practices and adheres to the human rights requirements prescribed in the Agricultural Labour Practices (ALP) code. The Company has a monitoring system in place to identify any human rights violations. Based on the severity of the violation, GPIL undertakes appropriate actions to resolve the concern.

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

<table>
<tr><th rowspan="2"></th><th colspan="3">FY 2024-25 (Current FY)</th><th colspan="3">FY 2023-24 (Previous FY)</th></tr>
<tr><th>Filed during the year</th><th>Pending resolution at the end of year</th><th>Remarks</th><th>Filed during the year</th><th>Pending resolution at the end of year</th><th></th></tr>
<tr><td>Sexual Harassment</td><td colspan="3" rowspan="6">No complaints were received regarding sexual harassment by employees and workers during FY 2024-25</td><td colspan="3" rowspan="6">No complaints were received regarding sexual harassment by employees and workers during FY 2023-24</td></tr>
<tr><td>Discrimination at workplace</td></tr>
<tr><td>Child Labour</td></tr>
<tr><td>Forced Labour/ Involuntary Labour</td></tr>
<tr><td>Wages</td></tr>
<tr><td>Other human rights related issues</td></tr>
</table>

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

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	-	-
Complaints on POSH upheld	0	0

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

GPIL is dedicated to maintaining a safe and respectful workplace environment. To ensure that its workplace is free of harassment, including sexual harassment, and that it has zero tolerance for any such conduct, the Company encourages reporting of any harassment concerns and is responsive to complaints about harassment. The Company has constituted committees to enquire into complaints of sexual and other forms of harassment and to recommend or take appropriate action, wherever required. GPIL ensures that the complainant is protected in their normal working environment and that there is no discrimination against them during appraisal or work allocation.

Further information about the policy can be found here https://www.godfreyphillips.co.in/sustainability/policies.

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

Yes, The Company ensures that human rights compliance is integral to its agreements and contracts with suppliers and human rights requirements are a part of its standard terms and conditions. These requirements are stated in its Code of Conduct for Suppliers and all service providers sign off on the Code also. Additionally, the Company requires suppliers to comply with the applicable laws, labour standards, environmental regulations besides upholding human rights and principles of ethics and integrity in their operations.

10. Assessments of the year:

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

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

Currently, no significant risks or concerns have been raised. The Company has a zero-tolerance policy, and should any concerns arise, the Company will implement appropriate improvement measures and take corrective actions, ensuring that necessary checks and balances are in place to address significant risks and concerns. The process for handling complaints is clearly defined in the various policies and Company has mandated training on POSH for all employees.

LEADERSHIP INDICATORS

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

The Code of Business Conduct and Human Rights Policy have been implemented throughout the Company and to date, the Company has not received any human rights complaints. The Company has also instituted a Grievance Redressal Policy to enable easy process for any complaints.

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

GPIL is committed to upholding human rights, and periodic assessments are conducted and reported. Within GPIL's tobacco supply chain, which falls under IPS, the principal code of ALP (Agricultural Labour Practices) is followed. This code addresses issues such as child labour, minimum wages, employee benefits, and grievance redressal. The ALP code identifies and mitigates risks through regular discussions and workshops, training of farmers, and stringent monitoring and reporting by field technicians to ensure compliance. The program emphasizes three key ALP principles: income and work hours, fair treatment, and a safe working environment. Additionally, the following ALP Code principles are considered:

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

In the past, an audit conducted by an international body, Control Union, highlighted positive impacts such as increased workplace safety, zero incidences of child labour, and heightened danger awareness in the

IPS tobacco supply chain of the Company. Additionally, this year, the Company conducted a Human Rights assessment covering 100% of its operations and IPS tobacco supply chain. The objective of the study was to identify human rights risks so that effective measures could be taken to mitigate them. According to the assessment, no human rights violations have occurred or reported.

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

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

4. Details on assessment of value chain partners:

GPIL is committed to ethical practices and sustainability throughout its supply chain. GPIL's Supplier Code of Conduct guides value chain partners, prioritizing sourcing from responsible suppliers with a focus on human rights and sustainability.

In addition to this, the tobacco farmers under IPS are required to comply with the Agricultural Labor Practices (ALP) Codes, which specifically includes principles on child labour, forced/involuntary labour, discrimination-related aspects, wages, etc. To ensure compliance with the Codes, the Company periodically conducts assessments through Field Technicians (FTs) and has supervisors and managers conducting regular awareness programs. There are third party assessments also held periodically and reported. The Company included farmers and daily wage labourers under the IPS for the Human Rights Assessment held this year.

	% Of value chain partners (by value of business done with such partners) that were assessed*
Sexual harassment	Approx 8.5%
Discrimination at workplace	Approx 8.5%
Child labour	Approx 8.5%
Forced/involuntary labour	Approx 8.5%
Wages	Approx 8.5%

**This is in relation to tobacco farmers under Integrated Production System (IPS).*

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

No risk/ concerns were identified during the assessment process; and therefore, no corrective/mitigation measures were necessitated.

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

GPIL is committed to environmental stewardship, continually striving to minimize its ecological footprint. The Company continuously strives to adopt best practices, while fostering a culture of continuous improvement in environmental practices, systems, and operations. GPIL is gradually upgrading utilities to incorporate energy-efficient models and technologies while creating awareness amongst employees to adopt good practices. These measures are designed to conserve natural resources and reduce wasteful consumption.

ESSENTIAL INDICATORS

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

Parameter	Unit	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
From renewable sources	Megajoule		
Total electricity consumption (A)	Megajoule	2,31,27,897.6	2,41,74,137
Total fuel consumption (B)	Megajoule	0	0
Energy consumption through other sources (C)	Megajoule	0	0

Total energy consumed from renewable sources (A+B+C)	Megajoule	**2,31,27,897.6**	**2,41,74,137**
From non-renewable sources	Megajoule		
Total electricity consumption (D)	Megajoule	7,15,76,999.5	5,91,49,359
Total fuel consumption (E)- Diesel	Megajoule	33,73,969	25,09,528
Energy consumption through other sources (F)- PNG, Petrol, and LDO	Megajoule	2,26,63,686.6	2,14,46,712
Total energy consumption from non-renewable sources (D+E+F)	Megajoule	**9,76,14,655.3**	**8,31,05,598**
Total energy consumed (A+B+C+D+E+F)	Megajoule	**12,07,42,553**	**10,72,79,735**
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	KJ/INR	**1.79**	**2.05**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	KJ/INR adjusted for PPP	37.03	45.9
Energy intensity in terms of physical output	GJ/ million cigarette sticks	4.47	5.7
Energy intensity (optional) – the relevant metric may be selected by the entity			

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

For PPP, 20.66 National currency units/US dollar has been used. Source: IMF (2025), Purchasing power parities (PPP) (indicator).

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

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

No

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

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water:	0	0
(ii) Groundwater	29,971	34,310
(iii) Third party water (Municipal water supplies)	46,392	42,565
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	**76,000**	**76,875**
Total volume of water consumption (in kilolitres) *(Total water consumption is calculated by deducting total water discharge from total water withdrawal)*	**76,363**	**70,388**
Water intensity per rupee of turnover (Water consumed / revenue from operations) (Litre / K INR)	**1.1**	**1.3**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) – Litre / K USD	22.6	30.1

Water intensity in terms of physical output (KL/ million cigarette sticks)	3.2	3.77
Water intensity (optional)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) **No**. *If yes, name of the external agency.* **Not Applicable.**

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

For PPP, 20.66 National currency units/US dollar has been used. Source: IMF (2025), Purchasing Power Parities (PPP) (indicator).

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

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water:		
- No treatment	0	0
- With treatment – please specify level of treatment	753.5	2,559
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	1,825.8	4,928
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**2,579**	**7,487**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) **No.** If yes, name of the external agency: **Not Applicable**

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

Yes, the Reconstituted Tobacco manufacturing facility of GPIL operates as a Zero Liquid Discharge facility. Other GPIL facilities have implemented various water management practices, including recycling and reusing wastewater, reducing water discharge rates, and adhering to Consent to Operate (CTO) conditions set by the respective state pollution boards.

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

Parameter	Please specify unit	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
NOx	Kg	1,051	1,061
SOx	Kg	383	362
Particulate Matter (PM)	Kg	4,237	4,093
Persistent Organic Pollutants (POP)	Kg	-	-
Volatile organic Compounds (VOC)	Kg	-	-
Hazardous air pollutants (HAP)	Kg	-	-
Others- please specify	Kg	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) **No.** If yes, name of the external agency. **Not Applicable.**

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

Parameter	Unit	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,460	2,210
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	14,455	11,764
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	**Tonne per Crore INR**	**2.5**	**2.6**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Tonne per Crore INR adjusted for PPP	51.8	59.8
Total Scope 1 and Scope 2 emission intensity in terms of physical output	**Emission tCO2e/ million cigarette sticks**	**0.74**	**0.72**
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) **No.** If yes, name of the external agency: **Not Applicable**

For PPP, 20.66 National currency units/US dollar has been used. Source: IMF (2025), Purchasing power parities (PPP) (indicator).

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

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

Yes, GPIL has launched several initiatives to reduce greenhouse gas emissions. To achieve this, the Company has been focusing on energy efficiency and process improvements, augmenting renewable energy capacity, and engaging in plantation activities.

For energy efficiency, GPIL has installed technologies such as a 250KVA modular UPS and a 3MW transformer at its manufacturing facilities and is optimizing energy use and reducing losses. Additionally, the installation of a Ring Main Unit in its cigarette production facility has led to a reduction in high-speed diesel consumption during power failures. GPIL has also implemented PLC-based systems to efficiently manage energy for the canteen AC units and installed ducted exhaust systems in the UPS and compressor rooms to remove excess heat. To further enhance efficiency, interlocking mechanisms have been put in place to ensure machine heaters are shut off during periods of non-use, thereby decreasing wasteful energy consumption. Furthermore, GPIL has transitioned to the use of green refrigerants at its cigarette manufacturing facility, implementing a 75 TR unit of R-140A to promote environmentally friendly operations.

In addition to these efforts, GPIL has actively engaged in afforestation by planting 5,000 trees within the Thane Municipal Corporation area, thereby significantly boosting carbon sequestration and contributing to environmental sustainability. The Company continues to maintain biodiversity parks it created in the leaf tobacco regions of Andhra Pradesh with over 9000 trees and an afforestation project of 70,000 trees of local species. In addition, GPI has distributed 3,10,000 eucalyptus saplings to the farmers as a part of wood sustainability.

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

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	21.7	144
E-waste **(B)**	2.1	0.6
Bio-medical waste **(C)**	0.15	0.07
Construction and demolition waste **(D)**	35.8	28

Battery Waste **(E)**	0.35	0.8
Radioactive waste **(F)**	0	0.0
Other Hazardous waste. Used oil and sludge **(G)**	18.8	17.7
Other Non-hazardous waste generated **(H). Paper waste, wood waste, etc.** (Break-up by composition i.e., by materials relevant to the sector)	3,512	3,016
Total (A + B + C + D + E + F + G + H)	**3591**	**3207**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)—MT/Lakh INR	0.005	0.007
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.11	0.15
Waste intensity in terms of physical output – MT/million cigarette sticks	0.17	0.17
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled (Non-hazardous, battery, lube oil and metal)	2,843	3,029
(ii) Re-used (construction waste)	725.4	29
(iii) Other recovery operations	1.48	-
Total	**3,570**	**3,058**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration (non-hazardous, hazardous and biomedical waste)	10.8	8
(ii) Landfilling (construction waste)	3.8	5
(iii) Other disposal operations	2.6	130
Total	**17**	**144**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) No.
If yes, name of the external agency: Not Applicable

The inclusion of new waste categories has resulted in a slight increase in waste generation and disposal data for FY 2024-25 For PPP, 20.66 National currency units/US dollar has been used. Source: IMF (2025), Purchasing Power Parities (PPP) (indicator). Waste intensity in terms of physical output includes only cigarette manufacturing factories.

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

GPIL consistently and continuously monitors hazardous waste generation and safe disposal for its manufacturing facilities. The Company has established processes to manage waste within regulatory limits and has also implemented standard measures across all units, offices to minimize waste, segregate waste at the source, and ensure disposal through authorized recyclers.

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

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

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

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

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

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

LEADERSHIP INDICATORS

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

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

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

(ii) Nature of operations: Cigarette Manufacturing

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

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	26163.4	25,670
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others (Recycled) Recovered water from Treated Effluent	0	0
Total volume of water withdrawal (in kilolitres)	**26163.4**	**25,670**
Total volume of water consumption (in kilolitres)	**25410**	**24,137**
Water intensity per rupee of turnover (Litre/ K INR)	0.37	0.5
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	753.52	1,533
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**753.52**	**1,533**

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

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

Parameter	Unit	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent	-	-

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

This indicator is not applicable to GPIL, as all its manufacturing units are located in industrial estates or business districts. No GPIL operating units are in ecologically sensitive areas.

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

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy Efficiency	1. A Ring Main Unit for HT was installed to reduce high-speed diesel consumption during a power failure. 2. A modular energy-efficient 250KVA UPS was installed in one of the cigarette manufacturing facilities. 3. An energy efficient 3MW transformer was also installed in in one of the cigarette manufacturing facilities for saving in transformer losses. 4. A PLC-based system has been installed for canteen AC units (based on operative time) to reduce energy consumption. 5. To remove excess heat, the exhaust for UPS & Compressor Room was ducted. 6. Interlocking of Making & Packing m/c's heaters and blowers with operation for turning off system during non-utilisation.	

2	Waste Management	1. Onboarded vendor for plastic waste disposal thereby leading to a tangible benefit from responsible disposal, against previous procedure involving safe disposal with charges being incurred. 2. For new supplier locations, packaging of blanks has changed to wooden pallets instead of boxes - eliminating paper board waste altogether and ensuring pallets are being recycled. 3. Plastic tie rope has been substituted with jute tie ribbon for incoming CFC bundles, again eliminating corresponding plastic waste generation. 4. Have used technology to reuse PP straps in incoming material. 5. Recycling activity of wooden pallets & pallet tops has been extended to additional supplier locations for some incoming packaging material.	
3	Water Management Practices	1. Adopted adiabatic cooling tower for compressed air system heat rejection resulting in water saving of 1030 KL at cigarette manufacturing site. 2. Condensate recovery improved from 44% to 53% resulting in reduced freshwater requirement at cigarette manufacturing facility. 3. Increased ETP utilisation by ~9% resulting in reduced water extraction. 4. Implementation of waterless urinals in few sections of manufacturing facilities. 5. Float valve system upgradation in cooling tower with proper alignment / settings for arresting overflow. 6. FRP coating for arresting AHU sump leakages in the cigarette production site.	
4	Green Initiative	1. 5000 trees planted in Thane Municipal Corporation area as an initiative by the Rabale manufacturing facility. 2. Addition of green refrigerant system for capacity augmentation (75 TR unit of R-140A installed for new requirement) at a cigarette manufacturing facility. 3. CSR program continues to maintain plantations in Andhra Pradesh leaf tobacco areas.	

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

Yes, GPIL has a dedicated policy for business continuity and disaster management, supported by a robust framework to comprehensively identify risks, analyse, and assess processes across the Company's functional areas. This approach helps evaluate potential worst-case scenarios and develop necessary action plans to mitigate them. For more details, visit policies at: https://www.godfreyphillips.co.in/sustainabililty/policies.

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

GPIL is committed to promoting environmental sustainability and it is especially relevant to the Company's leaf tobacco operations and it places the IPS tobacco farmers and workers at the core of its environmental sustainability. The mitigation and adaptation measures involve protecting ecosystems and biodiversity, reducing the use of natural resources, and managing potential environmental impacts like the usage of fertilizers and Crop Protection Agents (CPAs) in tobacco production which release certain GHG emissions. The Company has implemented several mitigation measures to minimize environmental impact:

Training farmers on best practices such as applying recommended fertilizers and CPAs in proper dosage, eliminating use of HHPs, disposing of empty containers in CPA collection bins, and reusing, recycling, and safely disposing of plastics, hazardous waste, and non-NGRBC waste. Farmer monitoring ensures empty CPA containers are not left in the field or stored at home. Company also conducts quarterly ambient air and wastewater quality tests by authorized environmental laboratories to ensure pollutants are within tolerance limits in GPIL factories.

GPIL encourages farmers to practice GAP & sustainable agri practices to preserve, reuse, and recycle natural resources including soil, air, water, and wood. The goal is to help farmers grow quality tobacco with minimal environmental impact. Some initiatives include:

1. Developing wood sustainability initiatives including an afforestation program. The Company distributes eucalyptus saplings to farmers annually to ensure harvested wood is used specifically for barn construction and to provide a long-term source of income. GPIL has also undertaken extensive plantation efforts in the leaf tobacco growing areas of Andhra Pradesh, including the development of two 7-acre biodiversity parks at Darsi and Kurichedu with over 4500 local species, and another 8-acre land at Parchur with over 4700 trees. Last fiscal year, the Company additionally planted 70,000 trees.
2. Building permanent community agri-product sheds and dedicated burley tobacco curing barn structures are being installed by the Company along with distribution of cement poles to reduce wood use in barn construction. Each wooden structure shed requires 14 eucalyptus trees, therefore for 103 sheds built under CSR, a total of 1,442 trees were saved. All structures are built with iron frameworks, weighing 495 kg per shed. This reusable material enhances durability while minimizing environmental impact. Permanent barns help safeguard tobacco against natural calamities like heavy rains and are also used to store other crops or as sheds for livestock and other household purposes during off season.
3. Company is also constructing farm ponds to provide a reliable source of irrigation for tobacco crops, helping farmers overcome drought conditions and achieve desired yields. This also provides irrigation for other crops, generating additional income for farmers.
4. Under CSR program, accumulated silt and sediment are being removed to restore water tank/pond's original capacity for storage and to recharge ground water. The desilted soil is further used on the farms to improve soil structure, soil health and its water holding capacity.
5. Company is also constructing check dams to accumulate excess runoff water and recharge ground water while providing irrigation source for surrounding crops and thus improving crop productivity and increasing returns for farmers who depend on local water sources.

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

8.5 % farmers were assessed for environmental impact at the burley tobacco growing region in Vinukonda, Andhra Pradesh.

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

GPIL adheres to all applicable government regulations and ensures responsible product marketing. The Company engages with relevant authorities to balance stakeholder expectations with its stringent governance standards. Additionally, GPIL participates in forums that address industry and stakeholder interests in areas such as governance, economic reforms, environmental safety, energy security, sustainable business principles, taxes, and water. These esteemed industry bodies also represent GPIL through evidence-based advocacy, when necessary.

ESSENTIAL INDICATORS

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

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	PHD Chamber of Commerce and Industry	National
3	ASSOCHAM (The Associated Chambers of Commerce & Industry of India)	National
4	International Chambers of Commerce	National

5	Indo-American Chamber of Commerce	National
6	The Tobacco Institute of India	National
7	Indian Council of Arbitration	National
8	Indian Chambers of Commerce & Industry	National
9	Advertising Standards Council of India	National
10	Public Affairs Forum of India	National
11	The Indian Society of Advertisers	National

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

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

LEADERSHIP INDICATORS

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

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

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

Principle 8: Businesses should promote inclusive growth and equitable development.

GPIL believes that supporting communities is essential for fostering sustainable development and ensuring long-term success. Company remains committed to enabling inclusive, equitable, and sustainable growth in the communities intrinsically linked to its industry and operations. The Board of Directors formulated the Corporate Social Responsibility (CSR) policy, and it oversees the CSR program outcomes and impact through the CSR Committee of Board in accordance with Section 135 of the Companies Act, 2013. All details of the programs including budget, region, beneficiaries, impact, etc. are documented in the Annual Report, CSR Report and Integrated Report. The Company's CSR programs have been recognized with various awards from time to time.

ESSENTIAL INDICATORS

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

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

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the 2022-23 (In INR)
GPIL does not have any projects/activities that would necessitate R&R.						

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

Building strong partnerships with local communities is essential for sustainable development and GPIL values cultivating a collaborative relationship with the tobacco farmer communities central to its operations. For all the farmers under the IPS (Integrated Production System), periodical engagement and workshops are held to provide a platform for sharing and discussing challenges and issues, create awareness on preferred labour practices across social, health, and safety aspects, while also ensuring adherence to best agri practices. For dispute resolution, GPIL emphasizes a harmonious approach through collaboration and guidance from village elders, progressive farmers, and local representatives. Acknowledging the unique social needs within these communities, GPIL focuses on targeted interventions. These social programs, aligned with the Company's CSR policy, empower communities to address their concerns in large forums to ensure transparency and build a progressive relationship.

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

	FY 2024-25 (Current FY)	FY 2023-24* (Previous FY)
Directly sourced from MSMEs/ small producers	10%	3%
Directly from within India	85%	60%

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

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

Location	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Rural	0.0	0.0
Semi-urban	0.4	0.4
Urban	5.2	1.9
Metropolitan	94.4	97.7

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

LEADERSHIP INDICATORS

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

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

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

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

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, GPIL does not have a dedicated preferential procurement policy. Within the contracted farmer base, small farmers (farmers with less than 1 hectare land) are considered the marginalised and vulnerable group, and we source from them regularly.

(b) From which marginalized /vulnerable groups do you procure?

GPIL procures part of its raw material from small tobacco farmers (farmers with less than 1 hectare landholding), including female farmers that are categorized as marginalized/ vulnerable groups. As these farmers are under the IPS, we enable them with awareness on GAP, ALP and include them in various initiatives for environment to help improve their yields and earnings.

(c) What percentage of total procurement (by value) does it constitute?

3% of the total procurement is from marginalized communities (farmers).

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Note: Traditional Knowledge refers to any indigenous, technical, ecological, scientific, medical, or cultural knowledge that is not necessarily documented but is in use by or generally known to communities. Typical examples include antiseptic properties of neem, turmeric, etc.

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable, since GPIL has not acquired any intellectual property based on traditional knowledge.				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the Case	Corrective action taken
Not applicable, since GPIL does not use traditional knowledge.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects*	% Of beneficiaries from vulnerable and marginalized groups
1.	Biodiversity Parks	7500	15%
2.	Check Dams	2139	20-25%
3.	Tank Management program	891	0
4.	Installation of Community RO Plants to provide safe drinking water	161483	0
5.	Health camps	2798	65%
6.	Community Agri-produce sheds	2022	30%
7.	Plantation	3795	32%

**The numbers include the cumulative beneficiaries of the CSR projects.*

Godfrey Phillips India Limited (GPIL) believes that Corporate Social Responsibility is an obligation rather than compliance and has achieved significant milestones in its CSR programs. With commitment to safe drinking water, the Company undertook mapping and geotagging of RO water plants in 839 villages of Andra Pradesh. This detailed study will support optimum planning for future initiatives. 11 new check-dams were constructed to create additional sources for irrigation for the marginalised tobacco growing community in the region. Simultaneously, existing 36 check-dams were repaired to improve their capacity and provide maximum benefit to the farmers. Volumetric analysis of 32 check-dams built earlier showed that 2.1 lac kiloliters of water is being conserved.

103 community agri-produce sheds were constructed, aiding over 700 farmers in safeguarding their crops and livestock. Environmental conservation efforts included maintaining 3 biodiversity parks spanning 23.5 acres with over 9,400 trees and maintenance of 70,000 saplings planted in Prakasam district of Andhra Pradesh.

Additionally, close to 3,000 people including daily wage hawkers and their families benefitted from over 100 health camps organized in Delhi, Mumbai, Jammu and Ahmedabad.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

The Company prioritises its customers, including channel partners and value chain partners, in all its decisions, aiming to deliver top-quality products, services, and experiences to foster customer satisfaction and loyalty. Operating in strict compliance with the Cigarette and Other Tobacco Products Act (COTPA), the Company responsibly adheres to all relevant rules and regulations. It ensures that all mandatory information is clearly displayed on product labels, as required by applicable laws governing product packaging and labelling.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

Ensuring customer satisfaction is a top priority for GPIL. To address customer complaints effectively, the Company has established a structured complaint redressal system. Customers can connect with GPIL through email and telephone, with contact details printed on all products and available on the Company website for easy access. All complaints are managed according to Standard Operating Procedures. Retailer and consumer complaints are received at the grievance cell number, where tele-callers acknowledge and record them before forwarding them to the respective area manager for investigation and resolution. Once resolved, complaints are documented and closed, with monthly reports sent to the Regional Sales Manager for review. For Wholesale Dealers (WDs), GPIL runs an internal program called WD Performance Management. Area Sales Managers (ASM) visit WD points quarterly to discuss performance and address concerns. The WDs use the platform also to raise complaints, provide feedback, and suggestions and share information. Additionally, WDs can directly contact the Sales Manager, Regional Sales Manager, and Head Office Sales Team if their grievances are not adequately addressed. The Company also has various other policies like Whistleblower Policy and Grievance Redressal Policy that can also be used to address pending issues.

2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	GPIL propagates responsible usage and disposal on packages (over and above the mandate) to the customers. The cigarette brand - FSS carries an awareness message on all its packs in a specific market, and the brand in this market accounts for 7% of total turnover. The Company also from time to time mobilizes retailers to educate consumers about disposal of used packs responsibly
Safe and responsible usage	All packs carry pictorial health and not for sale to minors warning, as mandated by law. Signages are also placed on all point-of-sale outlets and retailers are communicated to not permit sale to minors or not let the minors to operate the outlet. All domestic cigarette packs carry information about safe and responsible usage, and these amount to 67% of total turnover.
Recycling and/or safe disposal	GPIL promotes sustainable post-purchase behaviour in its non-tobacco segments of candy. These packs carry pictorial information that nudge consumers to dispose packs responsibly and thereby keep surroundings clean. Currently these account for about 1% of the total turnover.

3. Number of consumer complaints in respect of the following:

<table>
<tr><th rowspan="2"></th><th colspan="2">FY 2024-25
(Current Financial Year)</th><th rowspan="2">Remarks</th><th colspan="2">FY 2023-24
(Previous Financial Year)</th><th rowspan="2">Remarks</th></tr>
<tr><th>Received during the year</th><th>Pending resolution at end of year</th><th>Received during the year</th><th>Pending resolution at end of year</th></tr>
<tr><td>Data privacy</td><td colspan="2" rowspan="7">Nil</td><td rowspan="3">-</td><td colspan="2" rowspan="7">Nil</td><td rowspan="3">-</td></tr>
<tr><td>Advertising</td></tr>
<tr><td>Cyber-security</td></tr>
<tr><td>Delivery of essential services</td><td>Tobacco products do not qualify as essentials.</td><td>Tobacco products do not qualify as essentials.</td></tr>
<tr><td>Restrictive Trade Practices</td><td>-</td><td>-</td></tr>
<tr><td>Unfair Trade Practices</td><td>-</td><td>-</td></tr>
<tr><td>Other</td><td></td><td>-</td></tr>
</table>

4. Details of instances of product recalls on account of safety issues:

GPIL recognizes that delivering high-quality products is crucial for enhancing customer experience and essential to the Company’s success. To achieve this, we have implemented a robust quality management system aligned with ISO 9001 standards across our operations. This alignment ensures that our products meet best-in-class industry standards, guaranteeing their safety and quality. Consequently, GPIL has reported zero product recalls due to safety issues in the current reporting year.

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes. GPIL places a high priority on data privacy and cybersecurity and is ISO27001 compliant. The Company's Information Security Policy provides a comprehensive framework for managing information security and raising awareness among stakeholders about IT infrastructure risks. This policy designates key roles for personnel such as the Head of IT and Head of Cybersecurity.

In addition, the Cyber Crisis Management Plan complements the policy by detailing a response strategy for cyberattacks and cyberterrorism. This plan focuses on the rapid identification of threats, information sharing, and swift action to mitigate and recover from cyber incidents that impact critical business functions. Both the Information Security Policy and the Cyber Crisis Management Plan are readily accessible on the Company's intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of consumers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

GPIL operates fully in compliance with applicable laws. There have been no instances or cases that relate to corrective action on issues relating to advertising, delivery of services, cyber security and data privacy of consumers or relating to product recall or any penalty/ action by regulatory authorities.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

During the reporting year, there have been zero instances of data breaches.

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable

c. Impact, if any, of the data breaches

Not applicable

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):

In compliance with the applicable legislations for both domestic and international markets, complete information about the organization's products and services is available on its corporate website at www.godfreyphillips.co.in.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:

The Company strictly adheres to all applicable laws and legislations, especially the Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 which is commonly known as COTPA. This legislation, along with its associated rules and regulations, mandates that all tobacco products display pictorial health warnings and in adherence all cigarette packs manufactured by the Company feature the required statutory pictorial health warnings.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

Tobacco and cigarette products do not fall under the criteria of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No

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Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Godfrey Phillips India Limited ("the Company"), which comprise the Balance sheet as at March 31 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 4.1.1 and 26 of the standalone Ind AS financial statements)	
For the year ended March 31, 2025 the Company has recognized Revenue from operations of Rs. 675,848.66 lakhs. Revenue recognition has been recognized as a key audit matter as the Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the control is transferred. This give rise to the risk that revenue is not recognized in the correct period.	Procedures included the following: - Read and assessed the appropriateness of the Company's revenue recognition policies. - Performed walkthroughs and test of controls, assisted by IT specialists engaged by us, of the revenue recognition processes and assessed the design and operating effectiveness of key controls. - Selected a sample of revenue transactions occurred close to the balance sheet date to evaluate whether revenue was recognised in the correct period by either examining third party supporting documents such as bill of lading and lorry receipts or analyzing delivery lead time.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

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

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

      i The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 37 and 53 to the standalone Ind AS financial statements;

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

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

      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 18 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and as explained in Note 51 to the standalone Ind AS financial statements, the Company has used two accounting software viz Oracle EBS and SAP S4 Hana, for maintaining the books of account which have the feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in these software, except that audit trail feature at the application underlying database was enabled from November 18, 2024 for Oracle EBS and was not enabled for direct changes to the underlying database using privileged access rights for SAP S4 Hana. However, during the course of our audit we did not come across any instance of audit trail feature having been tampered with was noted for both these softwares. Additionally, the audit trail has been preserved by the Company for transactions recorded on or after November 18, 2024 for Oracle EBS and has not been preserved for transactions recorded in SAP S4 Hana.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN: 25502405BMLBTP4528

Place of Signature: New Delhi
Date: May 15, 2025

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Godfrey Phillips India Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

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

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

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

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verifications. Inventories lying with third parties have been confirmed by them as at March 31, 2025 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(b) As disclosed in note 22 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year, the Company has provided loans and stood guarantee to companies as follows:

	Guarantees Amount (In Rs. Lakhs)	Loan Amount (in Rs. Lakhs)
Aggregate amount granted/ provided during the year - Subsidiaries Companies	35.55	1,000.00
Balance outstanding as at balance sheet date in respect of above cases - Subsidiaries Companies	35.55	1,000.00

The Company has not provided advances in the nature of loans or provided security to companies, firms, Limited Liability Partnerships or any other parties.

(b) During the year, guarantees provided and the terms and conditions of the grant of all loans and guarantees to companies are not prejudicial to the Company's interest.

(c) The Company has granted loan during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are not due yet.

(d) There are no amounts of loan granted to companies which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies which had fallen due during the year.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable have been complied with by the Company. The Company has not made any investments and has not given any loans /guarantees/ provided security to which the provisions of section 186 apply and hence not commented upon.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales-tax and value added tax are not applicable to the Company.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise and value added tax have not been deposited on account of any dispute, are as follows:

Nature of Statute	Nature of Dues	Amount (In Rs. Lakhs)	Amount deposited (In Rs. lakhs)	FY to which it relates	Forum where dispute is pending
CGST ACT 2017	GST	43,131.72	0.62	2017-18 to 2022-23	Commissioner (Appeals)
CGST ACT 2017	GST	772.04	-	2017-18 to 2020-21	Joint/Additional Commissioner - Appeals
CGST ACT 2017	GST	371.97	6.05	2017-18 and 2019-20	Deputy Commissioner (Appeals)
UP VAT Act,2008	VAT	68.65	68.65	2007-08	High Court
Central Excise Act,1944	Excise Duty	895.06	313.80	2007-08 to 2011-12	High Court
Central Excise Act,1944	Excise Duty	21.69	3.40	2010-11 and 2013-14	Assistant Commissioner
Central Excise Act,1944	Excise Duty	596.83	8.52	2009-10 to 2017-18	Customs, Excise and Service tax Appellate Tribunal
Finance Act,1994	Service Tax	960.13	36.00	2013-14 to 2017-18	Customs, Excise and Service tax Appellate Tribunal
Income Tax Act,1961	Income Tax	186.55	186.55	1979-80 to 1982-83	High Court
		89.91	16.77	2009-10 and 2014-15	ITAT
		5,977.14	1,469.04	2012-13 to 2018-19 , 2020-21 to 2022-23	CIT (Appeals)

Further, as per information available with the Company, the concerned authority is in appeal against favourable orders received by the Company in respect of the following matters:

Nature of Statute	Nature of Dues	Amount (In Rs. Lakhs)	FY to which it relates	Forum where dispute is pending
Central Excise Act,1944	Excise Duty	13,867.30	2002-03 to 2007-08	Customs, Excise and Service Tax Appellate Tribunal
CGST Act 2017	GST	5.1	2020-21	Assistant Commissioner
Income Tax Act,1961	Income Tax	209.36	1969,1974 to 1977; 1991-92 and 1992-93	High Court

There are no dues of custom duty and cess which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 50 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 34 to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 34 to the financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN: 25502405BMLBTP4528

Place of Signature: New Delhi
Date: 15th May, 2025

Annexure 2 referred to in paragraph 2(g) under the heading "Report on other legal and regulatory requirements" of our report of even date on the standalone Ind AS financial statements of Godfrey Phillips India Limited

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

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Godfrey Phillips India Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN: 25502405BMLBTP4528

Place of Signature: New Delhi

Date: 15th May, 2025

GODFREY PHILLIPS
INDIA LIMITED

STANDALONE BALANCE SHEET
as at March 31, 2025

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

Particulars	Note No.	As at 31.3.2025	As at 31.3.2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	**51803.78**	55856.38
Capital work-in-progress	6	**2122.86**	953.92
Investment properties	7	**3855.11**	3255.82
Right of use assets	43	**12354.40**	24591.68
Intangible assets	8	**1197.27**	1626.54
Intangible assets under development	8	**15.07**	6.40
Financial assets			
- Investments	9	**221009.05**	242528.14
- Loans	10	**3405.56**	607.17
- Other financial assets	15	**518.83**	1318.86
Non current tax assets (Net)	24	**2319.06**	3365.40
Other non-current assets	16	**13212.88**	2612.96
Total non-current assets		**311813.87**	336723.27
Current assets			
Inventories	12	**193164.54**	137560.82
Financial assets			
- Investments	9	**17892.88**	15716.24
- Trade receivables	13	**51634.94**	17286.65
- Cash and cash equivalents	14	**283.69**	940.74
- Other bank balances	14	**1368.47**	1229.31
- Loans	10	**513.24**	6461.83
- Other financial assets	15	**2458.66**	1655.42
Other current assets	16	**21637.30**	16976.93
Total current assets		**288953.72**	197827.94
Assets associated with discontinued operation	49	**685.59**	-
Total assets		**601453.18**	534551.21
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**1039.88**	1039.88
Other equity	18	**439871.23**	383078.07
Total equity		**440911.11**	384117.95
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	19	**12033.43**	25767.08
- Other financial liabilities	20	**107.10**	186.87
Employee benefits obligations	21	**2113.19**	2185.30
Deferred tax liabilities (Net)	11	**2309.09**	977.72
Total non-current liabilities		**16562.81**	29116.97
Current liabilities			
Financial liabilities			
- Borrowings	22	**2922.45**	4395.81
- Lease liabilities	19	**2792.79**	4241.22
- Trade payables	23		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises		**2355.90**	2190.30
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		**48690.84**	38223.42
- Other financial liabilities	20	**11382.37**	8849.91
Other current liabilities	25	**73699.01**	61270.69
Employee benefits obligations	21	**609.49**	1642.03
Income tax liabilities (Net)	24	**446.94**	502.91
Total current liabilities		**142899.79**	121316.29
Total liabilities		**159462.60**	150433.26
Liabilities associated with discontinued operation	49	**1079.47**	-
Total equity and liabilities		**601453.18**	534551.21
Notes forming part of the financial statements	1-54		

As per our report of even date

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

SUBRAMANIAN LAKSHMINARAYANAN
(DIN 02808698)

AVTAR SINGH MONGA
(DIN 00418477)

Directors

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2025

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

GODFREY PHILLIPS INDIA LIMITED

	Particulars	Note No.	Year ended 31.3.2025	Year ended 31.3.2024
	Continuing operations			
I	Revenue from operations	26	**675848.66**	487340.31
II	Other income	27	**41393.94**	38572.70
III	Total income (I+II)		**717242.60**	**525913.01**
IV	**Expenses**			
	Cost of materials consumed	28	**151144.23**	108345.12
	Purchases of stock-in-trade	29	**184222.04**	109055.38
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	**(10095.17)**	(987.03)
	Excise duty		**115647.41**	88503.03
	Employee benefits expenses	31	**39010.62**	28981.01
	Finance costs	32	**1216.13**	1338.92
	Depreciation, impairment and amortisation expenses	6	**11970.13**	10516.83
	Other expenses	33	**79921.69**	65839.90
	Total expenses		**573037.08**	411593.16
V	**Profit before tax from continuing operations (III-IV)**		**144205.52**	114319.85
VI	**Tax expense:**	11		
	- Current tax		**30673.51**	21126.88
	- Deferred tax charge/(credit)		**1153.88**	870.65
			31827.39	21997.53
VII	**Profit for the year from continuing operations (V-VI)**		**112378.13**	92322.32
	Discontinued operation	49		
	(i) Loss before tax from discontinued operation		**(10767.79)**	(5663.28)
	(ii) Tax benefit from discontinued operation		**2710.03**	1425.33
VIII	**Loss for the year from discontinued operation (i-ii)**		**(8057.76)**	(4237.95)
IX	**Profit for the year (VII+VIII)**		**104320.37**	88084.37
X	**Other comprehensive income**			
	Items that will not to be reclassified to profit or loss in subsequent periods			
	(a) Gain/(Loss) on remeasurements of the defined benefit/contribution plans	42	**113.84**	(512.39)
	(ii) Tax relating to items that will not be reclassified to profit or loss	11	**(28.65)**	128.96
	Total other comprehensive income, net of tax (a+b)		**85.19**	(383.43)
IX	**Total comprehensive income for the year (IX+X)**		**104405.56**	87700.94
	Basic and Diluted Earnings per share for continuing operations in Rs. (Face value of share - Rs. 2 each)	35	**216.14**	177.56
	Basic and Diluted Earnings per share for discontinued operation in Rs. (Face value of share - Rs. 2 each)	35	**(15.50)**	(8.15)
	Basic and Diluted Earnings per share for continuing operations and discontinued operation in Rs. (Face value of share - Rs. 2 each)	35	**200.64**	169.41
	Notes forming part of the financial statements	1-54		

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

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

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

Directors:
ATUL KUMAR GUPTA (DIN 01734070)
NIRMALA BAGRI (DIN 01081867)
SUMANT BHARADWAJ (DIN 08970744)
SUBRAMANIAN LAKSHMINARAYANAN (DIN 02808698)
AVTAR SINGH MONGA (DIN 00418477)

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2025

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

(a) Equity share capital (Note 17)

Equity Shares of Rs.2 each issued, subscribed and fully paid	Amount
Balance at April 1, 2023	**1039.88**
Changes in equity share capital during the year	-
Balance at March 31, 2024	**1039.88**
Changes in equity share capital during the year	-
Balance at March 31, 2025	**1039.88**

(b) Other equity (Note 18)

	Reserves and surplus			Other Reserve	
	General reserves	Capital redemption reserve	Retained earnings	Employee share based payment reserve	Total
Balance at April 1, 2023	**37430.72**	**30.00**	**280338.97**	-	**317799.69**
Profit for the year	-	-	88084.37	-	88084.37
Other comprehensive income for the year, net of income-tax	-	-	(383.43)	-	(383.43)
Total comprehensive income	**-**	**-**	**87700.94**	**-**	**87700.94**
Payment of dividends (Rs.44 per equity share)	-	-	(22877.32)	-	(22877.32)
Recognition of employee share based payment expense	-	-	-	454.76	454.76
Balance at March 31, 2024	**37430.72**	**30.00**	**345162.59**	**454.76**	**383078.07**
Profit for the year	-	-	104320.37	-	104320.37
Other comprehensive income for the year, net of income-tax	-	-	85.19	-	85.19
Total comprehensive income	**-**	**-**	**104405.56**	**-**	**104405.56**
Payment of dividends (Rs. 56 per equity share)	-	-	(29116.60)	-	(29116.60)
Payment of Interim dividend (Rs.35 per equity share)	-	-	(18137.85)	-	(18137.85)
Recognition of employee share based payment expense (Refer Note No.48)	-	-	-	401.83	401.83
Exercise of shares under ESPS 2023	-	-	(305.02)	(454.76)	(759.78)
Balance at March 31, 2025	**37430.72**	**30.00**	**402008.68**	**401.83**	**439871.23**

Notes forming part of the financial statements 1-54

As per our report of even date

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

SUBRAMANIAN LAKSHMINARAYANAN
(DIN 02808698)

AVTAR SINGH MONGA
(DIN 00418477)

Directors

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2025

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

GODFREY PHILLIPS INDIA LIMITED

Particulars	For the year ended 31.3.2025	For the year ended 31.3.2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	**144205.52**	114319.85
Loss before tax from discontinued operation	**(10767.79)**	(5663.28)
Profit before tax from continuing operations and discontinued operation	**133437.73**	108656.57
Adjustments to reconcile profit before tax to net cash flows		
Depreciation, impairment and amortisation expenses	**14844.16**	14267.69
Interest income from:		
- Debts, deposits, loans and advances, etc.	**(554.12)**	(531.50)
- Non-current investments	**(993.49)**	(562.19)
Dividend income	**(19408.50)**	(17664.09)
Net gain on sale/redemption/fair value of long term investments	**(14692.65)**	(15434.52)
Net gain on sale/redemption/fair value of short term investments	**(1837.53)**	(2511.17)
Interest expenses		
- On borrowings	**43.83**	18.76
- On lease liabilities	**1512.52**	2384.82
- Others	**62.09**	149.76
Bad debts and advances written off	**219.85**	23.32
Liabilities and provisions no longer required, written back	**(144.93)**	(159.86)
Provision for doubtful debts and advances (net)	**25.27**	(4.43)
Property, plant and equipment and intangible assets written off	**1754.05**	82.07
Loss/(Gain) on sale of property, plant and equipment (net)	**544.01**	(39.10)
Gain on termination/concession in leases	**(3263.09)**	(289.55)
Employee share based payment expense	**401.83**	454.76
	(21486.70)	(19815.23)
Operating profit before working capital changes	**111951.03**	88841.34
Working Capitals Adjustments:		
Increase in Trade receivables, loans, other financial assets and other assets	**(43628.99)**	(6568.78)
Increase in Inventories	**(55603.72)**	(51962.71)
Increase in Trade payables, other financial liabilities, other liabilities and provisions	**25475.44**	16054.00
	(73757.27)	(42477.49)
Cash generated from operating activities	**38193.76**	46363.85
Income taxes paid (net of refund)	**(26723.79)**	(19373.91)
Net cash generated from operating activities	**11469.97**	26989.93
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work in progress, investment properties, intangible assets and intangible assets under development	**(16113.25)**	(9257.40)
Proceeds from sale of property, plant and equipment, capital work in progress, investment properties, intangible assets and intangible assets under development	**718.63**	187.95
Loan to subsidiary company (Refer Note No.46)	**(1000.00)**	-
Purchase of other current and non-current investments	**(760000.43)**	(703654.41)
Investment made in subsidiary company	**(10.00)**	-
Proceeds from sale/redemption of other current and non-current investments	**795883.06**	699714.56
Proceeds from subsidiary company liquidated	**-**	35.50
Dividend received	**19408.50**	17664.09
Interest received	**1539.31**	530.56
Short term fixed deposits (made)/released (net)	**(171.67)**	752.78
Net cash generated from investing activities	**40254.15**	5973.63
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	**(1618.52)**	(2816.55)
Dividend paid	**(47044.75)**	(22842.18)
Payment of lease liabilities	**(3336.40)**	(3975.61)
Payment to Godfrey Phillips ESPS Trust for purchase of treasury shares	**-**	(6640.01)
Refund from Godfrey Phillips ESPS Trust (net) (Refer Note No. 46)	**1059.35**	2079.05
Net cash used in financing activities	**(50940.32)**	(34195.30)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)	**783.80**	(1231.73)
Cash and cash equivalents at the beginning of the year	**(2577.50)**	(1345.77)
Cash and cash equivalents at the end of the year (Refer Note 1 below)	**(1793.70)**	(2577.50)

Note 1:

For the purpose of statement of cash flows, cash and cash equivalents comprises the following:

	As at 31.3.2025	As at 31.3.2024
Cash and cash equivalents (Refer Note No.14)	**283.69**	940.74
Earmarked Corporate Social Responsibility Unspent A/c (Refer Note No.14)*	**-**	242.21
Earmarked unpaid dividend accounts** (Refer Note No.14)	**845.06**	635.36
Overdraft	**(2922.45)**	(4395.81)
Total	**(1793.70)**	(2577.50)

*Earmarked corporate social responsibility unspent account are restricted in use as it relates to unspent amount.

**Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.

Note 2:

The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 on Cash Flow Statements.

Notes forming part of the financial statements 1-54

As per our report of even date

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

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Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
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SUBRAMANIAN LAKSHMINARAYANAN
(DIN 02808698)

AVTAR SINGH MONGA
(DIN 00418477)

Directors

1. Corporate information

Godfrey Phillips India Limited ('the Company') is a public limited company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange. The Company is engaged in manufacturing of cigarettes and tobacco products and trading of cigarettes, tobacco products and other retail products.

The address of its registered office is 'Macropolo Building', Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai - 400033 and the address of its corporate office is Omaxe Square, Plot No.14, Jasola District Centre, Jasola, New Delhi - 110025. The standalone financial statements were approved for issue by the Board of Directors on May 15, 2025.

2. Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (as amended) herein after referred to as "the Act" read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III of the Act, as amended from time to time and Ind AS compliant Schedule III as applicable to these standalone financial statements.

3. Basis of preparation and presentation

3.1. Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments and employee share based payments that are measured at fair values at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The financial statements are presented in rupees lakhs except when otherwise indicated.

3.2. Use of estimates

The preparation of these standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent assets and contingent liabilities.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised and future periods affected.

4. Material accounting policies information

4.1.1. Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Revenue excludes amounts collected on behalf of third parties.

Sale of Products

The Company earns revenue from domestic and export of goods (both manufactured and traded). In domestic sales, the Company sells products to wholesaler dealers, modern trade retailers and to retail customers.

Revenue from sale of products is recognised at a point in time when control of the goods is transferred to the customer. Following delivery/loading for shipment, as the case maybe, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. Payment is generally due within 0-180 days as per credit terms with the customers. The Company considers the effects of variable consideration, if any, the existence of significant financing components and consideration payable to the customer (if any).

For sale of retail goods, revenue is recognised when control of the goods is transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled to in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs.

-Rebates and discounts

The Company accounts for cash discounts, volume discounts, redemption schemes and pricing incentives to customers or end users as a reduction of revenue based on the rateable allocation of the discounts/ incentives to the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably.

(ii) Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments.

Contract liabilities

Contract liabilities (termed as Advance from customers in the financial statements) represents the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs its obligations under the contract.

Cost to obtain a contract

The Company pays sales commission to its selling agents for contracts that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

4.1.2. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4.1.3. Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

4.2. Leases

Company as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

4.2.1. Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss.

4.2.2. Finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

4.2.3 Company as a lessee

At the date of commencement of the lease, the Company recognises a right-of-use-asset ("ROU") and a corresponding lease liability for all the lease arrangements in which it is a lessee, except for the leases with a term of 12 months or less (short term leases) and the leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on accrual basis.

i) Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).The ROU assets are initially recognised at cost, which comprise of the initial amount of the lease liability adjusted for any payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentive. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The ROU asset are depreciated on a straight line basis over the shorter of the lease term (Refer Note 43) and the estimated useful life of the underlying asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 4.9. Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

ROU assets and Lease liabilities have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

4.3. Foreign currencies

4.3.1. Functional and presentational currency

The Company's standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

4.3.2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

4.4. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

4.4.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated in accordance with the Income-tax Act, 1961, using tax rates that have been enacted or substantially enacted by the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company then reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

4.4.2. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

1. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

2. In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits can be utilised, except:

1. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

2. In respect of deductible temporary differences associated with investments in subsidiaries and associates deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

4.4.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.5. Employee benefits

4.5.1. Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

4.5.2. Long term employee benefits

Long term employee benefits include compensated absences. The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

As per the policies of the Company, there are restrictions on the number of leaves an employee can avail or encash during the year. Leaves where either the employee has unconditional right to utilise the same or encash or the management intends to allow the employees to utilise them in the next twelve months are categorised as current and the balance as non-current.

4.5.3. Defined contribution plan

The contributions to these schemes are charged to the statement of profit and loss of the year in which contribution to such schemes becomes due on the basis of services rendered by the employees. The Company has no further obligation in respect of such plans except for the contributions due from them.

4.5.4. Defined benefit plan

Present value of obligation is provided on the basis of an actuarial valuation made at the end of each financial year as per projected unit credit method. Current and past service costs and interest expense/income are recognised as employee costs. For all defined benefit plans the difference between the present value of obligations and the fair value of plan assets is represented in the balance sheet as a liability or an asset. However the assets are restricted to the present value of the economic benefits available to the Company.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

4.5.5. Termination benefits

Termination benefit is recognised as an expense at earlier of when the Company can no longer withdraw the offer of termination benefit and when the expense is incurred.

4.6. Property, plant and equipment

4.6.1. Recognition and measurement

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any recognised impairment losses, and include interest on loans attributable to the acquisition of qualifying assets upto the date they are ready for their intended use. Freehold land is measured at cost and is not depreciated.

4.6.2. Capital work in progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

4.6.3. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible property, plant and equipment (other than freehold land and properties under construction) is recognised on straight-line method, taking into account their nature, their estimated usage, their operating conditions, past history of their replacement and maintenance support etc.

Estimated useful lives of the assets based on technical estimates are as under:

Buildings	30 - 60 years
Leased office buildings, warehouses and stores	2 - 18 years
Plant and machinery	15 years
Electrical installation and equipments	10 years
Computers and information technology equipments	3 - 6 years
Furniture, fixtures and office equipments including store equipments	5 -10 years
Motor vehicles	3 -8 years
Leasehold land	45 - 99 years

Leasehold building improvements and Plant & Machinery (Retail Segment) are depreciated on a straight line basis over the period of lease (5 to 18 years) or, if shorter, their useful economic life.

The useful life estimated above are less than or equal to those indicated in Schedule II of the Companies Act, 2013.

Freehold land is not amortised.

The ROU assets are depreciated on a straight line basis over the shorter of the lease term (Refer Note 43) and the estimated useful life of the underlying asset (Refer Note No. 4.2.3).

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

The useful lives of plant and machinery stated above is based on single shift working. Except for assets in respect of which no extra shift depreciation is permitted, if an item of plant and machinery is used any time during the year on double shift, the rate of depreciation shall be increased by 50% for that period and in case of triple shift the rate shall be increased by 100%.

4.7. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

No depreciation is charged in case of freehold land being designated as an investment property.

The Company based on technical assessment made by it, depreciates building component of investment property on a straight line basis over a period of 30 to 60 years from the date of original purchase.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

4.8. Intangible assets

4.8.1. Recognition and measurement of intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

4.8.2. Derecognition of intangible asset

An intangible asset is derecognised on disposal, or when no future economics benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4.8.3. Amortisation method and useful life

Intangible assets are amortised on straight line method over their estimated useful life as follows:

Computer software – 5 years

4.9. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

4.10. Inventories

Inventories are stated at lower of cost and net realisable value. The cost of raw materials, stores and spares and stock in trade is determined on moving weighted average cost basis. The cost of finished goods and work-in-process is determined on standard absorption cost basis which approximates actual costs. Absorption cost comprises raw materials cost, direct wages, appropriate share of production overheads and applicable excise duty paid/payable thereon.

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

4.11. Provisions and contingencies

4.11.1. Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of time value is material, the amount is determined by discounting the expected future cash flows.

4.11.2. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.

4.12. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.12.1. Financial assets

4.12.1.1.Initial recognition and measurement

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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

4.12.1.2.Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company classifies its financial assets in the following measurement categories:

► those measured at amortized cost,

► those to be measured subsequently at fair value, either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL)

Financial assets at amortised cost:

A financial assets is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at FVTOCI:

A financial asset is classified as at the FVTOCI if both of the following criteria are met unless the asset is designated at fair value through profit or loss under fair value option.

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset, and

(b) The asset's contractual cash flows represent SPPI.

Financial assets at FVTPL:

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

4.12.1.3. Equity investment in subsidiaries and associates

Investments representing equity interest in subsidiaries and associates are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

4.12.1.4. Derecognition

A financial asset (or where applicable, a part of financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the companies Balance Sheet) when:

► The rights to receive cash flows from the asset have expired, or

► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

4.12.1.5. Impairment of financial assets

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

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

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company believes that, considering their nature of business and past history, the expected credit loss in relation to its trade receivables and other financial assets is non-existent or grossly immaterial. Thus, the Company has not recognised any provision for expected credit loss. The Company reviews this policy annually, if required.

4.12.2. Financial liabilities

4.12.2.1. Initial recognition and measurement

"Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include lease liabilities, trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts."

4.12.2.2. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Financial liabilities at amortised cost:

After initial recognition, interest-bearing loans and borrowings, lease liabilities, trade and other payables are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

Financial guarantee contracts

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

4.12.2.3. Derecognition

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

4.13. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.14. Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and at banks, short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, Cash & Cash Equivalents consists of Cash and Short term deposits as defined above net of outstanding bank overdraft as they are considered an integral part of the company's cash management and balance in unclaimed dividend accounts and corporate social responsibility unspent account.

4.15. Earnings per share (EPS)

Basic earnings per share has been computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share has been computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4.16. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ► Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ► Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable."
- ► Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable."

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

4.17. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- ► Expected to be realised or intended to be sold or consumed in normal operating cycle
- ► Held primarily for the purpose of trading
- ► Expected to be realised within twelve months after the reporting period, or
- ► Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ► It is expected to be settled in normal operating cycle
- ► It is held primarily for the purpose of trading
- ► It is due to be settled within twelve months after the reporting period, or
- ► There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

4.18. Dividend distribution to equity holders of the company

The Company recognises a liability to make cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.19. Employee share based payment

Equity settled share based payments to employees under Godfrey Phillips Employee Share Purchase Schemes are measured at fair value of the equity instruments on the date of grant of shares. The fair value is determined with an assistance of an external valuer and is expensed in the statement of profit and loss based on the vesting conditions.

4.20. Discontinued Operation

Discontinued operation is a component of the Company that has been disposed of and represents a major line of business.

Discontinued operation is excluded from the results of continuing operations and presented separately as profit or loss from discontinued operation, tax expense/ (benefit) of discontinued operation and profit or loss after tax from discontinued operation, in the statement of profit and loss.

Additional disclosures are provided in Note No. 49. All other notes to the standalone financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

4.21. Changes in presentation and disclosure

The Company has revised the presentation of employee related liabilities, primarily comprising of accrued salaries, wages and bonuses to other financial liabilities instead of the hitherto followed practice of including the same under trade payables as it believes that the same would lead to a better presentation of financial statements. Accordingly, a sum of Rs.7023.29 lakhs as at 31 March 2024 has been reclassified to other financial liabilities from trade payables. Since this change relates to only presentation and disclosure under the same sub heading, hence there is no impact either on the total equity and/or profit and loss for the current year or any earlier period or on the statement of cash flows. The management does not believe that this change has any material impact on the balance sheet at the beginning of the comparative period and hence there is no need for a separate presentation of an additional balance sheet.

4.22. Standards issued but not yet effective

There are no standards that are notified and yet not effective as on March 31, 2025.

5. Significant accounting judgements, estimates and assumptions

The preparation of the standalone financial statements requires management of the Company to make judgements, estimates and assumptions that involves measurement uncertainty and effect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Judgements and estimates

In the process of applying the accounting policies, management has made the following judgements and estimates, which have the most significant effect on the amounts recognised in the standalone financial statements:

a) Fair value measurement of financial instruments and disclosures

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments, see Note No.44 for further disclosures. Where fund houses have declared net assets value (NAV) and are obliged to buy back the investments at the declared NAV and the same are disclosed as a quoted investments. See Note No.9

b) Provisions and contingent liabilities

The Company has ongoing litigations with various regulatory authorities and others. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the standalone financial statements. Liability for interest, if any, on the amount of entry tax provided in the books but not paid as per stay ordered by the appellate authorities/courts is considered as remote.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. Management uses in-house and external professionals to make informed decision. These are set out in Note no. 37.

(All amounts are in Rs. lakhs unless otherwise stated)

6. Property, plant and equipment and capital work in progress

	As at 31.3.2025	As at 31.3.2024
Carrying amount of:		
Property, plant and equipment	**51803.78**	55856.38
Capital work-in-progress	**2122.86**	953.92

Property, plant and equipments and capital work in progress	Freehold land**	Buildings */**	Leasehold building improvements	Plant and machinery	Electrical installation and equipments	Computers and information technology equipments	Furniture, fixtures and office equipments	Motor vehicles	Capital work-in-progress	Total
Cost										
Balance at April 1, 2023	**959.11**	**20247.81**	**8665.66**	**79667.62**	**968.99**	**2185.58**	**7212.17**	**3261.34**	**2113.48**	**125281.76**
Additions	-	147.65	203.97	4477.51	64.84	298.61	1770.45	546.02	5165.76	**12674.81**
Capitalised	-	-	-	-	-	-	-	-	(6325.33)	**(6325.33)**
Disposals	-	-	(310.59)	(1488.78)	(1.64)	(173.44)	(16.26)	(291.55)	-	**(2282.26)**
Balance at March 31, 2024	**959.11**	**20395.46**	**8559.04**	**82656.35**	**1032.19**	**2310.75**	**8966.36**	**3515.81**	**953.91**	**129348.98**
Additions	-	156.29	14.40	9124.66	17.09	265.42	315.84	204.67	10041.47	**20139.84**
Capitalised	-	-	-	-	-	-	-	-	(8780.94)	**(8780.94)**
Reclassification#	-	(1074.27)	-	-	-	-	-	-	-	**(1074.27)**
Disposals	-	-	(3425.81)	(3833.66)	(136.86)	(392.28)	(1443.96)	(70.37)	-	**(9302.94)**
Discontinued operations (Refer Note No. 49)	-	(15.79)	(1705.03)	(887.48)	(506.29)	(653.26)	(378.00)	(34.94)	(91.58)	**(4272.37)**
Balance at March 31, 2025	**959.11**	**19461.69**	**3442.60**	**87059.87**	**406.13**	**1530.63**	**7460.24**	**3615.17**	**2122.86**	**126058.30**
Accumulated depreciation										
Balance at April 1, 2023	**-**	**5385.00**	**4242.27**	**49746.07**	**472.65**	**1365.96**	**3258.29**	**1401.32**	**-**	**65871.56**
Depreciation expense	-	623.14	727.45	5658.41	78.04	295.11	973.95	369.62	-	**8725.72**
Eliminated on disposals of assets	-	-	(251.80)	(1400.64)	(0.21)	(159.20)	(14.46)	(232.28)	-	**(2058.59)**
Balance at March 31, 2024	**-**	**6008.14**	**4717.92**	**54003.84**	**550.48**	**1501.87**	**4217.78**	**1538.66**	**-**	**72538.69**
Depreciation expense	-	622.98	412.44	5398.92	39.07	266.65	1080.53	361.95	-	**8182.54**
Reclassification#	-	(406.87)	-	-	-	-	-	-	-	**(406.87)**
Impairment**	79.08	903.66	-	-	-	-	-	-	-	**982.74**
Eliminated on disposals of assets	-	-	(1976.70)	(3045.18)	(63.67)	(339.20)	(842.45)	(39.11)	-	**(6306.31)**
Discontinued operations (Refer Note No. 49)	-	(5.13)	(1327.85)	(573.02)	(236.66)	(518.49)	(166.14)	(31.84)	-	**(2859.13)**
Balance at March 31, 2025	**79.08**	**7122.78**	**1825.81**	**55784.56**	**289.22**	**910.83**	**4289.72**	**1829.66**	**-**	**72131.66**
Net book value										
Balance at March 31, 2025	**880.03**	**12338.91**	**1616.79**	**31275.31**	**116.91**	**619.80**	**3170.52**	**1785.51**	**2122.86**	**53926.64**
Balance at March 31, 2024	959.11	14387.32	3841.12	28652.51	481.71	808.88	4748.58	1977.15	953.91	**56810.29**

Notes:

On transition to IndAS (i.e April 01, 2015) , the Company has elected to continue with the carrying value of all property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

* Includes Rs. 0.02 lakhs (Previous year Rs. 0.02 lakhs) being the cost of shares in co-operative societies.

**1. Includes freehold land of Rs. 79.08 lakhs (Previous year Rs.79.08 lakhs) situated in village Sahurpur, Mehrauli, New Delhi and buildings constructed on the said land having an aggregate net book value of Rs. 903.66 lakhs (previous year Rs. 900.68 lakhs, including capital work-in-progress of Rs.135.23 lakhs). The said land was purchased by the Company in the year 1991. The Hon'ble Supreme Court on May 6, 2022, in response to an appeal filed by the Delhi Development Authority (DDA), held that the above referred land was acquired by the Delhi Administration under the proceedings initiated in November 1980 under the Land Acquisition Act, 1894 and had directed the DDA to pay a sum of Rs. 16.62 lakhs to the Company, which sum the Company is yet to receive. The Company had provided the said property to Mr. Samir Kumaar Modi as rent-free accommodation in the year 2004 in accordance with the terms of his appointment and considered the requisite perquisite value under Income-tax laws as part of his remuneration until he ceased to be a director and officer of the Company w.e.f close of business on September 6, 2024. However, Mr. Modi has retained possession of the said property and has approached the Hon'ble High Court of Delhi alleging that the Company has taken coercive steps to dispossess him from the said property and the matter is sub-judice at present.

In light of the aforesaid judgment of the Hon'ble Supreme Court and the fact that possession of the said property is no longer with the Company, the Company has, in these financial statements, recorded an impairment in the carrying value of the said land and buildings constructed thereupon, aggregating to Rs. 982.74 lakhs.

2. The Company had provided an office space situated at one of its properties situated at 4, Community Centre, New Friends Colony, New Delhi to Mr. Samir Kumaar Modi in his capacity as an Executive Director of the Company to carry out his official duties as a director of the Company. Even though Mr. Samir Kumaar Modi has ceased to be a director of the Company w.e.f close of business on September 6, 2024, he has not vacated the said office space and continues to be in possession of the same. The Company has since sent a legal notice to Mr. Modi seeking peaceful handover of the said office space following which Mr. Modi has approached the Hon'ble High Court of Delhi and Ld. Saket District Court for seeking relief. The said matter is sub-judice at present and includes, inter alia, the issue raised that Mr. Samir Modi has violated his statutory obligation by failing to vacate the said office space and is liable for all consequences under the law including payment of rent and penalties. The Company believes that no adjustment is required to be carried out in the carrying value of the said office in these financial statements.

Office building located in Delhi reclassified to Investment property based on future expected use as per IndAS 40, Investment Property.

For lien or charge against property, plant and equipment, refer Note No. 22.

Depreciation, amortisation and impairment expenses

a) Depreciation and amortisation expenses		**Continuing Operations**		**Discontinued Operation**		**Total**	
	Note no.	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024
Property, plant and equipment	**6**	**7891.32**	7854.91	**291.22**	870.81	**8182.54**	8725.72
Investment properties	**7**	**68.11**	68.14	**-**	-	**68.11**	68.14
Intangible assets	**8**	**438.90**	413.56	**16.22**	80.52	**455.12**	494.08
Right of use assets	**43**	**2589.06**	2180.22	**1107.25**	2799.53	**3696.31**	4979.75
Total		**10987.39**	10516.83	**1414.69**	3750.86	**12402.08**	14267.69
b) Impairment expenses							
Property, plant and equipment and capital work-in-progress		**982.74**	-	**1393.32**	-	**2376.06**	-
Intangible assets		**-**	-	**66.02**	-	**66.02**	-
Total		**11970.13**	10516.83	**2874.03**	3750.86	**14844.16**	14267.69

Capital work-in-progress (CWIP) ageing schedule

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	869.59	78.46	5.87	-	953.92
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2024	**869.59**	**78.46**	**5.87**	**-**	**953.92**
Projects in progress	1951.10	89.67	76.22	5.87	2122.86
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2025	**1951.10**	**89.67**	**76.22**	**5.87**	**2122.86**

Note: There is no project whose completion is overdue or which has materially exceeded the budgeted costs.

(All amounts are in Rs. lakhs unless otherwise stated)

7. Investment Property

Cost	Freehold Land	Building	Total
Balance as at April 1, 2023	**1.60**	**3696.95**	**3698.55**
Disposals/ write off	-	(10.97)	(10.97)
Balance as at March 31, 2024	**1.60**	**3685.98**	**3687.58**
Reclassification (Refer Note No. 6)	**-**	1074.27	1074.27
Balance at March 31, 2025	**1.60**	**4760.25**	**4761.85**
Accumulated depreciation and impairment			
Balance as at April 1, 2023	-	**367.35**	**367.35**
Depreciation expense	-	68.14	68.14
Disposals/ write off	-	(3.73)	(3.73)
Balance as at March 31, 2024	-	**431.76**	**431.76**
Depreciation expense	-	68.11	68.11
Reclassification (Refer Note No. 6)	-	406.87	406.87
Balance at March 31, 2025	**-**	**906.74**	**906.74**
Carrying amount			
Balance at March 31, 2025	**1.60**	**3853.51**	**3855.11**
Balance as at March 31, 2024	1.60	3254.22	3255.82

Information regarding income and expenditure of investment properties

The Company's investment properties comprise of certain land and buildings presently held by the Company for an undetermined purpose and these are located in Mumbai, Maharashtra, New Delhi and Bazpur, Uttarakhand.

	Year ended 31.3.2025	Year ended 31.3.2024
Rental income derived from investment properties	**-**	-
Direct operating expenses (including repairs and maintenance) arising from investment properties that generate rental income	**-**	-
Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income	**148.35**	176.68
Loss arising from investment properties before depreciation and indirect expenses	**(148.35)**	(176.68)
Depreciation expense	**(68.11)**	(68.14)
Loss arising from investment properties before indirect expenses	**(216.46)**	(244.82)

Fair valuation of the properties

The following table provides an analysis of investment properties and their fair values:

Fair Valuation of the properties	**Year ended 31.3.2025**	Year ended 31.3.2024
Located in Delhi	**2570.54**	-
Located in Maharashtra	**43187.91**	40502.65
Located in Uttarakhand	**1336.83**	1241.16
	47095.28	41743.81

The above values are based on valuation performed by an accredited independent valuer and the valuation has been carried out in accordance with the valuation model recommended by the International Valuation Standards Committee.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The Company has used Level 3 valuation technique to arrive at the fair values.

Description of valuation technique

	Valuation technique	**Significant unobservable inputs**	**Assumption used**	
			As on March 31, 2025	As on March 31, 2024
Located in Delhi				
Office Building	Market Value Method	Fair Market Value (Rs./Sq.Ft.)	**160000**	-
Located in Maharashtra				
Factory Land and Building (including Godown)	Market Value Method	Industrial rate for sales (Rs./ Sq. Ft.)	**16000 to 18000**	14000 to 16000
Residential Land and Building	Market Value Method	Residential rate for sales (Rs./Sq. Ft.)	**31000 to 76000**	29000 to 75000
Office Building	Market Value Method	Fair Market Value (Rs./Sq.Ft.)	**31000**	30000
Located in Uttarakhand				
Factory Land and Building (including Admin Block)	Market Value Method	Fair Market Value (Rs./Sq.Mt.)	**4000 to 7100**	3300 to 7700

Significant increases / (decreases) in the assumptions in isolation or with combined effect would accordingly result in significantly higher / (lower) fair value of the properties.

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
8. Intangible assets and Intangible assets under development		
Carrying amount of:		
Intangible assets	**1197.27**	1626.54
Intangible assets under development	**15.07**	6.40
	1212.34	1632.94

Intangible assets	**Computer Software**	**Intangible assets under development**	**Total**
Cost			
Balance at April 1, 2023	3407.37	-	3407.37
Additions	101.17	48.88	150.05
Capitalised	-	(42.48)	(42.48)
Disposals	(0.20)	-	(0.20)
Balance at March 31, 2024	**3508.34**	**6.40**	**3514.74**
Additions	91.94	100.22	192.16
Capitalised	-	(91.55)	(91.55)
Disposals	(5.04)	-	(5.04)
Discontinued Operation* (Refer Note No.49)	(558.36)	-	(558.36)
Balance at March 31, 2025	**3036.88**	15.07	3051.95
Accumulated amortisation			
Balance at April 1, 2023	**1387.91**	**-**	**1387.91**
Amortisation expense	494.08	-	494.08
Capitalised	(0.19)	-	(0.19)
Balance at March 31, 2024	**1881.80**	**-**	**1881.80**
Amortisation expense	455.12	-	455.12
Disposals	(4.97)	-	(4.97)
Discontinued Operation* (Refer Note No.49)	(492.34)	-	(492.34)
Balance at March 31, 2025	**1839.61**	**-**	**1839.61**
Net book value			
Balance at March 31, 2025	**1197.27**	**15.07**	**1212.34**
Balance at March 31, 2024	1626.54	6.40	1632.94

*Impairment of intangible assets attributable to discontinued operation Rs.66.02 lakhs (Refer Note No.49)

Intangible assets under development ageing schedule

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	**6.40**	-	-	-	**6.40**
Balance as at March 31, 2024	**6.40**	-	-	-	**6.40**
Projects in progress	**15.07**	-	-	-	**15.07**
Balance as at March 31, 2025	**15.07**	-	-	-	**15.07**

Note : There is no project whose completion is overdue or which has materially exceeded the budgeted costs.

9. Financial assets - Investments	**As at 31.3.2025**	As at 31.3.2024
Non-current		
Investment in equity instruments (carried at cost)		
- Subsidiary Companies (Refer Note No. 9.1)	**10334.00**	10324.00
- Associate Companies (Refer Note No. 9.2)	**606.25**	606.25
Contribution in Godfrey Phillips ESPS Trust (Refer Note 48)	**0.10**	0.10
Investment in mutual funds	**202504.91**	219205.57
Investment-others	**7563.79**	12392.22
	221009.05	242528.14
Current		
Investment in mutual funds	**13082.87**	14001.46
Investment-others	**4810.01**	1714.78
	17892.88	15716.24
Aggregate value of unquoted investments non-current	**10940.35**	10930.35
Aggregate value of quoted investments non-current	**210068.70**	231597.79
Aggregate value of quoted investments current	**17892.88**	15716.24
Market value of quoted investments non-current	**210111.17**	231468.31
Market value of quoted investments current	**17801.17**	15716.24

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
Classification of investments as per Ind AS 109		
Investments carried at fair value through profit or loss (FVTPL)	**215684.26**	235036.71
Investments carried at amortised cost	**12277.32**	12277.32
	227961.58	247314.03
9.1 Investment in subsidiaries		
Break-up of investment in subsidiaries (carried at cost)		
Unquoted investment		
International Tobacco Company Limited		
3,00,000 Equity shares of Rs.100 each fully paid up	**3250.00**	3250.00
Chase Investments Limited		
2,01,210 Equity shares of Rs.100 each fully paid up	**360.26**	360.26
1,58,490 Equity shares of Rs.100 each Rs.50 paid up	**79.24**	79.24
Friendly Reality Projects Limited		
25,605 Equity shares of Rs. 100 each fully paid up	**6634.50**	6634.50
White Horse Realty Limited		
1,00,000 Equity shares of Rs. 10 each fully paid up	**10.00**	-
	10334.00	10324.00
9.2 Investment in associates		
Break-up of investment in associates (carrying amount at cost)		
Unquoted investment		
IPM India Wholesale Trading Private Limited		
49,60,000 Equity shares of Rs. 10 each fully paid up	**496.00**	496.00
KKM Management Centre Private Limited		
11,02,500 Equity shares of Rs.10 each fully paid up	**110.25**	110.25
	606.25	606.25
	10940.25	10930.25

10. Financial assets - Loans (carried at amortised cost) (unsecured considered good unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
Non-current		
Loans to related parties (Refer Note No.46)		
- Loan to Subsidiary	**1000.00**	-
Loans to employees		
- Loan to key managerial personnel (Refer Note No.46)	**629.90**	-
- Loan to other employees	**1775.66**	607.17
	3405.56	607.17
Current		
Loans to related parties (Refer Note No.46)		
- Loan to Godfrey Phillips ESPS trust	**-**	4560.96
Loans to employees		
- Loan to key managerial personnel (Refer Note No.46)	**129.00**	1353.30
- Loan to other employees	**384.24**	547.57
	513.24	6461.83
Total	**3918.80**	7069.00

(All amounts are in Rs. lakhs unless otherwise stated)

11. Income taxes	Year ended 31.3.2025	Year ended 31.3.2024
The major components of Income tax expenses are:		
Statement of profit and loss:		
Current income tax		
Continuing operations	**30673.51**	21126.88
Discontinued operation (Refer Note No. 49)	**(2887.52)**	(1328.54)
Deferred tax		
Continuing operations	**1153.88**	870.65
Discontinued operation (Refer Note No. 49)	**177.49**	(96.79)
Total income tax expense recognised in the statement of profit and loss	**29117.36**	20572.20
Statement of Other Comprehensive Income:		
Current income tax		
In respect of the current year	**28.65**	(128.96)
Income tax expense/(credit) to OCI	**28.65**	(128.96)
The income tax expense for the year can be reconciled to the accounting profit multiplied by corporate tax rate as follows:		
Profit before tax from continuing operations	**144205.52**	114319.85
Loss before tax from discontinued operation	**(10767.79)**	(5663.28)
Profit before tax from continuing operations and discontinued operation	**133437.73**	108656.57
Income tax expense calculated at corporate tax rate of 25.168%	**33583.61**	27346.69
Differential tax rate on long term capital gain on sale of investments and fair value (gain)/loss on investments*	**(963.03)**	(2669.11)
Effect of expenses that are not deductible in determining taxable profit	**1209.66**	329.31
Deduction under section 80M of Income Tax Act, 1961	**(4884.73)**	(4445.70)
Others	**171.85**	11.01
At the effective income tax rate of 21.82% (Previous year: 18.93%)	**29117.36**	20572.20

*Consequent to the enactment of Finance Act 2024 in the current year, indexation benefit has been withdrawn along with change in tax rate on long term capital gains on investments. Hence, one time deferred tax charge of Rs.2251.74 lakhs has been recognised in statement of profit and loss.

Deferred tax balances along with movement are as follows:

	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2025				
Deferred tax assets in relation to:				
Provisions for compensated absences	734.95	(49.71)	-	685.24
Accrued expenses deductible on payment basis	410.28	(68.20)	-	342.08
Other financial assets (Net)	164.40	(104.44)	-	59.96
Provision for doubtful debts and advances	79.01	6.36	-	85.37
Right of use asset (net on lease liabilities)	1471.62	(742.49)	-	729.13
Provision for employee benefits- Others (Refer Note No. 21)	228.30	(228.30)	-	-
	3088.56	**(1186.78)**	**-**	**1901.78**

(All amounts are in Rs. lakhs unless otherwise stated)

	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Income taxes (Continued)				
Deferred tax liabilities in relation to:				
Investment in mutual funds and market linked debentures fair valued through profit or loss	(3082.46)	(1224.22)	-	(4306.68)
Property, plant and equipments, intangible assets and investment properties	(983.82)	1079.63	-	95.81
	(4066.28)	**(144.59)**	**-**	**(4210.87)**
Net deferred tax liabilities	**(977.72)**	**(1331.37)**	**-**	**(2309.09)**
For the year ended March 31, 2024				
Deferred tax assets in relation to:				
Provisions for compensated absences	699.15	35.80	-	734.95
Accrued expenses deductible on payment basis	359.23	51.05	-	410.28
Other financial assets (Net)	184.80	(20.40)	-	164.40
Provision for doubtful debts and advances	80.12	(1.11)	-	79.01
Right of use asset (net of lease liabilities)	1303.34	168.28	-	1471.62
Provision for employee benefits - Others (Refer Note No. 21)	228.30	-	-	228.30
	2854.94	**233.62**	**-**	**3088.56**
Deferred tax liabilities in relation to:				
Investment in mutual funds and market linked debentures fair valued through profit or loss	(2034.40)	(1048.06)	-	(3082.46)
Property, plant and equipments, intangible assets and investment properties	(1024.40)	40.58	-	(983.82)
	(3058.80)	**(1007.48)**	**-**	**(4066.28)**
Net deferred tax liabilities	**(203.86)**	**(773.86)**	**-**	**(977.72)**

	As at 31.3.2025	As at 31.3.2024
12. Inventories		
(Lower of cost and net realisable value)		
Raw and packing materials	**164584.65**	116822.51
Work-in-process	**940.05**	600.87
Finished goods*		
Cigarettes	**14941.29**	10544.06
Stock-in-trade	**11433.07**	8537.83
Stores and spare parts (Net of provision of Rs.528.61 lakhs; previous year Rs. 491.13 lakhs)	**1265.48**	1055.55
	193164.54	137560.82
Inventories include in-transit inventory of:		
Raw and packing materials	**4297.48**	1546.25
Finished goods	**110.79**	-
Stock-in-trade	**5444.26**	2592.81
Stores and spare parts	**-**	19.56

Inventories of the Company have been pledged as security against borrowings (Refer Note No. 22)

* Includes excise duty of Rs. 6651.82 lakhs (Previous year Rs. 4642.01 lakhs)

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
13. Financial assets - Trade receivables (at amortised cost)		
Unsecured - considered good	**42442.40**	13059.23
Unsecured - considered good - receivable from Associate (Refer Note No.46)	**9192.54**	4227.42
Unsecured - doubtful	**188.42**	163.15
	51823.36	17449.80
Less: Impairment allowance	**188.42**	163.15
Total	**51634.94**	17286.65

The average credit period on sale of goods ranges upto 180 days. Generally no interest is charged on trade receivables.
The total trade receivable as at April 1,2023 were Rs. 14951.36 lakhs (net of impairment allowance).

Trade receivables ageing schedule

	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables - considered good	47592.56	4038.38	1.10	1.91	-	0.99	51634.94
(b) Undisputed trade receivables - doubtful	-	10.04	15.23	-	-	163.15	188.42
Balance as at 31 March, 2025	**47592.56**	**4048.42**	**16.33**	**1.91**	**-**	**164.14**	**51823.36**
(a) Undisputed trade receivables - considered good	15749.93	1503.84	11.04	16.43	5.41	-	17286.65
(b) Undisputed trade receivables - doubtful	-	-	-	-	-	163.15	163.15
Balance as at 31 March, 2024	**15749.93**	**1503.84**	**11.04**	**16.43**	**5.41**	**163.15**	**17449.80**

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

	As at 31.3.2025	As at 31.3.2024
14. Financial assets - Cash and bank balances		
Cash and cash equivalents		
Cash on hand	**7.97**	198.25
Balances with banks		
- In current accounts	**275.72**	742.49
	283.69	940.74
Other bank balances:		
In earmarked accounts for		
- Margin money*	**521.52**	349.85
- Unpaid dividend**	**845.06**	635.36
- Corporate Social Responsibility Unspent Account*** (Refer Note No. 34)	**-**	242.21
- Fixed deposit receipts lodged with government authorities	**1.89**	1.89
	1368.47	1229.31
Cash and bank balances	**1652.16**	2170.05

*The Company has given margin money to fulfill collateral requirements.
**Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividends.
***Earmarked Corporate Social Responsibility Unspent Account are restricted in use as it relates to unspent amount.

15. Other financial assets (at amortised cost) (unsecured considered good unless otherwise stated)	As at 31.3.2025	As at 31.3.2024
Non-current		
Security deposits	**518.83**	1318.86
	518.83	1318.86
Current		
Security deposits	**174.49**	108.17
Interest accrued on bank and other deposits	**451.79**	443.49
Other receivables (Refer Note No. 46)	**1832.38**	1103.76
	2458.66	1655.42

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2025	As at 31.3.2024
16.	**Other assets**		
	(unsecured considered good unless otherwise stated)		
	Non-current		
	Capital advances	**7232.29**	2513.93
	Prepaid expenses	**2558.96**	98.70
	Prepayment to suppliers	**3421.30**	-
	Others	**0.33**	0.33
		13212.88	2612.96
	Current		
	Balance with government authorities (net of impairment allowance of Rs. 150.73 lakhs; previous year Rs. 150.73 Lakhs)	**16957.81**	14190.57
	Prepaid expenses	**1384.24**	788.00
	Export incentives accrued/available	**17.35**	18.50
	Prepayment to suppliers	**2954.42**	1670.13
	Others (Also refer Note No. 46)	**323.48**	309.73
		21637.30	16976.93

		As at 31.3.2025	As at 31.3.2024
17.	**Equity share capital**		
	Authorised		
	60,000 preference shares of Rs. 100 each	**60.00**	60.00
	12,20,00,000 equity shares of Rs. 2 each	**2440.00**	2440.00
		2500.00	2500.00
	Issued, subscribed and fully paid up		
	5,19,93,920 equity shares of Rs. 2 each	**1039.88**	1039.88

(i) There has been no movement in the equity shares in the current and previous year.

(ii) The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the shareholders.

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

Name of the shareholder	As at 31.3.2025		As at 31.3.2024	
	Number of shares	**% holding**	Number of shares	% holding
a) K K Modi Investment & Financial Services Pvt. Ltd.	**15517916**	**29.85%**	15517916	29.85%
b) Philip Morris Global Brands Inc.	**13050475**	**25.10%**	13050475	25.10%
c) Good Investment (India) Ltd.	**4309220**	**8.29%**	4309220	8.29%
d) The Jupiter India Fund*	**-**	**-**	2858211	5.50%

*As on 31st March 2025 the Shareholding of Jupiter India Fund is less then 5% of the total Share Capital of the Company.

Note: As per records of the Company, the above shareholding represents legal ownership of shares.

(iv) Details of shares held by promoters

As at March 31, 2025

	Name of the promoter	Number of shares as at 01.4.2024	Change during the year	Number of shares as at 31.3.2025	% Holding	% Change during the year
a)	K K Modi Investment And Financial Services Pvt. Ltd.	15517916	-	**15517916**	**29.85%**	**0.00%**
b)	Philip Morris Global Brands Inc	13050475	-	**13050475**	**25.10%**	**0.00%**
c)	Good Investment (India) Ltd.	4309220	-	**4309220**	**8.29%**	**0.00%**
d)	Quick Investment (India) Ltd.	2235800	-	**2235800**	**4.30%**	**0.00%**
e)	Super Investment (India) Ltd	527260	-	**527260**	**1.01%**	**0.00%**
f)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Offices) Welfare Trust	386280	-	**386280**	**0.74%**	**0.00%**
g)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Welfare Trust	380000	-	**380000**	**0.73%**	**0.00%**
h)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Welfare Trust	308560	-	**308560**	**0.59%**	**0.00%**
i)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Factory) Welfare Trust	308560	-	**308560**	**0.59%**	**0.00%**
j)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Factory) Benefit Trust	141360	-	**141360**	**0.27%**	**0.00%**
k)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Benefit Trust	108220	-	**108220**	**0.21%**	**0.00%**
l)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Benefit Trust	100560	-	**100560**	**0.19%**	**0.00%**
m)	Longwell Investment Pvt Ltd	80000	-	**80000**	**0.15%**	**0.00%**
n)	Swasth Investment Pvt Ltd	80000	-	**80000**	**0.15%**	**0.00%**
o)	Motto Investment Pvt Ltd	34000	-	**34000**	**0.07%**	**0.00%**
p)	HMA Udyog Private Ltd	122228	-	**122228**	**0.24%**	**0.00%**
q)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Offices) Benefit Trust	22840	-	**22840**	**0.04%**	**0.00%**
r)	Divya Modi Tongya	11500	-	**11500**	**0.02%**	**0.00%**
s)	Ritika Nikhil Rungta	5440	-	**5440**	**0.01%**	**0.00%**
t)	Bina Modi	3000	-	**3000**	**0.01%**	**0.00%**
u)	Ruchir Kumar Lalit Modi	2000	-	**2000**	**0.00%**	**0.00%**
v)	Samir Kumaar Modi	2000	250	**2250**	**0.00%**	**12.50%**
w)	Charu Modi	10	-	**10**	**0.00%**	**0.00%**
	Total	**37737229**	**250**	**37737479**	**72.58%**	**0.00%**

(All amounts are in Rs. lakhs unless otherwise stated)

As at March 31, 2024

	Name of the promoter	Number of shares as at 01.4.2023	Change during the year	Number of shares as at 31.3.2024	% Holding	% Change during the year
a)	K K Modi Investment And Financial Services Pvt. Ltd.	15517916	-	15517916	29.85%	0.00%
b)	Philip Morris Global Brands Inc	13050475	-	13050475	25.10%	0.00%
c)	Good Investment (India) Ltd.	4309220	-	4309220	8.29%	0.00%
d)	Quick Investment (India) Ltd.	2235800	-	2235800	4.30%	0.00%
e)	Super Investment (India) Ltd	527260	-	527260	1.01%	0.00%
f)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Offices) Welfare Trust	386280	-	386280	0.74%	0.00%
g)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Welfare Trust	380000	-	380000	0.73%	0.00%
h)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Welfare Trust	308560	-	308560	0.59%	0.00%
i)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Factory) Welfare Trust	308560	-	308560	0.59%	0.00%
j)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Factory) Benefit Trust	141360	-	141360	0.27%	0.00%
k)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Benefit Trust	108220	-	108220	0.21%	0.00%
l)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Benefit Trust	100560	-	100560	0.19%	0.00%
m)	Longwell Investment Pvt Ltd	80000	-	80000	0.15%	0.00%
n)	Swasth Investment Pvt Ltd	80000	-	80000	0.15%	0.00%
o)	Motto Investment Pvt Ltd	79000	(45000)	34000	0.07%	-56.96%
p)	HMA Udyog Private Ltd	77228	45000	122228	0.24%	58.27%
q)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Offices) Benefit Trust	22840	-	22840	0.04%	0.00%
r)	Divya Modi Tongya	11500	-	11500	0.02%	0.00%
s)	Ritika Nikhil Rungta	5440	-	5440	0.01%	0.00%
t)	Bina Modi	3000	-	3000	0.01%	0.00%
u)	Ruchir Kumar Lalit Modi	2000	-	2000	0.00%	0.00%
v)	Samir Kumaar Modi	2000	-	2000	0.00%	0.00%
w)	Upasana Investment Pvt Ltd*	450	(450)	-	0.00%	-100.00%
x)	Charu Modi	10	-	10	0.00%	0.00%
	Total	**37737679**	**(450)**	**37737229**	**72.58%**	**0.00%**

*Upasana Investment Pvt Ltd disposed off its entire shareholding in open market.

(All amounts are in Rs. lakhs unless otherwise stated)

		As at 31.3.2025	As at 31.3.2024
18.	**Other equity**		
	Capital redemption reserve	**30.00**	30.00
	General reserve	**37430.72**	37430.72
	Retained earnings	**402008.68**	345162.59
	Employee shared based payment reserve (Refer Note No. 48)	**401.83**	454.76
		439871.23	383078.07

Capital redemption reserve:

This was created on redemption of preference shares in accordance with the requirements of the erstwhile Companies Act, 1956.

General reserve:

The general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income. No amount was transferred during the current and previous year.

Retained earnings:

Retained earnings is the amount that can be distributed by the Company as dividends to its equity shareholders subject to the requirements of the Companies Act, 2013. The amount reported above are not distributable in entirety.

In respect of the year ended March 31, 2025, the directors have in the board meeting held on May 15, 2025, proposed a dividend of Rs.60 per fully paid equity share. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements. The proposed equity dividend is payable to all the holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs.31196.35 lakhs.

Employee share based payment reserve:

Share based payment reserve is created to recognise on fair value, the expense of equity shares granted to eligible employees of the Company under Employee Share Purchase Scheme.

		As at 31.3.2025	As at 31.3.2024
19.	**Financial liabilities - Lease liabilities**		
	Non-current		
	Lease liabilities (Refer Note No.43)	**12033.43**	25767.08
		12033.43	25767.08
	Current		
	Lease liabilities (Refer Note No.43)	**2792.79**	4241.22
		2792.79	4241.22

		As at 31.3.2025	As at 31.3.2024
20.	**Other financial liabilities**		
	Non-current		
	Security deposits - at amortised cost	**107.10**	186.87
		107.10	186.87
	Current		
	Interest accrued but not due on borrowings	**0.81**	0.89
	Payable to Godfrey Phillips ESPS trust (Refer Note No.46)	**50.65**	-
	Unclaimed dividends	**845.06**	635.36
	Payable to gratuity fund (Refer Note No.42)	**237.99**	719.51
	Liability towards suppliers of property, plant & equipments and intangible assets	**424.14**	451.11
	Security deposits - at amortised cost	**14.00**	19.75
	Employee payables (Refer Note No.4.21)	**9809.72**	7023.29
		11382.37	8849.91

		As at 31.3.2025	As at 31.3.2024
21.	**Employee benefit obligations**		
	Non-current		
	-Provision for compensated absences	**2113.19**	2185.30
		2113.19	2185.30
	Current		
	-Provision for compensated absences	**609.49**	734.91
	-Others	**-**	907.12
		609.49	1642.03
	Movement in provision for loss on non realisation of investments held by Employee Provident Fund Trust		
	Opening Balance	**907.12**	907.12
	Expense recognised during the year	-	-
	Payment made during the year	**(907.12)**	-
	Closing Balance	**-**	907.12

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
22. Financial liabilities - Borrowings		
Current borrowings-carried at amortised cost		
Secured		
Loans from banks repayable on demand*	**2922.45**	4395.81
Total current borrowings	**2922.45**	4395.81

Details of security and terms of above loans:

*The above current borrowing carries interest ranging from 7.85% to 10.00% per annum and is secured against hypothecation of stocks (Refer Note No.12) and book debts (Refer Note No.13) and second charge on all movable property,plant and equipment of the Company. The quarterly statements of current assets filed by the Company with the banks are in agreement with the books of accounts.

Change in liability arising from financing activities as per IND AS-7

Particulars	**Borrowings due within 1 year**
Balance at April 1, 2023	**3463.42**
Cash Flow (net)	932.39
Balance at March 31, 2024	**4395.81**
Cash Flow (net)	(1473.36)
Balance at March 31, 2025	**2922.45**

	As at 31.3.2025	As at 31.3.2024
23. Financial liabilities - Trade payables		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	**2355.90**	2190.30
(Refer Note No.39)	**2355.90**	2190.30
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		
- Others	**32509.26**	31340.31
- Payables to subsidiaries (Refer Note No.46)	**1576.51**	1282.77
- Payables to associates (Refer Note No.46)	**14605.07**	5600.34
	48690.84	38223.42

The Company generally pays its vendors within 30-180 days and interest, if any, payable under the terms of the Micro, Small and Medium Enterprises Development Act, 2006 is recognised.

The Company has financial risk management policies in place to ensure all payables are paid within the agreed credit term. For explanation on the Company's liquidity risk management process, refer Note No.44. Also refer Note No. 4.21.

Trade payables ageing schedule

			Outstanding for following periods from due date of payment				
	Unbilled	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	-	2265.09	90.38	0.43	-	-	2355.90
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	13166.81	27402.97	8066.04	9.46	45.56	-	48690.84
Balance as at March 31, 2025	**13166.81**	**29668.06**	**8156.42**	**9.89**	**45.56**	**-**	**51046.74**
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	-	1988.41	201.89	-	-	-	2190.30
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	7715.50	8623.57	21608.17	215.49	1.06	59.63	38223.42
Balance as at March 31, 2024	**7715.50**	**10611.98**	**21810.06**	**215.49**	**1.06**	**59.63**	**40413.72**

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
24. Tax assets and liabilities		
Non Current		
Income tax assets (net)		
Income tax recoverable (net of provisions)	**2319.06**	3365.40
Total income tax assets	**2319.06**	3365.40
Current		
Income tax liabilities (net)		
Income tax payable (net of advance tax and TDS recoverable)	**446.94**	502.91
Total income tax liabilities	**446.94**	502.91

	As at 31.3.2025	As at 31.3.2024
25. Other liabilities		
Current		
Statutory liablities	**67262.54**	53065.48
Advances from customers (Contract liabilities)*	**5622.39**	7187.14
Liability towards expenditure on Corporate Social Responsibility (Refer No. 34)**	**688.20**	877.05
Others	**125.88**	141.02
	73699.01	61270.69

*Advances from customers relate to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Company performs its obligation under the contract.

Balance of Advances from customers at beginning of the year	**7187.14**	13349.28
Revenue recognised from amounts included in Advances from customers at beginning of the year	**7187.14**	13349.28

Management expects that the entire transaction price allocated to the unsatisfied contracts at end of the year will be recognised as revenue during the next year.

**The Company has since transferred the amount within 30 days to a special bank account opened for Unspent Amount of Corporate Social Responsibility for FY 2024-25 as notified by Companies (Corporate Social Responsibility Policy) Amendment Rules 2021, Companies (Amendment) Act, 2019 and Companies (Amendment) Act, 2020.

26. Revenue from operations

i) Revenue from contracts with customers (including excise duty)

Sources of revenue

The Company derives its revenue from the transfer of goods at a point in time in the following major product lines:

a) Disaggregated revenue information	Year ended 31.3.2025	Year ended 31.3.2024
Cigarettes*	**455939.23**	354273.60
Unmanufactured tobacco	**206455.46**	124074.91
Cut tobacco	**4223.32**	2837.25
Confectionery	**6719.05**	4012.15
Others	**156.04**	207.48
Total (A)	**673493.10**	485405.39

*includes incremental revenue of Rs. 25818.81 lakhs (previous year Rs. 20661.24 lakhs) arising from resale of Marlboro cigarettes manufactured by the Company.

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of the revenues and cash flows are affected by industry, market and other economic factors.

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	Year ended 31.3.2025	Year ended 31.3.2024
Revenues by Geography		
Within India	**461453.10**	351065.04
Outside India	**212040.00**	134340.35
Total	**673493.10**	485405.39

The Company's accounting policies for its revenue streams are disclosed in detail in Note 4.1.1.

Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price:

Revenue as per contracted price	**675881.06**	489571.70
Adjustments:		
Sales return	**(1248.23)**	(577.14)
Discounts, rebates, etc.	**(1139.73)**	(3589.17)
Revenue from contracts with customers	**673493.10**	485405.39

	Year ended 31.3.2025	Year ended 31.3.2024
ii) Other operating revenues		
Export incentives	**311.64**	199.53
Receipts from sale of scrap and ancillary products	**794.42**	901.64
Insurance claims	**-**	142.83
Other receipts	**1249.50**	690.92
Total (B)	**2355.56**	1934.92
Total revenue from operations (A+B)	**675848.66**	487340.31

	Year ended 31.3.2025	Year ended 31.3.2024
27. Other income		
Interest income from:		
- Debts, deposits, loans and advances, etc. (at amortised cost)	**220.49**	93.93
- Subsidiary company (Refer Note No. 46)	**4.36**	-
- Long term investments*	**989.13**	562.19
- Income tax refund	**-**	326.57
Dividend income (Refer Note No. 46)	**19408.50**	17664.09
Rent and hire charges from:		
- Subsidiary company (Refer Note No. 46)	**4.80**	4.80
- Others	**421.79**	449.34
Net gain on sale/redemption/fair valuation of:		
- Long term investments fair valued through profit or loss	**14692.65**	15434.52
- Short term investments fair valued through profit or loss	**1837.53**	2511.17
Liabilities written back	**122.66**	129.68
Provision for doubtful debts and advances written back	**-**	4.43
Foreign currency fluctuation (net)	**2026.84**	857.29
Gain on sale of property, plant and equipment (net)	**15.83**	-
Gain on termination/concession in leases (Refer Note No. 43)	**898.03**	43.41
Miscellaneous Income	**751.33**	491.28
	41393.94	38572.70
*includes interest income calculated in relation to financial assets valued on amortised cost basis.	**984.68**	550.06

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2025	Year ended 31.3.2024
28. Cost of materials consumed		
Cost of raw and packing materials consumed	**151144.23**	108345.12
	151144.23	108345.12

	Year ended 31.3.2025	Year ended 31.3.2024
29. Purchases of stock-in-trade		
Unmanufactured tobacco	**160723.56**	96687.55
Other traded goods (including cigarettes purchased for resale)	**23498.48**	12367.83
	184222.04	109055.38

	Year ended 31.3.2025	Year ended 31.3.2024
30. Changes in Inventories of finished goods, stock-in-trade and work-in-process		
Opening stock:		
Work-in-process	**600.87**	672.76
Finished goods		
- Cigarettes	**10544.06**	9621.18
Stock-in-trade	**6074.31**	5938.27
Opening stock (A)	**17219.24**	16232.21
Closing stock:		
Work-in-process	**940.05**	600.87
Finished goods		
- Cigarettes	**14941.29**	10544.06
Stock-in-trade	**11433.07**	6074.31
Closing stock (B)	**27314.41**	17219.24
(Increase) in inventories (A-B)	**(10095.17)**	(987.03)

	Year ended 31.3.2025	Year ended 31.3.2024
31. Employee benefits expenses		
Salaries and wages	**34886.94**	24946.11
Employee share based payment expense (Refer Note No. 48)	**401.83**	454.76
Provident fund expense (Refer Note No. 42)	**1349.07**	1293.14
Gratuity and superannuation expense (Refer Note No.42)	**558.60**	516.45
Workmen and staff welfare expenses	**1814.18**	1770.55
	39010.62	28981.01

	Year ended 31.3.2025	Year ended 31.3.2024
32. Finance costs		
Interest expenses on:		
- Borrowings	**43.83**	18.76
- Lease liabilities (refer Note No.43)	**1061.94**	1143.62
- Others	**62.07**	147.91
Other borrowing costs	**48.29**	28.63
	1216.13	1338.92

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2025	Year ended 31.3.2024
33. Other Expenses		
Manufacturing charges paid to a subsidiary company for cigarette manufactured on our behalf (Refer Note No. 46)	**7000.00**	6222.99
Consumption of stores and spare parts*	**110.32**	161.50
Power and fuel	**2169.66**	2002.09
Rent (Refer Note No. 43)	**681.05**	127.51
Repairs and maintenance		
- Buildings	**281.28**	241.14
- Plant and machinery	**1235.54**	1004.82
- Others	**1411.74**	1518.11
Insurance	**1017.06**	791.94
Rates and taxes	**333.49**	463.44
Freight and cartage	**6050.70**	4843.18
Legal and professional expenses	**3226.36**	2720.88
Auditors' Remuneration (net of GST)		
- For standalone financial statements	**129.00**	119.00
- For tax audit	**21.00**	21.00
- For limited review of unaudited financial statements	**90.00**	90.00
- For consolidated financial statements	**7.50**	7.50
- For other services and certificates	**14.50**	6.90
- Reimbursement of expenses and expenses incurred	**16.07**	14.04
Commission paid to other than sole selling agents	**536.73**	294.42
Advertising and sales promotion	**18589.81**	15359.04
Selling and distribution expenses	**11813.93**	10400.12
Travelling and conveyance	**2534.50**	2582.25
Donations	**70.00**	21.65
Contributions/expenses towards Corporate social responsibility (Refer Note No.34)	**1371.31**	1012.04
Bad debts and advances written off	**52.33**	10.28
Property, plant and equipment and Intangible assets written off	**1335.50**	20.69
Loss on sale of property, plant and equipment (net)	**-**	4.60
Technical services fee and royalty (Refer Note No. 46)	**1803.64**	1545.62
Consumer research activity	**841.10**	922.47
Contract labour expenses	**2480.69**	1685.06
Machine and material handling expenses	**42.25**	39.56
Provision for doubtful debt and advances	**25.27**	-
Miscellaneous expenses	**14629.36**	11586.06
	79921.69	65839.90

*Excludes consumption of spare parts charged to repairs and maintenance of plant & machinery.

34. Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The CSR activities are aimed at promoting education and healthcare, spreading awareness on water conservation and resource management, maintenance of bio diversity conservation parks thus carrying out community development programs in rural areas providing relief to marginalised communities.

Gross amount required to be spent by the Company during the year is Rs. 1405.60 lakhs (Previous year Rs. 1043.00 lakhs) and the details of amount spent are as under:

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2025	Year ended 31.3.2024
a) Gross amount required to be spent by the Company during the year	**1405.60**	1043.00
b) Amount approved by the board to be spent during the year	**1405.60**	1043.00
c) Amount spent during the year on :-#		
(i) Construction/acquisition of any asset	**-**	-
(ii) On purpose other than (i) above	**717.40**	408.16
d) Details related to spent/unspent obligation		
(i) Contribution to implementing agencies	**683.11**	377.20
(ii) Administrative expenses incurred (restricted to 5% of amount spent during the year)	**34.29**	30.96
(iii) Unspent amount in relation to :-		
- ongoing project	**688.20**	634.84
- other than ongoing project	**-**	-
	1405.60	1043.00

e) Details of ongoing project

	Opening Balance*		Amount required to be spent during the year	Amount spent during the year		Closing Balance*	
	With Company	In CSR Unspent A/c**		From Company's Bank A/c	From CSR unspent A/c	With Company	In CSR unspent A/c**
March 31,2025	**634.84**	**242.21**	**1405.60**	**717.40**	**877.05**	**688.20**	**-**
March 31, 2024	354.21	130.00	1043.00	408.16	242.00	634.84	242.21

*Refer foot note to Note No. 25
**Refer Note No. 14
Amount spent during the year in cash Rs.699.71 lakhs (previous year Rs.408.16 lakhs) and yet to be paid in cash Rs.17.69 lakhs (previous year Rs.Nil)

	Year ended 31.3.2025	Year ended 31.3.2024
35. Earnings per share		
Profit attributable to Continuing operations (A)	**112378.13**	92322.32
Loss attributable to Discontinued operation (B)	**(8057.76)**	(4237.95)
Profit attributable for basic and diluted earnings (C)	**104320.37**	88084.37
Weighted average number of equity shares for the purpose of basic earning per share and diluted earning per share (D)	**51993920**	51993920
Basic and Diluted Earnings per share for continuing operations (Rs.), computed based on profit from continuing operations [A/D] (Face value of Rs. 2 each)	**216.14**	177.56
Basic and Diluted Earnings per share for discontinued operation (Rs.), computed based on loss from discontinued operation [B/D] (Face value of Rs. 2 each)	**(15.50)**	(8.15)
Basic and Diluted Earnings per share for continuing and discontinued operations (Rs.) [C/D] (Face value of Rs. 2 each)	**200.64**	169.41

	Year ended 31.3.2025	Year ended 31.3.2024
36. Managerial remuneration		
a) Included in expenses are:		
Salaries*	**1219.19**	1362.92
Monetary value of benefits (as per Income Tax Rules)	**3340.39**	842.49
Commission	**10526.22**	7615.65
Sitting fees (excluding GST paid under reverse charge)	**98.00**	64.00
	15183.80	9885.06

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

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
37. Contingent liabilities not provided for		
a) Demands from excise, income tax, goods and services tax, sales tax and other authorities not accepted by the Company @	**21010.58***	7765.85*
b) Uncalled liability on shares partly paid (including share premium)	**79.24**	79.24
c) Guarantee given to a bank on behalf of subsidiary company:		
– International Tobacco Company Limited	**35.55**	35.55

* includes Rs.1993.15 lakhs (Previous year - Rs. 1993.15 lakhs) relating to demands received by the subsidiary company – International Tobacco Company Limited from the excise authorities.

* includes Rs.2772.33 lakhs relating to Input Tax Credit (ITC) for the period July 2017 to June 2018 and pertaining to the services availed/procured at Head Office/Corporate Office of the Company and subsequently cross charged to all establishments and Goods and Service Tax (GST) registrations of the Company across the country, is alleged as ineligible for credit at the Head Office/Corporate Office of the Company since it was not registered as Input Service Distributor (ISD). Hence, in view of the DGGSTI, the ITC availed by the Company had become recoverable with applicable interest and penalty. The Company, based on its assessment and considering the legislative changes having taken place so far, believes that it has a good case on merit and is therefore, filed an appeal against this Order.

* includes Rs.8290.01 lakhs relating to alleged under valuation of supply of goods resulting in short payment of tax under the GST laws . The Company, based on its assessment believes that it has a good case on merit and is therefore, filed an appeal against this Order. Interest and penalty if any would be additional.

* includes Rs.725.75 lakhs relating to alleged incorrect classification of goods resulting in short payment of tax under the GST laws. The Company, based on its assessment believes that it has a good case on merit and is therefore, filed an appeal against this Order. Interest and penalty if any would be additional.

@ all these matters are subject to legal proceedings in the ordinary course of business and in the opinion of the Company, these are not expected to have material effect on the financial statements of the Company when ultimately concluded and interest, if any, would be additional to disclosed amount.

d) The following are the particulars of dues (including the amounts already provided for in the books) on account of sales tax, goods and services tax, value added tax, excise duty and income-tax as at March 31, 2025 that have been not accepted by the Company and are in appeals:

Nature of the statute	Nature of the dues	Amount of dues (Rs. in lakhs)*	Amount deposited (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
CGST Act 2017	GST	43131.72	0.62	2017-18 to 2022-23	Commissioner (Appeals)
		772.04	-	2017-18 to 2020-21	Joint/Additional Commissioner - Appeals
		371.97	6.05	2017-18 and 2019-20	Deputy Commissioner (Appeals)
Central Excise Act, 1944	Excise duty	895.06 **	313.80	2007-08 to 2011-12	High court
		21.69***	3.40	2010-11 and 2013-14	Assistant Commissioner
		596.83	8.52	2009-10 to 2017-18	Customs, Excise and Service tax Appellate Tribunal
Finance Act, 1994	Service tax	960.13	36.00	2013-14 to 2017-18	Customs, Excise & Service Tax Appellate Tribunal
Uttar Pradesh (UP) VAT Act, 2008	"Value Added Tax"	68.65****	68.65	2007-08	High Court

(All amounts are in Rs. lakhs unless otherwise stated)

Nature of the statute	Nature of the dues	"Amount of dues (Rs. in lakhs)*"	"Amount deposited (Rs. in lakhs)"	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961 ^	Income tax	186.55 ^ ^	186.55	1979-80 to 1982-83	High Court
		89.91 ^ ^	16.77	2009-10 and 2014-15	Income Tax Appellate Tribunal
		5977.14 ^ ^	1469.04	2012-13 to 2018-19, 2020-21 to 2022-23	Commissioner of Income Tax (Appeals)

* amount as per demand orders, including interest and penalty, if any; where quantified in the Order

** provided for in the accounts amounting to Rs. 319.32 lakhs

*** provided for in the accounts amounting to Rs. 3.40 lakhs

**** provided for in the accounts amounting to Rs. 68.65 lakhs

^ Demands of income-tax for the financial years 2015-16 to 2018-19 and 2020-21 include amounts relating to certain expenses being treated as non-deductible business expenses pursuant to the re-assessment/assessment orders passed in connection with search carried out by the Income-tax department under section 132 of the Income-tax Act, 1961 on a promoter of the Company. The Company is of the view that these are admissible business expenses and accordingly, has appealed against the re-assessment/assessment orders before the CIT (Appeals) which appeals are pending disposal.

^^ provided for in the accounts amounting to Rs. 483.90 lakhs

Further, as per information available with the Company, the concerned authority is in appeal against favourable orders received by the Company in respect of the following matters

Name of the statute	Nature	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where department has preferred appeal
Income-tax Act, 1961	Income tax	209.36	1969,1974 to 1977; 1991-92 and 1992-93	High Court
CGST Act 2017	GST	5.10	2020-21	Assistant Commissioner
Central Excise Act, 1944	Excise duty	13867.30	2002-03 to 2007-08	Customs, Excise & Service Tax Appellate Tribunal

e) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the requirements of the Companies Act.

f) The Company has received various show cause notices from various Government Authorities asking it to explain why certain amounts mentioned therein should not be paid or for providing information and explanations. Thus the Company does not consider these to constitute a liability of any kind. As and when these notices are recevied, the Company responds to the same in accordance with the provisions of the law.

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
38. Commitments		
a) The estimated amount of contracts remaining to be executed on capital amount and not provided for (net of advances)	**17444.13**	3574.26

b) The Company has other commitments, for purchases / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services and employee benefits including union agreements, in normal course of business. The Company does not have any other long term contracts including derivative contracts for which there will be any material foreseeable losses.

39. Dues to micro and small enterprises

The amount due to micro, small and medium enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" ("MSMED") has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to the micro, small and medium enterprises as at March 31, 2025 are as under:

	As at 31.3.2025	As at 31.3.2024
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of Year are as under:		
-Principal amount	**2355.90**	2190.30
-Interest due thereon	**-**	0.03
Amount of payments made to suppliers beyond the appointed day during the year are as under:		
-Principal amount	**2000.04**	5631.67
-Interest actually paid under section 16 of MSMED	**-**	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED are as under:		
-Interest accrued during the year	**-**	0.69
-Interest remaining unpaid as at the end of the year	**-**	0.69
Interest remaining disallowable as deductible expenditure under the Income-Tax Act, 1961.	**-**	0.73
40. Expenditure on scientific research and development		
Revenue expenditure	**1204.52**	1140.48
Capital expenditure	**73.53**	162.58

41. Information of Investments made in subsidiary and associate

These financial statements are separate financial statements.

Following is the key information of investee entities

Name of Investee	Relationship with the company	Principal place of business	As at 31.03.2025	As at 31.03.2024
International Tobacco Company Limited	Subsidiary	India	100%	100%
Godfrey Phillips Middle East DMCC*	Subsidiary	U.A.E	-	100%
Chase Investments Limited	Subsidiary	India	100%	100%
Friendly Reality Projects Limited	Subsidiary	India	92.20%	92.20%
White Horse Realty Limited**	Subsidiary	India	100%	-
IPM India Wholesale Trading Private Limited	Associate	India	24.80%	24.80%
KKM Management Centre Private Limited	Associate	India	36.75%	36.75%

*liquidated during the year **incorporated during the year

The Company has accounted for investments in the above entities at cost less impairment loss, if any.

(All amounts are in Rs. lakhs unless otherwise stated)

42. Employee benefit plans

(a) Defined contribution plans and amounts recognised in the Statement of profit and loss/Other Comprehensive Income

	Year ended 31.3.2025	Year ended 31.3.2024
Contribution towards superannuation fund	**108.69**	97.66
Employers' contribution to employee's state insurance scheme	**1.92**	2.32
	110.61	99.98

(b) Other long term employee benefits (based on actuarial valuation)

	Year ended 31.3.2025	Year ended 31.3.2024
Compensated absences – amount recognized in the Statement of profit and loss	**416.61**	450.88

(c) Defined benefit plans

Gratuity

The Company makes annual contributions to gratuity fund established as a trust, for the defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity as per provisions of the Payment of Gratuity Act, 1972 or the Company Scheme, whichever is beneficial.

The plan typically exposes the Company to actuarial risks such as: loss of investment risk, interest rate risk, mortality rate risk and salary rate risk.

Loss of investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest rate risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the plan's liability.

Mortality rate risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary rate risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The following tables summarises the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for defined benefit plan:

Net employee benefit expense recognized in employee cost:

	Year ended 31.3.2025	Year ended 31.3.2024
Current service cost	**416.10**	436.90
Past service cost	**-**	75.35
Net interest cost	**33.80**	(0.93)
Net employee benefit expense recognized in employee cost	**449.90**	511.32

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2025	Year ended 31.3.2024
Amount recognised in other comprehensive income:		
Actuarial loss on obligations arising from changes in financial assumptions	**186.43**	171.21
Actuarial loss/(gain) on obligations arising from changes in demographic assumptions	**-**	(70.91)
Actuarial (gain)/loss on obligations arising on account of experience adjustments	**(306.28)**	156.63
Return on plan assets (excluding amounts included in net interest expense)	**(92.07)**	(48.74)
Net (income)/expense for the year recognized in other comprehensive income	**(211.92)**	208.19
(I) Changes in the present value of the defined benefit obligation are as follows:		
Opening defined obligation	**10561.22**	9824.56
Current service cost	**416.10**	436.90
Past service cost	**-**	75.35
Interest cost (gross)	**681.22**	668.87
Benefits paid	**(1809.97)**	(701.39)
Actuarial loss on obligations arising from changes in financial assumptions	**186.43**	171.21
Actuarial loss/(gain) on obligations arising from changes in demographic assumptions	**-**	(70.91)
Actuarial (gain)/loss on obligations arising on account of experience adjustments	**(306.28)**	156.63
Closing defined benefit obligation	**9728.72**	10561.22
(II) Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	**9841.71**	9587.01
Interest income (gross)	**647.41**	669.80
Return on plan assets (excluding amounts included in net interest expense)	**92.07**	48.74
Contribution by employer	**719.51**	237.55
Benefits paid	**(1809.97)**	(701.39)
Closing fair value of plan assets	**9490.73**	9841.71
(III) Net liability recognised in the balance sheet (I - II)	**237.99**	719.51

The major categories of plan assets of the fair value of the total plan assets are as follows:

	Amount	% of total plan assets
As at March 31, 2025		
Government debt securities	**19.95**	0.21%
Insurer managed funds	**9551.79**	100.64%
Other liabilities (net)	**(81.01)**	-0.85%
	9490.73	100.00%
As at March 31, 2024		
Government debt securities	**152.94**	1.55%
Insurer managed funds	**9739.17**	98.96%
Other liabilities (net)	**(50.40)**	-0.51%
	9841.71	100.00%

(All amounts are in Rs. lakhs unless otherwise stated)

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

	As at 31.3.2025	As at 31.3.2024
Discount rate (in %)	**6.85%**	7.20%
Salary escalation rate (in %)	**8.00%**	8.00%
Expected rate of return on plan assets	**6.85%**	7.20%

A quantitative sensitivity analysis for significant assumption shown above as at March 31, 2025 is as shown below:

Assumption	**Impact on defined benefit obligation**	
	As at 31.3.2025	As at 31.3.2024
Impact of increase in 0.5% in discount rate	**-2.72%**	-2.67%
Impact of decrease in 0.5% in discount rate	**2.86%**	2.82%
Impact of increase in 0.5% in salary escalation rate	**2.82%**	2.78%
Impact of decrease in 0.5% in salary escalation rate	**-2.70%**	-2.67%

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

Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflations, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The following payments are expected as contributions to the defined benefit plan in future years:

	Year ended 31.3.2025	Year ended 31.3.2024
Within the next 12 months (next annual reporting period)	**1829.82**	2199.71
Between 2 and 5 years	**5022.97**	4592.85
Between 6 and 9 years	**3270.33**	4292.73
10 years and above	**5224.41**	5944.34
Total expected payments	**15347.53**	17029.63

The average duration of the defined benefit plan obligation at the end of the reporting period is 5.57 years (Previous year 5.49 years).

(d) Defined benefit plans - Provident Fund

The Company makes monthly contributions towards provident fund which is administered by Godfrey Phillips India Limited Provident Fund (the Fund), an exempted PF Trust. The conditions governing the exemption require that the employer shall make good the loss, if any, incurred on the investments made by the Fund and also make good the deficiency in the rate of interest as may be notified by the EPFO from year to year.

Amounts recognised on account of PF contribution during the year are as follows :-

	Year ended 31.3.2025	Year ended 31.3.2024
Amount recognised in profit and loss*	**1412.94**	1400.08
Amount recognised in other comprehensive income	**98.08**	304.20
	1511.02	1704.28

Subsequent to the year end, the Company has liquidated the PF trust and transferred the balance to Government Provident Fund Scheme and transitioned to a contribution scheme.

*Includes amount pertaining to discontinued operation Rs.63.87 lakhs (previous year Rs.106.94 lakhs).

43. Leases

43.1 Company as a lessee

The Company has lease contracts for various items of land, offices, warehouses, retail stores, store equipment and vehicles used in its operations. Leases of land have a term ranging from 45 to 99 years, offices, warehouses and stores have lease terms between 2 and 18 years, store equipment have a lease terms of 5 years, while motor vehicles generally have lease terms between 3 and 5 years. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed.

The Company also has certain leases of warehouses of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
Carrying amount of:		
Right-of-Use: Office buildings, warehouses and stores	**11927.46**	23903.74
Right-of-Use: Store equipment & furnitures	**-**	232.22
Right-of-Use: Land	**426.15**	431.47
Right-of-Use: Vehicles	**0.79**	24.25
Total	**12354.40**	24591.68

	Right-of-Use: Office buildings, warehouses and stores	Right-of-Use: Store equipment & furniture	Right-of-Use: Land	Right-of-Use: Vehicles	Total
Cost					
Balance at April 1, 2023	**38567.04**	**2501.30**	**458.09**	**321.00**	**41847.43**
Additions / Modifications	3360.22	168.77	-	-	3528.99
Derecognition	(1993.27)	-	-	(12.42)	(2005.69)
Balance at March 31, 2024	**39933.99**	**2670.07**	**458.09**	**308.58**	**43370.73**
Additions / Modifications	7068.54	64.14	-	-	7132.68
Discontinued operation (Refer Note No. 49)	(22879.05)	(2734.21)	-	(26.17)	(25639.43)
Derecognition	(6623.72)	-	-	(269.48)	(6893.20)
Balance at March 31, 2025	**17499.76**	**-**	**458.09**	**12.93**	**17970.78**
Accumulated depreciation					
Balance at April 1, 2023	**12271.99**	**2152.37**	**21.30**	**231.86**	**14677.52**
Depreciation expense	4628.38	285.48	5.32	60.57	4979.75
Derecognition	(870.12)	-	-	(8.10)	(878.22)
Balance at March 31, 2024	**16030.25**	**2437.85**	**26.62**	**284.33**	**18779.05**
Depreciation expense	3585.82	84.66	5.32	20.51	3696.31
Discontinued operation (Refer Note No. 49)	(10177.72)	(2522.51)	-	(26.17)	(12726.40)
Derecognition	(3866.05)	-	-	(266.53)	(4132.58)
Balance at March 31, 2025	**5572.30**	**-**	**31.94**	**12.14**	**5616.38**
Balance at March 31, 2025	**11927.46**	**-**	**426.15**	**0.79**	**12354.40**
Balance at March 31, 2024	23903.74	232.22	431.47	24.25	24591.68

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at 31.3.2025	As at 31.3.2024
Balance as at April 1	**30008.30**	31912.57
Addition / Modification	**7091.05**	3488.01
Accretion of interest*	**1512.52**	2384.82
Payments	**(4848.92)**	(6360.43)
Rent concessions due to Covid-19	**-**	(87.37)
Discontinued operation	**(15278.09)**	-
De-recognition of lease liability on termination	**(3658.64)**	(1329.30)
Balance as at March 31	**14826.22**	30008.30
Current	**2792.79**	4241.22
Non-current	**12033.43**	25767.08

* Lease liabilities carry an effective interest rate of 7.85%

** For maturities of lease liabilities, Refer Note No. 44

The following are the amounts recognised in profit or loss:

	Continuing Operations		Discontinued Operation		Total	
	Year ended 31.3.2025	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024
Depreciation expense of right-of-use assets	**2589.06**	2180.22	**1107.25**	2799.53	**3696.31**	4979.75
Interest expense on lease liabilities@	**1061.94**	1143.62	**450.58**	1241.20	**1512.52**	2384.82
Expense relating to short-term leases ^	**681.06**	127.50	**2294.79**	209.76	**2975.85**	337.26
Variable lease payments ^	**-**	-	**43.73**	208.07	**43.73**	208.07
(Gain) on termination of leases^^	**(898.03)**	(7.42)	**(2365.06)**	(194.76)	**(3263.09)**	(202.18)
Rent concessions ^^	**-**	(35.99)	**-**	(51.38)	**-**	(87.37)
	3434.03	3407.93	**1531.29**	4212.42	**4965.32**	7620.35

@Refer Note no. 32 and Note no. 49.

^Refer Note no. 33 and Note no. 49.

^^Refer Note no. 27 and Note no. 49.

(All amounts are in Rs. lakhs unless otherwise stated)

Lease (Continued)

The Company has lease contracts for stores that contains variable payments based on the revenue earned during the year. These terms are negotiated by management for certain stores as per prevalent market conditions. Management's objective is to align the lease expense with the revenue earned. The following provides information on the Company's variable lease payments:

	Year ended 31.3.2025	Year ended 31.3.2024
Variable rent of discontinued operation	**43.73**	208.07
	43.73	208.07

43.2 Company as a lessor

The Company has let out and sub-let part of its owned and rented office premises under lease arrangements which are cancellable in nature but renewable on mutually agreeable terms. These leases have terms ranging between 11 months to 3 years. Rental income recognised by the Company during the year is Rs. 426.59 Lakhs (Previous Year Rs. 454.14 Lakhs). The carrying value of the said assets is not material.

44. Financial instruments and risk management

44.1. Fair value measurements

The fair value of financial assets and liabilities are included at the amount at which the instruments could be exchanged in as current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) The fair value of cash and cash equivalents, trade receivables, trade payables, lease liabilities, security deposits received, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Other non-current financial assets and liabilities, fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value.

ii) The financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty/ies. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by using valuation techniques that are appropriate in the circumstances and for which sufficient data are available.

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and/or debt based mutual fund investments, bonds or debentures.

Level 2: This level hierarchy includes items measured using inputs, other than quoted prices included within level 1, that are observable for such items, directly or indirectly.

Level 3: This level of hierarchy includes items measured using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main items in this category are unquoted equity instruments.

(All amounts are in Rs. lakhs unless otherwise stated)

44.2. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at amortised cost or at fair value and fair value heirarchy.

As at March 31, 2025	Carrying amount	Fair Value
Financial assets		
Financial instruments at FVTPL:		
Investment in		
- mutual funds	**215587.78**	215587.78
- others	**96.48**	96.48
Financial instruments at amortised cost:		
Investment in		
- others (Perpetual Bonds)	**12277.32**	12228.07
Trade receivables	**51634.94**	51634.94
Cash and cash equivalents	**283.69**	283.69
Other bank balances	**1368.47**	1368.47
Loans	**3918.80**	3918.80
Other financial assets		
- Security deposits	**693.32**	693.32
- Interest accrued on bank and other deposits	**451.79**	451.79
- Other recoverables	**1832.38**	1832.38
Total financial assets	**288144.97**	**288095.72**
Financial liabilities		
Financial instruments at amortised cost:		
Borrowings	**2922.45**	2922.45
Trade payables	**51046.74**	51046.74
Other financial liabilities		
- Security deposits	**121.10**	121.10
- Interest accrued but not due on borrowings	**0.81**	0.81
- Payable to Godfrey Phillips ESPS trust	**50.65**	50.65
- Unclaimed dividends	**845.06**	845.06
- Payable to gratuity fund	**237.99**	237.99
- Liability towards suppliers of property, plant & equipments	**424.14**	424.14
- Employee payables	**9809.72**	9809.72
Total financial liabilities	**65458.66**	**65458.66**

As at March 31, 2024	Carrying amount	Fair Value
Financial assets		
Financial instruments at FVTPL:		
Investment in		
- mutual funds	233207.03	233207.03
- others	1829.68	1829.68
Financial instruments at amortised cost:		
Investment in		
- others (Perpetual Bonds)	12277.32	12147.85
Trade receivables	17286.65	17286.65
Cash and cash equivalents	940.74	940.74
Other bank balances	1229.31	1229.31
Loans	7069.00	7069.00
Other financial assets		
- Security deposits	1427.03	1427.03
- Interest accrued on bank and other deposits	443.49	443.49
- Other recoverables	1103.76	1103.76
Total financial assets	**276814.01**	**276684.54**

(All amounts are in Rs. lakhs unless otherwise stated)

44.2. Fair value hierarchy (continued)

As at March 31, 2024	Carrying amount	Fair Value
Financial liabilities		
Financial instruments at amortised cost:		
Borrowings	4395.81	4395.81
Trade payables	40413.72	40413.72
Other financial liabilities		
- Security deposits	206.62	206.62
- Interest accrued but not due on borrowings	0.89	0.89
- Unclaimed dividends	635.36	635.36
- Payable to gratuity fund	719.51	719.51
- Liability towards suppliers of property, plant & equipments	451.11	451.11
- Employee payables	7023.29	7023.29
Total financial liabilities	**53846.31**	**53846.31**

Note: Investment in equity of subsidiaries and associates which are carried at cost are not covered under Ind AS 107 and hence not been included above.

Note for Financial assets

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments at FVTPL: Fair value for investments aggregating to Rs. 20932.05 lakhs (previous year Rs.19366.29 lakhs) and Rs.194752.21 lakhs (previous year Rs.215670.41 lakhs) have been determined with reference to the market quoted price of the investments, a level 1 valuation and to the declared NAV, a level 2 valuation respectively.

Financial instruments at amortised cost: Fair value for bonds aggregating to Rs. 12228.07 lakhs (previous year Rs.12147.85 lakhs) is determined with reference to the market quoted price of the investments, a level 1 valuation. For all other financial assets and financial liabilities, the carrying value approximate the fair value due to short term maturity.

44.3. Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by its Board of Directors.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, deposits and foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through its finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest in order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, the finance department undertakes the interest rate risk management exercise from time to time.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas markets and purchases from suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies.

(All amounts are in Rs. lakhs unless otherwise stated)

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivables.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the financial statement. The Company's maximum credit exposure to credit risk is Rs.286492.81 lakhs (previous year Rs.274644.06 lakhs). The Company has excluded cash and cash equivalents, other bank balances and investments in subsidiaries and associates as the credit risk associated with them is minimal.

Financial assets are provided for, when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been provided for, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss in the subsequent reporting period. The management believes that there is no significant exposure of credit risk due to the nature of Company's business other than those for which impairment allowance has been recorded. For details of trade receivables those are past due, refer Note No.13.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Board of Directors. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(A) Maturities of financial liabilities

The table below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances, except lease liabilities, due within 12 months equal their carrying values as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at March 31, 2025			
Lease liabilities	3884.95	16014.40	19899.35
Borrowings	2922.45	-	2922.45
Trade payables	51046.74	-	51046.74
Other financial liabilities	11382.37	107.10	11489.47
	69236.51	**16121.50**	**85358.01**
As at March 31, 2024			
Lease liabilities	6516.55	34497.22	41013.77
Borrowings	4395.81	-	4395.81
Trade payables	40413.72	-	40413.72
Other financial liabilities	8849.91	186.87	9036.78
	60175.99	**34684.09**	**94860.08**

(B) Foreign currency risk exposure

Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:

Particulars	Currency	As at 31.3.2025		As at 31.3.2024	
		Amount in foreign currency (Lakhs)	Amount in Rs. Lakhs	Amount in foreign currency (Lakhs)	Amount in Rs. Lakhs
Trade receivables	USD	396.48	33288.05	88.44	7220.63
	EURO	1.00	90.62	-	-
Current liabilities	USD	98.27	8586.48	56.93	4837.56
	EURO	5.64	531.75	7.75	712.48
	GBP	0.27	30.60	0.19	19.94
	CHF	0.57	56.63	-	-

(All amounts are in Rs. lakhs unless otherwise stated)

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rate such as USD, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives:

Currency of exposure	As at 31.3.2025		As at 31.3.2024	
	5% increase	5% decrease	5% increase	5% decrease
Impact on profit before tax as at the end of the reporting year - USD	**1235.08**	**(1235.08)**	119.15	(119.15)

(C) Exposure in mutual fund investments

The Company manages its surplus funds majorly through investments in debt based mutual fund schemes. The fair value of these investments is reflected through net asset values (NAVs) declared by the Asset Management Company on daily basis with regard to the invested schemes. The Company is exposed to market price risk on such investments.

Sensitivity analysis of mutual fund investments

Had the NAVs been higher/lower by 1% at the end of the reporting period, profit for the year ended 31.3.2025 would have increased/decreased by Rs. 2155.88 lakhs (for the year ended 31.3.2024 by Rs. 2332.07 lakhs).

45. Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. Net debts comprises of non-current and current debts (including trade payables, lease liabilities, other financial liabilities and other current liabilities as reduced by cash and cash equivalents and current investments). The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt.

Gearing ratio	As at 31.3.2025	As at 31.3.2024
Borrowings	**2922.45**	4395.81
Trade payables	**51046.74**	40413.72
Lease Liabilities	**14826.22**	30008.30
Other financial liabilities	**11489.47**	9036.78
Other current liabilities	**73699.01**	61270.69
Less : Cash and cash equivalents	**283.69**	940.74
: Current investments	**17892.88**	15716.24
Net debt (A)	**135807.32**	128468.32
Total equity	**440911.11**	384117.95
Capital and net debt (B)	**576718.43**	512586.27
Gearing Ratio (A/B)	**23.55%**	25.06%

No changes were made in the objectives, policies or processes during the year ended 31 March, 2025.

(All amounts are in Rs. lakhs unless otherwise stated)

46. Related party transactions

46.1 Disclosure of related parties	Principal Activities	Place of incorporation and operation	Proportion of ownership interest / voting rights held by the parent entity As at 31.3.2025	As at 31.3.2024
(a) Subsidiaries				
International Tobacco Company Limited	Manufacturing of cigarette & tobacco products	India	**100%**	100%
Chase Investments Limited	Investment activities	India	**100%**	100%
White Horse Realty Limited (incorporated on December 26,2024)	Real Estate Development	India	**100%**	-
Godfrey Phillips Middle East DMCC (Liquidated during the year)	Trading of cigarette, tobacco & other retail products	U.A.E.	-	100%
Friendly Reality Projects Limited *	Real Estate	India	**92.20%**	92.20%
* Held partly through other subsidiary				
(b) Subsidiaries through the subsidiary companies:				
Unique Space Developers Limited (subsidiary of Chase Investments Limited)		India	**66.67%**	66.67%
Rajputana Infrastructure Corporate Limited (subsidiary of Friendly Reality Projects Limited)		India	**92.20%**	92.20%
(c) Associates:				
IPM India Wholesale Trading Private Limited		India	**24.80%**	24.80%
KKM Management Centre Private Limited		India	**36.75%**	36.75%

(d) Entities of which the Company is an associate:

K K Modi Investment & Financial Service Private Limited, India

Philip Morris Global Brands Inc.,USA

(e) Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to :

PMFTC Inc.,Philippines

Philip Morris Products S.A.

PT Hanjaya Mandala Sampoerna Tbk.

AO Philip Morris Izhora, Russia

PT Philip Morris Indonesia

Philip Morris Tutun Mamulleri Sanayi Ve Ticaret A.S, Turkey

Philip Morris Brasil Industria E Comercio Ltda., Brazil

Philip Morris Mexico Products, Mexico

(f) Key management personnel & their relatives and other directors:

Dr. Bina Modi, President, Managing Director and Chairperson of the Board

Mr. Samir Kumaar Modi, (Son of Dr.Bina Modi and an Executive Director of the Company upto September 06, 2024)

Ms. Charu Modi, (Daughter of Dr.Bina Modi, appointed as additonal director w.e.f July 06, 2024 and Executive director w.e.f September 06, 2024)

Mr. Sharad Aggarwal, Whole Time Director and Functional Chief Executive Officer
Mr. Sunil Agrawal, Chief Financial Officer (Ceased to be Chief Financial Officer w.e.f Feburary 28, 2025)
Mr. Vishal Dhariwal (Appointed as Chief Financial Officer w.e.f March 01, 2025)
Mr. Sanjay Kumar Gupta, Company Secretary (Superannuated w.e.f November 11, 2024)
Mr. Pumit Kumar Chellaramani (Appointed as Company Secretary and Compliance officer w.e.f November 12, 2024)
Mr. Lalit Bhasin, Independent Director (Ceased to be a Director of the Company w.e.f September 06, 2024)
Mr. Atul Kumar Gupta, Independent Director
Mrs. Nirmala Bagri, Independent Director
Mr. Sumant Bhardwaj, Independent Director
Mr. Subramanian Lakshminarayanan, Independent Director
Mr. Ajay Vohra, Independent Director
Mr. Avtar Singh Monga (Appointed as Independent Director w.e.f November 12, 2024)
Mr. Ruchir Modi, Grandson of Dr. Bina Modi

(g) Enterprises over which Key management personnel and their relatives are able to exercise significant influence:

Modicare Limited
Beacon Travels Private Limited
Indofil Industries Limited
HMA Udyog Private Limited
Bina Fashions N Food Private Limited
Priyal Hitay Nidhi
Colorbar Cosmetics Private Limited
MHP Staffing Private Limited
Modi Innovative Education Society
Modi Stratford Enterprise Management Private Limited
International Research Park Laboratories Limited
Bhasin & Co. (Ceased to be related party w.e.f September 06, 2024)
Rajputana Developers Limited
Quick Investment (India) Limited
Good Investment (India) Limited
Super Investment (India) Limited
Swasth Investment Private Limited

(h) Other related parties:

Godfrey Phillips India Limited employees Gratuity Fund No.1
Godfrey Phillips India Limited employees Gratuity Fund No.2
Godfrey Phillips India Limited Management Staff Superannuation Fund
Godfrey Phillips India Limited Provident Fund
Godfrey Phillips ESPS Trust (w.e.f Feb 01, 2024)

46.2 Disclosure of transactions between the Company and related parties and the status of outstanding balances as at the year end

(All amounts are in Rs. lakhs unless otherwise stated)

A Nature of transactions	Subsidiary companies		Associates		Key management personnel and their relatives		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the entity		Other related parties	
	Year ended 31.3.2025	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024
i) Trading transactions														
Sale of goods, spare parts, etc.	**7.53*****	13.72***	**142130.95@**	98594.91@	-	-	**91.90**	197.57	**144702.02&**	68554.73&	-	-	-	-
Purchase of goods/services/spare parts/ property plant and equipment	**64.14***	5.89*	**18461.52@**	9652.32@	-	-	**2561.88$**	1989.57$	**33222.09&&**	19590.95&&	-	-	-	-
Interest Income from White Horse Realty Limited	**4.36**	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceed from subsidiary on liquidation	-	35.50**	-	-	-	-	-	-	-	-	-	-	-	-
Receipts from secondment of services from Colorbar Cosmetics Private Limited	-	-	-	-	-	-	-	146.00	-	-	-	-	-	-
Miscellaneous income	-	-	**1760.46@**	1137.53@	-	-	**16.64**	-	-	-	-	-	-	-
Rent and hire charges received	**4.80***	4.80*	-	-	-	-	**360.13**	412.17	-	-	-	-	-	-
Manufacturing charges paid	**7000.00***	6222.99*	-	-	-	-	-	-	-	-	-	-	-	-
Payments for professional services availed	-	-	-	-	-	-	**10.64**	8.78	-	-	-	-	-	-
Donation given $$$	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Priyal Hitay Nidhi	-	-	-	-	-	-	**10.00**	10.00	-	-	-	-	-	-
- Modi Innovation Education Society	-	-	-	-	-	-	**877.05**	252.00		-				
Expenses recovered (Includes GST as applicable)	**0.40#**	0.40#	**10718.18@**	8774.67@	-	-	-	87.42	**76.10@@@**	278.63@@@	-	-	-	-
Expenses reimbursed	-	-	-	-	-	-	-	-	**19.21@@@**	22.89		-		-
ii) Other related party transactions														
Dividend received														
- IPM India Wholesale Trading Private Limited	-	-	**19344.00**	17608.00	-	-	-	-	-	-	-	-	-	-
- Chase Investments Limited	**64.50**	56.09	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid							-	-	-					
- Philip Morris Global Brands Inc.	-	-	-	-	-	-	-	-	-	-	**11875.93**	5742.21	-	-
- K K Modi Investment & Financial Service Private Limited	-	-	-	-	-	-	-	-	-	-	**14121.30**	6827.88	-	-
- Quick Investment (India) Limited	-	-	-	-	-	-	**2,034.58**	983.75	-	-	-	-	-	-
- Good Investment (India) Limited	-	-	-	-	-	-	**3,921.39**	1896.05	-	-	-	-	-	-
- Super Investment (India) Limited	-	-	-	-	-	-	**479.81**	231.99	-	-	-	-	-	-
- Swasth Investment Private limited	-	-	-	-	-	-	**72.80**	35.20	-	-	-	-	-	-
- HMA Udyog Private Limited	-		-		-	-	**111.23**	53.78	-	-	-	-	-	-
- Bina Modi	-	-	-	-	**2.73**	1.32	-	-	-	-	-	-	-	-
- Samir Kumaar Modi	-	-	-	-	**1.82**	0.88	-	-	-	-	-	-	-	-
- Ruchir Modi	-	-	-	-	**1.82**	0.88	-	-	-	-	-	-	-	-
- Charu Modi	-	-	-	-	**0.01**	0.00	-	-	-	-	-	-	-	-
Technical services fee and royalty														
- Philip Morris Products S.A.	-	-	-	-	-	-	-	-	**1803.64**	1545.62	-	-	-	-
Investment in subsidary (White Horse Realty Limited)	**10.00**	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Contribution to trusts														
Godfrey Phillips India Limited Management Staff Superannuation Fund	-	-	-	-	-	-	-	-	-	-	-	-	**108.69**	97.66
Godfrey Phillips India Limited Provident Fund (Refer Note No. 41)	-	-	-	-	-	-	-	-	-	-	-	-	**2585.94##**	1536.25
Godfrey Phillips India Limited Gratuity Fund No.1	-	-	-	-	-	-	-	-	-	-	-	-	**20.45**	41.38
Godfrey Phillips India Limited Gratuity Fund No.2	-	-	-	-	-	-	-	-	-	-	-	-	**217.54**	678.13
Godfrey Phillips ESPS Trust for corpus fund	-	-	-	-	-	-	-	-	-	-	-	-	-	0.10
iv) Compensation & Post Employment benefits of key management personnel and other directors $$														
- Samir Kumaar Modi					**2558.66^**	5142.27^								
- Bina Modi					**4505.92**	3453.27								
- Charu Modi					**4299.25^^^**	-								
- Sunil Agrawal					**1170.46^^**	247.31								
- Sharad Aggarwal					**3722.96^^**	1225.53								
- Sanjay Kumar Gupta					**144.24**	156.84								
- Vishal Dhariwal					**20.44**	-								
- Pumit Kumar Chellaramani					**127.41^^**	-								
- Lalit Bhasin					**16.00**	18.00								
- Ajay Vohra					**8.00**	3.00								
- S Lakshminarayanan					**13.00**	6.00								
- Atul Kumar Gupta					**19.00**	14.00								
- Nirmala Bagri					**22.00**	14.00								
- Avtar Singh Monga					**3.00**	-								
- Sumant Bhardwaj					**16.00**	9.00								
v) Loan given/(repaid) during the year														
- White Horse Realty Limited	**1000.00###**				-	-								
- Sunil Agrawal (Net of loan given Rs. 200 lakhs)					**(94.90)**	294.90								
- Sharad Aggarwal (Net of loan given Rs. 576 lakhs)					**(407.00)**	983.00								
- Sanjay Kumar Gupta					**(73.73)**	73.73								
- Pumit Kumar Chellaramani					**24.00**	-								
- Godfrey Phillips ESPS Trust (Net of loan given of Rs.1690.00 lakhs (Previous year Rs. 2439.04 lakhs))					-								**(1059.35)@@**	4560.96
- Loan received/settled (On transfer of shares to employees)					-								**3450.95@@**	-

46.2 Disclosure of transactions between the Company and related parties and the status of outstanding balances as at the year end

(All amounts are in Rs. lakhs unless otherwise stated)

B Outstanding balance	Subsidiary companies		Associates		Key management personnel and their relatives		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the entity		Other related parties	
	Year ended 31.3.2025	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024
Trade receivables	-	-	**9192.54@**	4227.42@	-	-	**139.88**	2.57	**27640.58@@@**	-	-	-	-	-
Loans given	**1000.00**	-	-	-	**920.00$***	1353.30	-	-	-	-	-	-	-	4560.96@@
Trade payables	-	-	**14605.07@**	5600.34@	-	-	**234.39**	174.75	**3323.08&&&**	2257.54&&&	-	-	-	-
Dues payable	**1576.51***	1282.77*	-	-	**2.40**	1.18	-	4.95	-	-	-	-		
Advances from customers	-	-												
Remuneration (including commission) payable to Mr.Samir Kumaar Modi (gross)	-	-	-	-	**1228.89**	2427.99	-	-	-	-	-	-	-	
Remuneration (including commission) payable to Dr.Bina Modi (gross)	-	-	-	-	**3286.25**	2313.87	-	-	-	-	-	-	-	
Remuneration (including commission) payable to Ms.Charu Modi (gross)	-	-	-	-	**3011.07**	-	-	-	-	-	-	-	-	
Remuneration payable to Mr.Sharad Aggarwal	-	-	-	-	-	301.87	-	-	-	-	-	-	-	
Remuneration payable to KMP	-	-	-	-	**3.71**	7.59	-	-	-	-	-	-	-	
Other recoverable	**6.67**	-	**1193.36@**	363.68@	-	8.71	**28.46**	128.77	-	86.27@@@	-	-	-	-
Guarantees given by the Company to a bank on behalf of:														
- International Tobacco Company Limited	**35.55**	35.55	-	-	-	-	-	-	-	-	-	-	-	-
Technical service fee and royalty payable	-	-	-	-	-	-	-	-	**423.48@@@**	352.52@@@	-	-	-	-
Other payable/(recoverable)														
- Godfrey Phillips India Limited Employees Gratuity Fund No.1	-	-	-	-	-	-	-	-	-	-	-	-	**20.45**	41.38
- Godfrey Phillips India Limited Employees Gratuity Fund No.2	-	-	-	-	-	-	-	-	-	-	-	-	**217.54**	678.13
- Godfrey Phillips India Limited Provident Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	219.46
- Godfrey Phillips India Limited ESPS Trust	-	-	-	-	-	-	-	-	-	-	-	-	**50.65**	-
Advance recoverable														
- Godfrey Phillips India Limited Employees Gratuity Fund No.1	-	-	-	-	-	-	-	-	-	-	-	-	-	59.38
- Godfrey Phillips India Limited Provident Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	9.30

*relates to transaction with wholly owned subsidiary International Tobacco Company Limited.

**relates to transaction with wholly owned subsidiary Godfrey Phillips Middle East DMCC.

*** includes 7.53 lakhs (previous year Rs. 13.72 lakhs) to International Tobacco Company Limited.

includes Rs. 0.40 lakhs (previous year Rs. 0.40 lakhs) from International Tobacco Company Limited

includes purchase of investment from the trust Rs.144.40 lakhs and amount paid to cover loss on account of unrealised value of certain investments Rs.1172.10 lakhs.

During the year ended 31st March 2025, the Company has provided loan of Rs. 1000 lakhs to its wholly owned subsidiary White Horse Realty Limited, repayable at the end of three years from the date of disbursement . The loan is unsecured in nature and carries an interest rate of three years SBI MCLR plus spread of 175 bps i.e 10.60% per annum.

@relates to transactions with IPM India Wholesale Trading Private Limited and figures of purchase of goods have been reduced by Rs. 332163.46 lakhs (previous year Rs. 234508.79 lakhs) owing to sale of Marlboro cigarettes manufactured by the Company.

@@relates to transaction with Godfrey Phillips ESPS Trust

@@@ relates to transaction with Philip Morris Global Brands Inc

$ includes Rs.1740.34 lakhs (previous year Rs. 1100.70 lakhs) from Beacon Travels Private Ltd, Rs. 825.96 lakhs (previous year Rs. 720.83 lakhs) from Bina Fashions N Foods Private Limited , (Rs. 7.92 lakhs) (previous year Rs. 151.31 lakhs) from Colorbar Cosmetics Private Limited, Rs.3.51 lakhs (Previous year Rs.16.73 lakhs) from Modi Care Limited

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

^ Includes perquisite value of rent free accomodation as per Sec 17(2) of Income Tax Act, 1961.

^^ Includes perquisite value of equity shares issued to employee under Employees Share Purchase Scheme 2024.

^^^ Includes Rs.1 lakh sitting fee paid in the capacity of additional director.

$$$ including for CSR activities.

& includes Rs. 48987.52 lakhs (Previous year Rs.40688.12 lakhs) from Philip Morris Products S.A., PT.Hanjaya Mandala Sampoerna Tbk Rs.25807.42 lakhs (Previous year Rs. 35.09 lakhs), AO Philip Morris Izhora Rs.22762.01 lakhs (Previous year Rs.27831.52), Philip Morris Tuntun Mamulleri Rs.17810.34 lakhs (Previous year Rs.Nil), PMFTC Inc,Philippines Rs.11099.82 lakhs(Previous year Rs.Nil) ,PT Phillip Morris Indonesia Rs.8294.53 lakhs (Previous year Rs.Nil),Philip Morris Brasil Industria Rs.4310.51 lakhs (previous year Rs.Nil), Philip Morris Mexico Products Rs.5629.87 lakhs (Previous year Rs.Nil)

&& includes Rs.30935.92 lakhs (previous year Rs.18185.01 lakhs) from PMFTC Inc., Rs. 2135.21 lakhs (previous year Rs.1271.13 lakhs) from PT Hanjaya Mandala Sampoerna Tbk., Rs.150.96 lakhs (previous year Rs. 134.81 lakhs) from PT Philip Morris Indonesia.

&&& includes Rs. 3037.24 lakhs (previous year Rs. 2143.23 lakhs) from PMFTC Inc. & Rs.232.26 lakhs (Previous year Rs. 91.42) from PT Hanjaya Mandala Sampoerna Tbk and Rs.53.58 lakhs (Previous year Rs.Nil) from PT Philip Morris Indonesia.

$* Pertains to contractual value for loan given to employees (carrying value is Rs.758.90 lakhs, previous year Rs.1353.30 lakhs)

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured and interest free except for loan given to subsidiary company and settlement occurs in cash. Purchase and sale transactions with the related parties have been made at arm's length prices.

47. Segment Information

Products from which reportable segments derive their revenues

The Company's reportable segments under Ind AS 108 are as follows:

i) Cigarette, tobacco and related products; and

ii) Others*

* Retail and related products business is no longer presented as a separate segment pursuant to closure of Company's Retail Business Division (Refer note 49).

Segment information for the year ended March 31, 2025 and March 31, 2024 is as follows:

(All amounts are in Rs. lakhs unless otherwise stated)

		Year ended March 31, 2025			Year ended March 31, 2024		
		Cigarette,Tobacco and related products	**Others**	**Total**	Cigarette,Tobacco and related products	Others	Total
1.	**Segment revenue**						
	- External sales (gross)	**666617.97**	**6875.13**	**673493.10**	481185.75	4219.64	485405.39
	- Other operating income	**2338.38**	**17.18**	**2355.56**	1934.92	-	1934.92
	Total Revenue	**668956.35**	**6892.31**	**675848.66**	483120.67	4219.64	487340.31
2.	**Segment result**	**105476.26**	**53.67**	**105529.93**	77845.59	(451.07)	77394.52
	Unallocable income net of unallocable expenses			**38829.80**			37120.63
	Profit before finance costs and tax			**144359.73**			114515.15
	Less: Finance costs			**154.21**			195.30
	Profit before tax from continuing operations			**144205.52**			114319.85
3.	**Other information**						
	Capital expenditure including capital work in progress and capital advances (excluding ROU Assets)	**16110.38**	**-**	**16110.38**	7383.88	-	7383.88
	Depreciation and amortization	**10634.90**	**276.04**	**10910.94**	10146.70	293.64	10440.34
	Impairment of property, plant and equipment	**982.74**	**-**	**982.74**	-	-	-
	Non cash expenditure other than depreciation and impairment	**1413.10**	**-**	**1413.10**	30.98	-	30.98
	Excise Duty	**115647.41**	**-**	**115647.41**	88503.03	-	88503.03
	Cost of materials consumed	**151144.23**	**-**	**151144.23**	108345.12	-	108345.12
	Purchases of stock-in-trade	**179185.09**	**5036.95**	**184222.04**	106339.89	2715.49	109055.38
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	**(9894.19)**	**(200.98)**	**(10095.17)**	(939.78)	(47.25)	(987.03)

Segment information as at March 31, 2025 and March 31, 2024 is as follows:

		As at March 31, 2025			As at March 31, 2024		
		Cigarette, Tobacco and related products	**Others**	**Total**	Cigarette, Tobacco and related products	Others	Total
a)	**Segment assets**						
	Allocable assets	**347527.31**	**1923.22**	**349450.53**	234796.17	1934.50	236730.67
	Unallocable assets*			**252002.65**			297820.54
	Total assets			**601453.18**			534551.21
b)	**Segment liabilities**						
	Allocable liabilities	**150955.92**	**1294.14**	**152250.06**	118375.00	1323.52	119698.52
	Unallocable liabilities*			**8292.01**			30734.74
	Total liabilities			**160542.07**			150433.26
c)	**Capital Employed**						
	Allocable capital employed	**196571.39**	**629.08**	**197200.47**	116421.17	610.98	117032.15
	Unallocable capital employed*			**243710.64**			267085.80
	Total capital employed			**440911.11**			384117.95
	Total (b+c)			**601453.18**			534551.21

*includes assets and liabilties associated with discontinued operation

(All amounts are in Rs. lakhs unless otherwise stated)

d) Entity wide information

The Company operates in two principle geographical areas - India and Outside India.

The Company's revenue from operations by location of customers and information about its non-current assets by location of assets are detailed below:

	Revenue from operations		Non-current assets*	
	Year ended 31.3.2025	Year ended 31.3.2024	**As at 31.3.2025**	As at 31.3.2024
India	**463808.66**	352999.96	**86880.43**	92269.10
Outside India	**212040.00**	134340.35	**-**	-
Total	**675848.66**	487340.31	**86880.43**	92269.10

* Non current assets do not include financial assets-investments, loans & other non-current financial assets

e) Segment accounting policies for the purpose of monitoring segment performance and allocating resources between segments:

In addition to the significant accounting policies applicable to the business segments as set out in Note No.4, the accounting policies in relation to segment accounting are as under:

i) Segment revenue and expenses:

Segment revenue and expenses only include items directly attributable to the segment. They do not include investment income, interest income from loans given, dividend income, profit or loss on sale/redemption/fair valuation of investments, provision for diminution in value of investments, finance cost, donations and provision for taxation (current and deferred tax). Since the corporate office of the Company primarily caters to the cigarette and tobacco products segment, its expenses have been considered to be attributable to the same. Revenue of Rs. 142130.95 lakhs (Previous year Rs. 98594.91 lakhs) in the Cigarette, Toabacco and related products is from one (previous year- one) customer. No other single customer contributed to ten percent or more to the Company's revenue for the year ended March 31, 2025 and March 31, 2024.

ii) Segment assets and liabilities:

All segment assets and liabilities are directly attributable to the segment.

Segment assets include all operating assets used by the segment and consist principally of net fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment liabilities include all operating liabilities and consist principally of trade payables and other financial liabilities. Segment assets and liabilities do not include investments, loans given, bank balances for unclaimed dividend and corporate social responsibilities and fixed deposits' unclaimed interest, share capital, reserves and surplus, loan funds, dividends payable and income-tax (current and deferred tax).

(All amounts are in Rs. lakhs unless otherwise stated)

48. Employee share-based payment information

a. Description of employee share based payment arrangements

The Company has implemented a share-based employee incentive plan in the name of "Godfrey Phillips Employees Share Purchase Scheme-2024" (hereinafter referred to as **"ESPS 2024"**) in the current year and "Godfrey Phillips Employees Share Purchase Scheme-2023" (hereinafter referred to as "ESPS 2023") in the previous year. The Shareholders of the Company approved ESPS 2024 on December 19, 2024 and ESPS 2023 on January 07, 2024 and both the Schemes is being administered through an irrevocable Trust formed under the provisions of the Indian Trusts Act, 1882, in the name of "Godfrey Phillips ESPS Trust".

Detail of shares granted and accepted are as under:

Employee stock purchase scheme -2024

Sl. No.	Grant Date	Vesting date	No. of Share	Exercise Price (Rs.)	Offer acceptance period	Lock in Period*	Method of Settlement
1	13th February 2025	13th February 2025	1,71,500	1600	15 days from the date of offer i.e. 28th February 2025	For 1/4th of Shares offered: One year from the date of transfer (Type 1). For next 1/4th of Shares offered: Two year from the date of transfer (Type 2). For next 1/4th of Shares offered: Three year from the date of transfer (Type 3). For balance Shares offered: Four year from the date of transfer (Type 4).	Equity
	Total		**1,71,500**				

* Employee Share based payment expense to be recognised in the statement of profit and loss on proportionate basis over the period of 4 years as per the terms and conditions of the ESPS 2024.

Employee stock purchase scheme -2023

Sl. No.	Grant Date	Vesting date	No. of Share	Exercise Price (Rs.)	Offer acceptance period	Lock in Period*	Method of Settlement
1	29th January 2024	29th January 2024	40,000	983	30 days from the date of offer i.e. 28th February 2024	For 1/3rd of Shares offered: One year from the date of transfer (Type 1). For next 1/3rd of Shares offered: Two year from the date of transfer (Type 2).For balance Shares offered: Two and half year from the date of transfer (Type 3).	Equity
	Total		**40,000**				

b. Measurement of fair values

The weighted average fair value of shares as on grant date:

Particulars	Method of Valuation	Weighted average fair value as on the grant date (Rs.)
Employee stock purchase scheme -2024		
Type 1 Lock in for 1 year	Binomial method	3594.14
Type 2 Lock in for 2 years	Binomial method	3484.88
Type 3 Lock in for 3 years	Binomial method	3375.62
Type 4 Lock in for 4 years	Binomial method	3266.36
Weighted average fair value		**3430.25**

Particulars	Method of Valuation	Weighted average fair value as on the grant date (Rs.)
Employee stock purchase scheme -2023		
Type 1 Lock in for 1 year	Binomial method	1170.82
Type 2 Lock in for 2 years	Binomial method	1125.60
Type 3 Lock in for 2.5 years	Binomial method	1114.29
Weighted average fair value		**1136.90**

c. The inputs used in the measurement of grant date fair value are as follows:

	ESPS 2024	**ESPS 2023**
Stock Price (on the date previous to the date of grant) (Rs.)	5463.00	2261.15
Exercise Price (Rs.)	1600.00	983.00
Expected Life (no. of Years)	0.04	0.08
Risk free rate of interest (%)	6.54	7.11
Implied Volatility factor (%)	117.70	26.24
Dividend Yield on Market Price (%)	0.00	0.00

d. Details of employee share purchase scheme is presented below

ESPS 2024	Year ended 31 March 2025		Year ended 31 March 2024	
	Number of shares	Weighted average exercise price in Rs	Number of shares	Weighted average exercise price in Rs
(i) outstanding at the beginning of the period;	-	-	-	-
(ii) granted during the period;	1,71,500	1,600	-	-
(iii) forfeited during the period;	-	-	-	-
(iv) exercised during the period;	1,71,500	1,600	-	-
(v) expired during the period;	-	-	-	-
(vi) outstanding at the end of the period;	-	-	-	-
(vii) exercisable at the end of the period.	-	-	-	-

ESPS 2023	Year ended 31 March 2025		Year ended 31 March 2024	
	Number of shares	Weighted average exercise price in Rs	Number of shares	Weighted average exercise price in Rs
(i) outstanding at the beginning of the period;	-	-	-	-
(ii) granted during the period;	-	-	40,000	983
(iii) forfeited during the period;	-	-	-	-
(iv) exercised during the period;	-	-	40,000	983
(v) expired during the period;	-	-	-	-
(vi) outstanding at the end of the period;	-	-	-	-
(vii) exercisable at the end of the period.	-	-	-	-

Note: Excludes shares which were either not accepted or surrendered by the employees

49. Discontinued Operation

a. The Board of Directors, at its meeting held on April 12, 2024, had decided to exit from carrying out the business operations of the Company's Retail Business Division being operated under the name 24Seven. Subsequently, the Company has undertaken the necessary formalities for an orderly exit and have closed the operations of the said division during the current year. Accordingly, the said retail business has been classified as discontinued operation in accordance with "Ind AS 105 Non-Current Assets Held for Sale and Discontinued Operations" in these financial statements and is no longer considered as a separate segment by Chief Operating Decision Maker. The previous periods figures have been restated to give effect to the presentation requirements of Ind AS 105.

b. The results of discontinued operation for the year are presented below:

Particulars	Year ended 31.3.2025	Year ended 31.3.2024
Revenue from operations	10815.67	40127.61
Other income	2720.96	432.03
Total income	**13536.63**	40559.64
Expenses		
Purchases of stock-in-trade	5481.30	26860.05
Changes in inventories of stock-in-trade	2463.52	495.03
Employee benefits expenses	2038.00	2628.07
Finance costs	450.60	1243.05
Depreciation and amortisation expenses (Refer Note No. 6)	1414.69	3750.86
Impairment of property, plant and equipment, intangible assets and capital work in progress (Refer Note No. 6)	1459.34	-
Property, plant and equipment and intangible assets written off	418.55	61.38
Loss on sale of property, plant and equipment (net)	559.84	-
Other expenses	10018.58	11184.48
Total expenses	**24304.42**	46222.92
Loss before tax from a discontinued operation	**(10767.79)**	(5663.28)
Tax (expenses)/ income	2710.03	1425.33
Loss for the year from a discontinued operation	**(8057.76)**	(4237.95)

The Company do not have any cumulative income or expense recognised in other comprehensive income relating to a non-current asset classified as discontinued operation.

c. The major classes of assets and liabilities of the discontinued operation

	As at 31.3.2025
Assets	
Property, plant and equipment (Net of impairment of Rs.1301.74 lakhs)	-
Capital work in progress (Net of impairment of Rs.91.58 lakhs)	-
Intangible assets (Net of impairment of Rs.66.02 lakhs)	-
Trade receivable	0.93
Other financial assets	629.05
Other current assets	55.61
Total Assets	**685.59**
Liabilities	
Trade payables	1016.93
Other financial liabilities	38.75
Other current liabilities	23.79
Total Liabilities	**1079.47**
Net liabilities associated with discontinued operation	**(393.88)**

d. Trade payable ageing schedule

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	0.95	23.26	-	-	-	24.21
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	516.58	300.65	133.22	32.50	9.77	992.72
Balance as at March 31, 2025	**517.53**	**323.91**	**133.22**	**32.50**	**9.77**	**1016.93**

e. The net cash flows of the discontinued operation are as follows

	Year ended 31.3.2025	Year ended 31.3.2024
Operating activities	**(10811.82)**	664.14
Investing activities	**580.07**	(1081.91)
Financing activities	**(1556.25)**	(3635.31)
Net cash (outflow)/ inflow	**(11788.00)**	(4053.08)

50. Ratio Analysis

	Ratio	Numerator	Denominator	As at 31.3.2025	As at 31.3.2024	% Change
a)	Current ratio	Current assets	Current liabilities	**2.01**	1.63	23.4%
b)	Debt-Equity ratio (i)	Total lease liabilities and long term debt	Total equity	**0.03**	0.08	-57.0%
c)	Debt service coverage ratio (ii)	Profit before interest and tax	Finance cost	**81.06**	43.08	88.1%
d)	Return on equity ratio	Total comprehensive income	Average Total Equity	**25.31%**	24.95%	1.4%
e)	Inventory turnover ratio	Turnover	Average inventory	**4.14**	4.70	-11.9%
f)	Trade receivables turnover ratio (iii)	Turnover including indirect taxes	Average trade receivable	**42.40**	69.92	-39.4%
g)	Trade payables turnover ratio	Total purchases (excluding indirect taxes)	Average trade payables	**7.81**	6.97	12.1%
h)	Net capital turnover ratio	Operating revenue	Shareholder's equity	**1.56**	1.37	13.4%
i)	Net profit ratio	Total comprehensive income	Operating revenue	**15.20%**	16.63%	-8.6%
j)	Return on capital employed	Profit before tax	Average capital employed	**30.65%**	28.50%	7.5%
k)	Return on investment	Interest income and Net gain on sale/redemption/ fair valuation of current and non current investment	Average current and non-current investment	**7.05%**	7.48%	-5.8%

Ratios are calculated including profits from discontinued operation.
(i) Termination of leases pertaining to discontinued operation improved the debt-equity ratio.
(ii) Debt service coverage ratio has improved mainly due to increase in EBIT and decrease in finance cost due to termination of leases pertaining to discontinued operation.
(iii) Trade receivables turnover ratio decreased mainly due to higher trade receivables pertaining to export sales of unmanufactured tobacco.

51. The Company has used two accounting softwares, viz Oracle EBS and SAPS4 Hana (pertaining to discontinued operation), for maintaining its books of account and both have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all its relevant transactions recorded in the software. Audit trail feature at the application underlying database was enabled from November 18, 2024 for Oracle EBS and was not enabled for direct changes to the underlying database using privileged access rights for SAPS4 Hana during the year. However, no instance of audit trail feature having been tampered with was noted for both these software. Additionally, the audit trail has been preserved by the Company for transactions recorded on or after November 18, 2024 for Oracle EBS and has not been preserved for transactions recorded in SAPS4 Hana.

52. Disclosures required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 186(4) of the Companies Act, 2013:

Investments:

Full particulars of investments made by the Company have been disclosed in Note No.9.

Guarantees:

Full particulars of guarantees given by the Company have been disclosed in Note No.37. Further, these guarantees have been given to the banks to secure financial facilities provided by them to the subsidiaries of the Company.

Loans:

Included in loans in Note No.10 are certain intercorporate loans the particulars of which are disclosed below:

	As at 31.3.2025	As at 31.3.2024
Name of the loanee	White Horse Realty Limited	-
Relationship	Wholly owned subsidiary	
Balance as on March 31	Rs.1000 lakhs	-
Maximum amount outstanding during the year	Rs.1000 lakhs	-

The loan has been granted for meeting its working capital requirements.

There are no loans and advances in the nature of loans to the subsidiaries other than mentioned above/associates/ firms and companies in which directors are interested.

53. As mentioned in Note No. 49, the Company, during the current year, discontinued the business operations of the Retail Business Division which was carried out under the brand name “24 Seven” and thereafter ceased to use of the “24Seven” trademarks. Twenty Four Seven Retail Stores Private Limited (“TFSRSPL”), a company owned by Mr. Samir Kumaar Modi (a related party and an erstwhile executive director of the Company) and owner of the 24Seven trademark, has filed a Suit before the Hon’ble High Court of Delhi against the Company claiming payment of royalty for the usage of the 24Seven trademark by the Retail Business Division of the Company, to be calculated @ 7% of total sales revenue of the Retail Business Division during the period between June 2005 to August 31, 2024, along with interest @18% p.a. and additional damages of Rs. 200.01 Lakhs. Based on its internal assessment and legal advice obtained, the Company believes that no royalties are payable to TFSRSPL and that it has strong grounds to defend on merits and therefore, the Company does not expect any liability to devolve on it.

54. Other Statutory Information

a) There is no transaction and outstanding balance with struck off companies during the year and as at March 31, 2025 and March 31, 2024.

b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

c) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

e) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

As per our report of even date

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

SUBRAMANIAN LAKSHMINARAYANAN
(DIN 02808698)

AVTAR SINGH MONGA
(DIN 00418477)

Directors

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GODFREY PHILLIPS INDIA LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Godfrey Phillips India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the consolidated Balance sheet as at March 31 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group and associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 4.1.1 and 27 of the consolidated Ind AS financial statements)	
For the year ended March 31, 2025 the Company has recognized Revenue from operations of Rs. 676,748.63 lakhs. Revenue recognition has been recognized as a key audit matter as the Group focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the control is transferred. This give rise to the risk that revenue is not recognized in the correct period.	Procedures included the following: - Read and assessed the appropriateness of the Group's revenue recognition policies. - Performed walkthroughs and test of controls, assisted by IT specialists engaged by us, of the revenue recognition processes and assessed the design and operating effectiveness of key controls. - Selected a sample of revenue transactions occurred close to the balance sheet date to evaluate whether revenue was recognised in the correct period by either examining third party supporting documents such as bill of lading and lorry receipts or analyzing delivery lead time.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the

Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of 5 subsidiaries, whose financial statements include total assets of Rs. 94,306 lakhs as at March 31, 2025, and total revenues of Rs. 1,018 lakhs and net cash outflows of Rs. 1,009 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. (10) lakhs for the year ended March 31, 2025, as considered in the consolidated Ind AS financial statements, in respect of 1 associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate companies incorporated in India, as noted in the 'Other Matter' paragraph, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements. Further, the Statutory year end of one of the associate "IPM India Wholesale Trading Private Limited" (IPM), included in these consolidated financial statements, is 31 December, 2024, hence reporting under the Companies (Auditor's Report) Order, 2020 ("the Order") in so far as it relates to the affairs of IPM is restricted to such date only. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate companies, none of the directors of the Group's companies and its associates, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and associate companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates incorporated in India, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company, its subsidiaries and associates incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates, as noted in the 'Other matter' paragraph:

   i. TThe consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated financial statements – Refer Note 37 and 52 to the consolidated Ind AS financial statements;

   ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2025;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, incorporated in India during the year ended March 31, 2025. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiaries and associates, incorporated in India during the year ended March 31, 2025.

iv. a) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and associate from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company and its associate companies incorporated in India and until the date of the respective audit reports of such Holding Company, and associate is in accordance with section 123 of the Act.

As stated in note 18 to the consolidated Ind AS financial statements, the respective Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the company at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and its associates which are companies incorporated in India whose financial statements have been audited under the Act and as explained in Note 50 to the consolidated Ind AS financial statements, the components of the Group have used multiple accounting softwares for maintaining the books of account which have the feature of recording audit trail (edit log) facility. While in all softwares, the same was operational throughout the year for all relevant transactions recorded in these softwares, except that audit trail feature at the application underlying database was enabled from November 18, 2024 for Oracle EBS and was not enabled for direct changes to the underlying database using privileged access rights for SAP S4 Hana. However, during the course of our audit we did not come across any instance of audit trail feature having been tampered with was noted for these softwares. Additionally, the audit trail has been preserved by the Company for transactions recorded for all these softwares except preservation of data was done on or after November 18, 2024 for Oracle EBS and and has not been preserved for transactions recorded in SAP S4 Hana.

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

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN: 25502405BMLBTQ2251

Place of Signature: New Delhi
Date: May 15, 2025

Annexure 1 referred to in paragraph 2(g) under the heading "Report on other legal and regulatory requirements" of our report of even date on the consolidated Ind AS financial statements of Godfrey Phillips India Limited

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

In conjunction with our audit of the consolidated financial statements of Godfrey Phillips India Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

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

Opinion

In our opinion, the Group and its associates, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these four subsidiaries and one associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associates incorporated in India.

For **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**

Partner

Membership Number: 502405

UDIN: 25502405BMLBTQ2251

Place of Signature: New Delhi

Date: 15th May, 2025

GODFREY PHILLIPS
INDIA LIMITED

CONSOLIDATED BALANCE SHEET

as at March 31, 2025

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

Particulars	Note No.	As at 31.03.2025	As at 31.03.2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	**55443.98**	59466.94
Capital work-in-progress	6	**2270.04**	1016.61
Investment property	7	**3982.11**	3382.82
Right of Use Assets	40	**12539.16**	24781.63
Intangible assets	8	**1197.27**	1626.54
Intangible assets under development	8	**15.07**	6.40
Financial assets			
- Investments	9	**301829.21**	284263.99
- Loans	10	**2419.73**	643.61
- Other financial assets	15	**1095.51**	1540.55
Non-current tax assets (Net)	25	**2618.66**	3730.02
Other non-current assets	16	**13286.09**	2705.56
Total non-current assets		**396696.83**	383164.67
Current assets			
Inventories	12	**199708.07**	144159.24
Financial assets			
- Investments	9	**17900.32**	15769.93
- Trade receivables	13	**51634.94**	17286.65
- Cash and cash equivalents	14	**1424.71**	1045.87
- Other bank balances	14	**1605.59**	1451.70
- Loans	10	**518.81**	225.59
- Other financial assets	15	**4898.77**	4086.41
Other current assets	16	**21830.15**	17135.86
Total current assets		**299521.36**	201161.25
Assets associated with discontinued operation	49	**685.59**	-
Total assets		**696903.78**	584325.92
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**1039.88**	1039.88
Other equity	18	**523541.72**	422171.54
Equity attributable to owners of the Company		**524581.60**	423211.42
Non-controlling interests	19	**667.72**	624.43
Total equity		**525249.32**	423835.85
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	20	**148.64**	134.63
- Lease Liabilities	21	**12033.43**	25767.08
- Other financial liabilities	22	**107.50**	187.27
Employee benifits obligation	23	**2337.51**	2434.24
Deferred tax liabilities (Net)	11	**13873.31**	10573.13
Total non-current liabilities		**28500.39**	39096.35
Current liabilities			
Financial liabilities			
- Borrowings	20	**2922.45**	4395.81
- Lease liabilities	21	**2792.79**	4241.22
- Trade payables	24		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises		**2492.96**	2340.78
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		**47468.91**	37248.40
- Other financial liabilities	22	**11489.38**	9132.48
Other current liabilities	26	**73785.69**	61770.84
Employee benifits obligation	23	**670.09**	1740.32
Income tax liabilities (Net)	25	**452.33**	523.87
Total current liabilities		**142074.60**	121393.72
Liabilities associated with discontinued operation	49	**1079.47**	-
Total equity and liabilities		**696903.78**	584325.92
Notes forming part of the consolidated financial statements	1-53		

As per our report of even date

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

ATUL KUMAR GUPTA
(DIN 01734070)

NIRMALA BAGRI
(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

SUBRAMANIAN LAKSHMINARAYANAN
(DIN 02808698)

AVTAR SINGH MONGA
(DIN 00418477)

Directors

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended March 31, 2025

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

GODFREY PHILLIPS INDIA LIMITED

	Particulars	Note No.	Year ended 31.03.2025	Year ended 31.03.2024
	Continuing operations			
I	Revenue from operations	27	**676748.63**	490333.31
II	Other income	28	**22062.18**	20999.04
III	**Total income (I+II)**		**698810.81**	511332.35
IV	**Expenses**			
	Cost of materials consumed	29	**151144.23**	108345.12
	Purchases of stock-in-trade	30	**184222.04**	109055.38
	Changes in inventories of finished goods, stock-in-trade, work-in-process and land	31	**(10095.04)**	(256.11)
	Excise duty		**115647.41**	88503.03
	Employee benefits expenses	32	**41036.31**	31012.50
	Finance costs	33	**1231.47**	1371.45
	Depreciation, impairment and amortisation expenses	6	**12364.13**	10844.71
	Other expenses	34	**77052.25**	63362.40
	Total expenses		**572602.80**	412238.48
V	**Profit before share of profit of associates and tax from continuing operations (III-IV)**		**126208.01**	99093.87
VI	**Share of profit of associates, net of tax**	9.1	**20896.85**	16067.85
VII	**Profit before tax from continuing operations (V+VI)**		**147104.86**	115161.72
VIII	**Tax expense:**	11		
	- Current tax		**30462.47**	21667.77
	- Deferred tax charge/(credit)		**1353.30**	859.07
	Total tax expense		**31815.77**	22526.84
IX	**Profit for the year from continuing operations (VII-VIII)**		**115289.09**	92634.88
	Discontinued operation	49		
	(i) Loss before tax from discontinued operation		**(10767.79)**	(5663.28)
	(ii) Tax benefit from discontinued operation		**2710.03**	1425.33
X	**Loss for the year from discontinued operation (i-ii)**		**(8057.76)**	(4237.95)
XI	**Profit for the year (IX+X)**		**107231.33**	88396.93
XII	**Other comprehensive income**			
	Items that will not to be reclassified to profit or loss in subsequent periods			
	(i) Gain/(Loss) on remeasurements of the defined benefit/contribution plans		**111.34**	(518.83)
	(ii) Tax impact on remeasurements of the defined benefit/contribution plans		**(28.02)**	130.58
	(iii) Gain on equity instruments fair valued through other comprehensive income		**36723.36**	12366.38
	(iv) Tax impact on equity instruments fair valued through other comprehensive income		**(1691.36)**	(2880.87)
	Total other comprehensive income, net of tax (i+ii+iii+iv)		**35115.32**	9097.26
XIII	**Total comprehensive income for the year (XI+XII)**		**142346.65**	97494.19
	Profit for the year attributable to:			
	Owners of the Company		**107203.28**	88304.29
	Non-controlling interests		**28.05**	92.64
			107231.33	88396.93
	Other comprehensive income for the year attributable to:			
	Owners of the Company		**35115.32**	9097.26
	Non-controlling interests		**-**	-
			35115.32	9097.26
	Total comprehensive income for the year attributable to:			
	Owners of the Company		**142318.60**	97401.55
	Non-controlling interests		**28.05**	92.64
			142346.65	97494.19
	Basic and Diluted Earnings per share for continuing operations in Rs. (Face value of share - Rs. 2 each)	36	**222.35**	178.02
	Basic and Diluted Earnings per share for discontinued operation in Rs. (Face value of share - Rs. 2 each)	36	**(15.54)**	(8.15)
	Basic and Diluted Earnings per share for continuing operations and discontinued operation in Rs. (Face value of share - Rs. 2 each)	36	**206.81**	169.87
	Computed on the basis of profit attributable to the owners of the company			
	Notes forming part of the consolidated financial statements	1-53		

As per our report of even date

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

ATUL KUMAR GUPTA (DIN 01734070)
NIRMALA BAGRI (DIN 01081867)
SUMANT BHARADWAJ (DIN 08970744)
SUBRAMANIAN LAKSHMINARAYANAN (DIN 02808698)
AVTAR SINGH MONGA (DIN 00418477)
Directors

GODFREY PHILLIPS
INDIA LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2025
(All amounts are in Rs. lakhs unless otherwise stated)
CIN: L16004MH1936PLC008587

(a) Equity share capital (Note 17)

Equity Shares of Rs.2 each issued, subscribed and fully paid	Amount
Balance at April 1, 2023	**1039.88**
Balance at March 31, 2024	**1039.88**
Balance at March 31, 2025	**1039.88**

(b) Other equity (Note 18)

	Reserves and surplus				Equity component of compound financial instrument	Reserve for equity instruments fair valued through other comprehensive income	Employee share based payment reserve	Treasury Shares	Attributable to owners of the company (sub-total)	Non controlling interests	Total
	General reserve	Capital redemption reserve	Retained earnings	Statutory Reserve							
Balance at April 1, 2023	**37431.89**	**30.13**	**295106.82**	**98.34**	**115.84**	**20970.31**	**-**	**-**	**353753.33**	**531.79**	**354285.12**
Profit for the year	-	-	88304.29	-	-	-	-	-	88304.29	92.64	88396.93
Other comprehensive income for the year, net of income-tax	-	-	(388.25)	-	-	9485.51	-	-	9097.26	-	9097.26
Total comprehensive income	**-**	**-**	**87916.04**	**-**	**-**	**9485.51**	**-**	**-**	**97401.55**	**92.64**	**97494.19**
Payment of dividends (Rs.44 per equity share)	-	-	(22877.32)	-	-	-	-	-	(22877.32)	-	(22877.32)
Recognition of employee share based payment expense	-	-	-	-	-	-	454.76	-	454.76	-	454.76
Transfer to statutory reserve from retained earnings	-	-	(13.97)	13.97	-	-	-	-	-	-	-
Transfer to general reserve from retained earnings	-	-	-	-	-	-	-	-	-	-	-
Treasury shares purchased under ESPS (net of tax)	-	-	78.03	-	-	-	-	(6638.81)	(6,560.78)	-	(6560.78)
Balance at March 31, 2024	**37431.89**	**30.13**	**360209.60**	**112.31**	**115.84**	**30455.82**	**454.76**	**(6638.81)**	**422171.54**	**624.43**	**422795.97**
Profit for the year	-	-	107203.28	-	-	-	-	-	107203.28	28.05	107231.33
Other comprehensive income for the year, net of income-tax	-	-	83.32	-	-	35032.00	-	-	35115.32	-	35115.32
Total comprehensive income	**-**	**-**	**107286.60**	**-**	**-**	**35032.00**	**-**	**-**	**142318.60**	**28.05**	**142346.65**
Payment of dividends (Rs. 56 per equity share)	-	-	(28998.16)	-	-	-	-	-	(28998.16)	-	(28998.16)
Interim dividend	-	-	(18137.85)	-	-	-	-	-	(18137.85)	-	(18137.85)
Transfer to Non controlling interest	-	-	(15.24)	-	-	-	-	-	(15.24)	15.24	-
Transfer to statutory reserve from retained earnings	-	-	(15.66)	15.66	-	-	-	-	-	-	-
Treasury shares alloted under ESPS (net of tax)	-	-	(78.03)	-	-	-	-	6638.81	6560.78	-	6560.78
Recognition of employee share based payment expense (Refer Note No. 46)	-	-	-	-	-	-	401.83	-	401.83	-	401.83
Exercise of shares under ESPS 2023	-	-	(305.02)	-	-	-	(454.76)	-	(759.78)	-	(759.78)
Balance at March 31, 2025	**37431.89**	**30.13**	**419946.24**	**127.97**	**115.84**	**65487.82**	**401.83**	**-**	**523541.72**	**667.72**	**524209.44**

Notes forming part of the consolidated financial statements 1-53

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

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

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

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(DIN 01734070)

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(DIN 01081867)

SUMANT BHARADWAJ
(DIN 08970744)

SUBRAMANIAN LAKSHMINARAYANAN
(DIN 02808698)

AVTAR SINGH MONGA
(DIN 00418477)

Directors

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2025

(All amounts are in Rs. lakhs unless otherwise stated)

CIN: L16004MH1936PLC008587

GODFREY PHILLIPS INDIA LIMITED

	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax from continuing operations	**147104.86**	115161.72
	Loss before tax from discontinued operation	**(10767.79)**	(5663.28)
	Profit before tax from continuing operations and discontinued operation	**136337.07**	109498.44
	Adjustments to reconcile profit before tax to net Cash flows:		
	Depreciation, impairment and amortisation expenses	**15238.15**	14595.57
	Share of profit of associates, net of taxes	**(20896.85)**	(16067.85)
	Interest income from:		
	- Debts, deposits, loans and advances, etc.	**(589.66)**	(588.94)
	- Non-current investments	**(989.13)**	(562.19)
	Net gain on sale/redemption/fair value of long term investments	**(15511.05)**	(15953.03)
	Net gain on sale/redemption/fair value of short term investments	**(1812.96)**	(2511.17)
	Interest expenses		
	- On borrowings	**43.83**	18.76
	- On lease liabilities	**1512.52**	2384.82
	- Others	**77.43**	182.29
	Bad debts and advances written off	**219.85**	23.32
	Liabilities and provisions no longer required, written back	**(165.50)**	(171.27)
	Provision for doubtful debts and advances (net)	**25.27**	(4.43)
	Property, plant and equipments and intangible assets written off	**1754.55**	82.07
	Loss/ (Gain) on sale of property, plant and equipment (net)	**544.01**	(38.98)
	Gain on termination/concession in leases	**(3263.09)**	(289.55)
	Employee share based payment expense	**401.83**	454.76
		(23410.80)	(18445.82)
	Operating profit before working capital changes	**112926.27**	91052.62
	Working capital adjustments:		
	Increase in Trade receivables, loans, other financial assets and other assets	**(45318.10)**	(7208.65)
	Increase in Inventories	**(55548.83)**	(51344.40)
	Increase in Trade payables, other financial liabilities, other liabilities and provisions	**25087.37**	16165.42
	Proceeds from sale of current and non current investments*	**21.67**	82.84
		(75757.89)	(42304.79)
	Cash generated from operating activities	**37168.38**	48747.83
	Income taxes paid (net of refund)	**(26443.41)**	(19723.90)
	Net cash generated from operating activities	**10724.97**	29023.93
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment, capital work in progress, investment property, intangible assets and intangible assets under development	**(16775.43)**	(10011.01)
	Proceeds from sale of property, plant and equipment, capital work in progress, investment property, intangible assets and intangible assets under development	**778.92**	194.57
	Purchase of other current and non-current investments	**(760000.43)**	(703654.31)
	Proceeds from sale of other current and non-current investments	**795883.06**	699714.56
	Dividend received from an associate	**19344.00**	17608.00
	Interest received	**1557.77**	579.48
	Short term fixed deposits (made)/released (net)	**(555.41)**	1113.37
	Net cash generated from investing activities	**40232.48**	5544.66
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	**(1619.05)**	(2817.12)
	Dividend paid	**(46926.31)**	(22842.18)
	Payment of lease liabilities	**(3336.40)**	(3975.61)
	Purchase of treasury shares	**-**	(6638.81)
	Receipt of exercise price under employee share based payment scheme	**2744.00**	393.20
	Net cash used in financing activities	**(49137.76)**	(35880.52)
	NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	**1819.69**	(1311.93)
	Cash and cash equivalents at the beginning of the year	**(2472.37)**	(1160.44)
	Cash and cash equivalents at the end of the year (Refer Note 1 below)	**(652.68)**	(2472.37)

*By the subsidiary company engaged in the business of acquisition of securities

Note 1:

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprises the following:

	As at 31.03.2025	As at 31.03.2024
Cash and cash equivalents (Refer Note No. 14)	**1424.71**	1045.87
Earmarked Corporate Social Responsibility Unspent A/c* (Refer Note No. 14)	**-**	242.21
Earmarked unpaid dividend accounts** (Refer Note No. 14)	**845.06**	635.36
Overdraft	**(2922.45)**	(4395.81)
Total	**(652.68)**	(2472.37)

*Earmarked corporate social responsibility unspent account are restricted in use as it related to unspent amout.

**Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend

Note 2:

The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 on Cash Flow Statements

Notes forming part of the consolidated financial statements 1-53

As per our report of even date

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

ATUL KUMAR GUPTA (DIN 01734070)
NIRMALA BAGRI (DIN 01081867)
SUMANT BHARADWAJ (DIN 08970744)
SUBRAMANIAN LAKSHMINARAYANAN (DIN 02808698)
AVTAR SINGH MONGA (DIN 00418477)
Directors

1. Corporate information

The consolidated financial statements comprise financial statements of Godfrey Phillips India Limited (the Holding Company) and its subsidiaries (collectively, the Group) for the year ended March 31, 2025.

Godfrey Phillips India Limited ('the Company') is a public limited company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange. The principal activities of the Group are manufacturing of cigarettes and tobacco products, trading of cigarettes, tobacco products, and other retail products, acquisition of securities and real estate development.

The address of its registered office is 'Macropolo Building', Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai - 400033 and the address of its corporate office is Omaxe Square, Plot No.14, Jasola District Centre, Jasola, New Delhi - 110025. The consolidated financial statements were approved for issue by the Board of Directors on May 15, 2025.

2. Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (as amended) herein after referred to as "the Act" read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III of the Act, as amended from time to time and Ind AS compliant Schedule III as applicable to these consolidated financial statements.

3. Basis of preparation and consolidation

3.1. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and employee share based payments that are measured at fair values at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The financial statements are presented in rupees lakhs except when otherwise indicated.

3.2. Basis of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity, has power over the entity (i.e. existing rights that give it the current ability to direct the relevant activities of the entity) and has the ability to use its power over the entity to affect its return. Subsidiaries are consolidated from the date on which control is obtained by the Group. They are de-consolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, expenses and cash flows. Offset (eliminate) the carrying amount of the parent`s investment in each subsidiary and the parent`s portion of equity of each subsidiary. Intragroup transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

(All amounts are in Rs. lakhs unless otherwise stated)

Non-controlling interests in the equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of change in equity and the consolidated balance sheet respectively.

The subsidiaries considered in the preparation of these consolidated financial statements are:

Name of subsidiary	Country of incorporation	Principal activities	Proportion of ownership as at 31.3.2025	Proportion of ownership as at 31.3.2024
Indian Subsidiaries				
International Tobacco Company Limited	India	Manufacturing of cigarettes & tobacco products	100.00%	100.00%
Chase Investments Limited	India	Acquisition of securities	100.00%	100.00%
Friendly Reality Projects Limited	India	Real estate development	92.20%*	92.20%*
Unique Space Developers Limited	India	Real estate development	66.67%**	66.67%**
Rajputana Infrastructure Corporate Limited	India	Real estate development	92.20%***	92.20%***
White Horse Realty Limited^	India	Real estate development	100.00%	-
Foreign Subsidiaries				
Godfrey Phillips Middle East DMCC#	U.A.E.	Trading of cigarettes, tobacco & other retail products	-	100.00%

*Held partly through other subsidiary
**Held through other subsidiaries
***100% subsidiary of Friendly Reality Projects Limited
^incorporated during the year
#liquidated during the year

(ii) Associates

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.This is generally the case where the group holds between 20% to 50% of the voting power. Investments in associates are accounted for using the equity method of accounting (see note (iii) below), after initially being recognised at cost.

Name of Associates	Country of incorporation	Proportion of ownership as at 31.3.2025	Proportion of ownership as at 31.3.2024
IPM India Wholesale Trading Private Limited	India	24.80%	24.80%
KKM Management Centre Private Limited	India	36.75%	36.75%

(iii) Trusts

Godfrey Phillips ESPS Trust under the provisions of the Indian Trusts Act, 1882 was formed during the year by the Holding Company for the purpose of administration of Godfrey Phillips Employees Share Purchase Scheme-2023 (hereinafter referred to as “ESPS 2023”).

The Group combines the financial statements of the trust line by line adding together like items of assets, liabilities, contribution fund, income, expenses and cash flows. The carrying amount of the parent`s contribution in the trust, intragroup transactions and balances are eliminated.

(iv) Equity methods

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post acquisition profits or losses of the associate in Group`s profit and loss, and the Group's share of other comprehensive income of the associate in Group`s other comprehensive income. Dividends received from associates are recognised as a reduction in the carrying amount of the investment.

Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in other comprehensive income of associate is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

When the Group's share of losses in equity-accounted associate equals or exceeds its interest in the associate, the Group does not recognise its share of further losses. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of profit and loss. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated to the extent of the Group's interest in these entities unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted associates are tested for impairment in accordance with the prescribed policy.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and fair value of any consideration paid or received is recognised within equity and attributed to the owners of the company.

If the Group loses control over a subsidiary it
-Derecognises the assets (including goodwill) and liabilities of the subsidiary
-Derecognises the carrying amount of any non-controlling interests
-Derecognises the cumulative translation differences recorded in equity
-Recognises the fair value of the consideration received
-Recognises the fair value of any investment retained
-Recognises any surplus or deficit in profit or loss
-Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

When the Group ceases to equity account for an investment because of loss of significant influence, any retained interest in the former associate is remeasured to its fair value. The difference between the carrying amount of the investment at the date the equity method was discontinued and the fair value of any retained interest & any proceeds from disposing of a part interest in the associate is recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest in the former associate as financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that former associate are accounted for as if the Group had directly disposed of related assets or liabilities. This means that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

3.3. Use of estimates

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent assets and contingent liabilities.

The management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised and future periods affected.

3.4. Changes in presentation and disclosure

The Group has revised the presentation of employee related liabilities, primarily comprising of accrued salaries, wages and bonuses to other financial liabilities instead of the hitherto followed practice of including the same under trade payables as it believes that the same would lead to a better presentation of financial statements. Accordingly, a sum of Rs. 7087.39 lakhs as at 31 March 2024 has been reclassified to other financial liabilities from trade payables. Since this change relates to only presentation and disclosure under the same sub heading, hence there is no impact either on the total equity and/or profit and loss for the current year or any earlier period or on the consolidated statement of cash flows. The management does not believe that this change has any material impact on the consolidated balance sheet at the beginning of the comparative period and hence there is no need for a separate presentation of an additional balance sheet.

4. Material accounting policies information

4.1.1. Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Revenue excludes amounts collected on behalf of third parties.

Sale of Products

The Group earns revenue from domestic and export of goods (both manufactured and traded). In domestic sales, the Group sells products to wholesaler dealers, modern trade retailers and to retail customers.

Revenue from sale of products is recognised at a point in time when control of the goods is transferred to the customer. Following delivery/loading for shipment, as the case maybe, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. Payment is generally due within 0-180 days as per credit terms with the customers. The Group considers the effects of variable consideration,if any, the existence of significant financing components and consideration payable to the customer.

For sale of retail goods, revenue is recognised when control of the goods is transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled to in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group recognizes changes in the estimated amount of variable consideration in the period in which the change occurs.

-Rebates and discounts

The Group accounts for cash discounts, volume discounts, redemption schemes and pricing incentives to customers or end users as a reduction of revenue based on the rateable allocation of the discounts/ incentives to the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably.

(ii) Significant financing component

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments.

Contract liabilities

Contract liabilities (termed as Advance from customers in the consolidated financial statements) represents the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligations under the contract.

Cost to obtain a contract

The Group pays sales commission to its selling agents for contracts that they obtain for the Group. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included in other expenses) because the amortization period of the asset that the Group otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

4.1.2. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4.1.3. Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

4.2. Leases

Group as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

4.2.1. Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss.

4.2.2. Finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

4.2.3 Group as a lessee

At the date of commencement of the lease, the Group recognises a right-of-use-asset ("ROU") and a corresponding lease liability for all the lease arrangements in which it is a lessee, except for the leases with a term of 12 months or less (short term leases) and the leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payments as an operating expense on accrual basis.

i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).The ROU assets are initially recognised at cost, which comprise of the initial amount of the lease liability adjusted for any payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentive. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The ROU asset are depreciated on a straight line basis over the shorter of the lease term Refer Note No. 40 and the estimated useful life of the underlying asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

ROU assets and Lease liabilities have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

4.3. Foreign currencies

4.3.1. Functional and presentational currency

The Group's financial statements are presented in Indian rupees (Rs.), which is also the parent company`s functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

4.3.2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

4.4. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

4.4.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated in accordance with the prevailing tax laws using tax rates that have been enacted or substantially enacted by the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group then reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

4.4.2. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

1. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

2. In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits can be utilised, except:

1. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

2. In respect of deductible temporary differences associated with investments in subsidiaries and associates deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

4.4.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.5. Employee benefits

4.5.1. Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

4.5.2. Long term employee benefits

Long term employee benefits include compensated absences. The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

4.5.3. Defined contribution plan

The contributions to these schemes are charged to the consolidated statement of profit and loss of the year in which contribution to such schemes becomes due on the basis of services rendered by the employees. The Group has no further obligation in respect of such plans except for the contributions due from them.

4.5.4. Defined benefit plan

Present value of obligation is provided on the basis of an actuarial valuation made at the end of each financial year as per projected unit credit method. Current and past service costs and interest expense/income are recognised as employee costs. For all defined benefit plans the difference between the present value of obligations and the fair value of plan assets is represented in the balance sheet as a liability or an asset. However the assets are restricted to the present value of the economic benefits available to the Group.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

4.5.5. Termination benefits

Termination benefit is recognised as an expense at earlier of when the Group can no longer withdraw the offer of termination benefit and when the expense is incurred.

4.6. Property, plant and equipment

4.6.1. Recognition and measurement

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any recognised impairment losses, and include interest on loans attributable to the acquisition of qualifying assets upto the date they are ready for their intended use. Freehold land is measured at cost and is not depreciated.

4.6.2. Capital work in progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

4.6.3. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible property, plant and equipment (other than free hold land and properties under construction) is recognised on straight-line method, taking into account their nature, their estimated usage, their operating conditions, past history of their replacement and maintenance support etc.

Estimated useful lives of the assets based on technical estimates are as under:

Buildings	30 - 60 years
Leased office buildings, warehouses and stores	2 - 18 years
Plant and machinery	15 years
Electrical installation and equipments	10 years
Computers and information technology equipments	3 - 6 years
Furniture, fixtures and office equipments including store equipments	5 -10 years
Motor vehicles	3-8 years
Leasehold land	45 -99 years

Leasehold building improvements and Plant & Machinery (Retail Segment) are depreciated on a straight line basis over the period of lease (5 to 18 years) or, if shorter, their useful economic life.

The useful life estimated above are less than or equal to those indicated in Schedule II of the Companies Act, 2013.

Freehold land is not amortised.

The ROU asset are depreciated on a straight line basis over the shorter of the lease term and the estimated useful life of the underlying asset.(Refer 4.2.3).

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

The useful lives of plant and machinery stated above is based on a single shift working. Except for assets in respect of which no extra shift depreciation is permitted, if an item of plant and machinery is used any time during the year on double shift, the rate of depreciation shall be increased by 50% for that period and in case of triple shift the rate shall be increased by 100%.

4.7. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

No depreciation is charged in case of freehold land being designated as an investment property.

The Group based on technical assessment made by it, depreciates building component of investment property on a straight line basis over a period of 30 to 60 years from the date of original purchase.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

4.8. Intangible assets

4.8.1. Recognition and measurement of intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

4.8.2. Derecognition of intangible asset

An intangible asset is derecognised on disposal, or when no future economics benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4.8.3. Amortisation method and useful life

Intangible assets are amortised on straight line method over their estimated useful life as follows:

Computer software – 5 years

4.8.4. Intangible assets under development

Intangible assets under development represents the expenditure incurred on the development phase of completing the intangible assets. Expenditure incurred on the research phase however, are recognised as expense as and when they are incurred.

4.9 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4.10. Impairment of non-financial assets other than goodwill

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

4.11. Inventories

Inventories are stated at lower of cost and net realisable value. The cost of raw materials, stores and spares and traded goods is determined on moving weighted average cost basis. The cost of finished goods and work-in-process is determined on standard absorption cost basis which approximates actual costs. Absorption cost comprises raw materials cost, direct wages, appropriate share of production overheads and applicable excise duty paid/payable thereon.

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

4.12. Provisions and contingencies

4.12.1. Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of time value is material, the amount is determined by discounting the expected future cash flows.

4.12.2. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.

4.13. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.13.1. Financial assets

4.13.1.1. Initial recognition and measurement

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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

4.13.1.2. Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Group classifies its financial assets in the following measurement categories:

► those measured at amortized cost,

► those to be measured subsequently at fair value, either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL)

Financial assets at amortised cost:

A financial assets is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at FVTOCI:

A financial asset is classified as at the FVTOCI if both of the following criteria are met unless the asset is designated at fair value through profit or loss under fair value option.

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset, and

(b) The asset's contractual cash flows represent SPPI.

Financial assets at FVTPL:

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

4.13.1.3. Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

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

4.13.1.4. Derecognition

A financial asset (or where applicable, a part of financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group`s Balance Sheet) when:

► The rights to receive cash flows from the asset have expired, or

► The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

4.13.1.5. Impairment of financial assets

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

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

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Group believes that, considering their nature of business and past history, the expected credit loss in relation to its trade receivables and other financial assets is grossly immaterial. Thus, the Group has not recognised any provision for expected credit loss. The Group reviews this policy annually, if required.

4.13.2. Financial liabilities

4.13.2.1. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

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

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

4.13.2.2. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings, lease liabilities and trade and other payables are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

Financial guarantee contracts

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

4.13.2.3. Derecognition

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

4.14. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.15. Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and at banks, short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Statement of Cash Flows, Cash & Cash Equivalents consists of Cash and Short term deposits as defined above net of outstanding bank overdrafts as they are considered an integral part of the Group`s cash management and balance in unclaimed dividend accounts and corporate social responsibility unspent account.

4.16. Earnings per share (EPS)

Basic earnings per share has been computed by dividing the profit/(loss) after tax for the year attributable to the owners of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share has been computed by dividing the profit/(loss) after tax for the year attributable to the owners of the Holding Company by the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4.17. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the Board of directors and the selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Board of directors, after discussions with the Group`s external valuers, which valuation techniques and inputs to use for each case.

The board of directors, in conjunction with the Group`s external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

At each reporting date, the board of directors analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group`s accounting policies. For this analysis, the board of directors verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

4.18. Compound financial instrument

A compound financial instrument is a non-derivative financial instrument that, from the issuer's perspective, contains both a liability and an equity component.

On issuance of the mandatorily redeemable preference shares with dividends paid at the issuer's discretion, the fair value of the liability component is measured by determining the net present value of redemption amount, discounted at the market rate of interest prevailing at the time of issue. This amount is classified as a borrowing measured at amortised cost until it is extinguished on redemption. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole, the amount separately determined for the liability component.

After initial measurement, on the liability component, interest is accrued using EIR and is recognised in the consolidated statement of profit and loss as finance costs. Any dividends paid are related to the equity component and are recognised directly in the equity. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

4.19. Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is:

► Expected to be realised or intended to be sold or consumed in normal operating cycle

► Held primarily for the purpose of trading

► Expected to be realised within twelve months after the reporting period, or

► Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

► It is expected to be settled in normal operating cycle

► It is held primarily for the purpose of trading

► It is due to be settled within twelve months after the reporting period, or

► There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

4.20. Dividend distribution to equity holders of the Holding Company

The Holding Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Holding Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.21. Employee share based payment

Equity settled share based payments to employees under Godfrey Phillips Employee Share Purchase Schemes are measured at fair value of the equity instruments on the date of grant of shares. The fair value is determined with an assistance of an external valuer and is expensed in the statement of profit and loss based on the vesting conditions.

4.22. Discontinued Operation

Discontinued operation is a component of the Group that has been disposed of and represents a major line of business. Discontinued operation are excluded from the results of continuing operations and presented separately as profit or loss from discontinued operation, tax expense/ (benefit) of discontinued operation and profit or loss after tax from discontinued operation, in the statement of profit and loss.

Additional disclosures is provided in Note No. 49. All other notes to the consolidated financial statements mainly include amounts for contiuing operations, unless otherwise mentioned.

4.23. Standards issued but not yet effective

There are no standards that are notified and yet not effective as on March 31, 2025.

5. Significant accounting judgements, estimates and assumptions

TThe preparation of the financial statements requires management of the Group to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements and estimates

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

a) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments, see Note No. 42 for further disclosures. Where fund houses have declared net assets value (NAV) and are obliged to buy back the investments at the declared NAV and the same are disclosed as a quoted investments. See Note No.9.

b) Provisions and contingent liabilities

The Group has ongoing litigations with various regulatory authorities and others. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Liability for interest, if any, on the amount of entry tax provided in the books but not paid as per stay ordered by the appellate authorities/courts is considered as remote.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. Management uses in-house and external professionals to make informed decision. These are set out in Note no. 37.

(All amounts are in Rs. lakhs unless otherwise stated)

6. Property, plant and equipment and capital work in progress

	As at 31.03.2025	As at 31.03.2024
Carrying amount of:		
Property, plant and equipment	**55443.98**	59466.94
Capital work-in-progress	**2270.04**	1016.61

Property, plant and equipment and capital work in progress	**Freehold land****	**Buildings */****	**Leasehold building improvements**	**Plant and machinery**	**Electrical installation and equipments**	**Computers and information technology equipments**	**Furniture, fixtures and office equipments**	**Motor vehicles**	**Capital work-in-progress**	**Total**
Cost										
Balance at April 1, 2023	**974.61**	**22638.15**	**8665.66**	**81490.13**	**1829.77**	**2192.89**	**7353.62**	**3324.13**	**2211.36**	**130680.32**
Additions	-	289.45	203.97	5165.37	100.42	298.94	1775.73	593.76	6049.17	14476.81
Capitalised	-	-	-	-	-	-	-	-	(7243.92)	(7243.92)
Disposals	-		(310.59)	(1489.63)	(1.64)	(178.44)	(16.26)	(304.94)	-	(2301.50)
Balance at March 31, 2024	**974.61**	**22927.60**	**8559.04**	**85165.87**	**1928.55**	**2313.39**	**9113.09**	**3612.95**	**1016.61**	**135611.71**
Additions	-	321.56	14.40	9369.04	83.21	265.71	319.03	204.67	10605.24	21182.86
Capitalised	-	-	-	-	-	-	-	-	(9260.19)	(9260.19)
Reclassification#	-	(1074.27)	-	-	-	-	-	-	-	(1074.27)
Disposals	-	-	(3425.81)	(3870.33)	(136.86)	(392.28)	(1449.14)	(107.10)	-	(9381.52)
Discontinued operation (Refer Note No. 49)	-	(15.79)	(1705.03)	(887.48)	(506.29)	(653.26)	(378.00)	(34.94)	(91.58)	(4272.37)
Balance at March 31, 2025	**974.61**	**22159.10**	**3442.60**	**89777.10**	**1368.61**	**1533.56**	**7604.98**	**3675.58**	**2270.08**	**132806.22**
Accumulated depreciation										
Balance at April 1, 2023	**-**	**6052.24**	**4242.27**	**50831.35**	**877.30**	**1372.18**	**3356.85**	**1418.68**	**-**	**68150.87**
Depreciation expense	-	717.41	727.45	5798.63	145.33	295.36	985.63	378.60	-	9048.41
Eliminated on disposals of assets	-	-	(251.80)	(1400.64)	(0.21)	(163.78)	(14.46)	(240.23)	-	(2071.12)
Balance at March 31, 2024	**-**	**6769.65**	**4717.92**	**55229.34**	**1022.42**	**1503.76**	**4328.02**	**1557.05**	**-**	**75128.16**
Depreciation expense	-	721.71	412.44	5596.14	113.72	266.80	1089.15	371.39	-	8571.35
Reclassification#	-	(406.87)	-	-	-	-	-	-	-	(406.87)
Impairment**	79.08	903.66	-	-	-	-	-	-	-	982.74
Eliminated on disposals of assets	-	-	(1976.70)	(3051.49)	(63.67)	(339.20)	(847.09)	(45.94)	-	(6324.09)
Discontinued operation (Refer Note No. 49)	-	(5.13)	(1327.85)	(573.02)	(236.66)	(518.49)	(166.14)	(31.84)	-	(2859.13)
Balance at March 31, 2025	**79.08**	**7983.02**	**1825.81**	**57200.97**	**835.81**	**912.87**	**4403.94**	**1850.66**	**-**	**75092.16**
Net book value										
Balance at March 31, 2025	**895.53**	**14176.08**	**1616.79**	**32576.13**	**532.80**	**620.69**	**3201.04**	**1824.92**	**2270.08**	**57714.06**
Balance at March 31, 2024	974.61	16157.95	3841.12	29936.53	906.13	809.63	4785.07	2055.90	1016.61	60483.55

Notes:

On transition to IndAS (i.e April 01, 2015) , the Group has elected to continue with the carrying value of all property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

* Includes Rs. 0.02 lakhs (Previous year Rs. 0.02 lakhs) being the cost of shares in co-operative societies.

**1. Includes freehold land of Rs. 79.08 lakhs (Previous year Rs.79.08 lakhs) situated in village Sahurpur, Mehrauli, New Delhi and buildings constructed on the said land having an aggregate net book value of Rs. 903.66 lakhs (previous year Rs. 900.68 lakhs including capital work-in-progress of Rs.135.23 lakhs). The said land was purchased by the Group in the year 1991. The Hon'ble Supreme Court on May 6, 2022, in response to an appeal filed by the Delhi Development Authority (DDA), held that the above referred land was acquired by the Delhi Administration under the proceedings initiated in November 1980 under the Land Acquisition Act, 1894 and had directed the DDA to pay a sum of Rs. 16.62 lakhs to the Group, which sum the Group is yet to receive. The Group had provided the said property to Mr. Samir Kumaar Modi as rent-free accommodation in the year 2004 in accordance with the terms of his appointment and considered the requisite perquisite value under Income-tax laws as part of his remuneration until he ceased to be a director and officer of the Holding Company w.e.f close of business on September 6, 2024. However, Mr. Modi has retained possession of the said property and has approached the Hon'ble High Court of Delhi alleging that the Company has taken coercive steps to dispossess him from the said property and the matter is sub-judice at present.

In light of the aforesaid judgment of the Hon'ble Supreme Court and the fact that possession of the said property is no longer with the Group, the Group has, in these consolidated financial statements, recorded an impairment in the carrying value of the said land and buildings constructed thereupon, aggregating to Rs. 982.74 lakhs.

2. The Group had provided an office space situated at one of its properties situated at 4, Community Centre, New Friends Colony, New Delhi to Mr. Samir Kumaar Modi in his capacity as an Executive Director of the Holding Company to carry out his official duties as a director of the Holding Company. Even though Mr. Samir Kumaar Modi has ceased to be a director of the Holding Company w.e.f close of business on September 6, 2024, he has not vacated the said office space and continues to be in possession of the same. The Group has since sent a legal notice to Mr. Modi seeking peaceful handover of the said office space following which Mr. Modi has approached the Hon'ble High Court of Delhi and Ld. Saket District Court for seeking relief. The said matter is sub-judice at present and includes, inter alia, the issue raised that Mr. Samir Modi has violated his statutory obligation by failing to vacate the said office space and is liable for all consequences under the law including payment of rent and penalties. The Group believes that no adjustment is required to be carried out in the carrying value of the said office in these consolidated financial statements.

Office building located in Delhi reclassified to Investment property based on future expected use as per IndAS 40, Investment Property.

For lien or charge against property, plant and equipment, refer Note No. 20.

Depreciation, amortisation and impairment expenses

a) Depreciation and amortisation expenses		Continuing Operations		Discontinued Operation		Total	
	Note no.	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024
Property, plant and equipment	**6**	**8280.13**	8177.60	**291.22**	870.81	**8571.35**	9048.41
Investment properties	**7**	**68.11**	68.14	**-**	-	**68.11**	68.14
Intangible assets	**8**	**438.90**	413.56	**16.22**	80.52	**455.12**	494.08
Right of use assets	**40**	**2594.25**	2185.41	**1107.25**	2799.53	**3701.50**	4984.94
Total		**11381.39**	10844.71	**1414.69**	3750.86	**12796.08**	14595.57
b) Impairment expenses							
Property, plant and equipment and capital work-in-progress		**982.74**	-	**1393.32**	-	**2376.06**	-
Intangible assets		**-**	-	**66.02**	-	**66.02**	-
Total		**12364.13**	10844.71	**2874.03**	3750.86	**15238.16**	14595.57

Capital work-in-progress (CWIP) ageing schedule

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	932.28	78.46	5.87	-	1016.61
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2024	**932.28**	**78.46**	**5.87**	**-**	**1016.61**
Projects in progress	2098.28	89.67	76.22	5.87	2270.04
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2025	**2098.28**	**89.67**	**76.22**	**5.87**	**2270.04**

Note: There is no project whose completion is overdue or which has materially exceeded the budgeted costs.

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(All amounts are in Rs. lakhs unless otherwise stated)

7. Investment Property

Cost	Freehold Land	Building	Total
Balance as at April 1, 2023	**128.60**	**3696.95**	**3825.55**
Disposals/ write off	-	(10.97)	(10.97)
Balance as at March 31, 2024	**128.60**	**3685.98**	**3814.58**
Reclassification (Refer Note No. 6)	**-**	1074.27	1074.27
Balance at March 31, 2025	**128.60**	**4760.25**	**4888.85**
Accumulated depreciation and impairment			
Balance as at April 1, 2023	-	**367.35**	**367.35**
Depreciation expense	-	68.14	68.14
Disposals/ write off	-	(3.73)	(3.73)
Balance as at March 31, 2024	-	**431.76**	**431.76**
Depreciation expense	-	68.11	68.11
Reclassification (Refer Note No. 6)	-	406.87	406.87
Balance at March 31, 2025	**-**	**906.74**	**906.74**
Carrying amount			
Balance at March 31, 2025	**128.60**	**3853.51**	**3982.11**
Balance as at March 31, 2024	128.60	3254.22	3382.82

Information regarding income and expenditure of investment properties

The Groups's investment properties comprise of certain land and buildings presently held by the Group for an undetermined purpose and these are located in Mumbai, Maharashtra, New Delhi and Bazpur, Uttarakhand.

	Year ended 31.3.2025	Year ended 31.3.2024
Rental income derived from investment properties	**-**	-
Direct operating expenses (including repairs and maintenance) arising from investment properties that generate rental income	**-**	-
Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income	**153.66**	181.99
Loss arising from investment properties before depreciation and indirect expenses	**(153.66)**	(181.99)
Depreciation expense	**(68.11)**	(68.14)
Loss arising from investment properties before indirect expenses	**(221.77)**	(250.13)

Fair valuation of the properties

The following table provides an analysis of investment properties and their fair values:

Fair Valuation of the properties	**Year ended 31.3.2025**	Year ended 31.3.2024
Located in Delhi	**2570.54**	-
Located in Maharashtra	**44757.91**	41984.55
Located in Uttarakhand	**1336.83**	1241.16
	48665.28	43225.71

The above values are based on valuation performed by an accredited independent valuer and the valuation has been carried out in accordance with the valuation model recommended by the International Valuation Standards Committee.

The Group has no restrictions on realisability of its investment properties and no contractual obligation to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The Group has used Level 3 valuation technique to arrive at the fair values.

(All amounts are in Rs. lakhs unless otherwise stated)

Description of valuation technique

	Valuation technique	Significant unobservable inputs	Assumption used	
			As on March 31, 2025	As on March 31, 2024
Located in Delhi				
Office Building	Market Value Method	Fair Market Value (Rs./Sq.Ft.)	**160000**	-
Located in Maharashtra				
Factory Land and Building (including Godown)	Market Value Method	Industrial rate for sales (Rs./ Sq. Ft.)	**16000 to 18000**	14000 to 16000
Residential Land and Building	Market Value Method	Residential rate for sales (Rs./Sq. Ft.)	**16000 to 76000**	15500 to 75000
Office Building	Market Value Method	Fair Market Value (Rs./Sq.Ft.)	**31000**	30000
Located in Uttarakhand				
Factory Land and Building (including Admin Block)	Market Value Method	Fair Market Value (Rs./Sq.Mt.)	**4000 to 7100**	3300 to 7700

Significant increases / (decreases) in the assumptions in isolation or with combined effect would accordingly result in significantly higher / (lower) fair value of the properties.

	As at 31.3.2025	As at 31.3.2024	
8. Intangible assets and Intangible assets under development			
Carrying amount of:			
Intangible assets	**1197.27**	1626.54	
Intangible assets under development	**15.07**	6.40	
	1212.34	1632.94	
Intangible assets and Intangible assets under development	**Computer Software**	**Intangible assets under development**	**Total**
Cost			
Balance at April 1, 2023	3407.37	-	3407.37
Additions	101.17	48.88	150.05
Capitalised	-	(42.48)	(42.48)
Disposals	(0.20)	-	(0.20)
Balance at March 31, 2024	**3508.34**	**6.40**	**3514.74**
Additions	91.94	100.22	192.16
Capitalised	-	(91.55)	(91.55)
Disposals	(5.04)	-	(5.04)
Discontinued Operation* (Refer Note No.49)	(558.36)	-	(558.36)
Balance at March 31, 2025	**3036.88**	15.07	3051.95
Accumulated amortisation			
Balance at April 1, 2023	**1387.91**	**-**	**1387.91**
Amortisation expense	494.08	-	494.08
Capitalised	(0.19)	-	(0.19)
Balance at March 31, 2024	**1881.80**	**-**	**1881.80**
Amortisation expense	455.12	-	455.12
Disposals	(4.97)	-	(4.97)
Discontinued Operation* (Refer Note No.49)	(492.34)	-	(492.34)
Balance at March 31, 2025	**1839.61**	**-**	**1839.61**
Net book value			
Balance at March 31, 2025	**1197.27**	**15.07**	**1212.34**
Balance at March 31, 2024	1626.54	6.40	1632.94

*Impairment of intangible assets attributable to discontinued operation Rs.66.02 lakhs (Refer Note No.49)

Intangible assets under development ageing schedule

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	**6.40**	-	-	-	**6.40**
Balance as at March 31, 2024	**6.40**	-	-	-	**6.40**
Projects in progress	**15.07**	**-**	**-**	**-**	**15.07**
Balance as at March 31, 2025	**15.07**	**-**	**-**	**-**	**15.07**

Note : There is no project whose completion is overdue or which has materially exceeded the budgeted costs.

(All amounts are in Rs. lakhs unless otherwise stated)

9.	Financial assets - Investments	As at 31.3.2025	As at 31.3.2024
	Non-current		
	Investment in equity instruments		
	- Associate Companies (Refer Note No. 9.1)	**9230.40**	7677.54
	- Other equity instruments (Refer Note No. 9.2)	**82257.94**	44747.93
	Investment in preference shares	**240.42**	211.38
	Investment in mutual funds	**202536.39**	219234.34
	Investment-others	**7564.06**	12392.80
		301829.21	284263.99
	Current		
	Investment in mutual funds	**13090.31**	14055.15
	Investment-others	**4810.01**	1714.78
		17900.32	15769.93
	Aggregate value of unquoted investments non-current	**85937.01**	47631.76
	Aggregate value of quoted investments non-current	**215906.45**	236646.48
	Aggregate value of quoted investments current	**17900.32**	15769.93
	Market value of quoted investments non-current	**215948.92**	236517.01
	Market value of quoted investments current	**17808.61**	15769.93
	Aggregate value of impairment (other than temporary) in value of investments non-current	**14.25**	14.25
	Classification of investments as per Ind AS 109		
	Investments carried at fair value through profit or loss (FVTPL)	**221769.87**	240350.47
	Investments carried at fair value through other comprehensive income (FVTOCI)	**76451.94**	39728.59
	Investments carried at amortised cost	**12277.32**	12277.32
		310499.13	292356.38
9.1	**Investment in associates Break-up of investment in associates (carrying amount determined using the equity method of accounting)**		
	Unquoted investment		
	IPM India Wholesale Trading Private Limited		
	49,60,000 Equity shares of Rs. 10 each fully paid up	**496.00**	496.00
	Group`s share of profit upto year end	**27740.02**	24441.36
	Less: Dividend received	**(19344.00)**	(17608.00)
		8892.02	7329.36
	KKM Management Centre Private Limited	**110.25**	110.25
	11,02,500 Equity shares of Rs. 10 each fully paid up	**228.13**	237.93
	Group`s share of profit upto year end	**338.38**	348.18
	Aggregate carrying amount of the Group's investment in associates	**9230.40**	7677.54
9.2	**Investment in other equity instruments**		
9.2.1	**Investments measured at fair value through profit or loss (FVTPL)**		
	Quoted equity instruments (A)	**5806.00**	5019.34
9.2.2	**Investments measured at fair value through other comprehensive income**		
	Unquoted equity instrument (B)		
	K K Modi Investment & Financial Services Private Limited		
	91,875 Equity Shares of Rs.10 each fully paid up	**76451.94**	39728.59
	Aggregate investment in other equity instruments (A+B)	**82257.94**	44747.93

(All amounts are in Rs. lakhs unless otherwise stated)

10. Financial assets - Loans (carried at amortised cost) (unsecured considered good unless otherwise stated)	As at 31.3.2025	As at 31.3.2024
Non-current		
Loans to related parties		
- Loan to key managerial personnel (Refer Note No.44)	**629.90**	-
- Loan to other employees	**1789.83**	643.61
	2419.73	643.61
Current		
Loans to related parties (Refer note No.44)		
- Loan to key managerial personnel	**129.00**	1.67
- Loan to other employees	**389.81**	223.92
	518.81	225.59
Total	**2938.54**	869.20

11. Income taxes
Income tax expense in the consolidated statement of profit and loss comprises:

	Year ended 31.3.2025	Year ended 31.3.2024
Statement of profit and loss		
Current income tax		
Continuing operations	**30462.47**	21570.98
Discontinued operation (Refer Note No. 49)	**(2887.52)**	(1328.54)
Deferred tax		
Continuing operations	**1353.30**	955.86
Discontinued operation (Refer Note No. 49)	**177.49**	(96.79)
Total income tax expense recognised in the statement of profit and loss	**29105.74**	21101.51
Statement of Other Comprehensive Income:		
Current tax related to items recognised in OCI during the year:		
Gain/ (Loss) on remeasurements of defined benefit plans	**28.02**	(130.58)
Deferred tax related to items recognised in OCI during the year:		
Gain on equity instruments fair valued through OCI*	**1691.36**	2880.87
Income tax charged to OCI	**1719.38**	2750.29
The income tax expense for the year can be reconciled to the accounting profit multiplied by corporate tax rate as follows:		
Profit before share of profit of associate and tax from continuing operations	**126208.01**	99093.87
Loss before tax from discontinued operation	**(10767.79)**	(5663.28)
Profit before share of profit of associate and tax from continuing operations and discontinued operation	**115440.22**	93430.59
Income tax expense calculated at corporate tax rate of 25.168%	**29053.99**	23514.61
Differential tax rate on long term capital gain on sale of investments and fair value (gain)/loss on investments*	**(980.88)**	(2730.35)
Effect of expenses that are not deductible in determining taxable profit	**1206.07**	319.68
Deduction under section 80M of Income Tax Act, 1961	**(16.23)**	(14.12)
Difference in tax rates of subsidiaries/ trust	**5.57**	0.38
Others	**(162.78)**	11.31
At the effective income tax rate of 25.21% (Previous year: 22.59%)	**29105.74**	21101.51

*Consequent to the enactment of Finance Act 2024 in the current year, indexation benefit has been withdrawn along with change in tax rates applicable on long term capital gains on investments. Hence, one time deferred tax charge of Rs.2349.55 lakhs has been recongised in consolidated statement of profit and loss and deferred tax reversal of Rs.5989.64 lakhs has been recognised in Other Comprehensive Income.

(All amounts are in Rs. lakhs unless otherwise stated)

Income taxes (continued)

Deferred tax balances along with movement are as follows:

	Opening Balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Recognised in Equity	Closing Balance
For the year ended March 31, 2025					
Deferred tax assets in relation to					
Provisions for compensated absences	803.49	(65.52)	-	-	737.97
Accrued expenses deductible on payment basis	410.28	(68.20)	-	-	342.08
Provision for doubtful debts	79.01	6.36	-	-	85.37
On employee share based payment	78.03	-	-	(78.03)	-
Right-of-Use Assets	1471.61	(742.49)	-	-	729.12
Other financial assets (net)	164.40	(104.13)	-	-	60.27
Provision for employee benefits - Others (Refer Note No. 23)	228.30	(228.30)	-	-	-
	3235.12	**(1202.28)**	**-**	**(78.03)**	**1954.81**
Deferred tax liabilities in relation to					
Investment in mutual funds and market linked debentures fair valued through profit or loss	(3082.46)	(1224.22)	-	-	(4306.68)
Investment in unquoted equity instruments fair valued through OCI	(9236.01)	-	(1691.36)	-	(10927.37)
Property, plant and equipments, intangible assets, investment properties	(1171.76)	1074.05	-	-	(97.71)
Investment in quoted equity instruments fair valued through profit or loss	(280.47)	(176.31)	-	-	(456.78)
Investment in unquoted preference shares fair valued through profit or loss	(21.10)	(5.55)	-	-	(26.65)
Compound financial instrument	(16.45)	3.52	-	-	(12.93)
	(13808.25)	**(328.51)**	**(1691.36)**	**-**	**(15828.12)**
Net deferred tax liabilities	**(10573.13)**	**(1530.79)**	**(1691.36)**	**(78.03)**	**(13873.31)**
For the year ended March 31, 2024					
Deferred tax assets in relation to					
Provisions for compensated absences	773.61	29.88	-	-	803.49
Accrued expenses deductible on payment basis	359.23	51.05	-	-	410.28
Minimum alternative tax credit entitlement	7.15	(7.15)	-	-	-
Provision for doubtful debts	80.12	(1.11)			79.01
On employee share based payment	-	-	-	78.03	78.03
Right-of-Use Assets	1303.33	168.28	-	-	1471.61
Other financial assets (net)	184.80	(20.40)	-	-	164.40
Provision for employee benefit-Others (Refer Note No. 23)	228.30	-	-	-	228.30
	2936.54	**220.55**	**-**	**78.03**	**3235.12**

(All amounts are in Rs. lakhs unless otherwise stated)

Income taxes (continued)

	Opening Balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Recognised in Equity	Closing Balance
Deferred tax liabilities in relation to					
Investment in mutual funds and market linked debentures fair valued through profit or loss	(2036.01)	(1046.45)	-	-	(3082.46)
Investment in unquoted equity instruments fair valued through OCI	(6355.13)	-	(2880.88)	-	(9236.01)
Property, plant and equipments, intangible assets, investment properties	(1197.81)	26.05	-	-	(1171.76)
Investment in quoted equity instruments fair valued through profit or loss	(224.03)	(56.44)	-	-	(280.47)
Investment in unquoted preference shares fair valued through profit or loss	(15.14)	(5.96)	-	-	(21.10)
Compound financial instrument	(19.64)	3.19	-	-	(16.45)
	(9847.76)	**(1079.61)**	**(2880.88)**	**-**	**(13808.25)**
Net deferred tax assets/(liabilities)	**(6911.22)**	**(859.06)**	**(2880.88)**	**78.03**	**(10573.13)**

	As at 31.3.2025	As at 31.3.2024
12. Inventories		
(Lower of cost and net realisable value)		
Raw and packing materials	**164584.65**	116822.51
Work-in-process	**940.05**	600.87
Finished goods *		
- Cigarettes	**14926.80**	10529.70
Stock-in-trade	**11433.07**	8537.83
Stores and spare parts (Net of provision of Rs. 693.47 lakhs, Previous year Rs. 629.22 lakhs)	**1992.91**	1837.74
Land (Refer Note No. 51)	**5830.59**	5830.59
	199708.07	144159.24
Inventories include in-transit inventory of:		
Raw and packing materials	**4297.48**	1546.25
Finished goods	**110.79**	-
Stock-in-trade	**5444.26**	2592.81
Store and spare parts	**-**	19.56

Inventories of the Company have been pledged as security against borrowings (Refer Note No. 20)
*Includes excise duty of Rs. 6651.82 lakhs (Previous year Rs. 4642.01 lakhs)

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
13. Financial assets - Trade receivables (at amortised cost)		
Unsecured - considered good	**42442.40**	13059.23
Unsecured - considered good - receivable from Associate (Refer Note No.44)	**9192.54**	4227.42
Unsecured - doubtful	**188.42**	163.15
	51823.36	17449.80
Less: Impairment allowance	**188.42**	163.15
Total trade receivables	**51634.94**	17286.65

The average credit period on sale of goods ranges upto 180 days.
Generally no interest is charged on trade receivables.
The total trade receivable as at April 1, 2023 were Rs. 14951.61 lakhs (net of impairment allowance)

Trade receivables ageing schedule

	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables - considered good	47592.56	4038.38	1.10	1.91	-	0.99	51634.94
(b) Undisputed trade receivables - doubtful	-	10.04	15.23	-	-	163.15	188.42
Balance as at 31 March, 2025	**47592.56**	**4048.42**	**16.33**	**1.91**	**-**	**164.14**	**51823.36**
(a) Undisputed trade receivables - considered good	15749.93	1503.84	11.04	16.43	5.41	-	17286.65
(b) Undisputed trade receivables - doubtful	-	-	-	-	-	163.15	163.15
Balance as at 31 March, 2024	**15749.93**	**1503.84**	**11.04**	**16.43**	**5.41**	**163.15**	**17449.80**

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

	As at 31.3.2025	As at 31.3.2024
14. Financial assets - Cash and bank balances		
Cash and cash equivalents		
Cash on hand	**8.40**	199.42
Balances with banks		
- In current accounts	**1416.31**	846.45
	1424.71	1045.87
Other bank balances:		
In earmarked accounts for		
- Margin money*	**521.52**	349.85
- Unpaid dividend**	**845.06**	635.36
- Corporate Social Responsibility Unspent account*** (Refer Note No. 35)	**-**	242.21
- Fixed deposit receipts lodged with government authorities	**1.89**	1.89
- Fixed deposit with original maturity of more than 3 months but less than 12 months	**139.08**	143.12
- Fixed deposit with original maturity of more than 12 months and remaining maturity less than 12 months	**98.04**	79.27
	1605.59	1451.70
Cash and bank balances	**3030.30**	2497.57

*The Group has given margin money to fulfill collateral requirements.
**Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividends.
***Earmarked Corporate Social Responsibility Unspent Account are restricted in use as it relates to unspent amount.

	As at 31.3.2025	As at 31.3.2024
15. Other financial assets (at amortised cost)		
(unsecured considered good unless otherwise stated)		
Non-current		
Fixed Deposits with remaining maturity of more than 12 months	**425.00**	70.00
Security deposits	**670.51**	1470.55
	1095.51	1540.55
Current		
Security deposits	**174.59**	109.96
Interest accrued on bank and other deposits	**479.30**	458.29
Compensation receivable (Refer Note No. 51)	**2414.40**	2414.40
Other receivables (Refer Note No. 44)	**1830.48**	1103.76
	4898.77	4086.41

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
16. Other assets		
(unsecured considered good unless otherwise stated)		
Non-current		
Capital advances	**7259.88**	2561.32
Balance with government authorities	**40.45**	39.50
Prepayment to suppliers	**3421.30**	-
Prepaid expenses	**2564.13**	104.41
Others	**0.33**	0.33
	13286.09	2705.56
Current		
Balance with government authorities (net of impairment allowance of Rs. 150.73 lakhs; previous year Rs.150.73 lakhs)	**17057.17**	14238.50
Prepaid expenses	**1406.56**	807.92
Export incentives accrued/available	**17.35**	18.50
Prepayment to suppliers	**2964.01**	1670.13
Others (Also Note No. 44)	**385.06**	400.81
Total	**21830.15**	17135.86

	As at 31.3.2025	As at 31.3.2024
17. Equity Share Capital		
Authorised		
60,000 preference shares of Rs. 100 each	**60.00**	60.00
122,000,000 equity shares of Rs. 2 each	**2440.00**	2440.00
	2500.00	2500.00
Issued, subscribed and fully paid up		
51,993,920 equity shares of Rs. 2 each	**1039.88**	1039.88

(i) There has been no movement in the equity shares in the current and previous year.

(ii) The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	As at 31.3.2025		As at 31.3.2024	
	Number of shares	% holding	Number of shares	% holding
a) K K Modi Investment & Financial Services Private Limited	**15517916**	**29.85%**	15517916	29.85%
b) Philip Morris Global Brands Inc.	**13050475**	**25.10%**	13050475	25.10%
c) Good Investment (India) Limited	**4309220**	**8.29%**	4309220	8.29%
d) The Jupiter India Fund*	**-**	**-**	2858211	5.50%

*As on 31st March 2025 the Shareholding of Jupiter India Fund is less then 5% of the total Share Capital of the Company.

Note: As per records of the Company, the above shareholding represents legal ownership of shares.

(All amounts are in Rs. lakhs unless otherwise stated)

17. Equity Share Capital (continued)

(iv) Details of shares held by promoters

As at March 31, 2025

	Name of the promoter	Number of shares as at 01.4.2024	Change during the year	Number of shares as at 31.3.2025	% Holding	% Change during the year
a)	K K Modi Investment And Financial Services Pvt. Ltd.	15517916	-	**15517916**	**29.85%**	**0.00%**
b)	Philip Morris Global Brands Inc	13050475	-	**13050475**	**25.10%**	**0.00%**
c)	Good Investment (India) Ltd.	4309220	-	**4309220**	**8.29%**	**0.00%**
d)	Quick Investment (India) Ltd.	2235800	-	**2235800**	**4.30%**	**0.00%**
e)	Super Investment (India) Ltd	527260	-	**527260**	**1.01%**	**0.00%**
f)	K K Modi & Bina Modi Trustees -Indofil Senior Executives (Offices) Welfare Trust	386280	-	**386280**	**0.74%**	**0.00%**
g)	K K Modi & Bina Modi Trustees -Indofil Junior Employees (Factory) Welfare Trust	380000	-	**380000**	**0.73%**	**0.00%**
h)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Welfare Trust	308560	-	**308560**	**0.59%**	**0.00%**
i)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Factory) Welfare Trust	308560	-	**308560**	**0.59%**	**0.00%**
j)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Factory) Benefit Trust	141360	-	**141360**	**0.27%**	**0.00%**
k)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Benefit Trust	108220	-	**108220**	**0.21%**	**0.00%**
l)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Benefit Trust	100560	-	**100560**	**0.19%**	**0.00%**
m)	Longwell Investment Pvt Ltd	80000	-	**80000**	**0.15%**	**0.00%**
n)	Swasth Investment Pvt Ltd	80000	-	**80000**	**0.15%**	**0.00%**
o)	Motto Investment Pvt Ltd	34000	-	**34000**	**0.07%**	**0.00%**
p)	HMA Udyog Private Ltd	122228	-	**122228**	**0.24%**	**0.00%**
q)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Offices) Benefit Trust	22840	-	**22840**	**0.04%**	**0.00%**
r)	Divya Modi Tongya	11500	-	**11500**	**0.02%**	**0.00%**
s)	Ritika Nikhil Rungta	5440	-	**5440**	**0.01%**	**0.00%**
t)	Bina Modi	3000	-	**3000**	**0.01%**	**0.00%**
u)	Ruchir Kumar Lalit Modi	2000	-	**2000**	**0.00%**	**0.00%**
v)	Samir Kumaar Modi	2000	250	**2250**	**0.00%**	**12.50%**
w)	Charu Modi	10	-	**10**	**0.00%**	**0.00%**
	Total	**37737229**	**250**	**37737479**	**72.58%**	**0.00%**

(All amounts are in Rs. lakhs unless otherwise stated)

As at March 31, 2024

	Name of the promoter	Number of shares as at 01.4.2023	Change during the year	Number of shares as at 31.3.2024	% Holding	% Change during the year
a)	K K Modi Investment And Financial Services Pvt. Ltd.	15517916	-	15517916	29.85%	0.00%
b)	Philip Morris Global Brands Inc	13050475	-	13050475	25.10%	0.00%
c)	Good Investment (India) Ltd.	4309220	-	4309220	8.29%	0.00%
d)	Quick Investment (India) Ltd.	2235800	-	2235800	4.30%	0.00%
e)	Super Investment (India) Ltd	527260	-	527260	1.01%	0.00%
f)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Offices) Welfare Trust	386280	-	386280	0.74%	0.00%
g)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Welfare Trust	380000	-	380000	0.73%	0.00%
h)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Welfare Trust	308560	-	308560	0.59%	0.00%
i)	K K Modi & Bina Modi Trustees - Indofil Senior Executives (Factory) Welfare Trust	308560	-	308560	0.59%	0.00%
j)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Factory) Benefit Trust	141360	-	141360	0.27%	0.00%
k)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Offices) Benefit Trust	108220	-	108220	0.21%	0.00%
l)	K K Modi & Bina Modi Trustees - Indofil Junior Employees (Factory) Benefit Trust	100560	-	100560	0.19%	0.00%
m)	Longwell Investment Pvt Ltd	80000	-	80000	0.15%	0.00%
n)	Swasth Investment Pvt Ltd	80000	-	80000	0.15%	0.00%
o)	Motto Investment Pvt Ltd	79000	(45000)	34000	0.07%	-56.96%
p)	HMA Udyog Private Ltd	77228	45000	122228	0.24%	58.27%
q)	K K Modi & Bina Modi Trustees Indofil Senior Executives (Offices) Benefit Trust	22840	-	22840	0.04%	0.00%
r)	Divya Modi Tongya	11500	-	11500	0.02%	0.00%
s)	Ritika Nikhil Rungta	5440	-	5440	0.01%	0.00%
t)	Bina Modi	3000	-	3000	0.01%	0.00%
u)	Ruchir Kumar Lalit Modi	2000	-	2000	0.00%	0.00%
v)	Samir Kumaar Modi	2000	-	2000	0.00%	0.00%
w)	Upasana Investment Pvt Ltd*	450	(450)	-	0.00%	-100.00%
x)	Charu Modi	10	-	10	0.00%	0.00%
	Total	**37737679**	**(450)**	**37737229**	**72.58%**	**0.00%**

*Upasana Investment Pvt Ltd disposed off its entire shareholding in open market.

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
18. Other equity		
Capital redemption reserve	**30.13**	30.13
Statutory reserve	**127.97**	112.31
Reserve for equity instruments fair valued through OCI	**65487.82**	30455.82
General reserve	**37431.89**	37431.89
Retained earnings	**419946.24**	360209.60
Equity component of compound financial instrument (Refer Note No. 20)	**115.84**	115.84
Employee share based payment reserve (Refer Note no. 46)	**401.83**	454.76
Less: Treasury Shares purchased as per ESPS scheme	**-**	(6638.81)
	523541.72	422171.54

Capital redemption reserve:
This was created on redemption of preference shares in accordance with the requirements of the erstwhile Companies Act, 1956.

General reserve:
The general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income. No amount was transferred during the current and previous year.

Statutory Reserve:
As per the Reserve Bank of India Act, 1934, every non-banking financial company has to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The statutory reserve has been created by Chase Investments Limited.

Retained earnings:
Retained earnings is the amount that can be distributed by the Group as dividends to its equity shareholders subject to the requirements of the Companies Act, 2013. The amount reported above are not distributable in entirety.
In respect of the year ended March 31, 2025, the directors have in the board meeting held on May 15, 2025, proposed a dividend of Rs.60 per fully paid equity share. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements. The proposed equity dividend is payable to all the holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs.31196.35 lakhs.

Employee share based payment reserve:
Share based payment reserve is created to recognise on fair value, the expense of equity shares granted to eligible employees of the Holding Company under Godfrey Phillips Employees Share Purchase Scheme.

Treasury Shares:
The Company through a Trust has acquired shares for further distribution to its employees as share based payments for their services. As and when these shares are issued to the employees the same will be adjusted from treasury shares.

	As at 31.3.2025	As at 31.3.2024
19. Non-controlling interests		
Balance at beginning of year	**624.43**	531.79
Share of total comprehensive income of the year	**28.05**	92.64
Share of Equity component of compound financial instrument alloted during the year	**15.24**	-
Balance at the end of the year	**667.72**	624.43
Details of partially owned subsidiary		
Individually immaterial subsidiaries with non-controlling interests	**667.72**	624.43
	667.72	624.43

	As at 31.3.2025	As at 31.3.2024
20. Financial liabilities - Borrowings		
Non-current borrowings - carried at amortised cost		
6.25%, non-cumulative, non-convertible, redeemable preference shares		
Liability component of compound financial instrument* (Refer Note No.18)	**148.64**	134.63
Total non-current borrowings (net)	**148.64**	134.63
Details of security and terms of above loans:		
*The Group will redeem the preference shares by December 2027 and accordingly the same has been classified between equity and liability.		
Current borrowings - carried at amortised cost		
Secured		
Loans from banks repayable on demand*	**2922.45**	4395.81
Total current borrowings	**2922.45**	4395.81

(All amounts are in Rs. lakhs unless otherwise stated)

20. Financial liabilities - Borrowings (continued)

Details of security and terms of above loans:

*The above current borrowing carries interest ranging from 7.85% to 10.00% per annum and is secured against hypothecation of stocks (Refer Note No.12) and book debts (Refer Note No.13) and second charge on all movable fixed assets of the Group. The quarterly statements of current assets filed by the Group with the banks are in agreement with the books of accounts.

Change in liability arising from financing activities as per IND AS-7

Particulars	Borrowings due within 1 year	Compound financial instrument : Proceeds from issue of non-cumulative redeemable preference shares	Total
Balance at April 1, 2023	**3463.42**	**200.00**	**3663.42**
Cash Flow (net)	932.39	-	932.39
Balance at March 31, 2024	**4395.81**	**200.00**	**4595.81**
Cash Flow (net)	(1473.36)	-	(1473.36)
Balance at March 31, 2025	**2922.45**	**200.00**	**3122.45**

	As at 31.3.2025	As at 31.3.2024
21. Financial liabilities - Lease liabilities		
Non-current		
Lease liabilities (Refer Note No.40)	**12033.43**	25767.08
	12033.43	25767.08
Current		
Lease liabilities (Refer Note No.40)	**2792.79**	4241.22
	2792.79	4241.22

	As at 31.3.2025	As at 31.3.2024
22. Other financial liabilities		
Non-current		
Security deposits - at amortised cost	**107.50**	187.27
	107.50	187.27
Current		
Interest accrued but not due on borrowings	**0.81**	0.89
Unclaimed dividends	**845.06**	635.36
Payable to gratuity fund (Refer Note No.41)	**237.99**	719.51
Liability towards property, plant and equipments	**507.78**	652.95
Security deposits - at amortised cost	**16.35**	20.60
Others	**15.78**	15.78
Payable to employees (Refer Note No.3.4)	**9865.61**	7087.39
	11489.38	9132.48

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
23. Employee benefit obligations		
Non-current		
Provision for compensated absences	**2337.51**	2434.24
	2337.51	2434.24
Current		
Provision for compensated absences	**670.09**	833.20
Others	**-**	907.12
	670.09	1740.32
Movement in provision for loss on non realisation of investments held by Employee Provident Fund Trust		
Opening Balance	**907.12**	907.12
Expense recognised during the year	**-**	-
Payment made during the year	**(907.12)**	-
Closing Balance	**-**	907.12

	As at 31.3.2025	As at 31.3.2024
24. Financial liabilities - Trade payables		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	**2492.96**	2340.78
	2492.96	2340.78
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		
- Other	**32863.84**	31648.06
- Payables to associates (Refer Note No.44)	**14605.07**	5600.34
	47468.91	37248.40

The Group generally pays its vendors within 30-180 days and interest, if any, payable under the terms of the Micro, Small and Medium Enterprises Development Act, 2006 is recognised.
The Group has financial risk management policies in place to ensure all payables are paid within the agreed credit term. For explanation on the Group's liquidity risk management process, refer Note No.42. Also refer Note No. 3.4.

Trade payables ageing schedule

	Outstanding for following periods from due date of payment						
	Unbilled	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	-	2397.77	94.76	0.43	-	-	**2492.96**
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	13181.01	27672.69	6560.19	9.46	45.56	-	**47468.91**
Balance as at 31 March, 2025	**13181.01**	**30070.46**	**6654.95**	**9.89**	**45.56**	**-**	**49961.87**
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	-	2138.39	202.39	-	-	-	2340.78
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	7733.02	8847.08	20392.12	215.49	1.06	59.63	37248.40
Balance as at 31 March, 2024	**7733.02**	**10985.47**	**20594.51**	**215.49**	**1.06**	**59.63**	**39589.18**

	As at 31.3.2025	As at 31.3.2024
25. Income tax assets and liabilities		
Non-current		
Income tax assets (Net)		
Income tax recoverable (net of provisions)	**2618.66**	3730.02
Total income tax assets	**2618.66**	3730.02
Current		
Income tax liabilities (Net)		
Income tax payable (net of advance tax and TDS recoverable)	**452.33**	523.87
Total income tax liabilities	**452.33**	523.87

(All amounts are in Rs. lakhs unless otherwise stated)

	As at 31.3.2025	As at 31.3.2024
26. Other liabilities		
Current		
Statutory liabilities	**67344.98**	53130.66
Advances from customers (Contract liabilities)*	**5622.39**	7187.14
Liability towards expenditure on Corporate Social Responsibility (Refer Note No. 35) **	**688.20**	877.05
Others	**130.12**	575.99
	73785.69	61770.84

*Advances from customers relate to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Group performs under the contract.

Balance of Advances from customers at beginning of the year	**7187.14**	13354.59
Revenue recognised from amounts included in Advances from customers at beginning of the year	**7187.14**	13354.59

Management expects that the entire transaction price allocated to the unsatisfied contracts at end of the year will be recognised as revenue during the next year.

** The Group has since transferred the amount within 30 days to a special bank account opened for Unspent Amount of Corporate Social Responsibility for FY 2024-25 as notified by Companies (Corporate Social Responsibility Policy) Amendment Rules 2021, Companies (Amendment) Act, 2019 and Companies (Amendment) Act, 2020.

27. Revenue from operations

i) Revenue from contracts with customers (including excise duty)

Sources of revenue

The Group derives its revenue from the transfer of goods at a point in time in the following major product lines:

a) Disaggregated revenue information	**Year ended 31.3.2025**	Year ended 31.3.2024
Cigarettes*	**455939.23**	354284.06
Unmanufactured tobacco	**206455.46**	124064.45
Cut tobacco	**4223.32**	2837.25
Confectionery	**6719.05**	4012.15
Others	**156.04**	207.48
Total (A)	**673493.10**	485405.39

*includes incremental revenue of Rs. 25818.81 lakhs (previous year Rs. 20661.24 lakhs) arising from resale of Marlboro cigarettes manufactured by the Group.

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of the revenues and cash flows are affected by industry, market and other economic factors.

(All amounts are in Rs. lakhs unless otherwise stated)

27. i) Revenue from contracts with customers (including excise duty) (continued)

Revenues by Geography

	Year ended 31.3.2025	Year ended 31.3.2024
Within India	**461453.10**	351065.04
Outside India	**212040.00**	134340.35
Total	**673493.10**	485405.39

Reconciling the amount of revenue recognized in the consolidated statement of profit and loss with the contracted price:

	Year ended 31.3.2025	Year ended 31.3.2024
Revenue as per contracted price	**675881.06**	489571.70
Adjustments:		
Sales return	**(1248.23)**	(577.14)
Discounts, rebates, etc.	**(1139.73)**	(3589.17)
Revenue from contracts with customers	**673493.10**	485405.39
ii) Other operating revenues		
Export incentives	**311.64**	199.53
Transfer of land (Refer Note No.51)	**-**	2414.40
Dividend Income	**84.26**	62.48
Net gain/(loss) on sale/redemption/fair valuation of:		
- Long term investments fair valued through profit or loss	**815.70**	516.15
Receipts from sale of scrap and ancillary products	**794.42**	901.61
Insurance claims	**-**	142.83
Other receipts	**1249.51**	690.92
Total (B)	**3255.53**	4927.92
Total revenue from operations (A+B)	**676748.63**	490333.31

	Year ended 31.3.2025	Year ended 31.3.2024
28. Other income		
Interest income from:		
- Debts, deposits, loans and advances, etc. (at amortised cost)	**256.03**	138.78
- Interest on long term investments*	**989.13**	562.19
- Income tax refund	**21.29**	339.16
Rent and hire charges from:		
- Others	**421.79**	449.34
Net gain on sale/redemption/fair valuation of:		
- Long term investments fair valued through profit or loss	**14695.35**	15436.88
- Short term investments fair valued through profit or loss	**1837.53**	2511.17
Foreign currency fluctuation (net)	**2026.14**	862.69
Profit on sale of property plant and equipment (net)	**15.83**	-
Liabilities written back	**143.23**	141.09
Provision for doubtful debts and advances written back	**-**	4.43
Gain on termination/concession in leases (Refer note no. 40)	**898.03**	43.41
Miscellaneous income	**757.83**	509.90
	22062.18	20999.04
*includes interest income calculated in relation to financial assets valued on amortised cost basis.	**984.68**	550.06

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2025	Year ended 31.3.2024
29. Cost of materials consumed		
Cost of raw and packing materials consumed	**151144.23**	108345.12
	151144.23	108345.12

	Year ended 31.3.2025	Year Ended 31.3.2024
30. Purchases of stock-in-trade		
Unmanufactured tobacco	**160723.56**	96687.55
Other goods (including cigarettes purchased for re-sale)	**23498.48**	12367.83
	184222.04	109055.38

	Year ended 31.3.2025	Year Ended 31.3.2024
31. Changes in Inventories of finished goods, stock-in-trade and work-in-process		
Opening stock:		
Work-in-process	**600.87**	672.76
Finished goods		
- Cigarettes	**10529.70**	9596.17
Stock-in-trade	**6074.31**	5938.27
Land	**5830.59**	6572.16
Opening stock (A)	**23035.47**	22779.36
Closing stock:		
Work-in-process	**940.05**	600.87
Finished goods		
- Cigarettes	**14926.80**	10529.70
Stock-in-trade	**11433.07**	6074.31
Land	**5830.59**	5830.59
Closing stock (B)	**33130.51**	**23035.47**
(Increase) in inventories (A-B)	**(10095.04)**	**(256.11)**

	Year ended 31.3.2025	Year Ended 31.3.2024
32. Employee benefits expenses		
Salaries and wages	**36558.55**	26640.26
Employee share based payment expense (Refer Note No. 46)	**401.83**	454.76
Provident fund expense (Refer Note No.41)	**1453.87**	1403.70
Gratuity and superannuation expense (Refer Note No.41)	**605.92**	571.23
Workmen and staff welfare expenses	**2016.14**	1942.55
	41036.31	31012.50

	Year ended 31.3.2025	Year Ended 31.3.2024
33. Finance costs		
Interest expenses on:		
- Borrowings	**43.83**	18.76
- Lease liabilities (Refer Note No. 40)	**1061.94**	1143.62
- Others	**77.41**	180.44
Other borrowing costs	**48.29**	28.63
	1231.47	1371.45

(All amounts are in Rs. lakhs unless otherwise stated)

34. Other Expenses

	Year ended 31.3.2025	Year ended 31.3.2024
Consumption of stores and spare parts*	**124.15**	174.45
Power and fuel	**3098.29**	2832.87
Rent (Refer Note No.40)	**681.06**	128.67
Repairs and maintenance		
- Buildings	**458.45**	358.85
- Plant and machinery	**2899.72**	2561.13
- Others	**1450.59**	1544.57
Insurance	**1043.37**	817.51
Rates and taxes	**358.30**	484.38
Freight and cartage	**6050.70**	4843.18
Legal and professional expenses	**3300.99**	2826.53
Auditors' Remuneration (net of GST)**		
- Audit fees	**143.76**	131.26
- For tax audit	**23.64**	23.64
- For limited review of unaudited financial statements	**92.30**	92.30
- For consolidated financial statements	**7.50**	7.50
- For other services and certificates	**14.74**	6.93
- Reimbursement of expenses and expenses incurred	**16.98**	14.78
Commission paid to other than sole selling agents	**536.73**	294.42
Advertising and sales promotion	**18589.81**	15359.04
Selling and distribution expenses	**11813.93**	10400.12
Travelling and conveyance	**2599.75**	2609.64
Donations	**70.00**	21.65
Contributions/expenses towards Corporate social responsibility (Refer Note No.35)	**1371.31**	1012.04
Bad debts and advances written off	**52.33**	10.28
Property, plant and equipment and Intangible assets written off	**1336.04**	20.69
Loss on sale of property, plant and equipment (net)	**-**	4.72
Technical services fee and royalty (Refer Note No. 44)	**1803.64**	1545.62
Consumer research activity	**841.10**	922.47
Contract labour expenses	**2908.86**	2034.93
Machine and material handling expenses	**422.98**	426.03
Provision for doubtful debts and advances	**25.27**	-
Net loss on sale/redemption/fair valuation of short term investments	**24.57**	0.13
Miscellaneous expenses	**14891.39**	11852.07
	77052.25	63362.40

*Excludes consumption of spare parts charged to repairs and maintenance of plant & machinery

**Includes fees paid to the auditors of the subsidiary companies.

(All amounts are in Rs. lakhs unless otherwise stated)

	Year ended 31.3.2025	Year ended 31.3.2024
35. Corporate social responsibility (CSR)		

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Holding Company. The CSR activities are aimed at promoting education and healthcare, spreading awareness on water conservation and resource management, maintenance of bio diversity conservation parks thus carrying out community development programs in rural areas providing relief to marginalised communities.

Gross amount required to be spent by the Company during the year is Rs. 1405.60 lakhs (Previous year Rs. 1043.00 lakhs) and the details of amount spent are as under:

a) Gross amount required to be spent by the Company during the year	**1405.60**	1043.00
b) Amount approved by the board to be spent during the year	**1405.60**	1043.00
c) Amount spent during the year on :-#		
(i) Construction/acquisition of any asset	**-**	-
(ii) On purpose other than (i) above	**717.40**	408.16
d) Details related to spent/unspent obligation		
(i) Contribution to implementing agencies	**683.11**	377.20
(ii) Administrative expenses incurred (restricted to 5% of amount spent during the year)	**34.29**	30.96
(iii) Unspent amount in relation to :-		
- ongoing project	**688.20**	634.84
- other than ongoing project	**-**	-
	1405.60	1043.00

e) Details of ongoing project

	Opening Balance*		Amount required to be spent during the year	Amount spent during the year		Closing Balance*	
	With Company	In CSR Unspent A/c**		From Company's Bank A/c	From CSR unspent A/c	With Company	In CSR Unspent A/c**
March 31, 2025	**634.84**	**242.21**	**1405.60**	**717.40**	**877.05**	**688.20**	**-**
March 31, 2024	354.21	130.00	1043.00	408.16	242.00	634.84	242.21

*Refer foot note to Note No. 26 **Refer Note No. 14

Amount spent during the year in cash Rs.699.71 lakhs (previous year Rs.408.16 lakhs) and yet to be paid in cash Rs.17.69 lakhs (previous year Rs.Nil)

36. Earnings per share	**As at 31.3.2025**	As at 31.3.2024
Profit attributable to Continuing operations (A)	**115261.04**	92542.24
Loss attributable to Discontinued operation (B)	**(8057.76)**	(4237.95)
Profit for the year attributable to owners of the Company (C)	**107203.28**	88304.29
Weighted average number of equity shares for the purpose of basic earning per share and diluted earning per share (D)	**51836712**	51982244
Basic and Diluted Earnings per share for continuing operations (Rs.), computed based on profit from continuing operations [A/D] (Face value of Rs. 2 each)	**222.35**	178.02
Basic and Diluted Earnings per share for discontinued operation (Rs.), computed based on loss from discontinued operation [B/D] (Face value of Rs. 2 each)	**(15.54)**	(8.15)
Basic and Diluted Earnings per share after tax (Rs.) [A/B] (Face value of Rs. 2 each)	**206.81**	169.87

37. Contingent liabilities not provided for	**As at 31.3.2025**	As at 31.3.2024
a) Demands from excise, income tax, sales tax and other authorities not accepted by the Group @^	**21135.63**	8750.91
b) Claims against the Group not acknowledged as debts	**1.37**	1.37

(All amounts are in Rs. lakhs unless otherwise stated)

@all these matters are subject to legal proceedings in the ordinary course of business and in the opinion of the Group, these are not expected to have material effect on the financial statements of the Group when ultimately concluded and interest, if any, would be additional.

*includes Rs.2772.33 lakhs relating to Input Tax Credit (ITC) for the period July 2017 to June 2018 and pertaining to the services availed/procured at Head Office/Corporate Office of the Holding Company and subsequently cross charged to all establishments and Goods and Service Tax (GST) registrations of the Holding Company across the country, is alleged as ineligible for credit at the Head Office/Corporate Office of the Holding Company since it was not registered as Input Service Distributor (ISD). Hence, in view of the DGGSTI, the ITC availed by the Holding Company had become recoverable with applicable interest and penalty. The Group, based on its assessment and considering the legislative changes having taken place so far, believes that it has a good case on merit and is therefore, filed an appeal against this Order.

*includes Rs.8290.01 lakhs relating to alleged under valuation of supply of goods resulting in short payment of tax under the GST laws . The Group, based on its assessment believes that it has a good case on merit and is therefore, filed an appeal against this Order. Interest and penalty if any would be additional.

*includes Rs.725.75 lakhs relating to alleged incorrect classification of goods resulting in short payment of tax under the GST laws. The Group, based on its assessment believes that it has a good case on merit and is therefore, filed an appeal against this Order. Interest and penalty if any would be additional.

^ Demands of income-tax for the financial years 2015-16 to 2018-19 and 2020-21 include amounts relating to certain expenses being treated as non-deductible business expenses pursuant to the re-assessment/assessment orders passed in connection with search carried out by the Income-tax department under section 132 of the Income-tax Act, 1961 on a promoter of the Holding Company. The Group is of the view that these are admissible business expenses and accordingly, has appealed against the re-assessment/assessment orders before the CIT (Appeals) which appeals are pending disposal.

c) The Holding Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the requirements of the Companies Act. There are no amounts that were due to be transferred by the subsidiary companies and associate companies to the Investor Education and Protection Fund.

d) The Group has received various show cause notices from various Government Authorities asking it to explain why certain amounts mentioned therein should not be paid or for providing information and explanations. Thus the Group does not consider these to constitute a liability of any kind. As and when these notices are recevied, the Group responds to the same in accordance with the provisions of the law.

38. Commitments	**As at 31.3.2025**	As at 31.3.2024
a) The estimated amount of contracts remaining to be executed on capital amount and not provided for (net of advances)	**17472.45**	3708.91

b) The Group has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services and employee benefits including union agreements, in normal course of business. The Group does not have any other long term contracts including derivative contracts for which there will be any material foreseeable losses.

39. Expenditure on scientific research and development	**As at 31.3.2025**	As at 31.3.2024
Revenue expenditure	**1204.52**	1140.48
Capital expenditure	**73.53**	162.58

40. Leases

40.1 Group as a lessee

The Group has lease contracts for various items of land, offices, warehouses, retail stores, store equipment and vehicles used in its operations. Leases of land have a term ranging from 45 to 99 years, offices, warehouses and stores have lease terms between 2 and 18 years, store equipment have a lease terms of 5 years, while motor vehicles generally have lease terms between 3 and 5 years. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed.

The Group also has certain leases of warehouses of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	As at 31.3.2025	As at 31.3.2024
Carrying amount of:		
Right-of-Use: Office buildings, warehouses and stores	**11927.46**	23903.74
Right-of-Use: Store equipment & furniture	**-**	232.22
Right-of-Use: Land*	**610.91**	621.42
Right-of-Use: Vehicles	**0.79**	24.25
Total	**12539.16**	24781.63

(All amounts are in Rs. lakhs unless otherwise stated)

	Right-of-Use: Office buildings, warehouses and stores	Right-of-Use: Store equipment & furniture	Right-of-Use: Land*	Right-of-Use: Vehicles	Total
Cost					
Balance as at April 1, 2023	**38567.04**	**2501.30**	**673.98**	**321.00**	**42063.32**
Additions / Modifications	3360.22	168.77	-	-	3528.99
Derecognition	(1993.27)	-	-	(12.42)	(2005.69)
Balance as at March 31, 2024	**39933.99**	**2670.07**	**673.98**	**308.58**	**43586.62**
Additions / Modifications	7068.54	64.14		-	7132.68
Discontinued operation (Refer Note No. 49)	(22879.05)	(2734.21)	-	(26.17)	(25639.43)
Derecognition	(6623.72)	-	-	(269.48)	(6893.20)
Balance as at March 31, 2025	**17499.76**	**-**	**673.98**	**12.93**	**18186.67**
Accumulated depreciation					
Balance as at April 1, 2023	**12271.99**	**2152.37**	**42.05**	**231.86**	**14698.27**
Depreciation expense	4628.38	285.48	10.51	60.57	4984.94
Derecognition	(870.12)	-	-	(8.10)	(878.22)
Balance as at March 31, 2024	**16030.25**	**2437.85**	**52.56**	**284.33**	**18804.99**
Depreciation expense	3585.82	84.66	10.51	20.51	**3701.50**
Discontinued operation (Refer Note No. 49)	(10177.72)	(2522.51)	-	(26.17)	(12726.40)
Derecognition	(3866.05)	-	-	(266.53)	(4132.58)
Balance as at March 31, 2025	**5572.30**	**-**	**63.07**	**12.14**	**5647.51**
Balance as at March 31, 2025	**11927.46**	**-**	**610.91**	**0.79**	**12539.16**
Balance as at March 31, 2024	23903.74	232.22	621.42	24.25	24781.63

*Includes Rs. 4.27 lakhs (Previous year - Rs. 4.34 lakhs) in respect of plot of land in one of a subsidiary for which a notice of termination of lease has been received from the Government of U.P. The Subsidiary has disputed the said notice by a petition filed before the Allahabad High Court and the same is pending disposal.

40. Leases (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at 31.3.2025	As at 31.3.2024
Balance as at April 1	**30008.30**	31912.57
Addition	**7091.05**	3488.01
Accretion of interest*	**1512.52**	2384.82
Payments	**(4848.92)**	(6360.43)
Rent concessions due to Covid-19	**-**	(87.37)
Discontinued operation	**(15278.09)**	-
De-recognition of lease liabilities on termination	**(3658.64)**	(1329.30)
Balance as at March 31**	**14826.22**	30008.30
Current	**2792.79**	4241.22
Non-current	**12033.43**	25767.08

* Lease liabilities carry an effective interest rate of 7.85%

** For maturities of lease liabilities, Refer Note No. 42.3

The following are the amounts recognised in profit or loss:

	Continuing operations		Discontinued operation		Total	
	Year ended 31.3.2025	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024
Depreciation expense of right-of-use assets	**2594.25**	2185.41	**1107.25**	2799.53	**3701.50**	4984.94
Interest expense on lease liabilities@	**1061.94**	1143.62	**450.58**	1241.20	**1512.52**	2384.82
Expense relating to short-term leases ^	**681.06**	128.66	**2294.79**	209.76	**2975.85**	338.42
Variable lease payments ^	**-**	-	**43.73**	208.07	**43.73**	208.07
(Gain) on termination of leases^^	**(898.03)**	(7.42)	**(2365.06)**	(194.76)	**(3263.09)**	(202.18)
Rent concessions ^^	**-**	(35.99)	**-**	(51.38)	**-**	(87.37)
	3439.22	3414.28	**1531.29**	4212.42	**4970.51**	7626.70

@Refer Note No. 33 and Note No. 49
^Refer Note No. 34 and Note Note. 49
^^Refer Note No. 28 and Note No. 49

(All amounts are in Rs. lakhs unless otherwise stated)

41. Employee benefit plans

(a) Defined contribution plans and amounts recognised in the consolidated statement of profit and loss/other comprehensive income

	Year ended 31.3.2025	Year ended 31.3.2024
Contribution towards provident fund (Refer Note No. 32)	**104.80**	110.56
Contribution towards superannuation fund	**127.01**	121.75
Employers' contribution to employee's state insurance scheme	**1.92**	2.32
	233.73	234.63

(b) Other long term employee benefits (based on actuarial valuation)

	Year ended 31.3.2025	Year ended 31.3.2024
Compensated absences – amount recognized in the consolidated statement of profit and loss	**449.07**	481.15

(c) Defined benefit plans

Gratuity

The Group makes annual contributions to gratuity funds established as trusts, for the defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity as per provisions of the Payment of Gratuity Act,1972 or the relevant Company Scheme, whichever is beneficial.

The plan typically exposes the Group to actuarial risks such as: loss of investment risk, interest rate risk, mortality rate risk and salary rate risk.

Loss of Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest rate risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the plan's liability.

Mortality rate risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary rate risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit and loss and the funded status and Amounts recognised in the consolidated balance sheet for defined benefit plan:

Net employee benefit expense recognized in employee cost	**Year Ended 31.3.2025**	Year Ended 31.3.2024
Current service cost	**445.48**	472.70
Past service cost	**-**	75.35
Net interest cost	**33.43**	(6.04)
Net employee benefit expense recognized in employee cost	**478.91**	542.01

(All amounts are in Rs. lakhs unless otherwise stated)

(c) Defined benefit plans - Gratuity (continued)

Amount recognised in other comprehensive income:

	Year ended 31.3.2025	Year ended 31.3.2024
Actuarial (gain)/loss on obligations arising from change in financial assumptions	**202.64**	192.55
Actuarial loss/(gain) on obligations arising from change in demographic adjustments	**-**	(73.69)
Actuarial (gain)/loss on obligations arising on account of experience adjustments	**(325.05)**	136.93
Return on plan assets (excluding amounts included in net interest expense)	**(87.01)**	(41.16)
Net (income)/expense for the year recognized in other comprehensive income	**(209.42)**	214.63

(I) Changes in the present value of the defined benefit obligation are as follows:

	Year ended 31.3.2025	Year ended 31.3.2024
Opening defined obligation	**11531.84**	10790.19
Current service cost	**445.48**	472.70
Past service cost	**-**	75.35
Interest cost (Gross)	**743.62**	734.28
Benefits paid	**(2077.27)**	(796.48)
Actuarial loss/(gain) on obligations arising from change in financial assumptions	**202.64**	192.55
Actuarial loss/(gain) on obligations arising from change in demographic adjustments	**-**	(73.69)
Actuarial (gain)/loss on obligations arising on account of experience adjustments	**(325.05)**	136.93
Closing defined benefit obligation	**10521.26**	11531.83
(II) Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	**10775.20**	10603.03
Interest income (Gross)	**710.19**	740.33
Return on plan assets (excluding Amounts included in net interest expense)	**87.01**	41.16
Contribution by employer	**756.64**	187.15
Benefits paid	**(2077.27)**	(796.48)
Closing fair value of plan assets	**10251.77**	10775.19
(III) Net Liability recognised in the consolidated balance sheet (I - II)	**269.49**	756.64

The major categories of plan assets of the fair value of the total plan assets are as follows:

	Amount	% of total plan assets
As at March 31, 2025		
Government debt securities	**77.03**	**0.75%**
Other debt instruments	**10.34**	**0.10%**
Insurer managed funds	**10244.36**	**99.93%**
Others	**(79.96)**	**-0.78%**
	10251.77	**100.00%**
As at March 31, 2024		
Government debt securities	**210.02**	1.95%
Other debt instruments	**10.34**	0.10%
Insurer managed funds	**10602.65**	98.40%
Others	**(47.82)**	-0.44%
	10775.19	100.00%

(All amounts are in Rs. lakhs unless otherwise stated)

(c) Defined benefit plans - Gratuity (continued)

The principal assumptions used in determining gratuity obligation for the Group's plans are shown below:

	As at 31.3.2025	As at 31.3.2024
Discount rate (in %)	**6.85%-6.90%**	7.20%
Salary escalation rate (in %)	**7.50%-8.00%**	7.50%-8.00%
Expected rate of return on plan assets	**6.85%-6.90%**	7.20%

A quantitative sensitivity analysis for significant assumption shown above as at March 31, 2025 is as shown below:

Assumption	**Impact on defined benefit obligation**	
	As at 31.3.2025	As at 31.3.2024
Impact of increase in 0.5% in discount rate	**-2.77%**	-2.71%
Impact of decrease in 0.5% in discount rate	**2.91%**	2.86%
Impact of increase in 0.5% in salary escalation rate	**2.87%**	2.83%
Impact of decrease in 0.5% in salary escalation rate	**-2.75%**	-2.71%

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

Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflations, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The following payments are expected as contributions to the defined benefit plan in future years:

Rupees in Lakhs

	Year ended 31.3.2025	Year ended 31.3.2024
Within the next 12 months (next annual reporting period)	**1939.36**	2372.86
Between 2 and 5 years	**5292.66**	4900.50
Between 6 and 9 years	**3581.62**	4723.63
10 years and above	**5918.75**	6686.47
Total expected payments	**16732.39**	18683.46

The average duration of the defined benefit plan obligation at the end of the reporting period is **5.57~6.93 years** (Previous year 5.49~6.52 years).

(d) Defined benefit plans - Provident Fund

The Holding Company makes monthly contributions towards provident fund which is administered by Godfrey Phillips India Limited Provident Fund (the Fund), an exempted PF Trust. The conditions governing the exemption require that the employer shall make good the loss, if any, incurred on the investments made by the Fund and also make good the deficiency in the rate of interest as may be notified by the EPFO from year to year.

Amounts recognised on account of PF contribution by the Holding Company during the year are as follows :-

	Year ended 31.03.2025	Year ended 31.03.2024
Amount recognised in profit and loss*	**1412.94**	1400.08
Amount recognised in other comprehensive income	**98.08**	304.20
	1511.02	1704.28

Subsequent to the year end, the Holding Company has liquidated the trust and transferred the balance to Government Provident Fund Scheme and transitioned to a contribution scheme.

*Includes amount pertaining to discontinued operation Rs.63.87 lakhs (previous year Rs.106.94 lakhs).

42. Financial instruments and risk management

42.1. Fair value measurements

The fair value of financial assets and liabilities are included at the amount at which the instruments could be exchanged in as current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) The fair value of cash and cash equivalents, trade receivables, trade payables, security deposits received, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value.

ii) The financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by using valuation techniques that are appropriate in the circumstances and for which sufficient data are available.

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and/or debt based mutual fund investments, bonds or debentures.

Level 2: This level of hierarchy includes items measured using inputs, other than quoted prices included within level 1, that are observable for such items, directly or indirectly.

Level 3: This level of hierarchy includes items measured using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main items in this category are unquoted equity instruments. The fair valuation of the major unquoted equity investment i.e. investment held in K K Modi Investment & Financial Services Private Limited, has been carried out by an independent valuer using the asset approach valuation technique. The valuer has used significant inputs like market data, growth projections, future cash flow discounting @ 13% to 15%, P/E multiple, etc., as the case may be, in arriving at the gross value and then applied discount rates ranging between 54% to 56% to arrive at the fair value for current and previous year.

(All amounts are in Rs. lakhs unless otherwise stated)

42. Financial instruments and risk management (continued)

42.2. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at amortised cost or at fair value and fair value heirarchy.

As at March 31, 2025	Carrying amount	Fair Value
Financial assets		
Financial instruments at FVTPL:		
Investment in		
- mutual funds	215626.70	215626.70
- equity shares	5806.00	5806.00
- preference shares	240.42	240.42
- in others	96.74	96.74
Financial instruments at amortised cost:		
Investment in		
- others (Perpetual Bonds)	12277.33	12228.07
Trade receivables	51634.94	51634.94
Cash and cash equivalents	1424.71	1424.71
Other bank balances	1605.59	1605.59
Loans	2938.54	2938.54
Other financial assets		
- Fixed Deposits with remaining maturity of more than 12 months	425.00	425.00
- Security deposits	845.10	845.10
- Interest accrued on bank and other deposits	479.30	479.30
- Compensation receivable	2414.40	2414.40
- other receivables	1830.48	1830.48
Financial instruments at FVTOCI:		
Investments in equity instruments designated upon initial recognition	76451.94	76451.94
Total financial assets	**374097.19**	**374047.93**
Financial liabilities		
Financial instruments at amortised cost:		
Borrowings	3071.09	3071.09
Trade payables	49961.87	49961.87
Other financial liabilities		
- Security deposits	123.85	123.85
- Interest accrued but not due on borrowings	0.81	0.81
- Unclaimed dividends	845.06	845.06
- Payable to gratuity funds	237.99	237.99
- Liability towards property, plant and equipments	507.78	507.78
- Others	15.78	15.78
- Employee payables	9865.61	9865.61
Total financial liabilities	**64629.84**	**64629.84**

(All amounts are in Rs. lakhs unless otherwise stated)

Financial instruments and risk management (continued)

42.2. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at amortised cost or at fair value and fair value heirarchy.

As at March 31, 2024	Carrying amount	Fair Value
Financial assets		
Financial instruments at FVTPL:		
Investment in		
- mutual funds	233289.49	233289.49
- equity shares	5019.34	5019.34
- preference shares	211.38	211.38
- debentures	1715.11	1715.11
- in others	115.15	115.15
Financial instruments at amortised cost:		
Investment in		
- others (Perpetual Bonds)	12277.32	12147.85
Trade receivables	17286.65	17286.65
Cash and cash equivalents	1045.87	1045.87
Other bank balances	1451.70	1451.70
Loans	869.20	869.20
Other financial assets		
- Fixed Deposits with remaining maturity of more than 12 months	70.00	70.00
- Security deposits	1580.51	1580.51
- Interest accrued on bank and other deposits	458.29	458.29
- Compensation receivable	2414.40	2414.40
- other receivables	1103.76	1103.76
Financial instruments at FVTOCI:		
Investments in equity instruments designated upon initial recognition	39728.59	39728.59
Total financial assets	**318636.76**	**318507.29**
Financial liabilities		
Financial instruments at amortised cost:		
Borrowings	4530.44	4530.44
Trade payables	39589.18	39589.18
Other financial liabilities		
- Security deposits	207.87	207.87
- Interest accrued but due on borrowings	0.89	0.89
- Unclaimed dividends	635.36	635.36
- Payable to gratuity funds	719.51	719.51
- Liability towards property, plant and equipments	652.95	652.95
- Others	15.78	15.78
- Employee payables	7087.39	7087.39
Total financial liabilities	**53439.37**	**53439.37**

Note: Investment in associates are accounted for using the equity method and are not covered under Ind AS 107 and hence not been included above.

42.2.Fair value hierarchy (continued)

Note for Financial assets

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments at FVTPL: Fair value for investments aggregating to Rs. 26738.05 lakhs (previous year Rs. 24385.63 lakhs) have been determined with reference to the market quoted price of the investments, a level 1 valuation, Rs.194791.39 lakhs (previous year Rs. 215753.46 lakhs) have been determined with reference to the declared NAV, a level 2 valuation and Rs. 240.42 lakhs (previous year Rs. 211.38 lakhs), has been determined with reference to the net asset value of the entity, a level 3 valuation.

Financial instruments at amortised cost: Fair value for bonds aggregating to Rs. 12228.07 lakhs (previous year Rs.12147.85 lakhs) is determined with reference to the market quoted price of the investments, a level 1 valuation. For all other financial assets and financial liabilities, the carrying value approximate the fair value due to short term maturity.

Investments at FVTOCI: Fair value for equity shares aggregating to Rs. 76451.94 lakhs (previous year Rs. 39728.59 lakhs) a level 3 valuation is determined by reference to net asset values (NAVs) of the entity.

42.3.Financial risk management objectives and policies

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by its Board of Directors.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, deposits, foreign currency receivables, payables, loans and borrowings.

The Group manages market risk through its finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest in order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, the finance department undertakes the interest rate risk management exercise from time to time.

The Group is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign currency risk

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas markets and purchases from suppliers in various foreign currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and it follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivable.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the Consolidated Financial Statements. The Group's maximum credit exposure to credit risk is Rs. 371066.89 lakhs (previous year Rs. 316139.19 lakhs). The Group has excluded cash and cash equivalents, other bank balances and investments in associates as the credit risk associated with them is minimal.

Financial assets are provided for, when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been provided for, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss in the subsequent reporting period. The management believes that there is no significant exposure of credit risk due to the nature of Group's business other than those for which impairment allowance has been recorded.

For details of trade receivables those are past due date refer note no. 13

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligation on time or at a reasonable price. The Group's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Board of Directors. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

(All amounts are in Rs. lakhs unless otherwise stated)

42.3. Financial risk management objectives and policies (continued)

(A) Maturities of financial liabilities

The table below analyze the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances, except lease liabilities, due within 12 months equal their carrying values as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at March 31, 2025			
Borrowings	3071.09	200.00	3271.09
Lease liabilities	3884.95	16014.40	19899.35
Trade payables	49961.87	-	49961.87
Other financial liabilities	11489.38	107.50	11596.88
	68407.29	**16321.90**	**84729.19**
As at March 31, 2024			
Borrowings	4530.44	200.00	4730.44
Lease liabilities	6516.55	34497.22	41013.77
Trade payables	39589.18	-	39589.18
Other financial liabilities	9132.48	187.27	9319.75
	59768.65	**34884.49**	**94653.14**

(B) Foreign currency risk exposure

Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:

Particulars	Currency	As at 31.3.2025		As at 31.3.2024	
		Amount in foreign currency (lakhs)	Amount in Rs. lakhs	Amount in foreign currency (lakhs)	Amount in Rs. lakhs
Trade receivables	USD	396.48	33288.05	88.44	7220.63
	EURO	1.00	90.62	-	-
Current liabilities	USD	98.27	8586.48	56.93	4837.56
	EURO	6.06	571.55	7.82	719.47
	GBP	0.33	37.50	0.52	55.74
	CHF	0.57	56.63	-	-

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rate such as USD, with all other variables held constant. The impact on the Group’s profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives:

(All amounts are in Rs. lakhs unless otherwise stated)

Currency of exposure	As at 31.3.2025		As at 31.3.2024	
	5% increase	5% decrease	5% increase	5% decrease
Impact on profit before tax as at the end of the reporting year -USD	1235.08	(1235.08)	119.15	(119.15)

(C) Exposure in mutual fund investments

The Group manages its surplus funds majorly through investments in mutual fund schemes. The fair value of these investments is reflected through net asset values (NAVs) declared by the Asset Management Company on daily basis with regard to the invested schemes. The Group is exposed to market price risk on such investments.

Sensitivity analysis of mutual fund investments

Had the NAVs been higher/lower by 1% at the end of the reporting period, profit for the year ended 31.3.2025 would have increased/decreased by Rs.2156.27 lakhs (for the year ended 31.3.2024 by Rs.2332.89 lakhs).

43. Capital management

For the purposes of the Group`s capital management, capital includes issued capital and all other equity reserves excluding non controlling interest. Net debts comprises of non-current and current debts (including trade payables and other financial liabilities), other current liabilities as reduced by cash and cash equivalents and current investments. The primary objective of the Group`s capital management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt.

Gearing ratio	As at 31.3.2025	As at 31.3.2024
Borrowings	3071.09	4530.44
Trade payables	49961.87	39589.18
Lease Liabilties	14826.22	30008.30
Other financial liabilities	11596.88	9319.75
Other current liabilities	73785.69	61770.84
Less : Cash and cash equivalents as per cash flow	1424.71	1045.87
: Current investments	17900.32	15769.93
Net debt (A)	133916.72	128402.71
Total equity	524581.60	423211.42
Capital and net debt (B)	658498.32	551614.13
Gearing Ratio (A/B)	20.34%	23.28%

No changes were made in the objectives, policies or processes during the year ended March 31, 2025.

44. Related party transactions

44.1 Disclosure of related parties	Place of incorporation and operation	Proportion of ownership interest / voting rights held by the parent entity	
		As at 31.3.2025	As at 31.3.2024
(a) Associates:			
IPM India Wholesale Trading Private Limited	India	24.80%	24.80%
KKM Management Centre Private Limited	India	36.75%	36.75%

(b) Entities of which the Holding Company is an associate:
K K Modi Investment & Financial Service Private Limited, India
Philip Morris Global Brands Inc., USA

(c) Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to:
PMFTC Inc.,Philippines
Philip Morris Products S.A.
PT Hanjaya Mandala Sampoerna Tbk.
AO Philip Morris Izhora, Russia
PT. Philip Morris Indonesia
Philip Morris Tutun Mamulleri Sanayi Ve Ticaret A.S, Turkey
Philip Morris Brasil Industria E Comercio Ltda., Brazil
Philip Morris Mexico Products, Mexico

(d) Key management personnel & their relatives and other directors:
Dr. Bina Modi, President, Managing Director and Chairperson of the Board
Mr. Samir Kumaar Modi, (Son of Dr.Bina Modi and an Executive Director of the Company upto September 06, 2024)
Ms. Charu Modi, (Daughter of Dr.Bina Modi, appointed as additonal director w.e.f July 06, 2024 and Executive director w.e.f September 06, 2024)
Mr. Sharad Aggarwal, Whole Time Director and Functional Chief Executive Officer
Mr. Sunil Agrawal, Chief Financial Officer (Ceased to be Chief Financial Officer w.e.f Feburary 28,2025)
Mr. Vishal Dhariwal (Appointed as Chief Financial Officer w.e.f March 1, 2025)
Mr. Sanjay Kumar Gupta, Company Secretary (Superannuated w.e.f. November 11, 2024)
Mr. Pumit Kumar Chellaramani (Appointed as Company Secretary and Compliance officer w.e.f November 12, 2024)
Mr. Ashrant Bhartia, Director of a subsidiary
Mr. Lalit Bhasin, Independent Director (Ceased to be a director of the Company w.e.f. September 6, 2024)
Mr. Atul Kumar Gupta, Independent Director
Mrs. Nirmala Bagri, Independent Director
Mr. Sumant Bhardwaj, Independent Director
Mr. Subramanian Lakshminarayanan, Independent Director
Mr. Ajay Vohra, Independent Director
Mr.Avtar Singh Monga (Appointed as Independent Director w.e.f. November 12, 2024)
Mr. Ruchir Modi, Grandson of Dr. Bina Modi

(e) Enterprises over which key management personnel and their relatives are able to exercise significant influence:
Modicare Limited
Beacon Travels Private Limited
Indofil Industries Limited
HMA Udyog Private Limited
Bina Fashion N Food Private Limited
Priyal Hitay Nidhi
Colorbar Cosmetics Private Limited
MHP Staffing Private Limited
Modi Innovative Education Society
Modi Stratford Enterprise Management Private Limited
International Research Park Laboratories Limited
Bhasin & Co. (Ceased to be related party w.e.f September 06,2024)
Rajputana Developers Limited
Quick Investment (India) Limited
Good Investment (India) Limited
Super Investment (India) Limited
Swasth Investment Private Limited

(f) Other related parties:
Godfrey Phillips India Limited employees Gratuity Fund No.1
Godfrey Phillips India Limited employees Gratuity Fund No.2
Godfrey Phillips India Limited Management Staff Superannuation Fund
Godfrey Phillips India Limited Provident Fund
International Tobacco Company Limited employees Gratuity Fund No.1
International Tobacco Company Limited employees Gratuity Fund No.2
International Tobacco Company Limited Management Staff Superannuation Fund

44. Related party transactions (continued)

44.2 Disclosure of transactions between the Group and related parties and the status of outstanding balances as at the year end

(All amounts are in Rs. lakhs unless otherwise stated)

A	Nature of transactions	Associates		Key management personnel and their relatives@@		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the holding company		Other related parties	
		Year ended 31.3.2025	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024
i)	**Trading transactions**												
	Sale of goods, spare parts, etc.	**142130.95@**	98594.91@	-	-	**91.90**	197.57	**144702.02&**	68554.73&	-	-	-	-
	Purchase of goods/services/spare parts/ property plant and equipment	**18461.52@**	9652.32@	-	-	**2603.45$**	2028.52$	**33222.09&&**	19590.95&&	-	-	-	-
	Receipts from secondment of services from Colorbar Cosmetics Private Limited	-	-	-	-	-	146.00	-	-	-	-	-	-
	Miscellaneous income	**1760.46@**	1137.53@	-	-	**16.64**	-	-	-	-	-	-	-
	Rent and hire charges received	-	-	-	-	**360.13**	412.17	-	-	-	-	-	-
	Payments for professional services availed	-	-	-	-	**10.64**	12.14	-	-	-	-	-	-
	Donation given $$$	-	-	-	-	-	-	-	-	-	-	-	-
	- Priyal Hitay Nidhi	-	-	-	-	**10.00**	10.00	-	-	-	-	-	-
	- Modi Innovation Education Society	-	-	-	-	**877.05**	252.00	-	-	-	-	-	-
	Expenses recovered	**10718.18@**	8774.67@	-	-	-	87.42	**76.10@@@**	278.63@@@	-	-	-	-
	Expenses reimbursed	-	-	-	-	-	-	**19.21@@@**	22.89	-	-	-	-
ii)	**Other related party transactions**												
	Dividend received												
	- IPM India Wholesale Trading Private Limited	**19344.00**	17608.00										
	Dividend Paid												
	- Philip Morris Global Brands Inc.	-	-	-	-	-	-	-	-	**11875.93**	5742.21	-	-
	- K K Modi Investment & Financial Service Private Limited	-	-	-	-	-	-	-	-	**14121.30**	6827.88	-	-
	- Quick Investment (India) Limited	-	-	-	-	**2034.58**	983.75	-	-	-	-	-	-
	- Good Investment (India) Limited	-	-	-	-	**3921.39**	1896.05	-	-	-	-	-	-
	- Super Investment (India) Limited	-	-	-	-	**479.81**	231.99	-	-	-	-	-	-
	- Swasth Investment Private Limited	-	-	-	-	**72.80**	35.20	-	-	-	-	-	-
	- HMA Udyog Private Limited	-	-	-	-	**111.23**	53.78	-	-	-	-	-	-
	- Bina Modi	-	-	**2.73**	1.32	-	-	-	-	-	-	-	-
	- Samir Kumaar Modi	-	-	**1.82**	0.88	-	-	-	-	-	-	-	-
	- Ruchir Modi	-	-	**1.82**	0.88	-	-	-	-	-	-	-	-
	- Charu Modi	-	-	**0.01**	0.00	-	-	-	-	-	-	-	-
	Technical services fee and royalty											-	-
	- Philip Morris Products S.A.	-	-	-	-	-	-	**1803.64**	1545.62	-	-	-	-

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44.2 Disclosure of transactions between the Group and related parties and the status of outstanding balances as at the year end (continued)

(All amounts are in Rs. lakhs unless otherwise stated)

A	Nature of transactions	Associates		Key management personnel and their relatives@@		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the Group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the holding company		Other related parties	
		Year ended 31.3.2025	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024	**Year ended 31.3.2025**	Year ended 31.3.2024
iii)	**Contribution to trusts**												
	Godfrey Phillips India Limited Management Staff Superannuation Fund	-	-	-	-	-	-	-	-	-	-	**108.69**	97.66
	Godfrey Phillips India Limited Provident Fund	-	-	-	-	-	-	-	-	-	-	**2585.94##**	1536.25
	Godfrey Phillips India Limited Gratuity Fund no. 1	-	-	-	-	-	-	-	-	-	-	**20.45**	41.38
	Godfrey Phillips India Limited Gratuity Fund no. 2	-	-	-	-	-	-	-	-	-	-	**217.54**	678.13
	International Tobacco Company Limited Management Staff Superannuation Fund	-	-	-	-	-	-	-	-	-	-	**18.32**	24.08
	International Tobacco Company Limited Gratuity Fund no.1	-	-	-	-	-	-	-	-	-	-	**(3.72)**	(4.57)
	International Tobacco Company Limited Gratuity Fund no.2	-	-	-	-	-	-	-	-	-	-	**35.22**	41.70
iv)	**Compensation & Post Employment benefits of key management personnel and other directors $$**												
	- Samir Kumaar Modi	-	-	**2558.66^**	5142.27^	-	-	-	-	-	-	-	-
	- Bina Modi	-	-	**4505.92**	3453.27	-	-	-	-	-	-	-	-
	- Charu Modi	-	-	**4299.25^^^**	-	-	-	-	-	-	-	-	-
	- Ashrant Bhartia	-	-	-	0.02	-	-	-	-	-	-	-	-
	- Sunil Agrawal	-	-	**1170.46^^**	247.31	-	-	-	-	-	-	-	-
	- Sanjay Kumar Gupta	-	-	**144.24**	156.84	-	-	-	-	-	-	-	-
	- Sharad Aggarwal	-	-	**3722.96^^**	1225.53	-	-	-	-	-	-	-	-
	- Vishal Dhariwal	-	-	**20.44**	-	-	-	-	-	-	-	-	-
	- Pumit Kumar Chellaramani	-	-	**127.41**	-	-	-	-	-	-	-	-	-
	- Lalit Bhasin	-	-	**16.00**	18.00	-	-	-	-	-	-	-	-
	- Atul Kumar Gupta	-	-	**19.00**	14.00	-	-	-	-	-	-	-	-
	- Nirmala Bagri	-	-	**22.00**	14.00	-	-	-	-	-	-	-	-
	- S Lakshminarayanan	-	-	**13.00**	6.00	-	-	-	-	-	-	-	-
	- Sumant Bhardwaj	-	-	**16.00**	9.00	-	-	-	-	-	-	-	-
	- Avtar Singh Monga	-	-	**3.00**	-	-	-	-	-	-	-	-	-
	- Ajay Vohra	-	-	**8.00**	3.00	-	-	-	-	-	-	-	-
v)	**Loan given/(repaid) during the year**												
	- Sunil Agrawal (Net of loan given Rs. 200 lakhs)	-	-	**(94.90)**	294.90	-	-	-	-	-	-	-	-
	- Sharad Aggarwal (Net of loan given Rs. 576 lakhs)	-	-	**(407.00)**	983.00	-	-	-	-	-	-	-	-
	- Sanjay Kumar Gupta	-	-	**(73.73)**	73.73	-	-	-	-	-	-	-	-
	- Pumit Kumar Chellaramani	-	-	**24.00**	-	-	-	-	-	-	-	-	-

44.2 Disclosure of transactions between the Group and related parties and the status of outstanding balances as at the year end (continued)

(All amounts are in Rs. lakhs unless otherwise stated)

B Outstanding balance	Associates		Key management personnel and their relatives@@		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Member entities of the group to which Philip Morris Global Brands Inc.,USA, belongs to		Enterprises having significant influence over the holding company		Other related parties	
	As at 31.3.2025	As at 31.3.2024	**As at 31.3.2025**	As at 31.3.2024	**As at 31.3.2025**	As at 31.3.2024	**As at 31.3.2025**	As at 31.3.2024	**As at 31.3.2025**	As at 31.3.2024	**As at 31.3.2025**	As at 31.3.2024
Trade receivables	**9192.54@**	4227.42@	**-**	-	**139.88**	2.57	**27640.58@@@**	-	**-**	-	**-**	-
Loans given	**-**	-	**920.00$***	1353.30	**-**	-	**-**	-	**-**	-	**-**	-
Trade payables	**14605.07@**	5600.34@	**-**	-	**234.68**	189.11	**3323.08&&&**	2257.54&&&	**-**	-	**-**	-
Dues payable	**-**	-	**2.40**	1.18	**-**	4.95	**-**	-	**-**	-	**-**	-
Commission payable to Samir Kumaar Modi(gross)	**-**	-	**1228.89**	2427.99	**-**	-	**-**	-	**-**	-	**-**	-
Commission payable to Dr. Bina Modi(gross)	**-**	-	**3286.25**	2313.87	**-**	-	**-**	-	**-**	-	**-**	-
Commission payable to Ms.Charu Modi(gross)	**-**	-	**3011.07**	-	**-**	-	**-**	-	**-**	-	**-**	-
Remuneration payable to Mr.Sharad Aggarwal	**-**	-	**-**	301.87	**-**	-	**-**	-	**-**	-	**-**	-
Remuneration payable to KMP	**-**	-	**3.71**	7.59	**-**	-	**-**	-	**-**	-	**-**	-
Gratuity payable to Ashrant Bhartia	**-**	-	**-**	17.31	**-**	-	**-**	-	**-**	-	**-**	-
Other recoverable	**1193.36@**	363.68@	**-**	8.71	**28.46**	128.77	**-**	86.27@@@				
Technical service fee and royalty payable												
- Philip Morris Products S.A.	**-**	-	**-**	-	**-**	-	**423.48@@@**	352.52@@@	**-**	-	**-**	-
Other payable/(recoverable)												
Godfrey Phillips India Limited Employees Gratuity Fund No.1	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**20.45**	41.38
Godfrey Phillips India Limited Employees Gratuity Fund No.2	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**217.54**	678.13
International Tobacco Company Limited Employees Gratuity Fund No.1	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(3.72)**	(4.57)
International Tobacco Company Limited Employees Gratuity Fund No.2	**-**	-	**-**	-	**-**	-	**-**	-			**35.22**	41.70
Godfrey Phillips India Limited Provident Fund	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	219.46
Godfrey Phillips India Limited Employees Gratuity Fund No.1	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	59.38
Godfrey Phillips India Limited Provident Fund	**-**	-	**-**	-	**-**	-	**-**	-	**-**		**-**	9.30

@relates to transactions with IPM India Wholesale Trading Private Limited and figures of purchase of goods have been reduced by Rs. 332163.46 lakhs (previous year Rs. 234508.79 lakhs) owing to resale of Marlboro cigarettes manufactured by the Company.

$ includes Rs.1751.04 lakhs (previous year Rs.1119.40 lakhs) from Beacon Travels Private Ltd, Rs.825.96 lakhs (previous year Rs. 741.08 lakhs) from Bina Fashions and Foods Private Limited and (Rs.7.91 lakhs) (previous year Rs. 151.30 lakhs) from Colorbar Cosmetics Private Limited

includes purchase of investment from the trust Rs.144.40 lakhs and amount paid to cover loss on account of unrealised value of certain investments Rs.1172.10 lakhs.

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

^ Includes perquisite value of rent free accomodation as per Sec 17(2) of Income Tax Act, 1961.

^^ Includes perquisite value of equity shares issued to employee under Employees Share Purchase Scheme 2024.

^^^ Includes Rs.1 lakh sitting fee paid in the capacity of additional director.

$$$ including for CSR activities.

@@An amount aggregating to RS.920 lakhs (Previous year Rs.1351.63 lakhs) was paid and received back from certain KMPs by the Group pursuant to the ESPS scheme

@@@ relates to transaction with Philip Morris Products S.A.

& includes Rs. 48987.52 lakhs (Previous year Rs.40688.12 lakhs) from Philip Morris Products S.A., PT.Hanjaya Mandala Sampoerna Tbk Rs.25807.42 lakhs (Previous year Rs.35.09 lakhs), AO Philip Morris Izhora Rs.22762.01 lakhs (Previous year Rs.27831.52 lakhs),Philip Morris Tuntun Mamulleri Rs.17810.34 lakhs (Previous year Rs.Nil), PMFTC Inc,Philippines Rs.11099.82 lakhs(Previous year Rs.Nil) ,PT Phillip Morris Indonesia Rs.8294.53 lakhs (Previous year Rs.Nil),Philip Morris Brasil Industria Rs.4310.51 lakhs (previous year Rs.Nil), Philip Morris Mexico Products Rs.5629.87 lakhs (Previous year Rs.Nil)

&& includes Rs.30935.92 lakhs (previous year Rs.18185.01 lakhs) from PMFTC Inc., Rs. 2135.21 lakhs (previous year Rs.1271.13 lakhs) from PT Hanjaya Mandala Sampoerna Tbk., Rs.150.96(previous year Rs.134.81 lakhs) from PT Phillips Morris Indonesia

&&& includes Rs. 3037.24 lakhs (previous year Rs. 2143.23 lakhs) from PMFTC Inc.,Rs.232.26 lakhs (Previous year Rs.91.42 lakhs) from PT Hanjaya Mandala Sampoerna Tbk and Rs.53.58 lakhs (Previous year Rs.Nil) from PT Philip Morris Indonesia.

$* Pertains to contractual value for loan given to employees (carrying value is Rs.758.90 lakhs, previous year Rs.1.67 lakhs)

45. Segment Information

Products from which reportable segments derive their revenues

The Group's reportable segments under Ind AS 108 are as follows:

i) Cigarette, tobacco and related products

ii) Others*

*Retail and related products business is no longer presented as a separate segment pursuant to closure of Group's Retail Business Division (Refer note 49).

Segment information for the year ended March 31, 2025 and March 31, 2024 is as follows:

(All amounts are in Rs. lakhs unless otherwise stated)

		As at March 31, 2025			As at March 31, 2024		
		Cigarette,tobacco and related products	**Others**	**Total**	Cigarette, tobacco and related products	Others	Total
1	**Segment revenue**						
	- External sales (gross)	**666617.97**	**6875.13**	**673493.10**	481185.75	4219.64	485405.39
	- Other operating income	**2338.38**	**917.15**	**3255.53**	1934.92	2993.00	4927.92
	Total revenue	**668956.35**	**7792.28**	**676748.63**	483120.67	7212.64	490333.31
2	**Segment result**	**106035.94**	**839.06**	**106875.00**	78071.79	1698.26	79770.05
	Unallocable income net of unallocable expenses			**19502.54**			19551.65
	Profit before finance costs and tax			**126377.54**			99321.70
	Less: Finance costs			**169.53**			227.83
	Profit before share of profit of associates and tax			**126208.01**			99093.87
	Share of profit of associates			**20896.85**			16067.85
	Profit before tax from continuing operations			**147104.86**			115161.72
3	**Other information**						
	Capital expenditure including capital work in progress and capital advances	**16654.35**	**-**	**16654.35**	8281.23	-	8281.23
	Depreciation and amortization	**11028.90**	**276.04**	**11304.94**	10474.57	293.64	10768.21
	Impairment of property, plant and equipment	**982.74**	**-**	**982.74**	-	-	-
	Non cash expenditure other than depreciation and impairment	**1413.64**	**-**	**1413.64**	30.98	-	30.98
	Excise Duty	**115647.41**	**-**	**115647.41**	88503.03	-	88503.03
	Cost of materials consumed	**151144.23**	**-**	**151144.23**	108345.12	-	108345.12
	Purchases of stock-in-trade	**179185.09**	**5113.17**	**184298.26**	106339.89	2715.49	109055.38
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	**(9894.06)**	**(200.98)**	**(10095.04)**	(950.43)	694.32	(256.11)

45. Segment Information (continued)

(All amounts are in Rs. lakhs unless otherwise stated)

		As at March 31, 2025			As at March 31, 2024		
		Cigarette,tobacco and related products	**Others**	**Total**	Cigarette, tobacco and related products	Others	Total
a)	**Segment assets**						
	Allocable assets	**352809.77**	**94538.83**	**447348.60**	239914.36	55680.00	295594.36
	Unallocable assets*			**249555.18**			288731.56
	Total assets			**696903.78**			584325.92
b)	**Segment liabilities**						
	Allocable liabilities	**150302.66**	**1341.14**	**151643.80**	118616.80	1387.12	120003.92
	Unallocable liabilities*			**20010.66**			40486.15
	Total liabilities			**171654.46**			160490.07
c)	**Capital Employed**						
	Allocable capital employed	**202507.11**	**93197.69**	**295704.80**	121297.56	54292.88	175590.44
	Unallocable capital employed*			**229544.52**			248245.41
	Total capital employed			**525249.32**			423835.85
	Total (b+c)			**696903.78**			584325.92

d) Entity wide information

The Group operates in two principle geographical areas - India and Outside India.

The Group's revenue from operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers		**Non-current assets ****	
	Year ended 31.3.2025	Year ended 31.3.2024	**As at 31.3.2025**	As at 31.3.2024
India	**464708.63**	355992.96	**91352.38**	96716.52
Outside India	**212040.00**	134340.35	**-**	-
Total	**676748.63**	490333.31	**91352.38**	96716.52

*includes assets and liabilities associated with discontined operation

** Non current assets do not include deferred tax assets, financial assets-investments & other non-current financial assets

e) Segment accounting policies for the purpose of monitoring segment performance and allocating resources between segments:

In addition to the significant accounting policies applicable to the business segments as set out in Note No.4, the accounting policies in relation to segment accounting are as under:

i) Segment revenue and expenses:

Segment revenue and expenses only include items directly attributable to the segment. They do not include investment income, interest income from loans given, dividend income, profit or loss on sale/redemption/fair valuation of investments, provision for diminution in value of investments, finance cost, donations and provision for taxation (current and deferred tax). Since the corporate office of the Holding Company primarily caters to the cigarette and tobacco products segment, its expenses have been considered to be attributable to the same. Revenue of Rs. 142130.95 lakhs (Previous year Rs. 98594.91 lakhs) in the Cigarette, Toabacco and related products is from one (previous year : one) customer. No other single contributed to ten per cent or more to the Group's revenue for the year ended March 31, 2025 and March 31, 2024.

ii) Segment assets and liabilities:

All segment assets and liabilities are directly attributable to the segment.

Segment assets include all operating assets used by the segment and consist principally of net fixed assets, inventories, trade receivables, loans and advances and operating cash and bank balances. Segment liabilities include all operating liabilities and consist principally of trade payables and other financial liabilities. Segment assets and liabilities do not include investments, loans given, bank balances for unclaimed dividend and corporate social responsibilities and fixed deposits' unclaimed interest, share capital, reserves and surplus, loan funds, dividends payable and income-tax (current and deferred tax).

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46. Employee share-based payment information

a. Description of employee share-based payment arrangements

The Holding Company has implemented a share-based employee incentive plan in the name of "Godfrey Phillips Employees Share Purchase Scheme-2024" (hereinafter referred to as "ESPS 2024") in the current year and "Godfrey Phillips Employees Share Purchase Scheme-2023" (hereinafter referred to as "ESPS 2023") in the previous year. The Shareholders of the Holding Company approved ESPS 2024 on December 19, 2024 and ESPS 2023 on January 07, 2024 and both the Schemes is being administered through an irrevocable Trust formed under the provisions of the Indian Trusts Act, 1882, in the name of "Godfrey Phillips ESPS Trust".

Detail of shares granted and accepted are as under:

Employee stock purchase scheme -2024

Sl. No.	Grant Date	Vesting date	No. of Shares	Exercise Price (Rs.)	Offer acceptance period	Lock in Period*	Method of Settlement
1	13th February 2025	13th February 2025	1,71,500	1600	15 days from the date of offer i.e. 28th February 2025	For 1/4th of Shares offered: One year from the date of transfer (Type 1). For next 1/4th of Shares offered: Two year from the date of transfer (Type 2). For next 1/4th of Shares offered: Three year from the date of transfer (Type 3). For balance Shares offered: Four year from the date of transfer (Type 4).	Equity
	Total		**1,71,500**				

* Employee Share based payment expense to be recognised in the statement of profit and loss on proportionate basis over the period of 4 years as per the terms and conditions of the ESPS 2024.

Employee stock purchase scheme -2023

Sl. No.	Grant Date	Vesting date	No. of Shares	Exercise Price (Rs.)	Offer acceptance period	Lock in Period*	Method of Settlement
1	29th January 2024	29th January 2024	40,000	983	30 days from the date of offer i.e. 28th February 2024	For 1/3rd of Shares offered: One year from the date of transfer (Type 1). For next 1/3rd of Shares offered: Two year from the date of transfer (Type 2).For balance Shares offered: Two and half year from the date of transfer (Type 3).	Equity
	Total		**40,000**				

b. Measurement of fair values

The weighted average fair value of shares as on grant date:

Particulars	Method of Valuation	Weighted average fair value as on the grant date (Rs.)
Employee stock purchase scheme -2024		
Type 1 Lock in for 1 year	Binomial method	3594.14
Type 2 Lock in for 2 years	Binomial method	3484.88
Type 3 Lock in for 3 years	Binomial method	3375.62
Type 4 Lock in for 4 years	Binomial method	3266.36
Weighted average fair value		**3430.25**
Particulars	**Method of Valuation**	**Weighted average fair value as on the grant date (Rs.)**
Employee stock purchase scheme -2023		
Type 1 Lock in for 1 year	Binomial method	1170.82
Type 2 Lock in for 2 years	Binomial method	1125.60
Type 3 Lock in for 2.5 years	Binomial method	1114.29
Weighted average fair value		**1136.90**

c. The inputs used in the measurement of grant date fair value are as follows:

	ESPS 2024	ESPS 2023
Stock Price (on the date previous to the date of grant) (Rs.)	5463.00	2261.15
Exercise Price (Rs.)	1600.00	983.00
Expected Life (no. of Years)	0.04	0.08
Risk free rate of interest (%)	6.54	7.11
Implied Volatility factor (%)	117.70	26.24
Dividend Yield on Market Price (%)	0.00	0.00

d. Details of employee share purchase scheme is presented below

ESPS 2024	Year ended 31 March 2025		Year ended 31 March 2024	
	Number of shares	Weighted average exercise price in Rs	Number of shares	Weighted average exercise price in Rs
(i) outstanding at the beginning of the period;	-	-	-	-
(ii) granted during the period;	1,71,500	1,600	-	-
(iii) forfeited during the period;	-	-	-	-
(iv) exercised during the period;	1,71,500	1,600	-	-
(v) expired during the period;	-	-	-	-
(vi) outstanding at the end of the period;	-	-	-	-
(vii) exercisable at the end of the period.	-	-	-	-

ESPS 2023	Year ended 31 March 2025		Year ended 31 March 2024	
	Number of shares	Weighted average exercise price in Rs	Number of shares	Weighted average exercise price in Rs
(i) outstanding at the beginning of the period;	-	-	-	-
(ii) granted during the period;	-	-	40,000	983
(iii) forfeited during the period;	-	-	-	-
(iv) exercised during the period;	-	-	40,000	983
(v) expired during the period;	-	-	-	-
(vi) outstanding at the end of the period;	-	-	-	-
(vii) exercisable at the end of the period.	-	-	-	-

Note: Excludes shares which were either not accepted or surrendered by the employees

(All amounts are in Rs. lakhs unless otherwise stated)

47. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 (continued)

Name of the entity	As at 31.3.2025		For the year ended 31.3.2025		For the year ended 31.3.2025		For the year ended 31.3.2025	
	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs.in Lakhs)	As % of consolidated profit or loss	Amount (Rs.in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in Lakhs)
Parent								
Godfrey Phillips India Limited	83.94%	440911.11	97.29%	104320.37	0.24%	85.19	73.35%	104405.56
Subsidiaries								
a) Indian								
1.International Tobacco Company Limited	1.18%	6172.36	0.40%	434.08	0.03%	9.38	0.31%	443.46
2.Chase Investments Limited	13.68%	71874.49	0.64%	687.22	99.76%	35032.00	25.09%	35719.22
3.Friendly Reality Projects Limited	1.21%	6354.54	-0.03%	(28.28)	0.00%	-	-0.02%	(28.28)
4.Rajputana Infrastructure Corporate Limited	1.13%	5933.84	0.34%	365.38	0.00%	-	0.26%	365.38
5.Unique Space Developers Limited	0.02%	129.25	0.00%	(0.94)	0.00%	-	0.00%	(0.94)
6.White Horse Realty Limited	0.00%	(12.15)	0.00%	(22.15)	0.00%	-	0.00%	(22.15)
Non controlling interests in all subsidiaries	0.13%	667.72	0.03%	28.05	0.00%	-	0.02%	28.05
Associates								
a) Indian								
1.IPM India Wholesale Trading Private Limited	1.69%	8892.02	19.49%	20896.85	0.00%	-	14.68%	20896.85
2.KKM Management Centre Private Limited	0.06%	338.38	-0.01%	(9.80)	0.00%	-	-0.01%	(9.80)
ESPS Trust								
Godfrey Phillips ESPS Trust	0.01%	73.58	0.07%	74.98	0.00%	-	0.05%	74.98
Adjustments on consolidation	-3.06%	(16085.82)	-18.20%	(19514.43)	-0.03%	(11.25)	-13.72%	(19525.68)
	100.00%	**525249.32**	**100.02%**	**107231.33**	**100.00%**	**35115.32**	**100.02%**	**142346.65**

The amount stated above are as per the standalone financial statements of each of the individual entities, before making any adjustments for intragroup transactions and/or balances.

(All amounts are in Rs. lakhs unless otherwise stated)

47. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 (continued)

Name of the entity	As at 31.3.2024		For the year ended 31.3.2024		For the year ended 31.3.2024		For the year ended 31.3.2024	
	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs.in Lakhs)	As % of consolidated profit or loss	Amount (Rs.in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in Lakhs)
Parent								
Godfrey Phillips India Limited	90.63%	384117.95	99.65%	88084.37	-4.21%	(383.43)	89.96%	87700.94
Subsidiaries								
a) Indian								
1.International Tobacco Company Limited	1.35%	5728.90	0.25%	223.69	0.07%	5.92	0.24%	229.61
2.Chase Investments Limited	8.55%	36219.78	0.58%	512.94	104.27%	9485.50	10.26%	9998.44
3.Friendly Reality Projects Limited	1.51%	6382.81	0.07%	61.24	0.00%	-	0.06%	61.24
4.Rajputana Infrastructure Corporate Limited	1.34%	5664.93	1.18%	1039.41	0.00%	-	1.07%	1039.41
5.Unique Space Developers Limited	0.03%	130.19	0.00%	(0.95)	0.00%	-	0.00%	(0.95)
b) Foreign								
1.Godfrey Phillips Middle East DMCC*	0.00%	0.00	-0.04%	(38.21)	0.00%	-	-0.04%	(38.21)
Non controlling interests in all subsidiaries	0.15%	624.43	0.10%	92.64	0.00%	-	0.10%	92.64
Associates								
a) Indian								
1.IPM India Wholesale Trading Private Limited	1.73%	7329.36	18.17%	16065.73	0.00%	-	16.48%	16065.73
2.KKM Management Centre Private Limited	0.08%	348.18	0.00%	2.12	0.00%	-	0.00%	2.12
ESPS Trust								
Godfrey Phillips ESPS Trust	0.00%	(1.40)	0.00%	(1.50)	0.00%	-	0.00%	(1.50)
Adjustments on consolidation	-5.36%	(22709.28)	-19.96%	(17644.55)	-0.12%	(10.73)	-18.11%	(17655.28)
	100.00%	**423835.85**	**100.00%**	**88396.93**	**100.00%**	**9097.26**	**100.00%**	**97494.19**

*liquidated during the financial year 2024-25.

The amount stated above are as per the standalone financial statements of each of the individual entities, before making any adjustments for intragroup transactions and/or balances.

(All amounts are in Rs. lakhs unless otherwise stated)

48. Ratio Analysis

	Ratio	Numerator	Denominator	As at 31.3.2025	As at 31.3.2024	% Change
a)	Current ratio (i)	Current assets	Current liabilities	**2.10**	1.66	26.3%
b)	Debt-Equity ratio (ii)	Total lease liabilities, borrowings and long term debt	Total equity	**0.03**	0.07	-59.9%
c)	Debt service coverage ratio (iii)	Profit before interest and tax	Finance cost	**82.05**	42.88	91.4%
d)	Return on equity ratio	Total comprehensive income	Average Total Equity	**30.00%**	25.03%	19.9%
e)	Inventory turnover ratio	Turnover	Average inventory	**3.98**	4.42	-10.0%
f)	Trade receivables turnover ratio (iv)	Turnover including indirect taxes	Average trade receivable	**42.40**	69.92	-39.4%
g)	Trade payables turnover ratio	Total purchases excluding indirect taxes	Average trade payables	**7.96**	7.11	12.0%
h)	Net capital turnover ratio	Revenue from operations	Shareholder's equity	**1.31**	1.25	4.6%
i)	Net profit ratio	Total comprehensive income	Operating revenue	**20.70%**	18.38%	12.6%
j)	Return on capital employed	Profit before tax	Average capital employed	**26.82%**	25.59%	4.8%
k)	Return on investment	Interest income and Net gain on sale/redemption/ fair valuation of current and non current investment	Average current and non-current investment	**5.65%**	6.53%	-13.4%

Ratios are calculated including profits from discontinued operation.

(i) The relatively higher current ratio for the year ended 31st March, 2025 is mainly attributable to increase in inventory and trade receivables pertaining to export sales of unmanufactured tobacco

(ii) Termination of leases pertaining to discontinued operation improved the debt-equity ratio.

(iii) Debt service coverage ratio has improved mainly due to increase in EBIT and decrease in finance cost due to termination of leases pertaining to discontinued operation.

(iv) Trade receivables turnover ratio decreased mainly due to higher trade receivables pertaining to export sales of unmanufactured tobacco.

49. Discontinued Operation

a. The Board of Directors of the Holding Company, at its meeting held on April 12, 2024, had decided to exit from carrying out the business operations of the Group's Retail Business Division being operated under the name 24Seven. Subsequently, the Group has undertaken the necessary formalities for an orderly exit and have closed the operations of the said division during the current year. Accordingly, the said retail business has been classified as discontinued operation in accordance with Ind AS 105 Non-Current Assets Held for Sale and Discontinued Operations" in these consolidated financial statements and is no longer considered as a separate segment by Chief Operating Decision Maker. The previous periods figures have been restated to give effect to the presentation requirements of Ind AS 105.

b. The results of discontinued operation for the year are presented below:

Particulars	**Year ended 31.3.2025**	Year ended 31.3.2024
Revenue from operations	**10815.67**	40127.61
Other income	**2720.96**	432.03
Total income	**13536.63**	40559.64
Expenses		
Purchases of stock-in-trade	**5481.30**	26860.05
Changes in inventories of stock-in-trade	**2463.52**	495.03
Employee benefits expenses	**2038.00**	2628.07
Finance costs	**450.60**	1243.05
Depreciation and amortisation expenses (Refer Note No. 6)	**1414.69**	3750.86
Impairment of property, plant and equipment, intangible assets and capital work in progress (Refer Note No. 6)	**1459.34**	-
Property, plant and equipment and intangible assets written off	**418.55**	61.38
Loss on sale of property, plant and equipment (net)	**559.84**	-
Other expenses	**10018.58**	11184.48
Total expenses	**24304.42**	46222.92
Loss before tax from a discontinued operation	**(10767.79)**	(5663.28)
Tax (expenses)/ income	**2710.03**	1425.33
Loss for the year from a discontinued operation	**(8057.76)**	(4237.95)

The Company do not have any cumulative income or expense recognised in other comprehensive income relating to a non-current asset classified as discontinued operation.

c. The major classes of assets and liabilities of the discontinued operation

	As at 31.3.2025
Assets	
Property, plant and equipment (Net of impairment of Rs.1301.74 lakhs)	-
Capital work in progress (Net of impairment of Rs.91.58 lakhs)	-
Intangible assets (Net of impairment of Rs.66.02 lakhs)	-
Trade receivable	0.93
Other financial assets	629.05
Other current assets	55.61
Total Assets	**685.59**
Liabilities	
Trade payables	1016.93
Other financial liabilities	38.75
Other current liabilities	23.79
Total Liabilities	1079.47
Net liabilities associated with discontinued operation	**(393.88)**

d. Trade payable ageing schedule

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	0.95	23.26	-	-	-	24.21
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	516.58	300.65	133.22	32.50	9.77	992.72
Balance as at March 31, 2025	**517.53**	**323.91**	**133.22**	**32.50**	**9.77**	**1016.93**

e. The net cash flows of the discontinued operation are as follows

	Year ended 31.3.2025	Year ended 31.3.2024
Operating activities	**(10811.82)**	664.14
Investing activities	**580.07**	(1081.91)
Financing activities	**(1556.25)**	(3635.31)
Net cash (outflow)/ inflow	**(11788.00)**	(4053.08)

50. The Components of the Group have used multiple accounting software for maintaining the books of account and all of these have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all its relevant transactions recorded in the software except that the audit trail feature at the application underlying database was enabled from November 18, 2024 for Oracle EBS and was not enabled for direct changes to the underlying database using privileged access rights for SAPS4 Hana (pertaining to discontinued operation) during the year. However, no instance of audit trail feature having been tampered with was noted for these software. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention except for Oracle EBS where transactions are recorded on or after November 18, 2024 and has not been preserved for transactions recorded in SAPS4 Hana.

51. A. During the financial year 2020-21, the Group had purchased land admeasuring 24,540 sq. meter ('Sikri Bagh Land') from Rajputana Fertilizers Limited by way of registered sale deed dated 12 October 2020, for a consideration of ₹ 4330 Lakhs, with the intention of developing it into real estate property. The Group is in possession of the Sikri Bagh Land and the same is also mutated in its name.

Sub Divisional Magistrate (SDM), Modi Nagar, amended the revenue records of the entire village Sikri Khurd with land admeasuring approximately 597 Bighas and declared the land at entire village as an enemy property. This amendment covers the aforementioned Sikri Bagh Land. Based on writ petition filed by an aggrieved party, the Hon'ble Allahabad High Court set aside the impugned order of custodian of enemy property and permitted concerned authorities to issue notice to the concerned person. Accordingly, the SDM office set aside its earlier impugned order including updating of land records and decided to issue notice to the concerned persons as provided under Rule

4(1B) of Enemy Property Act, 2015. The Group is in receipt of Show Cause Notice (SCN) from SDM office under Rule 4(1A) of Enemy Property Act, 2015 against which necessary reply has been submitted with detailed explanation and justification defending the title and ownership in the name of Group with a request to cancel/vacate the said SCN. The response against the reply given is awaited as on date.

The Group has been legally advised that its title of the Sikri Bagh land is clear and marketable and therefore, the Group is confident of defending its title in the Sikri Bagh land.

B. Further, some portion of land has been notified for compulsory acquisition of land under 11(1) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013 ("Right to Fair Compensation Act 2013") for which the preliminary notification was issued by the Government on 8th April, 2022. On 17th February 2023 final Notification under Section 19(1) of the Right to Fair Compensation Act 2013 was issued by the Governor declaring that the land mentioned in the preliminary notification is required for public purposes. On 13th July 2023 the Collector declared the compensation rate for the land to be acquired under Section 23 of the Right to Fair Compensation Act 2013 and the compensation amount is computed at the rate of ₹ 30 thousand per square meter. In accordance with Section 30 of the Right to Fair Compensation Act, 2013 the Collector has determined the final award, which includes the imposition of a "Solatium" amount equal to one hundred percent (i.e. of ₹ 30 thousand per square meter), as evident in the comprehensive award detailed in serial number 23 of the order dated 13th July, 2023. On 21st July 2023 Notice under section 37(2) of the Right to Fair Compensation Act was issued under which the compensation rate and necessary documentation required to claim the compensation was informed. It is pertinent to note all such notices/communication carried a reference to the fact that the right to receive the compensation is subject to establishing the clear title of the land including that of the enemy property.

On 22nd August 2023, the Group filed a reference application after the declaration of the final award passed on 13th July 2023 and has also asked for enhanced compensation which is yet to be received.

During the financial year 2023-24, 4024 Square meter land of the Group under Khasra No. 357, 359, 371 and 372 has been acquired under Right to Fair Compensation Act, 2013. Based on final award the Group has recognised revenue of Rs. 2414.40 lakhs and the cost of land acquired of Rs. 741.57 lakhs has been expensed off by releasing from inventory/stock-in-trade in the year of acquisition as mentioned above.
Further the management, based on the said acquisition, has concluded that the net realisable value of the remaining land would be higher than the carrying value as at 31st March, 2025. Accordingly no adjustment has been recorded in these consolidated financial statements.

52. As mentioned in Note No. 49, the Group, during the current year, discontinued the business operations of the Retail Business Division which was carried out under the brand name "24 Seven" and thereafter ceased to use of the "24Seven" trademarks. Twenty Four Seven Retail Stores Private Limited ("TFSRSPL"), a company owned by Mr. Samir Kumaar Modi (a related party and an erstwhile executive director of the Holding Company) and owner of the 24Seven trademark, has filed a Suit before the Hon'ble High Court of Delhi against the Company claiming payment of royalty for the usage of the 24Seven trademark by the Retail Business Division of the Company, to be calculated @ 7% of total sales revenue of the Retail Business Division during the period between June 2005 to August 31, 2024, along with interest @18% p.a. and additional damages of Rs. 200.01 Lakhs. Based on its internal assessment and legal advice obtained, the Group believes that no royalties are payable to TFSRSPL and that it has strong grounds to defend on merits and therefore, the Group does not expect any liability to devolve on it.

53. There is no transaction and outstanding balance with struck off companies during the year and as at March 31, 2025 and March 31, 2024.

As per our report of even date

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E/E300005
Chartered Accountants

per **Naman Agarwal**
Partner
Membership No.: 502405

Place: New Delhi
Date: 15th May, 2025

VISHAL DHARIWAL
Chief Financial Officer

PUMIT KUMAR CHELLARAMANI
Company Secretary

Place: New Delhi
Date: 15th May, 2025

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

CHARU MODI
(DIN 00029625)
Executive Director

SHARAD AGGARWAL
(DIN 07438861)
Whole-time Director

ATUL KUMAR GUPTA
(DIN 01734070)
NIRMALA BAGRI
(DIN 01081867)
SUMANT BHARADWAJ
(DIN 08970744)
SUBRAMANIAN LAKSHMINARAYANAN
(DIN 02808698)
AVTAR SINGH MONGA
(DIN 00418477)
Directors

GODFREY PHILLIPS
INDIA LIMITED

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