

RESILIENCE, CARE
& **GROWTH**



ANNUAL
REPORT
2020-21

RESILIENCE, CARE AND GROWTH

The global pandemic and the subsequent lockdowns have caused a disquieting degree of turmoil and uncertainty in the country. Consequently, the year posed an environment filled with multi-faceted challenges for the businesses with sharp disruption in demand and supply situations. These challenges, however, also proved to be a resilience barometer for different sectors and businesses. While most sectors witnessed a sharp contraction in the output, the agriculture sector was resilient and grew at 3.6% during the year.

Crisis of such scale often tests the mettle of the organisation's vision and resolution towards achieving its commitments. For us, therefore, it was imperative to invest in growth by focusing on people, planet and profits. We have expanded our portfolio and invested in the brownfield and greenfield expansion of the facilities for supporting research and development initiatives. We have invested in a new fish feed plant in Barabanki (Uttar Pradesh), which is currently under-construction. In our subsidiary Astec LifeSciences Limited, we are in process of commissioning a herbicide plant at an investment more than ₹ 115 Crore. To bolster our R&D in the subsidiary, we have also invested in a new state-of-the-art R&D centre in Rabale (Maharashtra). Till the time the new centre is operational, we have leased a big R&D centre in Dombivali (Maharashtra).

We at Godrej Agrovet Limited have always been proud to transform the lives of our partners and consumers through innovative, high-performance, cutting-edge products and services. We quickly adapted to the changing situation and focused on conducting the business on three pillars of resilience, care and growth. With our end-products being essential, it was imperative to scale up and provide an uninterrupted supply of the goods and services through-out the year to consumers.

Towards our efforts to expand our offering for customers, we not only expanded our product portfolio of consumer-facing businesses, but also revamped our strategy to increase our market reach. Our ready-to-cook vegetarian and non-vegetarian products range under the Yummeez brand, provided readily available protein-rich food snack options to households during the lockdown. We launched new variants to increase our product offering and also tied-up with digital platforms to reach a wider customer base. Under Godrej Jersey, we introduced dairy sweet Mysore Pak and re-launched the Godrej Jersey Ghee. We also re-launched the entire product portfolio under the revamped Godrej Jersey logo. Continuing with our support towards doubling farmers' income, we launched a new cattle feed product 'Samruddhi' in western India, which provides a higher feed conversion ratio and bolsters farmers' income.

At Godrej Agrovet Limited, we are also committed in serving the society to best of our abilities. The team worked relentlessly to provide immediate relief to the contractual workers and local communities around our manufacturing plants. We also contributed to the Government's efforts to fight the pandemic and helped in strengthening the public healthcare system. Further, we invested a large portion of the budget to fulfil our commitments and responsibilities in four key areas: developing communities, water positivity, carbon neutrality, COVID relief and recovery.

On the people front, the safety of our employees has always been paramount. In line with the regulatory norms imposed by the various state governments, we focused on establishing strong safety protocols across our facilities. Consequently, all our plants became operational quickly and resumed operations to increase our profitability along with ensuring a high degree of safety for our employees.

The second wave of COVID-19 is pushing the economy into a tailspin; forcing governments to impose micro-lockdowns across the country to safeguard lives. As a responsible, trusted, and people-centric organisation, we initiated an active vaccination program for our employees, their families, their dependents, our contract workers and our business partners (in certain geographies). We believe that in the coming months, the economic revival is dependent on consumers' willingness to spend. Experts have pegged the agriculture sector to be among the frontrunners in terms of bounce-back and Godrej Agrovet is well placed to capitalize on this opportunity.

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THE GODREJ WAY

To live our purpose,
we need to ensure that we are
guided by the right values

Our Values



Trust

- We hold ourselves to the highest standards of personal and business integrity.
- Our word is stronger than any contract.
- We put people and our planet alongside profits.



Be Bold

- We have bold ambitions.
We set the bar high.
We outperform expectations.
- We adapt, We are agile and resilient.
- We continuously innovate.
We champion new ideas.
We take risks.



Create Delight

- We place our consumers at the heart of all we do.
- We obsess over current and future needs of our consumers. And then deliver.
- We offer consumers amazing quality products at great value.



Own It

- We are 100/0. Take 100% accountability with 0 excuses.
- We speak our mind.
We challenge the status quo.
- We focus on the details, but never forget the bigger picture.



Be Humble

- We own up to and learn from our mistakes.
- We ask for feedback. And then grow with it.
- We give credit wherever due.



Show Respect

- We treat people like we would want to be treated.
- We embrace and celebrate diversity.
- We foster collaboration.

BOARD OF DIRECTORS



Mr. Nadir B. Godrej
Chairman



Mr. Jamshyd N. Godrej
(Non-Independent Director)



Mr. Vijay M. Crishna
(Non-Independent Director)



Mr. Balram S. Yadav
(Managing Director)



Dr. Raghunath A. Mashelkar
(Independent Director)



Dr. Ashok Gulati
(Independent Director)



Dr. Ritu Anand
(Independent Director)



Ms. Tanya A. Dubash
(Non-Independent Director)



Ms. Nisaba Godrej
(Non-Independent Director)



Mr. Pirojsha A. Godrej
(Non-Independent Director)



Mr. Natarajan Srinivasan
(Independent Director)



Mr. Kannan Sitaram
(Independent Director)



Ms. Aditi Kothari Desai
(Independent Director)



Ms. Roopa Purushothaman
(Independent Director)

CORPORATE INFORMATION

Statutory Auditors :	B S R & Co. LLP, Chartered Accountants
Secretarial Auditors :	BNP & Associates, Company Secretaries
Cost Auditors :	P. M. Nanabhoy & Co., Cost Accountants

BOARD COMMITTEES :

Audit Committee :	Mr. Kavas N. Petigara (Chairman, resigned w.e.f. April 1, 2021) Mr. Natarajan Srinivasan (Chairman, inducted w.e.f. April 23, 2021) Mr. Balram S. Yadav Dr. Ritu Anand Ms. Aditi Kothari Desai
Nomination and Remuneration Committee :	Dr. Ritu Anand (Chairperson) Ms. Nisaba Godrej Ms. Roopa Purushothaman
Stakeholders' Relationship Committee :	Mr. Nadir B. Godrej (Chairman) Mr. Balram S. Yadav Mr. Natarajan Srinivasan
Corporate Social Responsibility Committee :	Dr. Raghunath A. Mashelkar (Chairman) Mr. Nadir B. Godrej Mr. Balram S. Yadav Ms. Roopa Purushothaman
Risk Management Committee :	Mr. Nadir B. Godrej (Chairman) Mr. Balram S. Yadav Mr. Natarajan Srinivasan
Managing Committee :	Mr. Nadir B. Godrej (Chairman) Ms. Nisaba Godrej Mr. Pirojsha Godrej Mr. Balram S. Yadav
Chief Financial Officer :	Mr. S. Varadaraj
Company Secretary & Compliance Officer :	Mr. Vivek Raizada
Registrar and Share Transfer Agent :	KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) Selenium Building, Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Rangareddy, Telangana, India Tel.: (91 40) 6716 2222 Fax: (91 40) 2343 1551 Investor Grievance E-mail: einward.ris@kfintech.com Website: www.kfintech.com

Registered Office :

"Godrej One", 3rd Floor,
Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079,
Maharashtra, India
Tel. No.: (91 22) 2519 4416
Fax No.: (91 22) 2519 5124
Website: www.godrejagrovet.com
E-mail: gavlinvestors@godrejagrovet.com

Major Factories :**Animal Feed:**

Sachin (Surat, Gujarat)
Miraj (Sangli, Maharashtra)
Dhule (Maharashtra)
Khanna (Ludhiana, Punjab)
Ikolaha (Ludhiana, Punjab)
Chandauli (Uttar Pradesh)
Kharagpur (West Bengal)
Erode (Tamil Nadu)
Hajipur (Bihar)
Tumkur (Karnataka)
Medchal (Telangana)
Unnao (Uttar Pradesh)
Khurda (Orissa)

Crop Protection Business:

Samba (Jammu & Kashmir)
Lote Parshuram (Maharashtra)

Vegetable Oils:

Ch. Pothepalli (West Godavari Dist., Andhra Pradesh)
Chintampalli (West Godavari Dist., Andhra Pradesh)
Seethanagaram (West Godavari Dist., Andhra Pradesh)
Varanavasi (Ariyalur, Tamil Nadu)
Valpoi (Sattari, Goa)
Kolasib (Mizoram)

Aqua Feed:

Hanuman Junction (Krishna Dist., Andhra Pradesh)
Kondapalli (Vijayawada, Andhra Pradesh)

Research & Development Centres :

Vikhroli (Maharashtra)
Nashik (Maharashtra)
Chintampalli (Andhra Pradesh)

Bankers :

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

FROM THE DESK OF THE **CHAIRMAN**



Mr. Nadir B. Godrej
(Chairman)

Dear Shareholders,

I hope you and your families are safe and healthy.

Financial Year 2020-21 was one of the toughest years due to the COVID-19 pandemic and has led to many challenges for the corporate sector. It forced companies to run differently along with testing the resilience of the business to the unprecedented disruptions. However, your Company swiftly adapted to changing situations and executed operations ensuring limited interruptions.

The COVID-induced lockdown is expected to result in a 7.3% contraction in India's Gross Domestic Product for the Financial Year 2020-21. The agriculture sector was the only silver lining and is expected to grow at 3.6%. Agricultural goods and services were categorised as essential in nature, which makes the sector relatively resilient vis-à-vis others. Further, macro indicators for the sector were also positive with the second consecutive year of normal monsoon, sufficient water reservoir levels, good soil moisture and remunerative crop prices.

For Godrej Agrovet, it was an outstanding year in terms of profitability, as consolidated profit before tax (excluding non-recurring and exceptional items) grew by 59.7% year-on-year. Growth was led by strong performances in our Animal Feed business segment, our subsidiaries - Astec LifeSciences Limited, Godrej Tyson Foods Limited and our joint venture - ACI Godrej Agrovet Private Limited, Bangladesh. The Company was able to achieve stellar profit growth because of the relentless efforts of our employees and

the management team. Our manufacturing plants became operational within a fortnight of the lockdown after obtaining all the necessary approvals and the teams across locations ensured an uninterrupted supply of goods and services. Strong focus was given on cost optimisation and technology was leveraged for seamless execution. However, total income (excluding non-recurring income) declined by 8.5% due to lower volumes and sales in the Animal Feed and Creamline Dairy Products Limited. Lower demand of the dairy and poultry products from the HoReCa (Hotels, restaurants and catering) segment and lower out-of-home consumption impacted volumes and sales in the two businesses.

Segment-wise also, our performance was significantly better than the previous year in most businesses in which we operate. In Animal Feed, segment profits grew by 24.1% as R&D initiatives yielded results and this coupled with favourable raw material prices supported profitability. For Astec LifeSciences Limited, it was another year of robust performance as profit before tax grew by 45.2%. Godrej Tyson Foods Limited performed extremely well and clocked profit before tax of ₹ 22.7 Crore compared to a loss last year. ACI Godrej Agrovet Private Limited also witnessed strong volume and sales momentum resulting in growth in profit before tax of 43.8%. In Crop Protection, our efforts were on increasing collections which grew by 27.0%, though the profitability was similar to that of the previous year. However, in the Oil Palm segment, profits were impacted by a white-fly attack which lowered fruit bunch arrivals as well as oil content.

We continued to enhance our product offering through new product launches and by increasing the distribution reach of our existing products. We launched 'Samruddhi', a cattle feed product in the western markets and it has seen significant volume pick-up within a few months of the launch. We have also introduced new vegetarian and non-vegetarian ready-to-cook processed food products under the 'Yummiez' brand, which serve as an excellent snacking alternative to dining out. In the Dairy segment, we re-branded the product portfolio under

the new 'Godrej Jersey' logo and have also started selling Jersey ghee in parts of Maharashtra. In Crop Protection, we have partnered with other large agrochemical companies to increase the distribution reach of our in-house and in-licensed products.

The construction of new manufacturing facilities has been delayed by a few months due to the lockdown, however, projects are expected to commercialise in the Financial Year 2021-22. The new herbicide plant in Astec LifeSciences Limited will help us diversify into new products and the new R&D lab will enhance our capabilities to undertake new projects. We are also setting up a fish feed plant in Uttar Pradesh to cater to the northern and eastern markets. We continue to invest in other R&D projects which will help us improve our product offering and also contribute to profitability.

For the Financial Year 2021-22, despite the initial disruption caused by the second wave of COVID-19, India is expected to grow at a healthy rate, albeit on a low base. Expectation of revival in consumption and pick-up in the business activity is expected to drive growth. Sector-wise, the agriculture sector is expected to be the key contributor to growth. Initial macro indicators of the sector look promising with good Rabi harvest, a third consecutive year of normal monsoon and remunerative crop prices. This is expected to benefit our Crop Protection and Oil Palm segments. Further, with the opening of the economy, demand from the HoReCa segment is expected to pick-up significantly which will support volumes and sales in the Animal Feed and the Dairy segments.

Before concluding, I would like to thank all the employees for their support and commitment towards the Company. I also express my gratitude to all stakeholders for believing in the Company and supporting us in these difficult times.

Yours sincerely,

Nadir Godrej

Chairman, Godrej Agrovet Limited



FINANCIAL HIGHLIGHTS



Financial Highlights for the previous three Financial Years

Standalone Financial Highlights

(₹ in Crore)

Particulars	2020-21	2019-20	2018-19
Revenue from Operations	4,413.04	5,118.68	4,336.71
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	473.92	462.59	388.10
Profit / (Loss) Before Exceptional Items and Tax	352.56	359.22	307.49
Profit / (Loss) Before Tax	352.56	359.22	307.49
Profit / (Loss) After Tax	279.00	293.31	207.88
Other Comprehensive Income (Net of Tax)	2.71	(2.45)	(1.21)
Total Comprehensive Income	281.71	290.86	206.67
Earnings Per Share – Basic (in ₹)	14.53	15.27	10.68
Earnings Per Share – Diluted (in ₹)	14.52	15.27	10.68
Total Equity	1,755.87	1,577.73	1,390.88
Total Debt	695.37	389.52	110.96
Proposed Dividend, subject to approval of the Shareholders at the ensuing 30 th AGM (per Equity Share of Face Value of ₹ 10/- each) (in ₹)	8.00	5.50	4.50

Consolidated Financial Highlights

(₹ in Crore)

Particulars	2020-21	2019-20	2018-19
Revenue from Operations	6,266.71	6,964.04	5,917.73
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	603.33	535.30	508.94
Profit / (Loss) Before Exceptional Items and Tax	453.10	358.55	389.00
Profit / (Loss) Before Tax	453.10	348.63	477.30
Profit / (Loss) After Tax	347.57	300.58	349.33
Other Comprehensive Income (Net of Tax)	2.81	(3.98)	(1.02)
Total Comprehensive Income	350.38	296.60	348.31
Earnings Per Share - Basic (in ₹)	16.34	15.94	16.99
Earnings Per Share - Diluted (in ₹)	16.33	15.94	16.99
Total Equity	2,461.36	2,220.60	2,049.94
Total Debt	988.15	630.33	397.96



MANAGEMENT DISCUSSION AND ANALYSIS REPORT



MANAGEMENT DISCUSSION AND ANALYSIS REPORT OF GODREJ AGROVET LIMITED

FOR THE FINANCIAL YEAR 2020-21

A. CAUTIONARY STATEMENT:

The statements in the “Management Discussion and Analysis Report” describe the Company’s objectives, projections, expectations, estimates or forecasts which may be “forward-looking statements” within the meaning of the applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied therein due to risks and uncertainties. Important factors that could influence the Company’s operations, inter alia, include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

B. COVID-19 UPDATE

The unprecedented COVID-19 outbreak has significantly impacted economies across the globe and India is no exception. With the strict lockdown imposed at the beginning of the Financial Year 2020-21, demand and supply were disrupted in India. However, the impact of the lockdown and economic disruption was different in different sectors. Agriculture and allied services, the sector in which your Company operates, was classified under essential goods and services and operations were allowed during the lockdown. Therefore, the manufacturing plants of your Company were functional from April 2020, after obtaining the necessary approvals from the relevant Government authorities.

At Godrej Agrovet Limited, the management and the employees worked with effective co-ordination and agility to adjust to the changing and the evolving situation. The Company ensured that manufacturing plants were well-equipped with requisite protective equipments and high level of safety measures were followed at all locations. The Company also efficiently leveraged technology for seamless interactions and conducted business through virtual meetings with multiple stakeholders including distributors, vendors, dealers and farmers.

C. INDIAN ECONOMY AND AGRICULTURE OVERVIEW:

Indian Economy Overview

In the COVID-led Financial Year 2020-21, Central Statistical Organization (CSO), in its third advanced estimates, projects India’s annual Gross Domestic Product (GDP) to contract by 7.3%. Considering the sector-wise growth, while the output for all the sectors declined over the previous year (except agriculture), construction and trade/hotels have been more severely hit and have seen a sharper decline in output.

In the first half of the Financial Year 2020-21, demand was lower across sectors due to lockdown and the supply of goods and services was disrupted mainly due to the non-availability of labour and logistics constraints. However, the gradual opening of the economy from October 2020, resulted in a faster-than-expected recovery in the second half of the Financial Year 2020-21. Leading indicators of pick-up

in economic activity such as power consumption, GST (Goods and Services Tax) collections, PMI (Purchasing Manufacturing Index) were either similar or higher than the pre-COVID levels in the second half of the year. Multiple measures and much-needed financial support provided by the Government under the Atmanirbhar Bharat Mission also cushioned economic growth. Further, India continued to be a preferred destination for investments by global investors and was one of the few countries to receive high inflows in the Financial Year 2020-21.

As we enter the Financial Year 2021-22, the second wave of COVID-19 is more severe and is leading to a high degree of uncertainty. However, economists believe that as India's COVID-19 vaccination program gathers traction, economic activities will normalize in the coming months. Indian and international agencies expect India's real GDP growth to be in the range of 7.5%-9.5% and the growth will be supported by the pick-up in consumption, increase in investments, and revival in the service sector.

Agriculture Sector Overview

Though the difficulties created by the lockdown significantly affected the performance of the non-agricultural sectors, the agriculture and allied services sector was relatively resilient and its output grew by 3.6% during the Financial Year 2020-21. Agricultural activities were categorized under essential goods and services and this coupled with favourable macro indicators and timely Government support resulted in the agriculture sector performing better than others. Cumulative rainfall during the monsoon was 109% of the Long Period Averages (LPA; highest in last 25 years) and was well-distributed with most regions enjoying

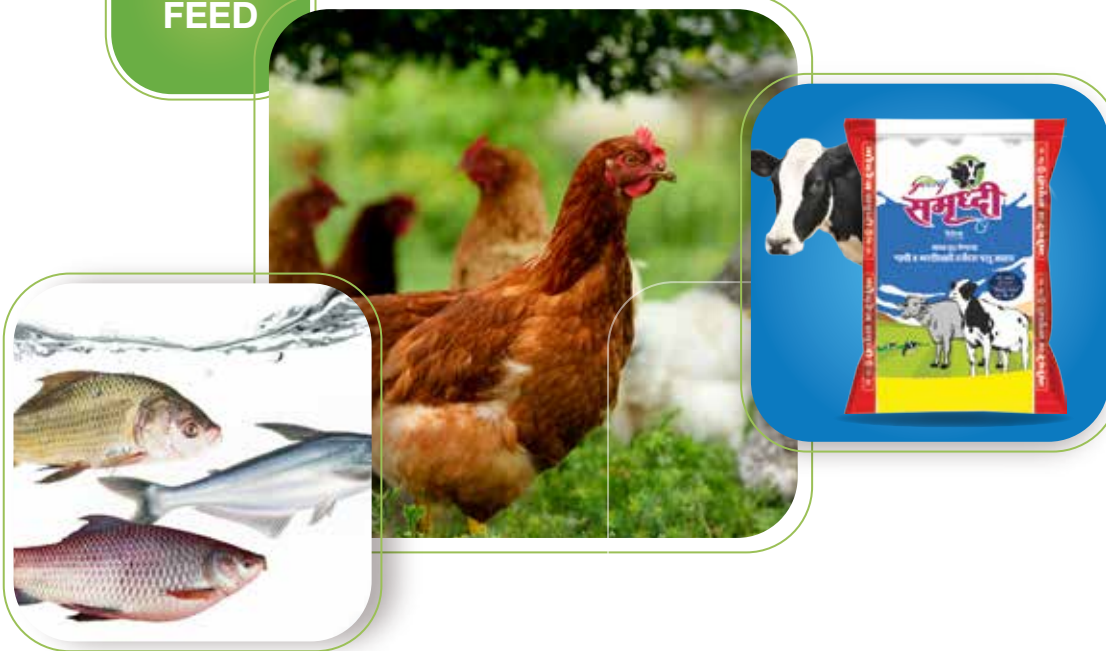
above normal rainfall. This led to higher sowing and higher food-grain production during the Kharif season. Further, sufficient water reservoir levels and good soil moisture content resulted in higher sowing for the Rabi season, despite a high base of last year. As a result, food grain production for the Financial Year 2020-21 is estimated to be 305.44 million tonnes as compared to the previous year's production of 297.50 million tonnes.

Financial Year 2021-22 also looks promising for the agriculture sector and has started on a positive note with Rabi harvest for key crops being higher than, both the previous year and the average harvest of the previous five years. Further, the Indian Meteorological Department (IMD), in its recent monsoon forecast, has predicted a normal south-west monsoon and cumulative rainfall is expected to be at 101% of the LPA (with a model error of +/- 4%). This will be the third year of good monsoon, which will result in another year of high farm production and will support both the farmers and the companies catering to the sector. Further, the rural sector will also benefit from various interventions by the Government for the development of allied sectors including animal husbandry, dairy and fisheries. This exhibits the Government's resolve towards tapping the potential of allied sectors to further enhance farm welfare. If the measures announced by the Government are implemented within the defined timelines, it will benefit the farmers in the long-run.

D. KEY BUSINESS SEGMENTS:

Your Company is a diversified, research and development focused agri-business Company with operations across 5 (five) business verticals - animal feed, crop protection, oil palm, dairy and poultry and processed foods. The Company focuses on

ANIMAL FEED



improving the productivity of farmers by innovating products and services that sustainably increase crop and livestock yields. Detailed information on the current performance and future strategy of 5 (five) key business segments is as below:

Animal Feed Business

Favourable commodity prices and realization of R&D initiatives undertaken in the past few years led to segment results increasing by 24.12% in the current Financial Year. The Company launched a cattle feed product 'Samruddhi' in the western region and enjoyed excellent customer response. Focus on increasing penetration in key geographies also yielded results and the Company was successful in strengthening its market position in few regions. Further, digital initiatives introduced in factories and supply chain have helped to optimise fixed costs in the segment.

The demand for animal feed, viz., cattle, broiler, layer, fish and shrimp feed is directly proportional to the demand for the end protein products, viz., milk, chicken/eggs, fish and shrimp. In the

Financial Year 2020-21, because of the lockdown, the demand for end protein products from the HoReCa segment (Hotels, Restaurants and Catering), which forms nearly 30%-35% of the overall industry demand, was severely impacted. Even though demand picked up with the gradual unlocking of the economy, it was much lower than the pre-COVID levels. As a result, volumes and segment revenues in the animal feed business declined by 13.07% and 16.80%, respectively, in the Financial Year 2020-21. However, shrimp and fish feed volumes grew over the last year, despite the industry declining, and this helped the Company gain market share in these segments.

Godrej Agrovet's 50:50 joint venture with Advanced Chemical Industries Limited (ACI), Bangladesh, named ACI Godrej Agrovet Private Limited, continued its stellar performance and posted strong growth. Revenues and reported profit before tax grew by 21.83% and 43.83%, respectively and this was on account of strong volume growth across all segments, i.e., cattle, poultry and aqua feed.



Going forward, the focus will continue to be on increasing the presence in key geographies across feed categories to drive the volume growth. The Company plans to replicate the success seen of recent cattle feed product launch in the Western region in other key markets as well. The ongoing digital initiatives undertaken in the production processes and supply chain management will further help in achieving costs optimisation in the animal feed segment. The fish feed manufacturing plant being set up in Uttar Pradesh is expected to be completed in the Financial Year 2021-22 and will cater to the demand in the Northern and Eastern region, which are large markets for fish feed. In shrimp feed, the recent Union budget announcement of increasing import duty to 15% (from 5% earlier) on imported shrimp feed augurs well for the domestic shrimp feed producers.

Crop Protection Business

In the current Financial Year, the objective in the standalone crop protection business was to accelerate collections and improve the working capital cycle. The collections increased to ₹ 629.04

Crore from ₹ 495.32 Crore in the previous year, representing a growth of 27.0% year-on-year. The Company also focused on increasing the distribution reach of the in-house products by partnering with other major agrochemical players in the industry. Hence, higher emphasis was given to increase sales of products launched in the past few years, i.e., 'Hitweed Maxx' – an in-house cotton herbicide and 'Hanabi' – an in-licensed weedicide.

In terms of performance, standalone segment revenues grew at a marginal rate of 2.42% and segment results at ₹ 153.42 Crore were nearly similar to the previous year. Revenues and profitability could have been higher, but production disruption of the key products in the peak season due to COVID-led lockdown impacted performance. Your Company's subsidiary, Astec LifeSciences Limited, maintained its strong performance for the Financial Year 2020-21 as profit before tax grew by 45.18%, year-on-year, despite a modest 5.29% growth in total income. Segment-wise, revenue growth is driven by enterprise sales and geographically, domestic business contributed to the growth.

The standalone crop protection business will continue to focus on expanding its product portfolio either through in-house developments or through in-licensing arrangements. The aim will be to increase sales and profitability along with maintaining an efficient working capital cycle. In the subsidiary Astec LifeSciences Limited, the new herbicide plant will start generating revenues and this will help in diversifying the business. The Company is on track to set up the state-of-the-art R&D facility which will significantly increase the research capabilities and will support the growth aspirations in the medium to long-term.

Oil Palm Business

The palm oil plantation in Southern India was impacted by the white-fly infestation, which not only lowered Fresh Fruit Bunches (FFBs) volumes but also the oil content in the fruit. Therefore, FFBs volumes and oil extraction ratio declined, which adversely affected profitability level in the Financial Year 2020-21. However, the sharp increase in global crude palm oil prices and palm kernel oil prices

provided some respite. Crude palm oil prices and palm kernel oil prices increased by 33.37% and 29.05%, respectively. In terms of performance, while the segment revenues increased by 5.43%, the segment results declined by 6.27% year-on-year.

During the Financial Year 2020-21, there has been considerable progress on R&D projects undertaken to increase the oil extraction ratio from the FFBs. Further, the Company has also worked on increasing area under plantation and currently has around 75,000 hectares under palm oil cultivation. Also, the Department of Horticulture, Telangana, has allotted Mahabubabad district to the Company for oil palm cultivation and the district has a development potential of 28,164 hectares.

The Government of India is planning to launch a national mission on edible oil to reduce imports and increase domestic production. If implemented, it will help to increase revenues and profitability both for the farmer and the companies present in the sector. Your Company being a large player



OIL PALM

in this segment is well-placed to capitalize on this opportunity. Internally, the business is also continuously working on multiple R&D projects which will help to increase the share of revenues from value-added products and increase the oil extraction ratio.

Dairy Business

HoReCa (Hotels, Restaurants and Catering) segment and out-of-home consumption form nearly one-third of the overall industry demand for milk and milk products. Lower demand from these segments lowered volumes and sales during the year. As a result, total income in the dairy subsidiary, Creamline Dairy Products Limited ("CDPL") declined by 13.42% year-on-year. However, profitability improved from the low levels seen in the Financial Year 2019-20 supported by low procurement prices and fixed costs reduction. CDPL recorded profit before tax of ₹ 7.29 Crore in the Financial Year 2020-21 as compared to ₹ 3.14 Crore in the previous year.

CDPL focused on strengthening the marketing

position and on increasing the brand awareness. Additional Jersey parlours, Jersey distribution Centers were set up and digital platforms were leveraged to increase brand awareness and market share. CDPL also re-launched the entire product portfolio under a new 'Godrej Jersey' logo. In the key southern markets, 'Mysore Pak' was introduced and 'Jersey Ghee' was launched in Maharashtra (Mumbai). Value-added products formed 27.17% of revenues in the current Financial Year as compared to 27.65% in the previous Financial Year.

In the near-term, the aim will be to increase milk volumes along with ramping up the value-added product sales in key geographies. For growing milk volumes, CDPL has designed a strategy for each of its micro-markets. In the value-added products business, CDPL will continue to launch new products based on market research and customer demand. CDPL is also working on strengthening the milk procurement network which is a pre-requisite to provide quality assurance and supply security.



**DAIRY
BUSINESS**



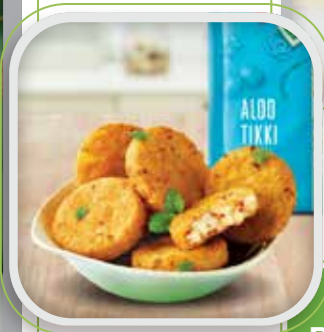
Poultry & Processed Foods Business

For the subsidiary Godrej Tyson Foods Limited ("GTFL"), it was an excellent year with total income growing by 17.12% year-on-year. Profit before tax also increased to ₹ 22.67 Crore in Financial Year 2020-21 as compared to a loss before tax of (₹ 77.18) Crore in the previous Financial Year. The performance was supported both by the live bird segment and the Yummiez segment. In the live bird segment, growth was driven by remunerative end product prices on one end and favourable raw material prices on the other end. After the rumours of linking COVID-19 spread to chicken consumption started receding in April 2020, there was a huge surge in demand for poultry and poultry products which supported volumes and prices.

Lockdown led to an increase in demand for ready-to-eat and easy-to-cook frozen food products. GTFL capitalized on this opportunity by focusing on the Yummiez segment, thereby leading to a significant increase in sales for both vegetarian and non-vegetarian products. GTFL increased

marketing initiatives and tied up with digital platforms which helped increase sales for the packaged food products. GTFL also launched new products in the Yummiez segment which increased the offering to the consumer. However, in the Real Good Chicken segment, the volumes declined due to lower sales from the HoReCa segment which constitutes a significant share of the overall demand in this segment.

GTFL will aim at maintaining the growth momentum in the Yummiez segment over the near-to-medium term by increasing the product portfolio and by increasing the distribution reach. Digital platforms will be further leveraged to create more brand awareness. GTFL has decided to grow the live bird business as nearly 95% of the Indian poultry market is a wet market and investments in growing this segment will be undertaken as per the industry demand. In the Real Good Chicken segment, GTFL will pursue volume growth in the profitable retail markets and will work towards leveraging cost efficiencies.



**POULTRY &
PROCESSED
FOODS**

E. COMPANY'S FINANCIAL AND OPERATIONAL PERFORMANCE:

Standalone Performance:

For the Financial Year 2020-21, your Company reported standalone total income of ₹ 4,513.81 Crore as compared to ₹ 5,159.69 Crore in the previous Financial Year. Profit before exceptional items and tax stood at ₹ 352.56 Crore as compared to ₹ 359.22 Crore reported in the previous Financial Year.

The key highlights of Standalone Financials for the Financial Year ended March 31, 2021 are as under:

Particulars	Amount (₹ in Crore)
Total Income	4,513.81
Earnings Before Interest, Tax, Depreciation and Amortization	473.92
Reported Profit / (Loss) After Tax for the Year	279.00
Reported Total Comprehensive Income for the Year	281.71

Consolidated Performance:

For the Financial Year 2020-21, the Company reported consolidated total income of ₹ 6,306.27 Crore as compared to ₹ 7,010.86 Crore in the previous Financial Year. Profit before exceptional items and tax was ₹ 453.10 Crore in Financial Year 2020-21 as compared to ₹ 358.55 Crore in the previous Financial Year.

The key highlights of Consolidated Financials for the Financial Year ended March 31, 2021 are as under:

Particulars	Amount (₹ in Crore)
Total Income	6,306.27
Earnings Before Interest, Tax, Depreciation and Amortization	603.33
Reported Profit / (Loss) After Tax for the Year	347.57
Reported Total Comprehensive Income for the Year	350.38

Key Financial Ratios:

The key financial ratios for both Standalone and Consolidated financials are as per the below table:

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Debtors turnover ratio	6.49	7.86	7.48	8.77
Inventory turnover ratio	6.82	8.05	6.71	7.80
Interest coverage ratio #	10.72	16.28	9.67	9.30
Current ratio	1.20	1.02	1.08	0.96
Debt equity ratio *	0.38	0.23	0.38	0.26
Operating profit margin (%) **	8.81%	7.48%	7.17%	5.56%
Net profit margin (%) **	6.32%	5.73%	5.55%	4.32%
Return on network (%)	16.74%	19.76%	14.85%	14.08%

Standalone interest coverage ratio is lower than the previous year on account of higher interest expenses resulting from increase in debt levels.

*Consolidated and Standalone debt equity ratio has increased due to increase in borrowings, mainly the short-term borrowings

** Consolidated operating profit margin and consolidated net profit margin is higher than previous year due to high consolidated operating profit and high consolidated net profit in the current Financial Year. Strong performance of subsidiaries (Astec LifeSciences Limited and Godrej Tyson Foods Limited) resulted in increase in consolidated profit for the current Financial Year.

There is no significant change (i.e. change of 25% or more) as compared to the immediately previous Financial Year) in other key financial ratios.

Formulae used for computation of key financial ratios are as follows:

Debtors turnover ratio	Net sales (i.e. revenue from operations) /Average of opening and closing trade receivables
Inventory turnover ratio	Net sales /Average of opening and closing inventories
Interest coverage ratio	Profit before interest and taxes /Finance costs
Current ratio	Current assets /Current liabilities
Debt equity ratio	Debt (net of cash) /Total equity
Operating profit margin (%)	Profit before interest and taxes /Net sales
Net profit margin (%)	Profit after tax /Net sales
Return on network (%)	Profit after tax /Average of total equity

F. OPPORTUNITIES, STRENGTHS, THREATS, RISKS & CONCERNS:

(i) Opportunities and Strengths:

- **Increase market share in existing business verticals:** Several sectors in which your Company operates are largely unorganized, therefore, cost leadership is a key enabler for your Company to increase the market share of its products in those segments. The Company's ability to increase sales will be strengthened by continued focus on offering a wide range of innovative products across all business verticals which will help in gaining market share. Also in the medium-term, due to supply chain disruption and lack of liquidity leading to the closure of smaller business units, larger players with strong balance sheets will gain market share.
- **Pan-India presence with extensive supply and distribution network to benefit the Company in the long-run:** Your Company has a pan-India presence and operations spanning across 5 (five) business verticals. The Company has set up processing facilities and supporting infrastructure as well as R&D to develop a modern operating platform across key agriculture verticals. As a result of its widespread network and significant operational experience, the Company is well placed to identify key market trends and introduce a range of innovative and value-added products in the market to cater to the evolving needs of the customers. The nationwide footprint also allows the Company to leverage the competitive advantages of each location to enhance competitiveness and reduce geographic and political risks in businesses.
- **Diversified businesses with synergies in operations:** Segmental and geographical

diversification across business verticals provide a hedge against the risks associated with any particular industry segment or geography while benefiting from the synergies of operating in diverse but related businesses. Synergies across diverse businesses provide the ability to drive growth, optimize capital efficiency and maintain competitive advantage. The Company also derives operational efficiencies by centralizing and sharing certain key functions across businesses such as finance, legal, information technology, strategy, procurement and human resources.

- **Strong Research & Development (R&D) Capabilities:** The Company's emphasis on R&D has been critical to its success and a differentiating factor from competitors. Dedicated R&D is undertaken in existing products primarily with a focus to improve yields and process efficiencies. The Company also focuses on R&D efforts in areas where there is significant growth potential. Acquisition of Astec LifeSciences Limited provided your Company access to strong R&D capabilities in the agrochemical active ingredients category. Investment is also being made in developing innovative technologies to further grow our product portfolio across businesses.
- **Focus on inorganically growing business offerings:** Your Company will evaluate inorganic growth opportunities, in keeping with the strategy to grow and develop market share or to add new product categories. Your Company may consider opportunities for inorganic growth, such as through mergers and acquisitions, if, amongst other things, they consolidate market position in existing business verticals or achieve operating leverage in key markets by unlocking

potential efficiency and synergy benefits. Your Company can also look at opportunities that will strengthen and expand its product portfolio and increase its sales and distribution network.

(ii) Threats, Risks & Concerns:

- **Adverse economic impact of COVID-19 pandemic:** While agriculture is more resilient than other sectors as it forms part of the essential items, if the COVID-19 pandemic continues for a very long time leading to lockdowns, it can disrupt economic activity. It can lead to issues regarding unavailability of labour, inter-state trade movements, exports and imports which can adversely impact the businesses in which we operate.
- **Unfavorable local and global weather patterns can have an adverse effect on the business:** As an agri-based Company, the businesses are sensitive to weather conditions, including extremes such as drought and natural disasters. The availability of raw materials required for operations and the demand for products may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought in India. The occurrence of any unfavorable weather patterns may adversely affect business, results of operations and financial condition.
- **Availability of raw materials and arrangements with suppliers for raw materials:** Each of the businesses depends on the availability of reasonably priced, high-quality raw materials in the quantities required by operations. The price and availability of such raw materials depend on several factors beyond the Company's control, including overall economic conditions, production levels, market demand and competition for such materials, production and

transportation cost, duties and taxes and trade restrictions. The Company typically sources raw materials from third-party suppliers or the open market which exposes the Company to volatility in the prices of raw materials and dependence on third-party for delivery of raw material. Also, any inability to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect operations.

- **Improper handling, processing or storage of raw materials or products:** The products that your Company manufactures or processes are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. Inherent business risks exist in form of product liability or recall claims if products fail to meet the required quality standards or are alleged to result in harm to customers. Such risks may be controlled, but not eliminated, by adherence to good manufacturing practices and finished product testing. Although the Company has product liability insurance cover for domestic and international markets for businesses, it cannot assure that this insurance coverage is adequate or that any losses will be adequately compensated by the insurers in the event of a product liability claim.
- **Seasonal variations in the businesses:** Your Company's businesses are subject to seasonal variations that could result in fluctuations in performance. For example, in the animal feed business, the Company sells lower volumes of cattle feed during the monsoons due to the availability of green fodder. In the poultry and processed foods business, the demand for poultry products is higher in the second half

of the Financial Year since the consumption of poultry meat and eggs is higher during winter months, while the sale of such products is lower during certain religious festivals. As a result of such seasonal fluctuations, sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or future performance.

In addition, financial performance is also impacted by other risks such as inability to manage diversified operations, dependency of revenue from animal feed business and dependency of the utilization of services of third parties for our operations.

G. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

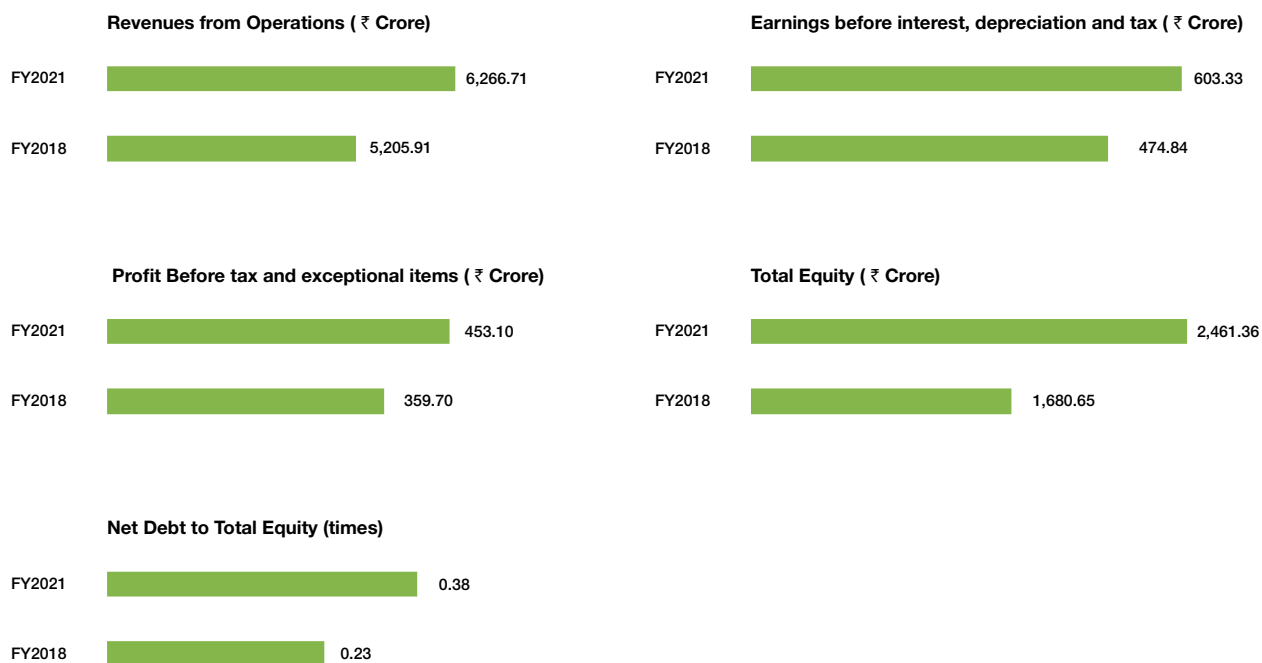
Your Company remains committed to improve the effectiveness of internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations. The Company has a proper system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly.

H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

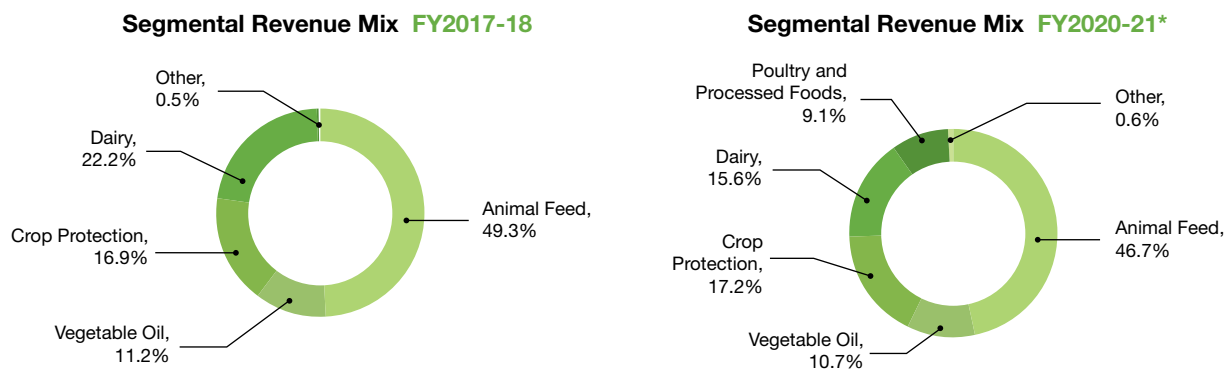
The workforce is a critical factor in maintaining quality and safety, which strengthens the competitive position and the human resource policies focus on training and retaining of the employees of the Company. The Company trains employees regularly to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety. Employees are offered performance-linked incentives and benefits and the Company conducts employee engagement programs from time to time. The Company also hires contract labour at few facilities, from time to time. Employees at certain facilities have formed registered unions. However, the Company believes that it has good relations with the employees. As on March 31, 2021, the total number of permanent employees was 2,637.

The Company would like to sincerely appreciate the valuable contribution and support of employees towards the performance and growth of the Company. The management team comprises of professionals with a proven track record. The Company continues to remain focused and sensitive to the role of human resources in optimizing results in all its areas of working and its industrial relations also continue to be cordial.

GAVL has delivered strong performance over the years



GAVL has diversified the product portfolio



*For Financial Year 2020-21, revenue from real estate has been included in other segment



**BUSINESS
RESPONSIBILITY**
REPORT



BUSINESS RESPONSIBILITY REPORT OF GODREJ AGROVET LIMITED

[Corporate Identity Number (CIN): L15410MH1991PLC135359]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

Godrej Agrovet Limited (“the Company”) is pleased to present this Business Responsibility Report for the Financial Year (F.Y.) 2020-21, in accordance with sub-regulation (2) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015, issued by the Securities and Exchange Board of India (“SEBI”), to describe the initiatives taken by the Company from an environmental, social and governance perspective. This Report is prepared in accordance with the ‘National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business’ (“NVGs”) notified by the Ministry of Corporate Affairs (“MCA”), Government of India, in July 2011.

The Company recognizes the underlying idea of NVGs that a corporate needs to act as a ‘Responsible Business’ and ensure that its economic growth is socially and environmentally sustainable. The concept of parting with a portion of one’s surplus wealth for the good of the society is a part of the Indian tradition over

the centuries, prevalent in the business community as well. Further, there is an increasing concern from all stakeholders, who are demanding that businesses of all types and sizes should function with fairness and responsibility.

All corporates across the country have displayed a sense of responsibility for social good in the situation of worldwide unprecedented outbreak of COVID-19 pandemic, including its second wave, which is having devastating effects on the economies and the global community at large, including India. The Company is also committed to stand in solidarity with the people and the Government of India and their efforts to ensure public health and safety and the Company endeavours to do to the best of its capabilities to serve its customers, employees and communities at large.

This Business Responsibility Report describes the activities of the Company under each of the following 9 (Nine) principles as outlined in the NVGs:



1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

3 Businesses should promote the well-being of all employees

4 Businesses should respect the interests of, and be responsive, towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

5 Businesses should respect and promote human rights

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

7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

8 Businesses should support inclusive growth and equitable development

9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

ABOUT THE GODREJ GROUP & ITS PHILANTHROPIC EFFORTS:

The Company is a part of the “Godrej” Group, one of the largest professionally run private-sector groups in the country which has emerged as a major industrial and agricultural conglomerate acclaimed for the excellent quality of its products and services. “Godrej” Group has a well-established presence in varied businesses ranging from foods and consumer durables to chemicals and real estate. The Group has completed over a century of years of service to the nation and is amongst the admired business groups

in India, delivering quality products and services to its customers at competitive costs, with highest international standards of customer care.

Further, it is noteworthy that the Godrej Group has been at the forefront of philanthropic and social activities for several decades, including but not limited to, environmental protection, healthcare and education.

In the words of Mr. N. B. Godrej, the Chairman of the Company, the sustainability efforts by the Godrej Group can be described as:



***Much benefit can be seen
From our program Good and Green
Society and business gain
From all the people that we train
We thought we'd have to pay a price
For green energy but it's very nice
The costs have fallen very low
And every day our savings grow!***



23% of the promoter holdings in the Godrej Group is held in trusts that invest in education, environment and health. Such initiatives by the Group include:-

- Owning and caring for the largest privately managed mangroves tract in Mumbai (Maharashtra) for several years;
- Providing quality healthcare services at affordable prices at Godrej Memorial Hospital, Vikhroli (Mumbai, Maharashtra);
- Offering quality pre-primary, primary and secondary education and care for children at Udayachal Schools, Vikhroli (Mumbai, Maharashtra).

The Godrej Group also encourages its employees to volunteer their time and skills through different

programmes, including the following:

- Godrej Global Volunteering Day: Pledging a common day globally to volunteering in local communities
- Brighter Giving: Volunteering time and skills through our structured skill-based volunteering programme
- World Environment Day: Building awareness for a greener planet
- Joy of Giving: Building awareness and fund-raising for non-profit partners
- Disaster Relief: Providing recovery support and resettlement development following natural disasters



**Ensuring
Employability**



**Creating a
Greener India**



**Innovating for
Good & Green
Products**

- Workplace Giving: Enabling donations to our non-profit partners - Save the Children India, World Wildlife Fund and Teach for India.

The Group has also developed a long term vision of “Godrej Good & Green” with an objective of actively participating in creating a more inclusive and greener India. Operationalizing Good & Green is founded on shared value initiatives. The concept of “shared value” is defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. As part of Good & Green, the Group aspires by 2021, to create a more employable Indian workforce, a greener India and innovate for good and green products.

During the Financial Year 2020-21, when the nation was facing the COVID-19 challenge, the



Godrej Group remained committed to helping our governments, communities and stakeholders emerge stronger through relief efforts and economic recovery initiatives. The Group contributed extensively to COVID-19 efforts, to protect the people in our ecosystem, strengthen public healthcare, provide immediate relief to the worst affected populations, support local communities around factories and support national efforts through donations.

ABOUT GODREJ AGROVET LIMITED & ITS CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

Your Company is one of India’s foremost diversified agribusiness companies, mainly engaged in the business of Animal Feed, Crop Protection and Oil Palm. The Company’s mission is to improve the productivity of Indian farmers by innovating products and services that sustainably increase crop and livestock yields. The Company has nurtured a close relationship with Indian farmers across the length and breadth of the country, by bringing world class farming practices and techniques to them and offering end-to-end solutions for issues faced by them, thereby enabling them to enhance their financial gains. In its journey of growth, the Company has set new standards of corporate performance, reliably and consistently delivering excellent quality products and services to all our customers at competitive prices.

The Company, as a part of the larger Godrej Group, shares the Group’s vision and initiatives in creating a more employable Indian workforce, a greener India and innovating good and green products.

The Company has a comprehensive Corporate Social Responsibility (CSR) Policy in place, which is posted on the Company’s website www.godrejagrovet.com. The CSR Policy outlines programmes and projects which the Company undertakes to create a positive impact on its stakeholders. The CSR Committee reviews, monitors and provides strategic inputs for our sustainability efforts. Over the years, the Company

has aligned its sustainability efforts with the priorities of the nation and the needs of local communities to deliver high-impact programmes that are easy to scale up.

ABOUT THIS BUSINESS RESPONSIBILITY REPORT:

This Business Responsibility Report of the Company is divided into the following 5 (Five) sections, as per the format prescribed in SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015:-

Section A : General Information about the Company
Section B : Financial Details of the Company
Section C : Other Details
Section D : Business Responsibility (BR) Information
Section E : Principle-wise Performance

SECTION A:

GENERAL INFORMATION ABOUT THE COMPANY:

- Corporate Identity Number (CIN):** L15410MH1991PLC135359
- Name of the Company:** GODREJ AGROVET LIMITED
- Registered Office Address :** Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra, India.
- Website:** www.godrejagrovvet.com
- E-mail ID:** gavlinvestors@godrejagrovvet.com
- Financial Year reported:** From April 1, 2020 to March 31, 2021
- Sector(s) that the Company is engaged in / List of three key products / services that the Company manufactures / provides (as in the Balance Sheet, industry activity code wise):**

Sr. No.	Name and Description of Main Products	National Industrial Classification (NIC) Code of the Product (as per NIC 2008)
1.	Animal Feeds	10801, 10802, 10803
2.	Agricultural Inputs / Crop Protection	20121, 20211, 20213, 20219
3.	Vegetable Oils	10402

Moreover, the Company has Subsidiaries and Joint Ventures engaged in the business of agrochemicals, pharmaceuticals intermediates, dairy products, poultry, chicken processing and value-added vegetarian and non-vegetarian products.

8. Total Number of Locations where Business Activity is undertaken by the Company:

Number of National Locations	Animal Feed: Sachin (Surat - Gujarat), Miraj (Sangli-Maharashtra), Dhule (Maharashtra), Khanna (Ludhiana-Punjab), Ikolaha (Ludhiana, Punjab), Khurda (Orissa), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Medchal (Telangana) and Unnao (Uttar Pradesh)
	Aqua Feed: Hanuman Junction (Krishna District, Andhra Pradesh) and Kondapalli (Vijayawada, Andhra Pradesh)
	Crop Protection: Samba (Jammu & Kashmir) and Lote Parshuram (Ratnagiri, Maharashtra)
	Vegetable Oils: Ch. Pothepalli (West Godavari District, Andhra Pradesh), Chintampalli (West Godavari District, Andhra Pradesh), Seethanagaram (West Godavari District Andhra Pradesh), Varanavasi (Ariyalur, Tamil Nadu), Valpoi (Sattari, Goa) and Kolasib (Mizoram)

Number of International Locations	ACI Godrej Agrovet Private Limited, a Joint Venture of the Company, is a company incorporated and operating in Bangladesh. Al Rahba International Trading LLC is an Associate of the Company incorporated and operating in Abu Dhabi, United Arab Emirates (UAE).
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9. Markets served by the Company (Local / State / National / International):

The Company has spread its wings both in the domestic market and to some extent in the international markets.

SECTION B:

FINANCIAL DETAILS OF THE COMPANY:

Financial Year (F.Y.) 2020-21 (Standalone)	Amount (₹ in Crore)
Paid-up Capital	192.07
Total Income	4,513.81
Net Profit After Tax	279.00
Total Spending on Corporate Social Responsibility (CSR)	6.28

In compliance with the CSR Law as per the Companies Act, 2013, the Company has undertaken various projects in line with activities mentioned under Schedule VII to the said Act, as follows:

- Rural Development
- Livelihoods Enhancement
- Water Conservation
- Promotion of Agriculture & Animal Husbandry
- Promotion of Education,
- Promotion of Sports and Games
- Environmental Sustainability
- Promotion of Sanitation, Health and Hygiene

- Contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)

SECTION C:

OTHER DETAILS:

1. Subsidiary Companies:

The Company has 7 (Seven) subsidiaries as on March 31, 2021, in or outside India, which includes 5 (Five) direct subsidiaries and 2 (Two) sub-subsidiaries.

The list of subsidiaries of the Company is given below:-

1. Godvet Agrochem Limited
2. Astec LifeSciences Limited
3. Behram Chemicals Private Limited (a subsidiary of Astec LifeSciences Limited)
4. Comercializadora Agricola Agroastrachem Cia Ltda, Bogota (Columbia) (a subsidiary of Astec LifeSciences Limited)
5. Creamline Dairy Products Limited
6. Godrej Tyson Foods Limited
7. Godrej Maxximilk Private Limited

Astec Europe Sprl, Belgium (Europe) ceased to be a subsidiary of Astec LifeSciences Limited with effect from September 1, 2020.

2. Participation of Subsidiary Companies in the Business Responsibility (BR) Initiatives of the parent company:

Out of the subsidiaries of the Company specified above, 3 (Three) Subsidiaries which are required to comply with Section 135 of the Companies Act, 2013, viz., Astec LifeSciences Limited, Godrej Tyson Foods Limited and Creamline Dairy Products Limited have their own CSR projects.

3. Participation and percentage of participation of other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, in the Business Responsibility (BR) Initiatives of the Company:

The other entities with whom the Company does business, viz., suppliers, distributors, etc. do not participate in the business responsibility initiatives of the Company.

SECTION D:

BUSINESS RESPONSIBILITY (BR) INFORMATION:

1 (a) Details of Director / Directors responsible for implementation of the BR policy/ies:

The Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, comprising of the following Directors as its Members as on March 31, 2021: -

Sr. No.	Name	Position in the Committee	Director Identification Number (DIN)
1.	Dr. Raghu-nath A. Mashelkar	Chairman (Non-Executive, Independent Director)	00074119
2.	Mr. Nadir B. Godrej	Member (Non-Executive, Non-Independent Director)	00066195
3.	Mr. Balram S. Yadav	Member (Executive, Non-Independent Director)	00294803

4.	Ms. Roopa Purush-othaman	Member (Non-Executive, Independent Director)	02846868
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There was no change in the composition of the CSR Committee during the Financial Year 2020-21.

The CSR Committee of the Board of Directors is responsible for approving and overseeing the CSR projects implemented by the Godrej Good & Green team and reports to the Board of Directors of the Company.

The CSR Committee has formulated and recommended to the Board and the Board has approved a CSR Policy, which outlines the Company's strategy to bring about a positive impact on society through various CSR activities and programmes. This Policy focuses on addressing critical social, environmental and economic needs of the marginalized / underprivileged sections of the society. Through this Policy, the Company aligns its CSR strategy with the Godrej Group's Good & Green vision and goals. The Company adopts an approach that integrates the solutions to these problems into the strategies of the Company to benefit the communities at large and create a positive social and environmental impact.

The CSR Committee and the Board of Directors have also ensured the compliance of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, notified by the Ministry of Corporate Affairs (MCA) on January 22, 2021, to the extent applicable.

There were 2 (Two) Meetings of the CSR Committee during the Financial Year 2020-21 (i.e., on May 11, 2020 and November 4, 2020).

(b) Details of Business Responsibility (BR) Head:

Name : Mr. Balram S. Yadav
Designation : Managing Director

Telephone : 022 – 2519 4437
Email id : bs.yadav@godrejagrovet.com

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] Business Responsibility Policy(ies):

(a)Details of Compliance [Reply in Yes (Y) / No (N)]:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics, Transparency & Accountability	Sustainability	Employees' Well-being	Stakeholders' Welfare	Human Rights	Environment	Influencing Regulatory Policy	Equitable Development	Customer Responsibility
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted best practices in its own volition, while being sensitive to the interest of all stakeholders.								
3	Does the policy conform to any national / international standards? If yes, specify?	The Company's policies are aligned with the Godrej Group policies incorporating the global best practices.								
4	Has the policy being approved by the Board? If yes, has it been signed by the Managing Director / Board of Directors?	Since all the policies are not required to be approved by the Board of Directors, the approval of the Board has been obtained wherever it is mandatory. Yes, however, all policies are not a mandatory requirement.								
5	Does the company have a specified Committee of the Board to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	The policies formulated and adopted by the Company are available on the website of the Company www.godrejagrovet.com .								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent applicable.								
8	Does the Company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The working of all the policies is internally monitored. Audit / evaluation by external agencies is carried out wherever mandatory.								

3. Governance related to Business Responsibility (BR):

(a) Frequency with which the Board of Directors, Committee of the Board or the Managing Director assess the BR Performance of the Company:

The Corporate Social Responsibility (CSR) Committee and the Board of Directors assess various initiatives forming part of the Business Responsibility (BR) performance of the Company twice in a year.

(b) Whether the Company publishes Business Responsibility Report or Sustainability Report and if yes, the hyperlink to view the Report and frequency of publication:

Yes, the Business Responsibility Report forms part of the Annual Report.

The same can be viewed on the website of the Company www.godrejagrovet.com.

SECTION E:

PRINCIPLE-WISE PERFORMANCE:

The following are the updates for the Company on each of the Principles stated in the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business issued by the Ministry of Corporate Affairs (MCA).

PRINCIPLE 1:

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY:

The Company pursues good Corporate Governance by ensuring regulatory compliance, transparency in

disclosures, efficient operational practices, strong internal controls, risk management systems, and by engaging and operating with fairness and integrity with all its stakeholders, namely, shareholders, customers, employees, suppliers, regulatory authorities and general public.

The Company, as a responsible corporate citizen, is fully aware of its obligations to make appropriate and timely disclosures as mandated under various laws. The Company also refrains from engaging in any practices that are abusive, corrupt or anti-competition.

Organization Structure:

At the apex, is the Board of Directors headed by a non-executive Chairman and having half of its composition as Independent Directors. The Board provides guidance and support to the management in terms of broad strategy, direction, governance and compliance. The Company's Board of Directors has the following 6 (six) mandatory / non-mandatory committees:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee;
- iii. Stakeholders' Relationship Committee;
- iv. Corporate Social Responsibility (CSR) Committee;
- v. Risk Management Committee;
- vi. Management Committee;
- vii. Strategy Committee (Dissolved with effect from May 7, 2021).

These Committees have clearly defined areas of operation and they operate as empowered by the Board. These Committees monitor and provide direction to the senior leadership team. This ensures greater focus on specific aspects of corporate governance and expeditious resolution of issues of governance if and when they arise.

Code of Conduct:

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An annual confirmation affirming compliance with the Code of Conduct from Board Members and Senior Management has been obtained for the Financial Year ended March 31, 2021.

The Company also has a Code of Conduct which is applicable to all employees the Company.

The same can be viewed on the website of the Company viz., www.godrejagrovet.com

Whistle Blower Policy & Mechanism:

A Whistle Blower Policy has also been put in place by the Company. The purpose of this Policy is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their supervisors. A Whistleblowing Officer has been designated for the purpose of receiving and recording any complaints under this Policy. The Policy provide adequate safeguards against victimization of persons who use Whistle Blower mechanism and make provision for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Stakeholders' Complaints:

There were no Stakeholders' complaints outstanding at the beginning of the Financial Year 2020-21.

74 Shareholders' complaints were received during the Financial Year 2020-21. All the complaints have been resolved and no complaint remained unresolved as on March 31, 2021.

Dealings with Business Partners:

The Company encourages its business partners, viz., group companies, joint ventures, suppliers, distributors, contractors, etc. to follow ethics, transparency and accountability in their dealings with the Company.

PRINCIPLE 2:

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

Your Company believes that in order to function effectively and profitably, the Company needs to

endeavor to improve the quality of life of people and to ensure this, the Company is required to thoroughly work upon all stages of the product life cycle, right from design to final disposal of the goods after use.

Godrej Group's Good & Green vision supports the development of goods which are environmentally sustainable. As part of the vision, the Company aspires to develop products which consume fewer resources (energy, water), emit fewer greenhouse gases and include recyclable, renewable, and/or natural materials to the maximum possible extent, through extensive research.

The Company aims to bring in world class farming practices and techniques to Indian farmers and to offer end-to-end solutions for issues faced by them, thereby enabling them to enhance their financial gains. The Company works closely with Indian farmers to develop over 75,000 hectares of smallholder oil palm plantations to bridge the demand and supply of edible oil. Innovation is a key driver of our strategy. The Company is constantly engaged in experimentation and looks for research-based solutions to improve farm productivity and thereby, the profitability of farmers.

The Company stays committed to making environmental sustainability a key part of its

manufacturing processes. At the Company's factories, there is a relentless focus on productivity and environmental sustainability. To strengthen this approach, the Company has invested in a robust technology solution that has revolutionized the speed and accuracy of data monitoring and work towards achieving the targets. The Company is continuously working on energy efficiency and trying to get the best possible technology available in the market. The Company is moving from low efficient to high efficient utility. Technologies implemented by the Company are not only energy efficient but also more reliable. This has helped the Company to reduce down time, enhance productivity and build a more sustainable business. The Company recognizes the fact that over-consumption results in unsustainable exploitation of the planet's resources, and therefore, it is necessary to promote sustainable consumption of resources, including recycling of resources.

The Company endeavors to raise consumer awareness through appropriate labelling and helpful marketing communication. Further, while being vigilant about protection of the Company's own intellectual property, the Company respects the rights of other owners of intellectual property rights in the society at large.



PRINCIPLE 3:

BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

The Company has amicable employee relations at all locations and would like to place on record its sincere appreciation for the unstinted support it continues to receive from all its employees.

The Company constantly makes concerted efforts towards creating learning and development opportunities on a non-discriminatory basis, that continually enhance the employee value in line with the organizational objectives. Also, the safety and health of employees is utmost important to the Company and the Company is committed to building and maintaining a safe and healthy workplace. There are several policies formulated for the benefit of employees, which promote gender diversity, equal opportunities, prevention of sexual harassment, safety and health of employees.

The details of the Company's workforce as on March 31, 2021, are given in the table below: -

Total number of permanent employees	2,637
Total number of employees hired on temporary / contractual / casual basis	2,254
Number of permanent women employees	119
Number of permanent employees with disabilities	4
Whether the Company has an employee association that is recognized by management	Yes

Percentage of permanent employees of the Company who are members of recognized employee association/s	16.4%
Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in the Financial Year 2020-21 and pending, as on the end of the said Financial Year, i.e., March 31, 2021	During the Financial Year 2020-21, there were no complaints relating to child labour, forced labour, involuntary labour received by the Company. The Company has received and disposed 2 cases received under its POSH Policy formulated / adopted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
Percentage of employees who were given safety and skill upgradation training during the Financial Year 2020-21	51%

All employees who join the Company demonstrate their commitment to follow the Code of Conduct by signing in their acceptance to adhere to the same.

Some of the measures / initiatives taken at the Company-level or at Godrej Group-level are as follows:-

DIVERSITY AND EQUAL OPPORTUNITIES:

The Company values diversity and is committed to offering equal opportunities in employment. The Company does not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, creed, gender,

gender identity/expression, sexual orientation, disability, age, or marital status and always allows for equal opportunities for all team members. Diversity and inclusion initiatives are taken care of at the corporate level by the 'Diversity & Inclusion' team, and are supported by the Diversity Council comprising of business leaders and HR representatives from across businesses and Associated Companies in the GILAC Group.

Some of the initiatives taken by our Diversity & Inclusion Team include the following:-

- **Godrej Careers 2.0:**

The Careers 2.0 programme offers live business projects of 6-9 months duration to women who are currently on a career break. This programme is designed to integrate women back into the workforce who have taken a break due to various reasons.

- **Godrej Women's Leadership Network:**

The Godrej Women's Leadership Network provides women at Godrej several opportunities to network, learn and grow.

- **Godrej Alliance for Parents [GAP]:**

Godrej Alliance for Parents is a great resource for working parents and their spouses to share experiences and discuss issues ranging from childcare to children's education and their own worklife balance.

- **Diversity Sensitization Workshops:**

A special diversity sensitization workshop focusing on gender inclusion is being conducted for all people managers across the GILAC group. The workshop focuses on unconscious biases and how managers can tackle them in the workplace to create an inclusive culture.

The Company is committed to creating

and maintaining an atmosphere in which all employees can work together, without fear of sexual harassment, exploitation or intimidation. A gender- neutral policy on prevention of sexual harassment has been in place for years. The existing policy was further strengthened by adoption of a Policy and constitution of Internal Complaints Committee at Head Office (HO) as well as at regional levels under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

All employees are required to go through mandatory training on prevention of sexual harassment.

HEALTH & SAFETY:

- **On-campus:**

Your Company has canteen facility at Head Office (HO) and certain locations, where food and refreshments are provided to ensure that hygienic and healthy food is available at the premises. All Company premises are non-smoking zones. Smoking is strictly prohibited in the campus. Initiatives like fire safety training are also regularly undertaken.

- **Health Check-up:**

The Company has initiated a policy for annual health checkup of employees.

GOOD WORKING ENVIRONMENT:

- **Progressive Human Resource (HR) Policies:**

The Company prides itself as a great place to work, a fact recognized and acknowledged externally as well. HR policies like flexible working hours, work from home arrangements, part-time work, leave and benefits, adoption leave and benefits, extended maternity leave and benefits, paternity

leave and benefits – to name a few – go a long way in ensuring that the employees successfully strike a work-life balance.

- **Engagement Forums:**

There are multiple touch points for leadership team to interact with employees through forums like engagement surveys, HR connect sessions, etc. The Company invests in functional training for all employees in line with their current and future career aspirations. The learning suite encompasses functional training, leadership development programs and behavioral training geared towards leading self, leading others and leading business.

PRINCIPLE 4:

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE, TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

The Company recognizes that it has the responsibility to think and act beyond the interests of its internal stakeholders, to include all its stakeholders beyond its employees.

The stakeholder engagement process comprises of a variety of activities from stakeholder identification, consultation, prioritization, collaboration and reporting. The identification of all relevant stakeholders and understanding their expectations is of high concern for the Company in its quest to be sustainable. The Company identifies key stakeholders on the basis of their influence on the Company's operations and the Company's impact on them. The Company has already identified and prioritized key stakeholders and continues its engagement with them through

various mechanisms such as consultations with local communities, supplier(s) / vendor meets, customer(s) / employee satisfaction surveys, investor forums, etc.

The Company gives high priority to communities around our plant locations. In order to develop programmes that meet the needs of these communities, a detailed community needs assessment in priority plant locations was carried out through an external third-party consultant. The team followed a three-step approach, where they connected with the plant and corporate office, held extensive field-based assessments, backed by thorough secondary research to validate key facts and add on additional information available from official sources. The result is a comprehensive report of the community, their needs, gaps in the system and the Company's way forward. The Company is now in the process of implementing high impact community development programmes based on the recommendations from the assessment.

The Company is working in partnership with the government and local village communities. This approach helps the Company to distribute accountability and ensure long-term impact of its community development initiatives.

- **Integrated Rural Livelihoods Programme:**

Your Company endeavors to build capacities of marginalized farmers in agriculture and livestock development along with enterprise management in the states of Maharashtra, Bihar, Andhra Pradesh, Chhattisgarh, West Bengal, Karnataka and Madhya Pradesh. The programme aims to work with primarily women and marginalized groups to diversify their income streams, enhance their access to government schemes and thereby help reduce their vulnerability to climate change. The programme is a long-term participatory engagement with community non-profit partners



and local communities to ensure local needs are addressed and indigenous knowledge is harnessed. The Company is actively engaged with households across several villages in many states and has trained the numerous villagers to introduce new farming techniques, package of practices and awareness and knowledge building for this program. The Company has engaged with credible and result oriented non-profit partners at the field to implement the program

The Company strongly believes in supporting education, health and sanitation in these communities and supports local institutions with their present infrastructure gaps that prevent them from creating an enabling, holistic ecosystem for education and health provision.

- **Integrated Watershed Management:**

Around the world, climate change is affecting seasonal weather patterns, leading to either intense precipitation or drought-like events. In 2016-17, the Company initiated an integrated watershed management programme in the drought prone district, Magadi, Karnataka and Bharwani, Madhya Pradesh. The Company is working in partnership with NABARD to help restore the ecological balance of the region and mitigate the risk of climate change for



the local farmers. The projects cover over 5350 hectares of land and will aim to recharge groundwater and make more water available for irrigation. The Company is also working to support farmers in adopting sustainable farming practices and mitigating the impact of climate change. It estimates that the project will offset GHG emissions to the tune of 35,000 tCO₂e and restore 2.5 million kL of water. The Company has reached out to 1276 farmers across 15 villages in these two states.

- **Renewable energy initiative for urban college and its students:**

For the last 60 years, Sophia College has been committed to responding to the changing needs of women in our society. These women are going to be the change for sustainable and inclusive development. In an effort, to bring in sustainability to education institutes and optimize energy utility, your Company has installed a solar rooftop power plant with a capacity of 64.02kW at Sophia College Mumbai which is expected to generate around 1 lakh units of electricity per year. This will also reduce the GHG footprint of the college by 75 Tons of CO₂. This is not only going to reduce the amount spent on energy of Sophia College but is a step towards making

the educational institute more environmentally friendly.

- **Agri-vocational training:**

The agriculture sector in India today faces a major manpower/labor shortage. While the mouths to feed in the country are growing at a fast pace, the hands to work on farm-lands is reducing drastically. The Company aspires to see a change in the mindset of the young students towards farming and dairy management and for the said purpose has attempted to gather its expertise and knowledge of agriculture and animal husbandry in a curriculum and share it with 7000 young students from 41 schools in Satara, Maharashtra and one block in Gujarat. The purpose is to acquaint 2,000+ students each year with the basic know how of agriculture and animal husbandry. By engaging them each year in various projects and building their knowledge and hands on learning on subjects like growing vegetables, milking animals, constructing small irrigation channels in the agricultural plots.

- **Future of Farming Conclave:**

In December 2018, your Company hosted its

first ever 'Future of Farming' conclave. The theme of the conclave was on shaping the future of Indian agriculture with a focus on doubling farmer income, women farmers, and the role of millets and proteins in nutrition and income generation. The Company hosted a series of exciting panels with speakers from agri business, government, non-profits, social enterprises, food industry, academia and media, with over 150 audience participants. In one of the sessions, your Company brought together women farmers to talk about whether it is even possible to double farmer income.

PRINCIPLE 5:

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

The Company strongly believes in the principle of respect for human rights of all, which imbibes its spirit from the Constitution of India.

The Company has in place, a Human Rights Policy which demonstrates the Company's commitment to respect human rights and treat people with dignity



and respect in the course of conduct of its business.

Further, the Company's Code of Conduct covers aspects like diversity, anti-discrimination, equal opportunity, compliance with the law and integrity which all contribute to respecting and promoting human rights.

The Company also has policies like Whistle Blower Policy, Policy on Prevention of Sexual Harassment at Workplace, which encourage respect and promotion of human rights.

Any violation of the Code of Conduct or the aforesaid policies can result in stern disciplinary action including termination of employment and / or other appropriate actions as permissible under the law.

The Company encourages its business partners to respect human rights.

No complaints pertaining to violation of human rights were received by the Company during the Financial Year 2020-21.

PRINCIPLE 6:

BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

At Godrej, our sustainability strategy – “Good & Green” - is driven by the vision to help create a more inclusive and greener planet. Good & Green is based on shared value principle that aligns business competitiveness and growth with positive social and environmental impact.

The Company focuses on 5 (five) major areas related to environmental sustainability:

- Reduce specific energy
- Become Water Positive
- Increase renewable energy usage

- Become carbon neutral
- Ensure zero waste to landfill

A dedicated team has been set-up to identify different projects and green technologies to implement across all our locations. Several measures proposed by the ‘Good & Green’ team have yielded excellent benefits.

- **Reduction in specific energy consumption:**

At our manufacturing plants, we focus on productivity and environmental sustainability. To unlock potential efficiencies in processes, we have now invested in cutting edge technologies and solutions that have greatly improved the speed and accuracy of our data monitoring and control. This has enabled us to unearth energy efficiencies above and beyond the basic improvement measures. We have implemented several energy efficient technologies and are now focusing on integrating the same with Industrial Internet of Things (IIoT) as we move to Industry 4.0. Aside from this, we constantly look to adopt greener technologies and upgrade to equipment with higher efficiencies which have also enabled us to save considerable utility costs.

Case in point: River and Roof's Energy Saving Initiatives:

During the Financial Year 2020-21, your Company undertook a new project at Nashik under River and Roof plant, which was designed as a model green project with high energy efficiency and low environmental footprint. Some of the installations include a highly efficient and low maintenance compressor system and a VRF based chiller and intelligent pumping systems. This has helped us save 1.1 Lakh KWH / annum of electricity, translating to savings of ₹ 7 Lakh per annum.

- **Increasing Use of Renewable Energy:**

Back in 2010-11, the Company identified the need to mitigate GHG emissions, first by minimizing the emissions themselves and, second, by offsetting the lowered emissions. The Company set a target to off-set 100% of our emissions, thus becoming carbon neutral. In line with this vision, the Company continuously look for and adopt carbon reduction initiatives such as clean and low carbon technology and increasing our renewable energy portfolio.

Year on year, your Company has been switching gradually from fossil fuels to renewable alternatives and from high carbon to low carbon intensive processes. The Company has been extremely successful in this regard and renewable energy usage as a percentage of overall energy use has increased substantially.

During the Financial Year 2020-21, more than 70% of the total energy consumed by your Company was from renewable sources. Aside from using renewable fuels like biomass briquettes at the manufacturing plants, your Company has also started buying green power through Open Access schemes and by implementing solar roof top projects at multiple locations.

Case in point: A new solar roof top plant at Bundi

Your Company has been at the forefront in investing in clean sources of energy. As of the previous Financial Year, over 70% of the energy used in your Company's manufacturing plants comes from renewable sources.

During the Financial Year 2020-21, your Company's ICT Bundi plant in Rajasthan installed a 1,000 kWp solar roof top plant, which will fulfil

26% of the plant's total electricity requirement. The plant will generate around 14 Lakh units of electricity per annum which will also help reduce the annual greenhouse gas footprint by around 1,100 tonnes of CO₂ equivalent.

- **Becoming carbon neutral and water positive:**

The Company's specific GHG emissions have reduced substantially from the baseline year of 2010-11. The Company were able to achieve this largely by replacing fossil fuels with biomass for firing boilers and by sourcing green electricity from multiple sources. The Company has also undertaken watershed projects which, aside from providing access to water and improving the livelihoods of rural populations, will also sequester carbon, thus driving us towards both water and carbon positivity.

Case in point: Integrated Watershed Management Project in Barwani, Madhya Pradesh

In partnership with National Bank for Agriculture and Rural Development (NABARD), and non-profit partner - Aga Khan Rural Support Programme (AKRSP), The Company has started an Integrated Watershed Management Project in 3000 HA in Barwani Village, Khargone District, Madhya Pradesh, during the Financial Year 2020-21. This will help us offset 25,000 tonnes of carbon / per annum, and 5 million m³ of water / per annum.

- **Ensuring zero Waste to Landfill:**

The Company segregates its waste at source and follows the 5R (Reduce, Reuse, Recycle, Refuse and Recover) principle to minimize its quantum of waste. We have implemented many waste reduction initiatives such as using biomass ash

for making briquettes and converting ETP sludge as manure, among others.

- **Employee Engagement:**

At Godrej, we believe that employee awareness and engagement is a key factor in driving sustainability. The Company has demonstrated employee engagement in the form of training and development, education, communication, activities and recognition.

During the Financial Year 2020-21, as most of us were working from home, your Company has organized energy conservation week as a “Sustainable living challenge” with the help of a mobile application where individuals were given suggestions for adopting simple sustainable practices at home which they could log daily on the app. The whole week was dedicated to making tiny lifestyle changes for sustainable

living. In all, we had more than 1300 volunteers participating in the activity who cumulatively saved 12,668 units of electricity, 67KL of water and diverted more than 2700 kgs of waste from the landfill.

Awards and Accolades:

During the Financial Year 2020-21, the Oil Palm processing unit at Chintampalli won 2 awards for their sustainability initiatives. The plant was awarded the ‘Excellent Energy Efficient Unit’ at the CII National Award for Excellence in Energy Management 2020. The team also won the CII Best Practices Award in the category of “Waste Management and Recycling” in 2020. Your Company was also awarded the “Golden Peacock Award 2020” for Corporate Social Responsibility.

Oil Palm Processing Unit, Chintampalli



PRINCIPLE 7:

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

For any policy advocacy, the Company ensures that it does so with the highest degree of responsible and ethical behaviour and also works with collective platforms such as trade and industry chambers and associations to take up matters with the relevant government bodies.

Your Company is a member of Bombay Chamber of Commerce and Industry (BCCI), Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI).

PRINCIPLE 8:

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Your Company recognizes the fact that corporate growth and equitable development are interdependent and that your Company owes a responsibility to play its role in the social and economic development agenda of the Country.

The 'Good & Green' vision inspires each one at Godrej Agrovet Limited to continue to work towards building a brighter, greener and more inclusive India. Sustainability is intrinsically linked not just to the Company's growth strategy, but also to its legacy and values. The Company strongly believes that it is accountable to the communities while the Company continues to drive shareholder value. This helps the

Company to improve the lives of those at the base of the pyramid, preserve and protect the environment, improve efficiency of operations and generate innovations.



As a part of sustainability strategy 'Good & Green', the Company addresses a critical need of enhancing livelihoods of low-income group youth. It collaborates with non-profit organizations and social enterprises to design and run a number of livelihood training programmes for marginal farmers from low-income communities. The focus of these programmes is to improve the earning potential of trainees, by building their skills and empowering them. The Company builds vocational skills and also provides post-training support.

Your Company works in collaboration with Non-Governmental Organizations (NGOs) and social enterprises to design and run a number of employability or livelihoods training programmes across the Company. The focus of these programmes is to improve the earning potential of small holder farmers' men and women both. Through a third-party assessment conducted with the beneficiaries.

PRINCIPLE 9:

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

The Company has adopted a customer-centric approach and greatly values the trust, satisfaction and loyalty of its customers. Its primary focus is delighting customers, both external and internal. The Company honors the freedom of choice of its customers and does not restrict free competition in any manner.

There were no major undisputed customer complaints pending as at the end of the Financial Year 2020-21.

The Company does display or disseminate adequate and truthful factual information to enable safe and effective usage of its products, which is over and above what is mandated by the applicable laws. The Company does not indulge in any kind of misleading or confusing advertisement.

There are no cases filed against the Company regarding unfair or anti-competitive trade practices during the preceding 5 (Five) Financial Years.

The Company regularly conducts customer surveys to know the customer satisfaction trends.

**For and on behalf of the Board of Directors
of Godrej Agrovvet Limited**

Sd/-
Nadir B. Godrej
Chairman

(DIN: 00066195)

Date: May 7, 2021
Place: Mumbai

**NOTICE OF ANNUAL
GENERAL MEETING
(AGM) & EXPLANATORY
STATEMENT**

GODREJ AGROVET LIMITED

Registered Office: "Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai-400 079, Maharashtra

Email: gavlinvestors@godrejagrovvet.com; **Website:** www.godrejagrovvet.com,

Tel.: +91 22-2519 4416, **Fax:** +91 22-2519 5124

Corporate Identity Number (CIN): L15410MH1991PLC135359

NOTICE OF THE 30TH (THIRTIETH) ANNUAL GENERAL MEETING ("AGM")

NOTICE is hereby given that the **30TH (THIRTIETH) ANNUAL GENERAL MEETING ("AGM")** of the Shareholders of **GODREJ AGROVET LIMITED** ("the Company") will be held on **Tuesday, August 10, 2021 at 4.00 p.m. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following **BUSINESS**:

ORDINARY BUSINESS:

1. Adoption of Financial Statements for the Financial Year ended March 31, 2021:-

To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2021 and the Reports of the Board of Directors of the Company and the Statutory Auditors thereon, including Annexures thereto.

2. Declaration of Final Dividend on Equity Shares for the Financial Year ended March 31, 2021:-

To declare Final Dividend on Equity Shares at the rate of 80% (Eighty per cent) [i.e. ₹ 8.00/- (Rupees Eight Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended March 31, 2021.

3. Appointment of Mr. Jamshyd N. Godrej (DIN: 00076250), as a "Director", liable to retire by rotation, who has offered himself for re-appointment:-

To appoint a Director in place of Mr. Jamshyd N. Godrej (DIN: 00076250), Non-Executive & Non-Independent Director, who retires by rotation and being eligible, offers himself for re-appointment, as a "Director" of the Company.

The Shareholders are requested to consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:-

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the Shareholders of the Company, be and is hereby accorded for the re-appointment of Mr. Jamshyd N. Godrej (DIN: 00076250), as a "Director", who shall be liable to retire by rotation."

4. Appointment of Mr. Pirojsha Godrej (DIN: 00432983) as a "Director", liable to retire by rotation, who has offered himself for re-appointment:-

To appoint a Director in place of Mr. Pirojsha Godrej (DIN: 00432983), Non-Executive and Non-Independent Director, who retires by rotation and being eligible, offers himself for re-appointment, as a "Director" of the Company:

The Shareholders are requested to consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:-

SPECIAL BUSINESS:

5. Ratification of Remuneration of M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai, appointed as the "Cost Auditors" of the Company for the Financial Year ending March 31, 2022:-

To consider and ratify the remuneration of M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai as the "Cost Auditors" of the Company for the Financial Year ending March 31, 2022 and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:-

"RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), based on the recommendation of the Audit Committee of the Board of Directors, the remuneration of M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration Number: 00012), the "Cost Auditors" appointed by the Board of Directors of the Company, for the Financial Year ending March 31, 2022 for conducting audit of the cost records of the Company, at a remuneration of ₹ 1,38,000/- (Rupees One Lakh Thirty Eight Thousand Only) plus Goods and Service Tax and reimbursement of out-of-pocket expenses at actuals, if any, be and is hereby ratified and approved."

"RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Appointment of Dr. Ashok Gulati as an "Independent Director" of the Company:

To appoint Dr. Ashok Gulati (DIN: 07062601) as an "Independent Director" of the Company for a period of 5 (Five) years commencing from May 7, 2021 upto May 6, 2026, and to consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and such other Rules framed under the Act, as may be

applicable [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force] and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time) ("the SEBI Listing Regulations"), **Dr. Ashok Gulati** (DIN: 07062601), who was appointed by the Board of Directors as an "Additional Director" to hold office of "Non-Executive, Independent Director" of the Company with effect from May 7, 2021, in terms of Section 161(1) of the Act and who meets the criteria for Independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an "Independent Director" of the Company, not liable to retire by rotation, for a period of 5 (Five) years commencing from May 7, 2021 upto May 6, 2026."

"RESOLVED FURTHER THAT any Director or the Chief Financial Officer or the Company Secretary of the Company be and are hereby severally authorized to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto."

By Order of the Board of Directors

Sd/-

Vivek Raizada

Head – Legal & Company Secretary & Compliance Officer

Date: May 7, 2021

Place: Mumbai

Registered Office:

"Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079 Maharashtra, India

Tel. No.: 022- 2519 4416; Fax: 022-2519 5124

Website: www.godrejagrovet.com;

Email: gavlinvestors@godrejagrovet.com;

CIN: L15410MH1991PLC135359

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular No. 14/2020 dated 8th April, 2020, General Circular No.17/2020 dated 13th April, 2020, General Circular No. 20/2020 dated 5th May, 2020, and General Circular No.02/2021 dated 13th January, 2021 (collectively referred to as "MCA Circulars"), permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 27th (Twenty Seventh) AGM of the Company is being held through VC / OAVM. The National Securities Depository Limited ("NSDL") will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the AGM through VC / OAVM is explained hereunder and is also available on the website of the Company at www.astecls.com.

National Securities Depository Limited ('NSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the AGM through VC / OAVM is explained below and is also available on the website of the Company viz, www.godrejagrovet.com.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), setting out the material facts relating to special businesses to be transacted at the 30th Annual General Meeting ("AGM"), as set out in this Notice is annexed hereto.

Further additional information, pursuant to 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM as mentioned in Item Nos. 3, 4 & 6 of this Notice of AGM is also annexed hereto.

3. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) intending to appoint their Authorized Representative(s) to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Scrutinizer (BN & Associates, Practicing Company Secretaries & BNP & Associates, Practicing Company Secretaries), NSDL and the Company, a scanned certified true copy of the Board Resolution with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote on their behalf at the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to narasimhan.b8@gmail.com, ab@bnpassociates.in with a copy marked to evoting@nsdl.co.in and gavl.secretarial@godrejagrovet.com.

4. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

5. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

Any request for inspection of the Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act, Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Act and Certificate from Auditors of the Company in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, may please be sent to gavl.secretarial@godrejagrovet.com.

6. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, August 6, 2021 to Monday, August 9, 2021 (both days inclusive)** for annual closing and determining the entitlement of the Shareholders to the Final Dividend for the Financial Year 2020-21.

All the documents in connection with the accompanying Notice and Explanatory Statement are available for inspection through electronic mode on the basis the request being sent on gavl.secretarial@godrejagrovet.com.

7. Shareholders are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), bank details including change in bank account number, IFSC Code, MICR Code, name of bank and branch details, to their Depository Participant(s) (DPs) in case the shares are held by them in electronic form and to Kfin Technologies Private Limited, Registrar and Share Transfer Agent of the Company ("KFinTech") (formerly known as Karvy Fintech Private Limited) in case the shares are held by them in physical form.
8. In accordance with the aforesaid MCA Circulars and SEBI Circulars, the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021, including Report of Board of Directors, Statutory Auditors' Report and other documents required to be attached therewith and the Notice of AGM are being sent through electronic mode to the Members whose e-mail address is registered with the Company or the Depository Participant(s) or KFinTech.
9. Pursuant to Sections 101 and 136 of the Act read with relevant rules framed thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). To support this **Green Initiative**, Members holding shares in dematerialised form are requested to register their e-mail address with their Depository Participant(s).

Members may also note that the Notice of 30th AGM and the Annual Report for the Financial Year 2020-21 will be available on the Company's website www.godrejagrovet.com, on the websites of the Stock Exchanges where the Equity Shares of the Company are listed, i.e., BSE Limited (at www.bseindia.com) and National Stock Exchange of India Limited (at www.nseindia.com) and on the website of National Securities Depository Limited (NSDL) at www.evoting.nsdl.com.

Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Registrar and Share Transfer Agent of the Company, viz. KFinTech at einward.ris@kfinetech.com along with the copy of the signed request letter mentioning the name and address of the Member, scanned copy of the share certificate (front and back), self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register / update their e-mail addresses with the relevant Depository Participant(s). In case of any queries / difficulties in registering the e-mail address, Members may write to gavl.secretarial@godrejagrovet.com.

10. The Final Dividend for the Financial Year 2020-21, as recommended by the Board of Directors, if approved at the AGM, would be paid / credited by August 17, 2021 subject to deduction of tax at source, to the shareholders or their mandates:-

- (a) whose names appear as Beneficial Owners as at the end of the business hours on **Thursday, August 5, 2021**, in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
- (b) whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / KFinTech or before **Thursday, August 5, 2021**.

11. **Compulsory Transfer of Equity Shares to Investor Education and Protection Fund ("IEPF") Suspense Account:**

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all Equity Shares on which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred to the Investor Education and Protection Fund (IEPF) authority after complying with the procedure laid down under the said Rules.

Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed / unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).

Shareholders who have not encashed the dividend warrants for the previous year(s), are requested to make their claim with KFinTech at Selenium Building, Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Rangareddy, Telangana, India. The Company has also uploaded details of Unclaimed dividend amount(s) lying with the Company as on date of Annual General Meeting on the website of the Company i.e., www.godrejagrovet.com.

12. Members may note that the Income Tax Act, 1961 ("IT Act, 1961"), as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of Final Dividend, if declared by the Shareholders. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.

- (a) For Resident Shareholders, TDS shall be deducted under Section 194 of the Income Tax Act, 1961 at rate in force on the amount of Dividend declared and paid by the Company during Financial Year 2021-22, provided valid Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered or if they are specified person (non-filers) as per section 206AB of the IT Act, 1961, TDS would be deducted at rate in force (at present 20%) as per the provisions of the Income Tax Act, 1961 and/or Rules framed thereunder.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by such resident individual during the Financial Year 2021-22 does not exceed ₹5,000/-. Please note that this includes

future dividends, if any, which may be declared by the Company during the Financial Year 2021-22.

Separately, in cases where a Shareholder provides Form 15G (applicable to any resident person other than a company or a firm) / Form 15H (applicable to a resident individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- (b) For Mutual Fund Shareholders, TDS is exempt under Section 10(23D), provided Mutual Funds provide SEBI Registration / Central Board of Direct Taxes (CBDT) notification and a declaration that their income is exempt under Section 10(23D) of the Income Tax Act, 1961.
- (c) For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the Income Tax Act, 1961, at applicable rate, including surcharge and cess.
- (d) For Other Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, at the rates in force. However, as per Section 90 of the Income Tax Act, 1961, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the Tax Treaty benefits, the Non-Resident Shareholder will have to provide the following:
 - Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Shareholder is resident;
 - Self-declaration in Form 10F;
 - Self-attested copy of the Permanent Account Number (PAN) Card allotted by the Indian Income Tax authorities;
 - Self-declaration, certifying the following points:
 - i) Member is and will continue to remain a tax resident of the country of its residence during the Financial Year 2021-22;
 - ii) Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii) Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv) Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - v) Member does not have a taxable presence or a permanent establishment in India during the Financial Year 2021-22.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend

upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident Shareholder.

Kindly note that the aforementioned documents are required to be submitted by 11.59 p.m. IST on August 3, 2021 at web-link <https://ris.kfintech.com/form15>, in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction received post August 3, 2021 shall be considered for payment of Final Dividend. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

The Company will arrange to email a soft copy of the TDS certificate on the shareholders registered email ID in due course, post payment of the said Final Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

13. Shareholders can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act read with the Rules made thereunder. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled-in to Kfintech. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
14. The Securities and Exchange Board of India ("SEBI") has made it mandatory all the listed entities to use the Bank Account details furnished by the Depositories and the Bank Account details maintained by the RTA for payment of Dividend through Electronic Clearing Service (ECS) to investors wherever ECS and Bank details are available. In the absence of ECS facilities, the Company will print the Bank Account details, if available, on the payment instrument for distribution of Dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion / change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participant(s) about such change, with complete details of Bank Account.
15. Shareholders holding the shares in electronic mode may please note that their dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations or NEFT. The dividend would be credited to their bank account as per the mandate given by the Shareholders to their Depository Participant(s). In the absence of availability of NECS/ECS/NEFT facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable Regulations. For Shareholders who have not updated their bank account details, Dividend Warrants/Demand Drafts will be sent to their registered addresses subject to normalization of the postal services.
16. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in dematerialized form are, therefore requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to Kfintech.

17. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account.
18. Shareholders who have not provided the information regarding bank particulars, are requested to immediately notify the name of the bank and the branch, 9 digits MICR number, 11 digit IFS Code and the nature of account along with a copy of cancelled cheque to KFinTech, in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form.
19. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of the same and to avail various benefits of dematerialization and to eliminate all risks associated with physical shares and for ease of portfolio management, Members are advised to dematerialize shares held by them in physical form. Shareholders can contact the Company or KFinTech for assistance in this regard.

Shareholders holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with share certificates so as to enable the Company to consolidate their holding into one folio.

20. At the 26th (Twenty-Sixth) AGM held on August 4, 2017, the Members approved appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as Statutory Auditors of the Company to hold office for a period of 5 (Five) years from the conclusion of the 26th (Twenty-Sixth) AGM till the conclusion of the 31st (Thirty-First) AGM, subject to ratification of their appointment by Members at every AGM. The requirement to place the matter relating to appointment of Auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at this AGM.
21. Shareholders are requested to send in their queries at least a week in advance to the Company Secretary at gavl.secretarial@godrejagrovet.com to facilitate clarifications during the AGM.
22. The venue of the 30th AGM shall be deemed to be the Registered Office of the Company situated at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079, Maharashtra.
23. **INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM:**

(A) VOTING THROUGH ELECTRONIC MEANS

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Securities and Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs (MCA) dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Shareholder using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.

- b) The Shareholders who wish to cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again, and if casted again, then the same will not be counted.
- c) The remote e-voting period shall commence on **Friday, August 6, 2021 (at 9.00 a.m. IST) and ends on Monday, August 9, 2021 (at 5.00 p.m. IST)**. During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., **Tuesday, August 3, 2021**, may cast their votes by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the Shareholder, the Shareholder shall not be allowed to change it subsequently.
- d) The voting rights of Members shall be in proportion to their share in the Paid-up Equity Share Capital of the Company as on the cut-off date i.e., **Tuesday, August 3, 2021**.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. August 3, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. August 3, 2021, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting

for Individual Shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022- 23058542-43

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number (116397) followed by Folio Number registered with the company For example if your folio number is 001*** and EVEN is 116397 then user ID is 116397001***

- Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you by NSDL in your mailbox. Open the attachment in the e-mail i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in "process for those shareholders whose email ids are not registered"

- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

"Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status
2. Select “EVEN” of company for which you wish to cast your vote (EVEN 116397 in case of Godrej Agrovet Limited) during the remote e-Voting period or casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders:

Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to narasimhan.b8@gmail.com with a copy marked to evoting@nsdl.co.in.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 /1800 224 4300 or send a request to Mr. Amit Vishal, Asst. Vice President , NSDL

at the designated email ID: evoting@nsdl.co.in or or Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in or at Telephone number 022-2499 4545.

Process for those Shareholders whose e-mail ids are not registered with the depositories, for procuring user id and password and registration of e-mail ids for e-voting for the Resolutions set out in the Notice of AGM:

1. In case shares are held in physical mode, please provide Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), Permanent Account Number (PAN) Card (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) by e-mail to einward.ris@kfintech.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) to your Depository Participant (DP).
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Shareholders, who will be present at the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM:

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under

- “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. The Members can join the AGM in the VC/OAVM mode 15 (Fifteen) minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 - iii. Members are encouraged to join the Meeting through Laptops for better experience.
 - iv. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
 - v. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
24. Shareholders, who would like to express their views / have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at gavl.secretarial@godrejagrovvet.com. The same will be replied by the Company suitably either in advance or at the time of AGM.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DPID and Client ID / folio number, PAN, mobile number at gavl.secretarial@godrejagrovvet.com from **July 30, 2021 (9.00 a.m. IST) to August 2, 2021 (5.00 p.m. IST)**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
25. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in.
 26. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020 and MCA Circular No. 20/2020 dated 5th May, 2020, General Circular No. 02/2021 dated 13th January, 2021.
 27. M/s. BN & Associates, Company Secretaries (CS B. Narasimhan, Proprietor) or failing him, M/s. BNP & Associates, Company Secretaries, have been appointed as the Scrutinizer to scrutinize the remote e-voting as well as the e-voting process to be conducted at the 30th AGM, in a fair and transparent manner.
 28. The Scrutinizer shall, after the conclusion of voting at the Meeting, unblock and count the votes cast during the meeting and through remote e-voting, in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a Director or Company Secretary authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results shall be declared not later than 2 (Two) working days from conclusion of the AGM. The results declared along with the Scrutinizer’s Report will be placed on the website of the Company at www.godrejagrovvet.com immediately after the result is declared by the Chairman and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.
29. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., Tuesday, August 10, 2021.

By Order of the Board of Directors

Sd/-

Vivek Raizada

Head – Legal & Company Secretary & Compliance Officer

Place: Mumbai

Date: May 7, 2021

Registered Office:

“Godrej One”, 3rd Floor, Pirojshanagar,
Eastern Express Highway, Vikhroli (East),
Mumbai – 400 079, Maharashtra, India
Tel. No.: 022- 2519 4416; Fax: 022-2519 5124
Website: www.godrejagrovvet.com
Email: gavlinvestors@godrejagrovvet.com
CIN: L15410MH1991PLC135359

ANNEXURE TO THE NOTICE OF THE 30TH (THIRTIETH) ANNUAL GENERAL MEETING (AGM) OF GODREJ AGROVET LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT"):

The Explanatory Statement in terms of the provisions of Section 102(1) of the Act, sets out all material facts relating to the Special Business mentioned in the accompanying Notice for convening the 30th (Thirtieth) Annual General Meeting ("AGM") of Godrej Agrovet Limited on **Tuesday, August 10, 2021 at 4.00 p.m. (IST)**:

Ordinary Resolution under Item No. 5:

The Board of Directors of the Company, at its meeting held on May 7, 2021, based on recommendations of the Audit Committee, has appointed M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration Number: 00012), as the "Cost Auditors" of the Company for the Financial Year 2021-22, pursuant to Section 148 and other applicable provisions of the Act, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1,38,000/- (Rupees One Lakh Thirty Eight Thousand Only) per annum, exclusive of applicable tax(es) and reimbursement of out-of-pocket expenses at actuals, if any, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, shall require subsequent ratification by the Shareholders.

Based on the certification received from the Cost Auditors, it may be noted that:-

- i. the Cost Auditors do not suffer from any disqualifications as specified under Section 141(3) of the Act;
- ii. their appointment is in accordance with the limits specified in Section 141(3)(g) of the Act;
- iii. none of their Partners is in the whole-time employment of any Company; and
- iv. they are an independent firm of Cost Accountants holding valid certificate of practice and are at arm's length relationship with the Company, pursuant to Section 144 of the Act.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 5.

The Board recommends the Ordinary Resolution set forth in Item No. 5 for approval of the Shareholders.

Ordinary Resolution under Item No. 6:

In accordance with the provisions of Section 149 of the Companies Act, 2013 and pursuant to Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to have at least half of the total number of Directors on the Board as Independent Directors who shall not be liable to retire by rotation.

The Board of Directors, at its Meeting held on May 7, 2021, approved the appointment of Dr. Ashok Gulati, as an Additional Director (Non-Executive & Independent Director), on the Board of the Company for a period of 5 (Five) years commencing from May 7, 2021 upto May 6, 2026, subject to approval of the Shareholders.

The Company has received the consent from Dr. Ashok Gulati as required under the provisions of Section 149(6) of the Companies Act, 2013 and the Rules framed thereunder as well as Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and that no order of Securities and Exchange Board of India (SEBI) or any other such authority has been passed against Dr. Ashok Gulati debarring him from accessing the capital markets and restraining from holding the position of Director in any listed company.

In the opinion of the Board of Directors, Dr. Ashok Gulati possesses the requisite integrity, expertise and experience and fulfil the criteria of Independence as specified under Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

The brief profile of Dr. Ashok Gulati in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) are provided elsewhere in this Notice.

The terms and conditions of appointment will be available on request at gavl.secretarial@godrejagrovet.com till the conclusion of the AGM, without any fee.

Except Dr. Ashok Gulati, none of the other Directors or Key Managerial Personnel or their relatives are in any way, whether financially or otherwise, concerned or interested in the proposed Resolution set out in Item No. 6.

The Board of Directors recommends the Ordinary Resolution as set out in Item No. 6 in the Notice for approval of the Shareholders.

By Order of the Board of Directors

Sd/-

Vivek Raizada

Head – Legal & Company Secretary & Compliance Officer

Place: Mumbai

Date: May 7, 2021

Registered Office:

“Godrej One”, 3rd Floor, Pirojshanagar,
Eastern Express Highway, Vikhroli (East),
Mumbai – 400 079, Maharashtra, India
Tel. No.: 022- 2519 4416; Fax: 022-2519 5124
Website: www.godrejagrovet.com
Email: gavlinvestors@godrejagrovet.com
CIN: L15410MH1991PLC135359

BRIEF RESUME OF DIRECTOR(S) / PERSON(S) SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 30TH (THIRTIETH) ANNUAL GENERAL MEETING OF THE COMPANY

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Name of Director	Mr. Pirojsha A. Godrej (Non-Executive & Non-Independent Director)	Mr. Jamshyd N. Godrej (Non-Executive & Non-Independent Director)	Dr. Ashok Gulati (Non-Executive & Independent Director)
Director Identification Number (DIN)	00432983	00076250	07062601
Date of Birth (DD/MM/YYYY)	27/10/1980	24/01/1949	11/05/1954
Age (in years)	40 years	72 years	66 years
Nationality	Indian	Indian	Indian
Date of Appointment (DD/MM/YYYY)	05/11/2018	24/08/1992	07/05/2021
Qualification	Graduated from the Wharton School of Business in 2002, Masters in International Affairs from Columbia University in 2004, and an MBA from Columbia Business School in 2008.	Graduated in Mechanical Engineering from Illinois Institute of Technology, USA.	M.A. and Ph.D. from Delhi School of Economics.
Nature of expertise in specific functional areas	Management	Engineering and Management	Agriculture Economist
Number of Equity Shares held in the Company: By self	34 Equity Shares	Nil	Nil
As a Beneficial Owner of	5,21,018 Equity Shares (as Trustee of PG Family Trust) 1 Equity Share (as Trustee of PG Children Trust) 1 Equity Share (as Trustee of PG Lineage Trust)	20,73,000 Equity Shares (as Trustee of Navroze Lineage Trust) 20,73,070 Equity Shares (as Trustee of Raika Lineage Trust) 1 Equity Share (as Trustee of NJG Family Trust) 1 Equity Share (as Trustee of RJG Family Trust) 1 Equity Share (as Trustee of PJG Family Trust) 1 Equity Share (as Trustee of JNG Family Trust) 3 Equity Shares (as Trustee of Raika Godrej Family Trust)	Nil
Number of Board Meetings attended during the Financial Year 2020-21	5	4	N.A.
Directorships held in other Companies*	- Godrej Consumer Products Limited - Godrej Properties Limited - Godrej Housing Finance Limited - Pyxis Holding Limited	- Godrej and Boyce Manufacturing Company Limited - Godrej Industries Limited - Godrej Properties Limited - Godrej Consumer Products Limited	- Kotak Mahindra Bank Limited - National Commodity And Derivatives Exchange Limited

Chairmanships of Committees in other Companies**	1. Godrej Properties Limited - Corporate Social Responsibility Committee - Allotment Committee - Management Committee 2. Godrej Consumer Products Limited - Stakeholders' Relationship Committee 3. Godrej Housing Finance Limited - Executive Committee - Asset Liability Committee - Credit Committee	None	
Memberships of Committees in other Companies**	1. Godrej Properties Limited - Stakeholders' Relationship Committee - Risk Management Committee 2. Godrej Consumer Products Limited - Audit Committee - Management Committee 3. Godrej Housing Finance Limited - Audit Committee - Nomination & Remuneration Committee - Risk Management Committee	1. Godrej and Boyce Manufacturing Company Limited - Corporate Social Responsibility Committee	
Relationships between Directors of the Company inter-se	Younger brother of Ms. Tanya Dubash (Director) and Ms. Nisaba Godrej (Director)	None [No relationship in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]	None [No relationship in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person.	Terms and Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website, i.e. www.godrejagrovet.com . Entitled to Commission on Profits as a Non-Executive Director (refer the Corporate Governance Report) An Independent Director is also entitled to receive sitting fees for attending the meetings of the Board of Directors and of the Committees thereof of which he is a Member.		

(*) Includes names of other Public Companies in which the person holds Directorship.

(**) Includes names of other Public Companies in which the person holds Chairmanship and Membership of Committees of the Board of Directors.



DIRECTORS'
REPORT
AND ANNEXURES



DIRECTORS' REPORT

Corporate Identity Number (CIN): L15410MH1991PLC135359

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

TO THE MEMBERS:

Your Directors have pleasure in presenting the Directors' Report along with the Audited Financial Statements for the Financial Year 2020-21.

1. FINANCIAL SUMMARY:

Your Company's Standalone and Consolidated performance during the Financial Year 2020-21 as compared with that of the previous Financial Year 2019-20 is summarized below:-

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Total Income	4,513.81	5,159.69	6,306.27	7,010.86
Profit Before Taxation & Exceptional Items	352.56	359.22	453.10	358.55
Add: Exceptional Items	-	-	-	(9.92)
Profit Before Taxation (PBT)	352.56	359.22	453.10	348.63
Less: Provision for Taxation	73.56	65.91	105.53	48.05
Profit After Taxation (PAT)	279.00	293.31	347.57	300.58

2. REVIEW OF OPERATIONS / STATE OF AFFAIRS OF THE COMPANY, ITS SUBSIDIARIES & JOINT VENTURES & OTHER ASSOCIATES:

Review of Operations / State of Affairs of the Company:

There has been no change in the nature of business of your Company during the Financial Year 2020-21.

Businesses of the Company:

Animal Feed:

During the Financial Year 2020-21, the Animal Feed segment posted a strong growth in segment results, which grew by 24.12% year-on-year, mainly supported by favorable raw material prices and realisation of Research & Development (R&D) benefits. However, COVID-led lockdown adversely impacted the volumes and revenues in this segment. Demand for cattle, broiler and layer feed is directly dependent on demand for end protein products, namely, milk, chicken and eggs. HoReCa (Hotels, Restaurants and Catering) segment forms nearly 30%-35% of the consumption of the end protein products and demand from this segment significantly declined in the Financial Year 2020-21. As a result, overall segment volumes for feed declined by 13.07% year-on-year, and this coupled with soft commodity prices led to a 16.80% decline in segment revenues. However, fish feed and shrimp feed provided some respite and volumes and revenues grew for fish feed and shrimp feed year-on-year, despite the industry declining.

Crop Protection:

During the Financial Year 2020-21, standalone segment revenues and segment results in respect of the Crop Protection business were ₹ 581.47 Crore and ₹ 153.42 Crore, respectively, (₹ 567.72 Crore and ₹ 153.84 Crore, respectively reported in the Financial

Year 2019-20). The focus of the Company was to accelerate the collection and improve the working capital cycle in this segment. The collections increased by 27.00% year-on-year and the working capital cycle has also improved. Your Company also partnered with other leading agrochemical companies to increase the sale of its in-house herbicides.

Vegetable Oil:

The Vegetable Oil segment recorded segment revenues of ₹ 710.04 Crore during the Financial Year 2020-21, as compared to revenues of ₹ 673.50 Crore reported in the Financial Year 2019-20. Segment revenue growth was driven by an increase in prices of crude palm oil and palm kernel oil during the year under review. However, the segment results were impacted and declined to ₹ 83.75 Crore from ₹ 89.34 Crore during the Financial Year 2020-21 due to lower arrival fresh fruit bunches and lower oil extract ratio.

Review of Operations / State of Affairs of Subsidiaries, Joint Ventures & Other Associates:

Your Company has interests in several businesses including dairy products, poultry, value-added vegetarian and non-vegetarian products, cattle breeding and dairy farming, through its Subsidiaries, Joint Ventures and other Associates.

According to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of our Subsidiaries, Associates and Joint Ventures in the Form AOC-1 is annexed and form part of the Financial Statement. The statement provides the details of the performance and financial position of each of the Subsidiaries, Associates and Joint Ventures. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the

Consolidated Financial Statements, Audited Accounts of all the Subsidiaries and other documents attached thereto are available on your Company's website: www.godrejagrovet.com.

Your Directors present herewith, a broad overview of the operations and financials of Subsidiaries, Joint Ventures and other Associates of your Company as follows:

A. Review of Operations / State of Affairs of the Subsidiaries and other Associates of the Company:

1. Godvet Agrochem Limited:

Godvet Agrochem Limited ("Godvet") is a wholly owned subsidiary of your Company. During the Financial Year 2020-21, Godvet recorded Profit Before Tax of ₹ 3.76 Crore as compared to Profit Before Tax of ₹ 0.82 Crore in the Financial Year 2019-20.

2. Astec LifeSciences Limited & its Subsidiaries:

Astec LifeSciences Limited ("Astec") manufactures agrochemical active ingredients (technical), bulk and formulations, intermediate products and sells its products in India as well as exports them to approximately 24 countries. During the Financial Year 2020-21, Astec recorded consolidated total income of ₹ 562.79 Crore, representing a growth of 5.30% over the previous Financial Year. Profit before exceptional items and tax also increased to ₹ 89.07 Crore, which is a growth of 45.18% year-on-year.

The Shareholding of the Company in Astec as on March 31, 2021 was 1,22,04,016, i.e., 62.30% of the total Paid-up Equity Share Capital of Astec.

Subsidiaries of Astec LifeSciences Limited:

Astec had the following 3 (three) subsidiaries during the Financial Year 2020-21:

(i) Behram Chemicals Private Limited:

During the Financial Year 2020-21, Behram Chemicals Private Limited reported a Profit Before Tax of ₹ 0.09 Crore as compared to Profit Before Tax of ₹ 0.08 Crore during the previous Financial Year 2019-20.

(ii) Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia):

During the Financial Year 2020-21, Comercializadora Agricola Agroastrachem Cia Ltda, reported a Profit/Loss Before Tax of ₹ 0.00* Crore as compared to Nil Profit Before Tax of during the previous Financial Year 2019-20.

* The amount reflected as "0.00" in Financial results are value with less than ₹ 1 Lakh.

(iii) Astec Europe Spri (Belgium, Europe):

During the Financial Year under review, Astec has sold off its equity stake in Astec Europe Spri and consequently, Astec Europe Spri ceases to be a subsidiary of Astec with effect from September 1, 2020. During the period ended August 31, 2020,

Astec Europe Spri reported a Loss Before Tax of (₹ 0.0055 Crore), as compared to a Loss Before Tax of (₹ 0.0109 Crore) reported during the corresponding period last year.

3. Creamline Dairy Products Limited:

Creamline Dairy Products Limited ("CDPL") is one of the leading private dairy companies in Southern India and its products are sold under the brand name 'Godrej Jersey'. During the Financial Year 2020-21, CDPL recorded a total income of ₹ 1,038.65 Crore, representing a year-on-year decline of 13.42%. The demand for milk and milk products was impacted by lower demand from the HoReCa segment and lower out-of-home consumption. However, profitability benefited from lower procurement prices and lower fixed costs and CDPL recorded a Profit Before Tax of ₹ 7.29 Crore in the current Financial Year 2020-21 vis-a-vis ₹ 3.14 Crore in the previous year.

4. Godrej Tyson Foods Limited:

Godrej Tyson Foods Limited ("GTFL") is engaged in the manufacturing of processed poultry and vegetarian products through its brands 'Real Good Chicken' and 'Yummiez'. GTFL is also engaged in the sale of live birds in the market. Your Company currently holds a 51.00% equity stake in GTFL.

During the Financial Year 2020-21, GTFL recorded a total income of ₹ 604.22 Crore representing year-on-year growth of 17.10%. Further, GTFL posted a Profit Before Tax of ₹ 22.67 Crore compared to a Loss Before Tax of (₹ 77.18 Crore) reported in the previous year. Growth in revenues and profitability is driven by the strong performance of the Live Bird and the Yummiez segments.

5. Godrej Maxximilk Private Limited:

Godrej Maxximilk Private Limited ("GMPL") became a subsidiary of your Company in the Financial Year 2018-19. Your Company has increased its stake in GMPL to 74.90% in the Financial Year 2020-21 from 74.00% stake in the previous Financial Year.

GMPL is engaged in in-vitro production of high-quality cows that aid dairy farmers produce top-quality milk, thereby increasing their yield by a significant proportion. For the Financial Year 2020-21, GMPL has reported a Loss Before Tax of (₹ 8.14 Crore) as compared with a Loss Before Tax of (₹ 7.80 Crore) in the previous year.

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

(i) ACI Godrej Agrovet Private Limited, Bangladesh:

ACI Godrej Agrovet Private Limited (ACIGAVPL) recorded revenues of ₹ 1,251.43 Crore during the Financial Year 2020-21 as compared with revenues of ₹ 1,027.17 Crore during Financial Year 2019-20.

ACIGAVPL continues to remain amongst top players in all the feed categories it operates in Bangladesh.

(ii) Omnivore India Capital Trust:

The Company has an investment in the units of Omnivore India Capital Trust, a venture capital organization that invests in Indian start-ups developing breakthrough technologies for food and agriculture. This investment is considered as a joint venture as the Company participates in the key activities jointly with the Investment Manager.

C. Review of Operations / State of Affairs of Other Associates of the Company:

Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE):

Your Company currently has a 24.0% stake in Al Rahba International Trading Limited Liability Company ("Al Rahba"), an associate (with a 33.33% share in profits). The investment in Al Rahba appears as a part of current investment during the Financial Year 2020-21.

3. FINANCE & CREDIT RATING:

Your Company continues to manage its treasury operations efficiently and has been able to borrow funds for its operations at competitive rates. During the Financial Year 2020-21, your Company has obtained dual rating as follows:

Credit Rating by ICRA Limited

The credit rating granted by ICRA Limited to your Company has been re-affirmed at "[ICRA]AA Stable" with respect to Long Term Fund Based Bank facilities and "[ICRA]A1+ Stable" with respect to Short Term Fund Based facilities (including for Commercial Paper).

Credit Rating by CRISIL

The credit rating granted by CRISIL during the Financial Year 2020-21 to your Company is "CRISIL A1+ Stable" to the Commercial Papers of the Company.

4. INFORMATION SYSTEMS:

During the Financial Year 2020-21, in continuation of its digital journey, your Company has implemented the following technology solutions for itself and its Subsidiaries and Joint Ventures, in order to automate and improve upon business functions and processes:

- In view of the ongoing pandemic, to ensure seamless collaboration amongst employees and stakeholders, your Company has deployed collaboration tools like MS Teams, Zoom;
- Deployed all the necessary tools and technologies which are essential for accessing all business applications from anywhere in a secure manner;
- Deployed state-of-the-art network infrastructure at data center and end points to protect business critical systems from external cyber threats;
- Major focus on digital transformation and automation of business processes is underway to enhance productivity; and
- Analytical solutions based on latest tools and technologies are being implemented for improved business visibility and faster decision-making.

5. MANUFACTURING FACILITIES:

Your Company has several manufacturing facilities across the country, including but not limited to the following:-

Animal Feed:

Sachin (Surat - Gujarat), Miraj (Sangli - Maharashtra), Dhule (Maharashtra), Khanna (Ludhiana - Punjab), Ikolaha (Ludhiana - Punjab), Khurda (Orissa), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Medchal (Telangana) and Unnao (Uttar Pradesh).

Aqua Feed:

Hanuman Junction (Krishna District - Andhra Pradesh) and Kondapalli (Vijayawada - Andhra Pradesh)

Crop Protection Business:

Samba (Jammu & Kashmir) and Lote Parshuram (Ratnagiri - Maharashtra)

Vegetable Oils:

Ch. Pothepalli (West Godavari District - Andhra Pradesh), Chintampalli (West Godavari District - Andhra Pradesh), Seethanagaram (West Godavari District - Andhra Pradesh), Varanavasi (Ariyalur - Tamil Nadu), Valpoi (Sattari - Goa) and Kolasib (Mizoram)

6. HUMAN RESOURCES:

Your Company has amicable employee relations at all locations and would like to place on record its sincere appreciation for the unstinted support it continues to receive from all its employees.

During the pandemic year 2020-21, your Company undertook several measures to maintain high health and hygiene standards at the workplace. In the month of April 2020 itself, your Company announced the decision of not making any salary cuts as well as job cuts.

During the lockdown, your Company obtained necessary administrative approvals to operate the manufacturing facilities. All employees in the factories were provided complete support in terms of transport, stay, food as well as medical facilities. As a result, none of the factories witnessed mass COVID-19 infections. Your Company stayed connected with all employees regularly to provide them business updates, to enable work from home and address their concerns. All the leaders in the Company held periodic townhalls with their team members. In order to appreciate the work of employees during the pandemic, the Company launched a unique recognition programme - 'Corona Warriors'.

The employee pulse survey scores of your Company were healthy and employees expressed satisfaction over the measures adopted by the Company.

Your Company utilized the work from home period to upskill the employees. Employees were encouraged to undergo online courses from reputed firms in line with the individual development plans.

The retention levels of employees at all levels significantly improved during the year.

As on March 31, 2021, the total number of permanent employees were 2,637.

7. MATERIAL CHANGES AND COMMITMENTS SINCE THE FINANCIAL YEAR END:

The management of your Company has considered internal and certain external sources of information including economic forecasts and industry reports upto the date of approval of the financial statements in determining the impact on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, goodwill, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

8. DIVIDEND:

A. Proposed Dividend for the Financial Year 2020-21:

The Board of Directors of your Company has recommended a Final Dividend for the Financial Year 2020-21 at the rate of 80% (Eighty per cent), i.e., ₹ 8/- (Rupees Eight Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) each, subject to the approval of the Shareholders at the ensuing 30th (Thirtieth) Annual General Meeting (AGM).

The Final Dividend will be paid to the Shareholders whose names appear in the Register of Members of the Company as on **Thursday, August 5, 2021** and in respect of shares held in dematerialized form, it will be paid to Shareholders whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as the beneficial owners as on that date.

10. SHARE CAPITAL:

Your Company's Equity Share Capital position as at the beginning of the Financial Year 2020-21 (i.e., as on April 1, 2020) and as at the end of the said Financial Year (i.e., as on March 31, 2021) was as follows:-

Category of Share Capital	Authorized Share Capital			Issued, Subscribed & Paid-up Share Capital		
	No. of Shares	Face Value Per Share (₹)	Total Amount (₹)	No. of Shares	Face Value Per Share (₹)	Total Amount (₹)
As on April 1, 2020:						
Equity	22,49,94,000	10	2,24,99,40,000	19,20,41,898	10	192,04,18,980
Preference	6,000	10	60,000	-	-	-
TOTAL	22,50,00,000		2,25,00,00,000	19,20,41,898		192,04,18,980
As on March 31, 2021:						
Equity	22,49,94,000	10	2,24,99,40,000	19,20,71,900	10	192,07,19,000
Preference	6,000	10	60,000	-	-	-
TOTAL	22,50,00,000		2,25,00,00,000	19,20,71,900		192,07,19,000

During the Financial Year under review, your Company has allotted 30,002 (Thirty Thousand and Two) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, pursuant to the exercise of stock options by the eligible employees of the Company under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 (GAVL ESGS 2018).

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Dividend Distribution Policy of the Company is appended as "**Annexure-'A'**" to this Board's Report and the same is also made available on the website of the Company. The same can be accessed on <https://www.godrejagrovet.com/sustainability/codes-and-policies>.

The Dividend payout for the Financial Year 2020-21 is in accordance with the Company's Dividend Distribution Policy.

B. Status of Dividend Declared for the Financial Year 2019-20:

At the 29th AGM of the Company held on July 31, 2020, the Company had declared a Final Dividend at the rate of 55% i.e. ₹ 5.50 (Rupees Five and Paise Fifty Only) per Equity Share, on the Equity Share Capital of the Company for the Financial Year 2019-20, aggregating to ₹ 95,88,10,401/- (Rupees Ninety Five Crore Eighty Eight Lakh Ten Thousand Four Hundred and One Only).

As on March 31, 2021, ₹ 95,85,20,021/- (Rupees Ninety Five Crore Eighty Five Lakh Twenty Thousand and Twenty One Only) was paid and ₹ 2,90,380/- (Rupees Two Lakh Ninety Thousand Three Hundred and Eighty Only) is lying in Godrej Agrovet Limited – Unpaid & Unclaimed Account for the Financial Year 2019-20.

The dividend declared and paid for the Financial Year 2019-20 by the Company was in compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder and in accordance with the Company's Dividend Distribution Policy.

9. TRANSFER TO RESERVES:

Your Directors do not propose to transfer any amount to any reserve during the Financial Year ended March 31, 2021.

The aforementioned allotted 30,002 (Thirty Thousand and Two) Equity Shares have been listed for trading on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and rank *pari passu* with the existing Equity Shares of the Company.

11. EMPLOYEES STOCK GRANT SCHEME:

The details of the stock grants allotted under the Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 ("GAVL ESGS 2018"), as disclosed in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, have been uploaded on the website of the Company at www.godrejagrovet.com.

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the ESGS 2018. The Board of Directors confirm that the GAVL ESGS 2018 has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the resolution passed by the Shareholders. The Board further confirms that there have been no changes in the GAVL ESGS 2018 during the Financial Year 2020-21.

The Certificate received from B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 will be available for inspection. Request for the same may please be sent by the Shareholders at gavl.secretarial@godrejagrovet.com.

12. DEPOSITS:

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, [(i.e., deposits within the meaning of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014)], during the Financial Year 2020-21.

13. HOLDING COMPANIES:

Your Company continues to be a subsidiary of Godrej Industries Limited ("GIL") as defined under Section 2(46) of the Companies Act, 2013. As on March 31, 2021, the shareholding of GIL in your Company was 11,50,59,634 (Eleven Crore Fifty Lakh Fifty-Nine Thousand Six Hundred and Thirty Four) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, which is 59.90% of the Paid-up Equity Share Capital of the Company.

14. SUBSIDIARY COMPANIES:

Your Company had the following subsidiaries [as defined under Section 2(87) of the Companies Act, 2013] during the Financial Year 2020-21:-

i. Godvet Agrochem Limited:

A wholly-owned subsidiary of your Company throughout the Financial Year 2020-21.

ii. Astec LifeSciences Limited:

A subsidiary of your Company throughout the Financial Year 2020-21, in which your Company holds 62.30% of the Equity Share Capital as on March 31, 2021.

iii. Behram Chemicals Private Limited:

A subsidiary of Astec LifeSciences Limited throughout the Financial Year 2020-21, in which Astec LifeSciences Limited holds 65.63% as on March 31, 2021.

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

A wholly-owned subsidiary of Astec LifeSciences Limited throughout the Financial Year 2020-21.

v. Astec Europe Spri (Belgium, Europe):

A subsidiary of Astec LifeSciences Limited upto August 31, 2020, in which Astec LifeSciences Limited was holding 50.10%.

vi. Creamline Dairy Products Limited:

A subsidiary of your Company throughout the Financial Year 2020-21, in which your Company holds 51.91% as on March 31, 2021.

Creamline Dairy Products Limited is an Unlisted Material Subsidiary of your Company as on March 31, 2021, as per Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vii. Godrej Tyson Foods Limited:

A subsidiary of your Company throughout the Financial Year 2020-21, in which your Company holds 51.00% as on March 31, 2021.

viii. Godrej Maxximilk Private Limited:

A subsidiary of your Company throughout the Financial Year 2020-21, in which your Company holds 74.90% as on March 31, 2021.

During the year under review, on July 1, 2020, your Company acquired additional 0.90% of the Paid-up Equity Share Capital of Godrej Maxximilk Private Limited, increasing its equity shareholding from 74.00 % to 74.90%.

15. JOINT VENTURE COMPANY:

ACI Godrej Agrovet Private Limited, Bangladesh

Your Company holds 50% of the Paid-up Equity Share Capital in ACI Godrej Agrovet Private Limited ("ACIGAVPL") (a body corporate incorporated in and under the laws of Bangladesh), while the remaining 50% of the Paid-up Equity Share Capital in ACIGAVPL is held by Advanced Chemical Industries (ACI) Limited, Bangladesh, pursuant to a Joint Venture arrangement.

16. ASSOCIATE COMPANIES:

Al Rahba International Trading LLC, Abu Dhabi, United Arab Emirates (UAE)

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

17. SCHEME OF AMALGAMATION / ARRANGEMENT:

During the Financial Year 2020-21, your Company has not proposed or considered or approved any Scheme of Merger / Amalgamation / Takeover / Demerger or Arrangement with its Members and/or Creditors.

18. DISCLOSURES AS PER THE COMPANIES (ACCOUNTS) RULES, 2014:

Sr. No.	Particulars	Remarks
1.	Change in Nature of Business, if any	None
2.	Details of Directors / Key Managerial Personnel (KMP) who were appointed or have resigned during the Financial Year 2020-21	
	Sr. No.	Name of Director
		Date of Appointment/ Resignation
	a)	Mr. Vijay M. Crishna
		Mr. Vijay M. Crishna ceased to be a Director (Non-Executive & Non-Independent) of the Company with effect from March 8, 2020, due to attainment of age of 75 years, pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
		Mr. Vijay M. Crishna was appointed as an "Additional Director" (Non-Executive & Non-Independent Director) by the Board of Directors of the Company at its Meeting held on May 11, 2020.
		The Shareholders of the Company at their 29 th Annual General Meeting held on July 31, 2020, appointed Mr. Vijay M. Crishna as a "Non-Executive & Non-Independent Director" of the Company by passing a Special Resolution under Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
	b)	Mr. Kavas N. Petigara
		Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent) of the Company with effect from April 1, 2021 on account of his resignation due to personal reasons.
3.	Names of Companies which have become or have ceased to be Subsidiaries, Joint Ventures or Associate Companies during the Financial Year 2020-21.	During the Financial Year 2020-21, Astec Europe Sprl (Belgium, Europe) ceased to be a step-down subsidiary of your Company with effect from September 1, 2020 due to sale of equity stake by Astec LifeSciences Limited in Astec Europe Sprl on August 31, 2020.
4.	Details of Deposits covered under Chapter V of the Companies Act, 2013	Accepted during the year: Nil Remained unpaid or unclaimed during the year: Nil Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved: a. At the beginning of the year: Nil b. Maximum during the year: Nil c. At the end of the year: Nil Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013: None
5.	Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals, impacting the going concern status and the Company's operations in future.	During the Financial Year 2020-21, no significant and material orders have been passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
6.	Details in respect of Adequacy of Internal Financial Controls with reference to the Financial Statement.	In the opinion of the Board of Directors, adequate internal control checks are available with reference to the Financial Statements.

Sr. No.	Particulars	Remarks
7.	The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year along with their status as at the end of the Financial Year.	During the Financial Year 2020-21, there was no application made and proceeding initiated / pending by any Financial and/or Operational Creditors against your Company under the Insolvency and Bankruptcy Code, 2016. As on the date of this Report, there is no application or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.
8.	The details of difference between the amount of valuation at the time of One-time settlement and the valuation done at the time of taking a loan from the Banks or Financial Institutions along with the reasons thereof.	During the Financial Year 2020-21, the Company has not made any settlement with its Bankers for any loan/facility availed and/or still in existence.

19. ANNUAL RETURN:

Pursuant to the Companies (Management and Administration) Amendment Rules, 2020, a Company is not required to attach the Extract of the Annual Return with the Directors' Report in Form No. MGT-9, in case the web link of such Annual Return has been disclosed in the Board's Report in accordance with Section 92(3) of the Companies Act, 2013.

A copy of the Annual Return is placed on the website of your Company at <https://www.godrejagrovet.com/investors/annual-reports>.

20. DIRECTORS:

The Board of Directors of your Company comprised of the following Directors, as on March 31, 2021:

1.	Mr. Nadir. B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Mr. Jamshyd N. Godrej (#)	(Non-Executive Director & Non-Independent Director)
3.	Mr. Vijay M. Crishna (*)	(Non-Executive Director & Non-Independent Director)
4.	Ms. Tanya A. Dubash	(Non-Executive Director & Non-Independent Director)
5.	Ms. Nisaba Godrej	(Non-Executive Director & Non-Independent Director)
6.	Mr. Pirojsha Godrej (#)	(Non-Executive Director & Non-Independent Director)
7.	Mr. Balram S. Yadav	(Managing Director)
8.	Mr. Kavas N. Petigara (^)	(Independent Director)
9.	Dr. Raghunath A. Mashelkar	(Independent Director)
10.	Dr. Ritu Anand	(Independent Director)
11.	Ms. Aditi Kothari Desai	(Independent Director)
12.	Ms. Roopa Purushothaman	(Independent Director)
13.	Mr. Natarajan Srinivasan	(Independent Director)
14.	Mr. Kannan Sitaram	(Independent Director)

(*) The Board of Directors, at its Meeting held on May 11, 2020, approved the appointment of Mr. Vijay M. Crishna as an "Additional Director" of the Company, and the Shareholders, at their 29th Annual General Meeting of the Company held on July 31, 2020, approved the appointment of Mr. Vijay M. Crishna as a "Non-Executive, Non-Independent Director" by passing a Special Resolution, pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(^) Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021 on account of his resignation due to personal reasons.

(#) Mr. Jamshyd N. Godrej (DIN: 00076250) and Mr. Pirojsha Godrej (DIN: 00432983), Non-Executive & Non-Independent Directors of the Company will retire by rotation at the ensuing 30th (Thirtieth) Annual General Meeting ("AGM") of the Company, in accordance with the provisions of the Section 152 of Companies Act, 2013 and being eligible, offer themselves for re-appointment.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 7, 2021, has appointed Dr. Ashok Gulati as an "Additional Director" (Non-Executive & Independent Director) of the Company, subject to the approval of the Shareholders at the ensuing 30th AGM.

21. KEY MANAGERIAL PERSONNEL:

The following are the Key Managerial Personnel (KMP) of your Company pursuant to the provisions of Section 203 of the Companies Act, 2013, throughout the Financial Year 2020-21:-

1.	Mr. Balram S. Yadav	(Managing Director)
2.	Mr. S. Varadaraj	(Chief Financial Officer & Head - Legal & IT)
3.	Mr. Vivek Raizada	(Head – Legal & Company Secretary & Compliance Officer)

22. POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS:

In order to ensure compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions, the Nomination and Remuneration Committee of the Board of the Directors of your Company has formulated a Nomination and Remuneration Policy.

The Nomination and Remuneration Policy of your Company has been made available on website of the Company at the weblink <https://www.godrejagrovet.com/sustainability/codes-and-policies>.

The criteria for determining qualifications, positive attributes and independence of Directors is given in “**ANNEXURE - ‘B’**” to this Board’s Report.

23. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

As on March 31, 2021, the following Directors on your Company’s Board were Independent Directors:

1. Mr. Kavas N. Petigara*
2. Dr. Raghunath A. Mashelkar
3. Dr. Ritu Anand
4. Ms. Aditi Kothari Desai
5. Ms. Roopa Purushothaman
6. Mr. Natarajan Srinivasan
7. Mr. Kannan Sitaram

* Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021 on account of his resignation due to personal reasons.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 7, 2021, has appointed Dr. Ashok Gulati as an “Additional Director” (Non-Executive & Independent) of the Company, subject to the approval of the Shareholders at the ensuing 30th Annual General Meeting.

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / confirmation of independence from all the Independent Directors of your Company (except Mr. Kavas

N. Petigara who ceased to be an Independent Director of the Company with effect from April 1, 2021), pursuant to Section 149(6) of the Companies Act, 2013, as amended from time to time and after undertaking due assessment of the veracity of the same, the Board is of the opinion that the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The Certificates of Independence received from all the Independent Directors have been duly noted by the Board at its Meeting held on May 7, 2021.

All the Independent Directors of your Company are registered with the Indian Institute of Corporate Affairs, Manesar (“IICA”) and have their name included in the ‘Independent Directors Data Bank’ maintained by the IICA.

The details of familiarization programme attended by the Independent Directors during the Financial Year 2020-21 are available on the website of the Company at the weblink <https://www.godrejagrovet.com/investors/compliance>.

24. STATEMENT OF THE BOARD OF DIRECTORS WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS APPOINTED DURING THE FINANCIAL YEAR 2020-21:

During the Financial Year 2020-21, no new Independent Director was appointed and/or re-appointed in your Company.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 7, 2021, has appointed Dr. Ashok Gulati as an “Additional Director” (Non-Executive & Independent Director) of the Company, subject to the approval of the Shareholders at the ensuing 30th Annual General Meeting.

In the opinion of the Board of Directors of your Company, all the Independent Directors (including Dr. Ashok Gulati) possess the requisite integrity, expertise and experience.

25. MEETINGS OF THE BOARD OF DIRECTORS:

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

There were 5 (Five) Meetings of the Board of Directors held during the Financial Year 2020-21 (i.e., May 11, 2020, July 31, 2020, September 28, 2020, November 4, 2020 and February 4, 2021).

The maximum gap between any two consecutive Board Meetings did not exceed 120 (One Hundred and Twenty) days.

26. AUDIT COMMITTEE:

Pursuant to the provisions of Section 177(1) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & Its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted an Audit Committee of the Board of Directors.

The Audit Committee comprised of the following Members as on March 31, 2021:-

1.	Mr. Kavas N. Petigara (*)	(Chairman, Non-Executive & Independent Director)
2.	Dr. Ritu Anand	(Member, Non-Executive & Independent Director)
3.	Ms. Aditi Kothari Desai	(Member, Non-Executive & Independent Director)
4.	Mr. Balram S. Yadav	(Member, Managing Director)

(*) Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021.

Mr. Natarajan Srinivasan, Non-Executive & Independent Director has been inducted as the Chairman of the Audit Committee with effect from April 23, 2021.

There were 5 (Five) Meetings of the Audit Committee of the Board of Directors held during the Financial Year 2020-21, (i.e., on May 11, 2020, July 31, 2020, September 28, 2020, November 4, 2020 and February 4, 2021).

The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the Audit Committee Meetings as Invitees. The Company Secretary and Compliance Officer acts as Secretary to the Audit Committee.

During the Financial Year 2020-21, the Audit Committee has made observations and recommendations to the Board of Directors, which have been noted and accepted by the Board. There were no instances where the recommendations were not accepted.

27. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & Its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Nomination and Remuneration Committee of the Board of Directors.

The Nomination and Remuneration Committee comprises of the following Members as on March 31, 2021:-

1.	Dr. Ritu Anand	(Chairperson, Non-Executive & Independent Director)
2.	Ms. Roopa Purushothaman	(Member, Non-Executive & Independent Director)
3.	Ms. Nisaba Godrej	(Member, Non-Executive & Non-Independent Director)

There was 1 (One) Meeting of the Nomination and Remuneration Committee held during the Financial Year 2020-21 (i.e., on May 11, 2020).

28. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors, comprising of the following Members as on March 31, 2021:-

1.	Mr. Nadir B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Mr. Balram S. Yadav	(Member, Managing Director)
3.	Mr. Natarajan Srinivasan	(Member, Non-Executive & Independent Director)

There was 1 (One) Meeting of the Stakeholders' Relationship Committee held during the Financial Year 2020-21 (i.e., on November 4, 2020).

29. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE & CSR POLICY:

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

The CSR Committee comprises of the following Members as on March 31, 2021:-

1.	Dr. Raghunath A. Mashelkar	(Chairman, Non-Executive & Independent Director)
2.	Mr. Nadir B. Godrej	(Member, Non-Executive & Non-Independent Director)
3.	Mr. Balram S. Yadav	(Member, Managing Director)
4.	Ms. Roopa Purushothaman	(Member, Non-Executive & Independent Director)

There were 2 (Two) Meetings of the CSR Committee held during the Financial Year 2020-21 (i.e., on May 11, 2020 and November 4, 2020).

Areas of CSR Expenditure:

Your Company is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. Your Company's strategic Corporate Social Responsibility (CSR) Projects, undertaken as part of its overall sustainability framework, actively work towards the Godrej Group's Good & Green goals and have helped the Company carve out a reputation for being one of the most committed and responsible companies in the industry.

The CSR Policy of your Company is available on the website of the Company at the weblink <https://www.godrejagrovet.com/sustainability/codes-and-policies>.

Amount of CSR Spending:

During the Financial Year 2020-21, your Company was required to spend ₹ 6.22 Crore towards CSR activities in terms of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, the Company's CSR spending for the Financial Year 2020-21 was ₹ 6.28 Crore.

Annual Report on CSR Activities:

The Annual Report on CSR Activities of your Company for the Financial Year 2020-21, is annexed herewith as "**Annexure –C**".

Your Company has amended the CSR Policy with effect from April 1, 2021, at the respective Meetings of the CSR Committee and the Board of Directors held on May 7, 2021, in accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, notified by the Ministry of Corporate Affairs (MCA) on January 22, 2021.

30. RISK MANAGEMENT COMMITTEE:

Pursuant to Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Risk Management Committee of the Board of Directors, comprising of the following Members, as on March 31, 2021:-

1.	Mr. Nadir B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Mr. Balram S. Yadav	(Member, Managing Director)
3.	Mr. Natarajan Srinivasan	(Member, Non-Executive & Independent Director)

There was 1 (One) Meeting of the Risk Management Committee held during the Financial Year 2020-21 (i.e., on February 4, 2021).

The Company has developed and implemented a Risk Management Policy and in the opinion of the Board of Directors, no risks have been identified which may threaten the existence of your Company.

Your Company continuously monitors business and operational risks. All key functions and divisions are independently responsible to monitor risks associated within their respective areas of operations such as production, insurance, legal and other issues like health, safety and environment.

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

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

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

31. MANAGING COMMITTEE:

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

The Managing Committee comprises of the following Members as on March 31, 2021:

1.	Mr. Nadir B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Ms. Nisaba Godrej	(Member, Non-Executive & Non-Independent Director)
3.	Mr. Pirojsha Godrej	(Member, Non-Executive & Non-Independent Director)
4.	Mr. Balram S. Yadav	(Member, Managing Director)

The Managing Committee met 7 (Seven) times during the Financial Year 2020-21, (i.e., on May 11, 2020, May 22, 2020, September 10, 2020, November 4, 2020, December 10, 2020, January 27, 2021 and February 4, 2021).

32. STRATEGY COMMITTEE:

Your Company had constituted a Strategy Committee of the Board of Directors, comprising of the following Members, as on March 31, 2021:

1.	Mr. Nadir B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Mr. Kavay N. Petigara*	(Member, Non-Executive & Independent Director)
3.	Mr. Balram S. Yadav	(Member, Managing Director)

* Mr. Kavay N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021.

The Strategy Committee did not meet during the Financial Year 2020-21, as there was no substantial matter for their consideration.

The Board of Directors, at its Meeting held on May 7, 2021, has dissolved the Strategy Committee with immediate effect.

33. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors met once during the Financial Year 2020-21, i.e., on May 11, 2020, pursuant to Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013.

The discussion at the Meeting of the Independent Directors was conducted without the presence of the Chairman, Managing Director, Non-Executive Directors, Chief Financial Officer and the Company Secretary & Compliance Officer of the Company.

34. VIGIL MECHANISM:

Your Company has adopted a Whistle Blower Policy ("the Policy") as a part of its vigil mechanism. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/or any unethical practices in the organization without the knowledge of the Management. All employees shall be protected from any adverse action for reporting any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation.

This Policy is also applicable to your Company's Directors and employees and it is available on the internal employee portal and the website of your Company www.godrejagrovet.com. Mr. V. Swaminathan, Head - Corporate Audit & Assurance, has been appointed as the 'Whistle Blowing Officer' and his contact details have been mentioned in the Policy. Furthermore, employees are also free to communicate their complaints directly to the Chairman of the Audit Committee, as stated in the Policy.

To support its people to overcome their ethical dilemmas and raise an ethical concern freely "Speak-up" was launched in Godrej. It is a platform for Godrej employees, business associates, agents, vendors, distributors and consultants to easily raise their ethical concerns in any of the following ways:

- Log on to the web portal
- Dial the hotline number
- Write to the ethics e-mail id
- Reach out to the Whistle Blowing Officer.

While raising a concern, the person can choose to remain anonymous. "Speak-up" ensures to maintain confidentiality for genuine concerns.

The Audit Committee reviews reports made under this Policy and implements corrective actions, wherever necessary.

35. PERFORMANCE EVALUATION:

The Board of Directors of your Company has carried out an Annual Performance Evaluation of its own, the Directors individually as well as the evaluation of the working of its Committees. The performance evaluation of the Board as a whole, the Chairman and Non-Independent Directors was carried out by the Independent Directors.

A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The confidential online questionnaire was responded to by the Directors and vital feedback was received from them on how the Board currently operates and how it can enhance its effectiveness.

The Board of Directors has expressed its satisfaction with the evaluation process.

36. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE & INTERNAL COMPLAINTS COMMITTEE:

Your Company is committed to create and maintain an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation.

The Board of Directors of your Company has constituted Internal Complaints Committees (ICCs) at Head Office as well as regional levels, in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The ICC at the Head Office level comprised of the following Members as on March 31, 2021:

1.	Ms. Chhavi Agarwal	(Chairperson)
2.	Mr. S. Varadaraj	(Member)
3.	Mr. Salil Chinchore	(Member)
4.	Ms. Apurva Rao	(Member)
5.	Ms. Sharmila Kher	(External Member)

The Company has formulated and circulated to all the employees, a Policy on Prevention of Sexual Harassment at Workplace ("POSH Policy"), which provides for a proper mechanism for redressal of complaints of sexual harassment.

The Company has received and disposed 2 (Two) cases under the POSH Policy during the Financial Year 2020-21.

37. SIGNIFICANT REGULATORY OR COURT ORDERS:

During the Financial Year 2020-21, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

38. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees and investments by your Company under the aforesaid provisions during the Financial Year 2020-21, have been provided in the Notes to the Standalone Financial Statement.

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

Except as disclosed below, all Related Party Transactions entered into by your Company during the Financial Year 2020-21 were on arm's length basis and in the ordinary course of business. There were no material significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Requisite prior approvals of the Audit Committee of the Board of Directors were obtained for Related Party Transactions. Therefore, disclosure of Related Party Transactions in Form AOC-2 as per the provisions of Sections 134(3)(h) and 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. Attention of Shareholders is also drawn to the disclosure of transactions with related parties set out in Note No. 54 of the Standalone Financial Statements, forming part of the Annual Report. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

During the Financial Year 2020-21, the Company has entered into a transaction with Godrej Properties Limited ("GPL"), a

Related Party, for sale of a land/s admeasuring 17 Acres and 16 Guntas (approx.) situated at Tiruvarama Village, Bagur Village, Anugondanahalli, Hobli, Hoskote Taluka, Bangalore Rural District, Karnataka, for an aggregate consideration of ₹ 15.32 Crore (Rupees Fifteen Crore and Thirty Two Lakh Only).

The aforementioned transaction was not in ordinary course of business of the Company, however, was entered at an arm's length price.

40. FRAUD REPORTING:

During the Financial Year 2020-21, there have been no instances of frauds reported by the Auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

41. INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS:

Your Company is committed to constantly improving the effectiveness of internal financial controls and processes for efficient conduct of its business operations and ensuring security to its assets and timely preparation of reliable financial information. In the opinion of the Board of Directors, the internal financial control system of your Company is commensurate with the size, scale and complexity of business operations of your Company.

Further, the internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors and were operating effectively during the Financial Year 2020-21.

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

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

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

There were 5 (Five) Meetings of the Audit Committee of the Board of Directors held during the Financial Year 2020-21, with at least 1 (One) meeting in each quarter. The Statutory Auditors and the Internal Auditors were, *inter alia*, invited to attend the Audit Committee Meetings and present their observations on adequacy of Internal Financial Controls and the steps required to bridge gaps, if any. The Board of Directors noted the observations and accepted the recommendations of the Audit Committee.

42. DISCLOSURES OF TRANSACTIONS OF THE COMPANY WITH ANY PERSON OR ENTITY BELONGING TO THE PROMOTER / PROMOTER GROUP:

Transactions with persons or entities belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company as required under Schedule V Part A (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, have been disclosed in the accompanying Financial Statements.

43. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a) in the preparation of the Annual Financial Statements for the Financial Year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., March 31, 2021) and of the profit and loss of the Company for that period (i.e., the Financial Year 2020-21);
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual Financial Statements on a going concern basis;
- e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

44. CORPORATE GOVERNANCE:

As required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a detailed report on Corporate Governance forms part of this Annual Report.

M/s. BNP & Associates, Company Secretaries have certified the Company's compliance requirements of Corporate Governance in terms of Regulation 34 of the SEBI Listing Regulations and their Compliance Certificate is annexed to the Report on Corporate Governance.

45. STATUTORY AUDITORS:

B S R & Co. LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) have been appointed as the Statutory Auditors of the Company at the 26th (Twenty-Sixth) Annual General Meeting ("AGM") of the Shareholders of the Company held on August 4, 2017, pursuant to Sections 139 to 144 of the Companies Act, 2013 and Rules 3 to 6 of the Companies (Audit and Auditors) Rules, 2014, for a term of 5 (Five) years, to hold office from the conclusion of the 26th (Twenty-Sixth) AGM, till the conclusion of the 31st (Thirty-First) AGM.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors was withdrawn from Companies Act, 2013. However, the Members of the Company at the 27th (Twenty-Seventh) AGM held on August 9, 2018, had approved ratification of appointment of B S R & Co. LLP as the Statutory Auditors of the Company for the remaining period, i.e., from the conclusion of the 27th (Twenty-Seventh) AGM, till the conclusion of the 31st (Thirty-First) AGM. Therefore, the approval of the Members for continuance of their appointment at this AGM is not being sought.

The Statutory Auditors' Report on the Financial Statements for the Financial Year ended March 31, 2021, does not contain any qualification, reservation, adverse remark or disclaimer.

46. COST RECORDS AND COST AUDITORS:

M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 00012) have been appointed by the Board of Directors at its Meeting held on May 7, 2021, as the Cost Auditors of the Company for all the applicable products, pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year 2021-22. The Shareholders are requested to ratify the remuneration payable to the Cost Auditors at their ensuing 30th Annual General Meeting, in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

The Company has made and maintained cost accounts and records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year 2020-21.

47. SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:

The Board of Directors of your Company, at its Meeting held on May 7, 2021, has appointed M/s. BNP & Associates, Company Secretaries (Firm Registration No.: P2014MH037400), who have provided their consent and confirmed their eligibility to act as the Secretarial Auditors of the Company to conduct the Secretarial Audit for the Financial Year 2021-22, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report submitted by the Secretarial Auditors for the Financial Year 2020-21 is annexed as "**ANNEXURE – 'D'**" to this Board's Report.

Further, pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations"), Creamline Dairy Products Limited ("CDPL") is an Unlisted Material Subsidiary of your Company and the Secretarial Audit Report submitted by the Secretarial Auditors of CDPL is also annexed as "**ANNEXURE – 'E'**" to this Board's Report.

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

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their Statutory Audit Report on the Financial Statements for the Financial Year 2020-21.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year 2020-21.

49. LISTING FEES:

Your Company has paid requisite Annual Listing Fees to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) where its securities are listed.

50. DEPOSITORY SYSTEM:

Your Company's Equity Shares are available for dematerialization through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

51. RESEARCH AND DEVELOPMENT (R&D):

Your Company continues to focus on R&D initiatives and strongly believes that productive R&D is a key ingredient for success.

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

The information in respect of matters pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report is given in the "**ANNEXURE – 'F'**" to this Directors' Report.

53. POLICIES OF THE COMPANY:

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") have mandated the formulation of certain policies for all listed companies. All the Policies and Codes adopted by your Company, from time to time, are available on the Company's website at the weblink: <https://www.godrejagrovet.com/sustainability/codes-and-policies>.

The key policies that have been adopted by your Company pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, the SEBI Listing Regulations and other applicable laws, are as follows:

Sr. No.	Name of the Policy	Brief Particulars of the Policy
1.	Risk Management Policy	The Company has in place, a Risk Management Policy which is framed by the Board of Directors of the Company. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, property, regulatory, reputational, cyber security and other risks and the Company has in place an adequate risk management infrastructure capable of addressing these risks. The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.
2.	Corporate Social Responsibility Policy	The Corporate Social Responsibility Committee has formulated and recommended to the Board of Directors, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company in fulfilment of its Corporate Social Responsibility, which has been approved by the Board. This Policy outlines the Company's strategy to bring about a positive impact on society through activities and programmes relating to education, sanitation, environment, etc.
3.	Policy for determining Material Subsidiaries	This Policy is used to determine the material subsidiaries and material unlisted Indian subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time. As on March 31, 2021, Creamline Dairy Products Limited is a material unlisted subsidiary of your Company.
4.	Nomination and Remuneration Policy	This Policy formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director (Executive / Non-Executive / Independent) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management Employees.
5.	Policy to promote Board Diversity	This Policy endeavours to promote diversity at Board level, with a view to enhance its effectiveness.
6.	Whistle Blower Policy / Vigil Mechanism	Your Company has a Vigil Mechanism/ Whistle Blower Policy. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/or any unethical practices in the organization. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.
7.	Human Rights Policy	Your Company has in place, a Human Rights Policy which demonstrates the Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business.
8.	Policy on Prevention of Sexual Harassment at Workplace	Your Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.
9.	Policy on Related Party Transactions	This Policy regulates all transactions between the Company and its Related Parties.
10.	Code of Conduct for the Board of Directors and Senior Management Personnel	Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which your Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the Code as mentioned hereinabove during the Financial Year 2020-21.
11.	Code of Conduct for Prevention of Insider Trading	This Policy sets up an appropriate mechanism to curb Insider Trading in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
12.	Policy on Criteria for determining Materiality of Events	This Policy applies to disclosures of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Sr. No.	Name of the Policy	Brief Particulars of the Policy
13.	Policy for Maintenance and Preservation of Documents	The purpose of this Policy is to specify the type of documents and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
14.	Archival Policy	This Policy is framed pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation"). As per this Policy, your Company is required to disclose on its website, all such events or information which have been disclosed to the Stock Exchanges under Regulation 30 of the SEBI Listing Regulations, where the securities of the Company are listed. Further, such disclosures shall be hosted on the website of the Company for a minimum period of 5 (Five) years and thereafter as per Archival Policy of the Company.
15.	Dividend Distribution Policy	This Policy is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The focus of the Company is to have a Policy on distribution of dividend so that the investor may know as to when and how much dividend they may expect.
16.	Policy for Inquiry in case of Leak of Unpublished Price Sensitive Information ("UPSI")	This Policy is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The focus of the Company is to have a Policy in place to strengthen the Internal Control System and prevent leak of UPSI. This Policy also aims to have a uniform Code to curb unethical practices of sharing UPSI by insiders, employees and designated persons with any other person without a legitimate purpose.
17.	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI")	The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

54. SECRETARIAL STANDARDS:

Your Company is in compliances with the Secretarial Standards on Meetings of the Board of Directors (SS-1), Secretarial Standards on General Meetings (SS-2), as issued by the Institute of Company Secretaries of India (ICSI).

55. BUSINESS RESPONSIBILITY REPORT:

The Company has prepared its Business Responsibility Report for the Financial Year 2020-21, in accordance with of Regulation 34 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015 issued by the Securities and Exchange Board of India (SEBI), to describe the initiatives taken by the Company from an environmental, social and governance perspective. The said Report is prepared in accordance with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) notified by the Ministry of Corporate Affairs (MCA), Government of India, in July 2011 and forms part of this Annual Report.

56. MANAGERIAL REMUNERATION:

The remuneration paid to the Directors and Key Managerial Personnel of the Company during the Financial Year 2020-21 was in accordance with the Nomination and Remuneration Policy of the Company.

The disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been given as "**ANNEXURE-G**" to this Board's Report.

57. PARTICULARS OF EMPLOYEES:

The disclosure as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of your Company, is available for inspection by the Shareholders upto the date of the ensuing 30th (Thirtieth) Annual General Meeting. If any Shareholder is interested in inspecting the records thereof, such Shareholder may write to the Company Secretary & Compliance Officer at gavl.secretarial@godrejagrovet.com.

However, as per the provisions of Section 136 of the Companies Act, 2013, the Annual Report is being sent to the Shareholders, excluding the disclosure as mentioned above.

58. ADDITIONAL INFORMATION:

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

The Consolidated Financial Statements of your Company form part of this Annual Report. Accordingly, this Annual Report of your Company does not contain the Financial Statements of its Subsidiaries.

The Audited Annual Financial Statements and related information of the Company's subsidiaries will be made available upon request. These documents will also be

available for inspection. If any Shareholder is interested in inspecting the records thereof, such Shareholder may write to the Company Secretary & Compliance Officer at gavl.secretarial@godrejagrovvet.com.

The Subsidiary Companies' Audited Financial Statements are also available on the Company's website www.godrejagrovvet.com, pursuant to Section 136 of the Companies Act, 2013.

59. INVESTOR EDUCATION AND PROTECTION FUND ("IEPF"):

Pursuant to Section 125 and other applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, upon completion of 7 (Seven) years. Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for 7 (Seven) consecutive years or more are also required to be transferred to the demat account created by the IEPF Authority.

Your Company does not have any unpaid or unclaimed dividend or shares relating thereto which is required to be transferred to the IEPF till the date of this Report.

60. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the Financial Year 2020-21, as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

61. CAUTIONARY STATEMENT:

Statements in the Board's Report and the Management Discussion and Analysis Report describing the Company's objectives, projections, expectations, estimates or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied therein due to risks and uncertainties. Important factors that could influence the Company's operations, *inter alia*, include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

62. APPRECIATION:

Your Directors wish to place on record sincere appreciation for the support and co-operation received from various Central and State Government Departments, organizations and agencies.

Your Directors also gratefully acknowledge all stakeholders of your Company, viz., Shareholders, customers, dealers, vendors, bankers and other business partners for excellent support received from them during the Financial Year under review.

Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the growth of your Company.

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

Date: May 7, 2021
Place: Mumbai

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

ANNEXURE 'A' TO THE DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

[(In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

1. OBJECTIVE:

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") read with Notification dated July 8, 2016 issued by the Securities and Exchange Board of India, which requires top one thousand listed companies (based on market capitalization at the end of each financial year) to formulate a Dividend Distribution Policy and to disclose the same in their Annual Report and on their Corporate Website.

The Board of Directors of Godrej Agrovet Limited ("the Company" / "GAVL") being one of the top one thousand listed companies as per the market capitalization as on the last day of the immediately preceding Financial Year, frames this policy to comply with the requirements of the Regulations.

The Company proposes to adopt a Dividend Distribution Policy that balances the dual objectives:

- a) Appropriate reward to Shareholders through dividends; and
- b) Ploughing back earnings to support sustained growth.

2. BACKGROUND:

Dividend is the payment made by a Company to its Shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business for acquisitions, expansion or diversification or it can be distributed to the Shareholders. The Company may choose to retain a part of its profits and distribute the balance among its Shareholders as dividend. This Policy aims to reconcile between all these needs.

The Company recognizes the need to lay down a broad framework for considering decisions by the Board of Directors, with regard to distribution of dividend to its Shareholders and/or retaining or ploughing back of its profits. Declaration of dividend is one of the key financial decisions of the Company, forming part of the overall strategy for efficient allocation of capital as well as increasing shareholder's wealth. The Company shall post this policy on the website of the Company (www.godrejagrov.com).

3. DIVIDEND DISTRIBUTION PHILOSOPHY:

The Company is deeply committed to driving superior value creation for all its Stakeholders and aims to maximize the Shareholders' wealth in the Company through various means. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium-term and longer-term value creation. Accordingly, the Board of Directors would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

4. LEGAL PROVISIONS REGARDING PAYMENT OF DIVIDEND:

The recommendation, declaration and payment of dividend by the Company is subject to the provisions of Sections 123 and 134(3) of the Companies Act, 2013 ("the Act") read with the Companies (Declaration and Payment of Dividend) Rules, 2014 ("the Rules") and Regulations 12, 29, 42, and 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE LISTED ENTITIES MAY OR MAY NOT EXPECT DIVIDEND:

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any Financial Year.

The Dividend for any Financial Year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board of Directors may also declare dividend out of accumulated profits of any previous Financial Year(s) in accordance with provisions of the Act and Regulations, as applicable.

Notwithstanding the above, the Shareholders of the Company may not expect Dividend under the following circumstances:

- a) Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- b) Significantly higher working capital requirements adversely impacting free cash flow;
- c) Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- d) In the event of inadequacy of profit or whenever the Company has incurred losses;
- e) Whenever it proposes to utilize surplus cash for buy-back of securities; or
- f) In the event of inadequacy of profits or whenever the Company has incurred losses.

6. FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND:

➤ FINANCIAL PARAMETERS / INTERNAL FACTORS:

- Distributable surplus available as per the Act and Regulations;
- Consolidated Net Operating Profit After Tax;
- The Company's liquidity position and future cash flow needs;
- Track record of Dividends distributed by the Company;
- Payout ratios of comparable companies;
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution;
- Capital expenditure requirements considering the expansion and acquisition opportunities;
- Cost and availability of alternative sources of financing;
- Resources required to fund acquisitions and / or new businesses;
- Stipulations/ Covenants of loan agreements;
- Cash flow required to meet contingencies;

- Macro-economic and business conditions in general;
- Any other relevant factors that the Board of Directors may deem fit to consider before declaring Dividend.

In the event of inadequacy of profits, the Board may decide not to declare dividend for that Financial Year or declare dividend out of Free Reserves, subject to the compliance of the Act, Rules and Listing Regulations.

➤ **EXTERNAL FACTORS:**

The Board of Directors of the Company would consider the prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws, if any, before declaring or recommending dividend to the Shareholders.

7. UTILISATION OF RETAINED EARNINGS:

The Company firmly believes that consistent growth will maximize Shareholders value. Thus, the Company will endeavor to utilize retained earnings, for the following purposes, subject to applicable regulations:

- Funding inorganic and organic growth needs including Working Capital, Capital expenditure, repayment of debt, etc.;
- Buyback of Shares subject to applicable laws and limits;
- Payment of Dividend in future years;
- Issue of Bonus shares;
- Any other permissible purpose.

8. PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES:

The Company presently has only 1 (One) class of shares, i.e. Equity Shares. Hence, the parameters which are required to be adopted for various classes of shares do not apply to the Company. This Policy is subject to review if and when the Company issues different classes of Shares.

9. MANNER OF DIVIDEND PAYOUT:

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the Shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the Stock Exchanges, as required by Listing Regulations.

A. In case of Final dividend, the following procedure shall be followed:

- The Board shall recommend dividend to the Shareholders, which shall be paid subject to approval of the Shareholders at Annual General Meetings of the Company.
- Dividends shall be paid only out of Current Profits or past profits after providing for depreciation and setting off losses, if any.
- The amount of the dividend shall be deposited in a scheduled bank in separate account within 5 (Five) days from the declaration of dividend.
- The payment of dividend shall be made within 30 (Thirty) days from the date of declaration at the Annual General Meeting, to the Shareholders entitled to receive the dividend on the record date as per the applicable law.

B. In case of Interim dividend the following procedure shall be followed:

- Interim dividend, if any, shall be declared by the Board.
- Before declaring Interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- In case no Final dividend is declared at the Annual General Meeting, Interim dividend will be considered as the Final dividend of the Company.

The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to any Dividend, if any, declared by the Company.

C. Payment mode:

Dividend shall be paid by cheque or warrant or in any electronic mode to the Shareholders entitled to the payment of the dividend. The Dividend shall be delivered to the Shareholders through Ordinary Post / Registered Post / Speed Post / Courier.

10. CONCLUSION:

The Company shall endeavor to maintain a consistency in dividend payout, every year. The focus of the Company is to declare a policy on distribution of dividend so that the investor may know as to when and how much dividend they may expect.

11. REVIEW AND AMENDMENT OF POLICY:

This policy will be reviewed by the Board of Directors of the Company as they deem necessary. Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors or its Committee (as may be authorized by the Board of Directors in this regard) shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board of Directors in this respect shall be final and binding. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

12. DISCLAIMER:

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's Equity Shares.

13. ADOPTION OF POLICY BY THE BOARD OF DIRECTORS:

This Policy has been adopted by the Board of Directors of the Company at its Meeting held on August 9, 2018.

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

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

Date: May 7, 2021
Place: Mumbai

ANNEXURE 'B' TO THE DIRECTORS' REPORT

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTORS OF GODREJ AGROVET LIMITED as at the Financial Year ended March 31, 2021

1. Qualifications of Independent Director:

An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of Finance, Law, Management, Sales, Marketing, Administration, Research, Corporate Governance, Technical Operations or other disciplines related to the Company's business.

2. Positive Attributes of Independent Directors:

An Independent Director shall be a person who shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising his duties;
- iii. exercise his responsibilities in a bona fide manner in the interest of the Company;
- iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making;
- vi. not abuse his position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage to any associated person;

- vii. refrain from any action that would lead to loss of his independence;
- viii. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- ix. assist the Company in implementing the best corporate governance practices.

3. Independence of Independent Directors:

An Independent Director should meet the criteria for independence prescribed under Section 149(6) of the Companies Act, 2013 (as may be amended from time to time) and Regulation 16 (1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

Date: May 7, 2021
Place: Mumbai

ANNEXURE - C TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

1. Brief Outline of CSR Policy of the Company:

At Godrej Agrovet Limited ("GAVL"), we are committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. Our strategic Corporate Social Responsibility (CSR) projects, undertaken as part of our overall sustainability framework, actively work towards the Godrej Group's Good & Green goals and have helped us carve out a reputation for being one of the most committed and responsible companies in the industry.

The key purpose of our CSR Policy is to:

- Define what CSR means to us and the approach adopted to achieve our Good & Green Goals;
- Identify broad areas of intervention in which we will undertake CSR projects;
- Define the kind of projects that will come under the ambit of CSR;
- Serve as a guiding document to help execute and monitor CSR projects;
- Elucidate criteria for implementation agencies;
- Explain the manner in which the surpluses from CSR projects will be treated.

Through our Good & Green CSR Policy, we align our CSR strategy with the Godrej Group's Good & Green vision and goals. The Policy focuses on addressing critical social, environmental and economic needs of the marginalised / underprivileged sections of the society. We adopt a shared value approach that helps solve these critical problems while strengthening our competitive advantage. The approach aligns our growth with social and environmental impact.

2. Composition of CSR Committee:

Sr. 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. Raghunath A. Mashelkar	Chairman – Independent Director	2	2
2.	Mr. Nadir B. Godrej	Member – Non-Executive Director	2	2
3.	Mr. Balram S. Yadav	Member – Managing Director	2	2
4.	Ms. Roopa Purushothaman	Member – Independent Director	2	2

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:

The information regarding composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company, viz: www.godrejagrovvet.com at the following web-links:-

<https://www.godrejagrovvet.com/investors/shareholder-information>

<https://www.godrejagrovvet.com/sustainability/csr;>

https://www.godrejagrovvet.com/public/pdfs/codes_policies/sustainability/Godrej_Agrovet_CSR_Policy.pdf

4. Details of Impact Assessment of CSR Projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not Applicable

5. Details of the amount available for set-off in pursuance of Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the Financial Year, if any:

Not Applicable

6. Average Net Profit of the Company as per Section 135(5): ₹ 310.80 Crore

7. (a) Two percent of Average Net Profit of the Company as per Section 135(5): ₹ 6.22 Crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: Not Applicable

(c) Amount required to be set off for the Financial Year, if any: Not Applicable

(d) Total CSR Obligation for the Financial Year (7a+7b-7c): ₹ 6.22 Crore

8. (a) CSR amount Spent or Unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
6.28			Not Applicable		

(b) Details of CSR amount spent against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. 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 (₹ in Crore)	Amount spent in the current Financial Year (₹ in Crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Crore).	Mode of Implementation - Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Integrated Rural Livelihoods Programme (IRLP)	Clauses (ii), (iii), (iv), (x)	Yes	Maharashtra, Arunachal Pradesh, Chhattisgarh, Bihar	Nashik, Ratnagiri, East Godavari, Raipur, Vaishali	3 Years	1.32	1.32	NA	Both	Direct Evangelical Social Action Forum Sampada Trust Parivartan Aga Khan Rural Support Programme (I) Ambuja Cement Foundation	CSR00002189 CSR00002888
2.	Digital Education through Education Cafes	Clauses (ii), (iii)	Yes	Maharashtra, Uttar Pradesh	Sangli, Chandauli	1 Year	0.32	0.32	NA	Yes	Direct	NA
3.	Sport for Change – Promoting physical and mental health development	Clauses (i), (iii), (vii)	Yes	Arunachal Pradesh, Punjab	Hanuman Junction, Kondapalli, Ludhiana, Khanna	1.5 Years	0.49	0.49	NA	Both	Direct Kooh Sports Foundation	CSR00003292
4.	Integrated Fishery & Poultry Enterprise Development	Clauses (i), (iii)	Yes	Uttar Pradesh	Badohi, Barabanki, Chandauli, Mirzapur	1.25 Years	0.52	0.52	NA	Both	Direct Society for Development Alternatives	CSR00000829
5.	Women-run Fishery Enterprise Development	Clauses (i), (iii)	Yes	Bihar	Patna	1 Year	0.09	0.09	NA	No	Satmile Satish Club O Pathagar	CSR00000303
6.	Integrated Watershed Management	Clauses (ii), (iv), (x)	No	Karnataka, Madhya Pradesh	Magadi, Barwani	4 Years	0.64	0.64	NA	Both	Direct AKRSP WoTR CEED WoTR	CSR00000518
7.	Program for socio-economic welfare	Clauses (i), (iii)	Yes	Maharashtra	Raigad, Pune	2 Years	0.27	0.27	NA	Yes	Direct Janvikas	CSR00002913
8.	Promotion of Innovation in Agriculture: Rural Development and Livelihood Enhancement	Clauses (iii), (iv)	Yes	Maharashtra, Gujarat	Nashik, Ratnagiri, Gadchiroli, Ahmednagar, Narmada, Panchmahal	2 years	0.11	0.11	NA	No	Gujarat Grassroots Innovation Augmentation Network	-
TOTAL							3.76	3.76				

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. 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 for the Project (₹ in Crore)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1.	COVID Relief Food Kits	Clauses (i), (xii)	Yes	Pan India	NA	0.69	Yes	NA	NA
2.	Afforestation Project	Clauses (ii), (iv), (x)	Yes	Maharashtra	Mumbai, Navi Mumbai	0.02	Yes	NA	NA
3.	PM CARES Fund	Clause (viii)	NA	Pan India	NA	0.38	Yes	NA	NA
4.	Promotion of Future Agriculture Leaders of India	Clauses (ii), (iv)	Yes	Maharashtra	Pune, Satara, Kolhapur, Ahmednagar, Raigad	0.50	Both	Direct Gandhi Research Foundation	CSR00004570
5.	Promotion of Education	Clause (ii)	Yes	Maharashtra	Mumbai, Baramati, Lote Parshuram, Miraj	0.30	Both	Direct Punyabhushan Foundation Yuva Unstoppable CII	CSR00004022
6.	Promotion of Arts and Culture	Clauses (iii), (v)	Yes	Maharashtra	Mumbai	0.10	No	National Centre for the Performing Arts	-
7.	Study on Mask Aerosol Sampling for Detection of COVID-19	Clause (ix)	Yes	Maharashtra	Mumbai	0.10	Yes	NA	NA
8.	Community Development Initiatives	Clauses (ii), (x)	Yes	Tamil Nadu, Maharashtra	Erode, Nashik	0.18	Yes	NA	NA
9.	Monitoring of CSR Projects	NA	NA	NA	NA	0.07	Yes	NA	NA
TOTAL						2.34			

(d) Amount Spent in Administrative Overheads: Not Applicable**(e) Amount Spent on Impact Assessment, if applicable:** ₹ 0.18 Crore*

* The Company has done a voluntary Impact Assessment study.

(f) Total Amount spent for the Financial Year (8b + 8c+ 8d + 8e): ₹ 6.28 Crore**(g) Excess Amount for set off, if any:**

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of Average Net Profit of the Company as per Section 135(5)	₹ 6.22 Crore
(ii)	Total Amount Spent for the Financial Year	₹ 6.28 Crore
(iii)	Excess Amount Spent for the Financial Year [(ii)-(i)]	₹ 0.06 Crore*
(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

* The Company does not wish to set off the amount available, i.e. ₹ 0.06 Crore in the succeeding Financial Years.

9. (a) Details of Unspent CSR amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in Crore)	Amount spent in the reporting Financial Year (₹ in Crore)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Crore)
				Name of the Fund	Amount (₹ in Crore)	Date of Transfer	
NA							

(b) Details of CSR Amount Spent in the Financial Year for Ongoing Projects of the Preceding Financial Year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (₹ in Crore) F.Y. 2020-21	Amount spent on the project in the reporting Financial Year (₹ in Crore)	Cumulative amount spent at the end of reporting Financial Year (₹ in Crore)	Status of the project - Completed / Ongoing
1	GAVL001	Integrated Rural Livelihoods Programme	2018-19	3 years	1.32	1.32	2.71	Ongoing
2	GAVL002	Integrated Watershed Management	2017-18	4 Years	0.64	0.64	0.94	Ongoing
3	GAVL004	Promotion of Innovation in Agriculture: Rural Development and Livelihood Enhancement	2019-20	2 years	0.12	0.12	0.56	Ongoing
TOTAL					2.08	2.08	4.21	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year:

- a) Date of creation or acquisition of the capital asset(s): Not Applicable
- b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5):

This is not applicable since the Company has spent the prescribed amount of CSR expenditure during the Financial Year 2020-21.

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

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

Sd/-
Dr. Raghunath A. Mashelkar
Chairman – CSR Committee &
Independent Director
DIN: 00074119

Sd/-
Balram S. Yadav
Member & Managing Director
DIN: 00294803

Place: Mumbai
Date: May 7, 2021

ANNEXURE - D TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2021

[Pursuant to Section 204 (1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Godrej Agrovet Limited,
Godrej One, 3rd Floor,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godrej Agrovet Limited – CIN: L15410MH1991PLC135359 (hereinafter called the 'Company') during the Financial Year from April 1, 2020 to March 31, 2021 ('the year' / 'audit period' / 'period under review').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) our **verification** of the books, papers, minute books, soft copy as provided by the Company and other records maintained by the Company and furnished to us, forms / returns filed and compliance related action taken by the Company during the Financial Year ended March 31, 2021 as well as before the issue of this Report;
- (ii) **Compliance Certificates** confirming compliance with all laws applicable to the Company given by Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by Audit Committee / Board of Directors; and
- (iii) **Representations** made, documents shown, and information provided by the Company, its Officers, Agents, and Authorized Representatives during our conduct of Secretarial Audit.

We hereby report that in our opinion, during the audit period covering the Financial Year ended on March 31, 2021 the Company has:

- (i) complied with the statutory provisions listed hereunder, and
- (ii) Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The Members are requested to read this Report, along with our letter of even date annexed to this Report as **Annexure- A**.

1. Compliance with specific statutory provisions

We further report that:

- 1.1 We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the Financial Year under review, according to the applicable provisions / clauses of:

- (i) The Companies Act, 2013 and the Rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
 - (v) The following Regulations/Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Regulations'):
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; and
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
 - (vi) Secretarial Standards issued by the Institute of Company Secretaries of India (Secretarial Standards).
- 1.2 During the period under review, and also considering the compliance related action taken by the Company after March 31, 2021 but before the issue of this Report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:
- (i) Complied with the applicable provisions/clauses of the Act, Rules, SEBI Regulations and Agreements mentioned under sub-paragraphs (ii), (iii) and (iv) of paragraph 1.1 above.
 - (ii) Complied with the applicable provisions/ clauses of :
 - (a) The Act and rules mentioned under paragraph 1.1 (i); and
 - (b) The Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (v) above to the extent applicable

to Board Meetings and Committee Meetings held during the review period, the 29th Annual General Meeting held on 31st July 2020 (29th AGM) and resolutions passed by circulation. The Compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(vi)] with regard to the Board meeting and Committee meetings held through video conferencing during the review period were verified based on the minutes of the meeting provided by the Company.

1.3 We are informed that, during the Financial Year 2020-21, the Company was not required to initiate any compliance related action in respect of the following laws/rules/regulations/standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form/ returns thereunder:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

1.4 Based on the nature of business activities of the Company, the following specific Acts / Laws / Rules / Regulations are applicable to the Company, which have been duly complied with:

- a) The Insecticides Act, 1968 and the Rules framed thereunder; and
- b) The Andhra Pradesh Oil Palm (Regulation of Production and Processing) Act, 1993.

2. Board processes:

We further report that:

2.1 The Board of Directors of Company as on March 31, 2021 comprised of:

- (i) 1 (One) Executive Director, i.e., Mr. Balam S. Yadav (DIN: 00294803) who is also the Managing Director of the Company;
- (ii) 6 (Six) Non-Executive & Non-Independent Directors, and
- (iii) 7 (Seven) Non-Executive & Independent Directors, including three woman Independent Directors, namely, Dr. Ritu Anand (DIN: 00363699), Ms. Aditi Kothari Desai (DIN: 00426799), and Ms. Roopa Purushothaman (DIN: 02846868).

2.2 The processes relating to the following changes in the composition of the Board of Directors during the Financial Year 2020-21 were carried out in compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- (i) Appointment of Mr. Vijay M. Crishna (DIN: 00066267) as Non-Executive & Non-Independent Director of the Company was approved by the Members at the 29th Annual General Meeting held on July 31, 2020;

- (ii) Re-appointment of Mr. Nadir B. Godrej (DIN: 00066195), & Ms. Tanya A. Dubash (DIN: 00026028), Directors liable to retire by rotation, at the 29th Annual General Meeting held on July 31, 2020;
- (iii) Resignation of Mr. Kavas N. Petigara (DIN: 00066162) as the Independent Director of the Company with effect from April 1, 2021.

2.3 Adequate notice was given to all the Directors to enable them to plan their schedule for the Board Meetings and Committee Meetings held during the Financial Year.

2.4 Notice of Board and Committee Meetings held during review period was sent to all the Directors at least seven days in advance.

2.5 Agenda and detailed notes on agenda were sent to the Directors at least seven days before the Board Meetings, other than those which included price sensitive information.

2.6 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the Board Meetings and consent of the Board for so circulating them was duly obtained as required under SS-1:

- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement/ results, unaudited financial results and connected papers; and
- (ii) Additional subjects / information / presentations and supplementary notes.

2.7 A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the Meetings and for their meaningful participation at the Meetings.

2.8 We note from the minutes verified that, at the Board Meetings held during the year:

- (i) Majority decisions were carried through; and
- (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as part of the minutes.

3. Compliance mechanism

There are reasonably adequate systems and processes in the Company, commensurate with the Company's size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. There is scope for further improvement in the compliance systems and processes, commensurate with the increasing statutory requirements and growth in operations.

4. Specific events / actions

4.1 During the year, the following specific events / actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, Regulations and standards:

- (i) The Company through its Nomination and Remuneration Committee meeting held on 11th May, 2020 has approved and allotted 15,382 Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018.

- (ii) The Company through Circular Resolution passed by its Nomination and Remuneration Committee on 9th June 2020, has approved and allotted 11,544 Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018.
- (iii) The Company through Circular Resolution passed by its Nomination and Remuneration Committee on 10th November 2020 has approved and allotted 3,076 Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018.
- (iv) During the Financial Year 2020-21, the Company has issued Commercial Paper worth ₹ 1,325 Crore which were listed on National Stock Exchange of India Limited (NSE) out of which Commercial Papers worth ₹ 900 Crore were redeemed during the year.

For BNP & Associates
Company Secretaries
Firm Registration. No. P2014MH037400
PR. No: 637/2019

Sd/-
B. Narasimhan
Partner

Place: Mumbai
Date: May 7, 2021

FCS No: 1303 / C P No: 10440
UDIN: F001303C000256910

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

Annexure A to the Secretarial Audit Report

To,
The Members,
Godrej Agrovat Limited,
Godrej One, 3rd Floor,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079

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

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this Report, we have also considered compliance related action taken by the Company after March 31, 2021 but before the issue of this Report.
4. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.

5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our 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 BNP & Associates
Company Secretaries
Firm Registration. No. P2014MH037400
PR. No: 637/2019

Sd/-
B. Narasimhan
Partner

Place: Mumbai
Date: May 7, 2021

FCS No: 1303 / C P No: 10440
UDIN: F001303C000256910

ANNEXURE - E TO THE DIRECTORS' REPORT

FORM MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
CREAMLINE DAIRY PRODUCTS LIMITED
H.No.6-3-1238/B/21 Asif Avenue, Rajbhavan Road,
Hyderabad- 500082

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CREAMLINE DAIRY PRODUCTS LIMITED** (hereinafter called "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, minutes 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 31st March, 2021, 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 **CREAMLINE DAIRY PRODUCTS LIMITED** ("the Company") for the financial year ended on 31st March, 2021, as made available to us, according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder – **Not Applicable**
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings – **Not applicable to the Company during the audit Period**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not applicable to the Company during the audit period;**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable to the Company during the audit period;**

- (c) The Securities and Exchange Board of India (Issue of Capital and disclosure requirements), Regulations, 2018 - **Not applicable to the Company during the audit period;**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not applicable to the Company during the audit period;**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008 - **Not applicable to the Company during the audit period;**
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations , 2009 - **Not applicable to the Company during the audit period;**
- (g) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable to the Company during the audit period;**
- (h) The Securities and Exchange Board of India (Buyback of Securities), Regulations 2018 - **Not applicable to the Company during the audit period.**

vi. Other specifically applicable laws to the Company:

- Food Safety and Standards Act, 2006 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 and Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Legal Metrology Act, 2009 and The Legal Metrology (Packaged Commodities) Rules, 2011;
- Boilers Act, 1923 and Indian Boiler Regulations, 1950;
- The Water (Prevention and Control of Pollution) Act, 1974;
- The Air (Prevention and Control of Pollution) Act, 1981;

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

- i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India;
- ii. The Company, being an unlisted Public Limited Company, has not entered into any Listing Agreement and hence the same is not commented upon.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- The Company has made certain belated filings of e-forms with MCA availing the Companies Fresh Start Scheme, 2020 (CFSS-2020), which shall be subject to other compliances provided under General Circular No.12/2020 issued by MCA on 30.03.2020.

- The AGM for the FY 2019-20 was conducted through VC/OAVMs, pursuant to MCA circulars, dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 under the Companies Act, 2013 (Act). Few procedural deviations as to requirements stipulated in the said circulars, Act and also the Secretarial Standards have been observed in the Notice thereof and the said AGM.
- The Statutory Compliance Certificate obtained internally by the Company has observed certain deviations with reference to the Food Safety and Standards Act, 2006 read with Rules thereunder.
- Consequent upon the merger of Nagavalli Milkline Private Limited (a wholly-owned subsidiary of the Company) with the Company, it has initiated the process of registration of immovable property, held in the name of the said transferor Company, in its own name, which is still in progress as on date.

We further report that examination / audit of financial laws such as direct and indirect tax laws has not been carried out by us as part of this Secretarial Audit.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 the directors to schedule the Board Meetings. We have been informed that agenda and detailed notes on agenda were sent sufficiently in advance 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 the decisions at the Board Meetings and Committee Meetings have been carried out with requisite majority as recorded in the Minutes of the Meetings of the Board or Committees of the Board, as the case may be.

We further report that:

As per the information provided by the management, and based on the review of compliance reports by the respective departments / functional heads, 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.

During the Audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs except that:

The Scheme of Amalgamation contemplating the merger of Nagavalli Milkline Private Limited, the wholly owned subsidiary of the Company, with itself, effective 01.04.2019, subsequent upon receipt of various other requisite approvals, was approved by the Hon'ble National Company Law Tribunal, Hyderabad Bench during the FY under audit. Requisite post merger compliances have been completed / are underway.

However, attention is drawn to Notes to Financial Statements, which describes the management's assessment of the impact of Covid-19 pandemic on the operations and financial results of the Company and its group.

**For P S Rao & Associates
Company Secretaries**

**Vikas Sirohiya
M. No.15116
CP No.5246**

UDIN: A015116C000227284

**Place: Hyderabad
Date: May 3, 2021**

[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,
CREAMLINE DAIRY PRODUCTS LIMITED
H.No.6-3-1238/B/21 Asif Avenue, Rajbhavan Road,
Hyderabad - 500082

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

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
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 random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practises we followed provide a reasonable basis for our opinion.
3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.

6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

8. 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.
9. As regards the Secretarial Audit for the FY 2020-21, the entire period under report was bogged down under the impact of Covid 19. Further, during the later part of the Quarter ended 31st March, 2021, the said pandemic resurfaced more furiously and continue to wreak havoc till date, thus forcing us to re-strategize our audit programme and approach. In view of the said, we could not conduct any plant verification physically. Further, for verification of documents and cross checks, we have relied on the management representations and assurances, wherever required, for forming our opinion and eventual reporting.

For P S Rao & Associates
Company Secretaries

Vikas Sirohiya
M. No.15116
CP No.5246

Place: Hyderabad
Date: May 3, 2021

UDIN: A015116C000227284

ANNEXURE 'F' TO THE DIRECTORS' REPORT

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

As at the Financial Year ended March 31, 2021

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

A. Conservation of Energy:

Your Company continuously focuses on measures to foster productivity, energy conservation and environmental sustainability at all its manufacturing plants. Some of the measures adopted by your Company for conservation of energy are as follows:

1. Replacement of conventional fuel furnace oil in boilers and diesel in thermic fluid heater with Piped Natural Gas (PNG)
2. Replacement of conventional Fibre-reinforced Plastic (HRP) tanks with High-density Polyethylene (HDPE) spiral tanks of Hydrochloric Acid (HCL) (day tank & service tank) which helped in controlling losses due to leakage and spillage during storage at Pyriothibac Sodium Technical (PY Acid) unit
3. Capacity expansion of Multi Effect Evaporator (MEE)
4. Installation of additional Centrifuge set to accommodate idle time and speed up Pyriothibac Sodium Technical (PY Acid) recovery from final stage of batch
5. Replacement of conventional lighting with energy efficient LED
6. Continuous improvements in manufacturing process to minimize energy consumption
7. Installation of solar roof top plants in factories

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

- a) Energy efficiency, i.e., decrease in the level of energy consumption and also increase in the use of renewable energy wherever possible
- b) Reduction in maintenance, stack emission, spillages of liquid fuels
- c) Decrease in the level of water consumption
- d) Reduction in process losses and storage losses

The capital investment on energy conservation equipment made during the Financial Year 2020-21 is approximately ₹ 0.50 Crore.

B. Technology Absorption, Adaptation and Innovation:

Your Company constantly endeavors to introduce and implement various technological upgradations in order to obtain improved quality of output at a reduced cost, through manufacturing processes which are environmentally sustainable.

During the Financial Year under review, your Company has taken the following initiatives, thereby demonstrating its commitment towards sustainable growth through Technology Absorption, Adaptation & Innovation:

Methods/ Measures adopted / Efforts made:

- Use of Drone technology to monitor and maintain the healthiness of chimney condition
- Use of plug and play type compact maintenance free substations and intelligent pumping systems instead of conventional substation
- Use of vegetable oil in a technology instead of synthetic oil, which is eco-friendly (biodegradable) as well as safe in use (flash point of 360 instead of 180 degree centigrade)
- Use of equipment having 100% tripping protection system
- Use of VAM (Vapor Absorption Machine) eco-friendly chilling solution, wherein, instead of using Ozone Depleting Substances (ODS) such as Chloro Floro Carbon (CFC) / Hydro Chloro Floro Carbon (HCFC), bromite is used as a cooling media
- Use of solar panels, thereby enhancing use of renewable energy instead of non-renewable energy.

Benefits derived as a result of such measures / methods / efforts:

- a) Reduction in cost of production
- b) Optimum utilization of equipment capacity
- c) Enhanced level of Environmental Sustainability, Health and Safety

C. Research & Development (R&D) activities:

Your Company's in-house Research & Development (R&D) Centre at Vikhroli, Mumbai (Maharashtra) conducts research related to agriculture and development of environmentally benign agrochemical products and technologies that increase agricultural productivity and farm efficiency in a sustainable manner.

Your Company has also set up a R&D Centre for Animal Feed at Nashik (Maharashtra) which conducts research related to cattle feed and poultry feed, to enhance the productivity of livestock, reduce cost of production and increase the profitability of farmers.

In case of imported technology (imported during the last three years, i.e., during Financial Year 2018-19, 2019-20 & 2020-21), the required details are as follows: Not Applicable

Details of Technology imported	Not Applicable
Year of import	Not Applicable
Whether the technology has been fully absorbed?	Not Applicable
If not fully absorbed, areas where absorption has not taken place, reasons therefor and future plans of action	Not Applicable

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

	Current Year (2020-21) ₹ in Crore	Previous Year (2019-20) ₹ in Crore
Capital	0.94	4.56
Recurring	14.02	11.58
Total	14.96	16.14
Total R&D Expenditure as a Percentage of Total Turnover	0.34	0.32

D. Foreign Exchange Earnings and Outgo:

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

Particulars	Current Year (2020-21) ₹ in Crore	Previous Year (2019-20) ₹ in Crore
Foreign Exchange Earned	10.53	10.09
Foreign Exchange Used	82.80	102.04

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

Date: May 7, 2021
Place: Mumbai

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

ANNEXURE 'G' TO THE DIRECTORS' REPORT

PARTICULARS IN RESPECT OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) OF GODREJ AGROVET LIMITED

As at the Financial Year ended March 31, 2021

[Disclosure as per the provisions of Section 197 of the Companies Act, 2013 and
Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2020-21 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21 is as under:

Sr. No.	Name of Director / Key Managerial Personnel (KMP)	Designation of Director / KMP	Remuneration of Director / KMP for the Financial Year 2020-21 (in ₹)	% Increase in Remuneration in the Financial Year 2020-21	Ratio of Remuneration of each Director to Median Remuneration of Employees
1	Mr. Nadir B. Godrej	Chairman – Promoter, Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
2	Mr. Jamshyd N. Godrej	Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
3	Mr. Vijay M. Crishna (Re-appointed w.e.f. May 11, 2020)	Non-Executive, Non-Independent Director	6,67,808.00	Not Applicable	1.72
4	Ms. Tanya A. Dubash	Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
5	Ms. Nisaba Godrej	Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
6	Mr. Pirojsha Godrej	Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
7.	Mr. Balram S. Yadav	Managing Director - Non-Promoter, Executive, Non-Independent Director	3,90,51,539.00	1.79%	100.73
8	Mr. Kavas N. Petigara (Ceased to be a Director w.e.f. April 1, 2021)	Non-Executive, Independent Director	15,50,000.00	Not Applicable	4.00
9	Dr. Raghunath A. Mashelkar	Non-Executive, Independent Director	13,50,000.00	Not Applicable	3.48
10	Dr. Ritu Anand	Non-Executive, Independent Director	15,50,000.00	Not Applicable	4.00
11	Ms. Aditi Kothari Desai	Non-Executive, Independent Director	15,00,000.00	Not Applicable	3.87
12	Ms. Roopa Purushothaman	Non-Executive, Independent Director	14,00,000.00	Not Applicable	3.61
13	Mr. Natarajan Srinivasan	Non-Executive, Independent Director	13,00,000.00	Not Applicable	3.35
14	Mr. Kannan Sitaram	Non-Executive, Independent Director	12,50,000.00	Not Applicable	3.22
15	Mr. S. Varadaraj	Chief Financial Officer	1,29,71,512.00	2.76%	Not Applicable
16	Mr. Vivek Raizada	Company Secretary & Compliance Officer	90,96,042.00	6.64%	Not Applicable

All the Non-Executive Directors will be paid commission for the Financial Year 2020-21, upon approval of the Financial Statements for the said Financial Year by the Shareholders at the 30th Annual General Meeting.

Sitting fees have been paid to all the Independent Directors for attending the meetings of the Board of Directors and Committees thereof held during the Financial Year 2020-21.

- | | | |
|-------|---|--|
| (ii) | The percentage increase in the median remuneration of employees during the Financial Year 2020-21 | 0.25% |
| (iii) | The number of permanent employees on the rolls of Company | 2,637 as on March 31, 2021 |
| (iv) | Average percentile increases already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | Average percentile increase in remuneration of employees during the Financial Year 2020-21 was 5.15% as compared to average percentile increase in remuneration of managerial personnel which was 2.69%. |

The remuneration paid is in terms of the Nomination and Remuneration Policy of the Company.

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

Date: May 7, 2021
Place: Mumbai

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



CORPORATE GOVERNANCE REPORT



CORPORATE GOVERNANCE REPORT OF GODREJ AGROVET LIMITED

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Board of Directors of Godrej Agrovet Limited ("the Company" / "GAVL") have pleasure in presenting the Company's Report on Corporate Governance for the Financial Year ended March 31, 2021.

1. Company's Philosophy on Code of Corporate Governance:

The Securities and Exchange Board of India ("SEBI") has introduced a Code of Corporate Governance for a Listed Company, which is implemented through the Listing Regulations. Corporate Governance is a set of systems and practices to ensure that the affairs of a Company are being managed in a manner which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet the aspirations and expectations of the stakeholders and the society as a whole. Corporate Governance refers to the framework of rules and practices by which the Company ensures ethical and integral relation with all its stakeholders. Corporate Governance necessitates professionals to raise their competency and capability levels and upgrade systems and processes to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

Effective Corporate Governance practices and strong foundation of Godrej values have been GAVL's hallmark. The Company is a part of the 120 plus years-old Godrej Group which has an established reputation of honesty, integrity and sound governance since inception. Your Company is, therefore, committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, employees, regulators, customers, suppliers, lenders and other stakeholders. Your Company strongly believes that good Corporate Governance and fairness in actions, words and deeds will form the base of the Company's Corporate Governance philosophy.

Your Company believes that Corporate Governance is a pre-requisite for meeting the needs and aspirations of the stakeholders. Corporate Governance is a journey which leads to corporate growth and long-term gain in shareholders' value.

Your Company is in compliance with the requirements of Corporate Governance stipulated under the Listing Regulations.

2. Board of Directors:

a. Board Structure:

Your Company has an active, well-experienced and well-informed Board with an optimum combination of 14 (Fourteen) Directors comprising of 13 (Thirteen) Non-Executive Directors (out of which 6 are Non-Independent Directors and 7 are Independent Directors) and 1 (One) Managing Director. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013.

Your Company has 5 (Five) Women Directors out of which 3 (Three) are Independent Directors. Half of the Board comprises of Independent Directors. The Board is headed by Mr. Nadir B. Godrej, Chairman (Non-Executive and Non-Independent Director), who is not related to Managing Director and / or Chief Executive Officer of the Company as per the definition of "Relative" given in the Companies Act, 2013. Detailed profile of the Directors is available on the Company's website at the weblink <http://www.godrejagrovvet.com/board-of-directors.aspx>.

The Company has a right mix of Directors on the Board who possess the requisite qualifications, competence, expertise, professionalism and practical knowledge in general Management, Finance, Human Resources, Compliances, Legal, Corporate Social Activities, Research and other allied activities connected to the area of operations of the Company, which enables the Board to function smoothly.

The Board provides and evaluates the Company's strategic decisions, management policies and their effectiveness, which shapes the Corporate Governance practices of the Company and ensures that Shareholders' long-term interests are being served. Mr. Balram S. Yadav, Managing Director, is assisted by Senior Managerial Personnel in overseeing the functional matters of the Company.

The composition of the Board of Directors is summarized below:-

Category	No. of Directors on Board as on March 31, 2021
Chairman (Non-Executive, Non-Independent Director)	1
Managing Director (Executive, Non-Independent Director)	1
Non-Executive, Non-Independent Directors	5
Non-Executive, Independent Directors (Excluding Women Directors)	4
Non-Executive, Independent Directors (Women Directors)	3
Total	14

b. Board Training and Induction:

At the time of appointing a Director, a formal Letter of Appointment is given to him / her, which, *inter alia*, explains the role, functions, duties and responsibilities of a Director of the Company. The Director is also explained in detail the compliances required from him / her under the Companies Act, 2013 and the Listing Regulations and other relevant Regulations and his / her affirmation is taken with respect to the same.

c. Familiarization Programmes for Independent Directors:

The Directors are provided with the requisite documents and reports to enable them to familiarize with the Company's performance and practices. Periodic presentations are made at the Meetings of the Board and Committees thereof, on the business and performance of the Company. Quarterly updates on relevant statutory changes covering important applicable laws are discussed at the Meetings of the Board.

The details of familiarization programme conducted for Independent Directors have been disclosed on the Company's website at the weblink <https://www.godrejagrovet.com/investors/compliance>

d. Board Procedure and Meetings:

The Board, *inter alia*, focuses on Strategic Planning, Financial Controls, Risk Management, Compliance and Corporate Governance to maintain high standards of ethical conduct, integrity and succession planning for the Directors.

The Board of Directors meets at regular intervals to discuss and decide on business strategies / policies and reviews the financial and operational performance of the Company and its subsidiaries. In case of business exigencies, the Board's approval is taken through Resolutions by way of Circulation. The Resolutions by Circulation are noted at the subsequent Board Meetings.

The Agenda for the Meetings of the Board and its Committees are circulated in advance as per the provisions of the Companies Act, 2013 and the Rules framed thereunder and Secretarial Standard – 1 ("SS-1"), i.e., Secretarial Standard on Meetings of Board issued by the Institute of Company Secretaries of India ("ICSI") (which prescribes a set of principles for convening and conducting Meetings of the Board of Directors and matters related thereto) and also to ensure sufficient time is provided to Directors to prepare for the Meetings. The Board meets at least once in a quarter to, *inter alia*, review, approve and take note of quarterly Standalone and Consolidated Financial Results of the Company, various Compliance Report(s) under the applicable laws, major legal issues, regulatory developments, Minutes of the Meeting(s) of the Board and its Committees and those of its Subsidiary Companies, Significant Transactions entered into with Related Parties and note compliances with other law(s) as applicable to the Company and the Listing Regulations. The Company also provides Video Conferencing (VC) facility to its Directors to enable their participation so that they can contribute in the discussions at the Meetings.

The Board has unrestricted access to all the Company-related information, including but not limited to, information mentioned under Regulation 17 read with Schedule II Part A of the Listing Regulations.

In the path of digitization and with a view to ensure its commitment to "Go-Green" Initiative of the Ministry of Corporate Affairs, Government of India and the "Good & Green" policy of the Godrej Group, the Company has started circulating to its Directors, Notices, Agenda and other relevant notes and documents for the Board and Committee Meetings through an electronic platform, thereby ensuring seamless access, high standards of security and confidentiality of Board and Committee Meetings related documents.

The Company Secretary attends all the Meetings of the Board and its Committees and is, *inter alia*, responsible for recording the Minutes of such Meetings. The draft Minutes of the Meetings of the Board and its Committees are sent to the Members for their comments in accordance with the Secretarial Standards and then, the Minutes are entered in the Minutes Book within 30 (Thirty) days from the conclusion of the Meetings, subsequent to incorporation of the comments, if any, received from the Directors. The Company adheres to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the Meetings of the Board of Directors and its Committees.

During the Financial Year 2020-21, 5 (Five) Board Meetings were held, i.e., on May 11, 2020, July 31, 2020, September 28, 2020, November 4, 2020 and February 4, 2021 and the maximum interval between any 2 (Two) consecutive Board Meetings was well within the maximum allowed gap of 120 (One Hundred and Twenty) days. The necessary quorum was present for all the Meetings.

The details of composition of the Board, Directors' attendance at the Board Meetings and at the last Annual General Meeting ("AGM"), are given hereunder:-

Sr. No.	Name of Director	Category of Director	Inter-se Relationship amongst Directors	Appointment / Cessation during the Financial Year 2020-21	No. of Board Meetings attended during the Financial Year 2020-21	Whether attended last AGM held on July 31, 2020	Directorships held in Public Companies incorporated in India as on March 31, 2021*	Number of Chairmanships / Memberships in Board Committees in other Companies as on March 31, 2021 # (Including this listed entity)	
								Chairmanship	Membership
1.	Mr. Nadir B. Godrej	Promoter, Non-Executive and Non-Independent	-	Re-appointed as Director liable to retire by rotation w.e.f. July 31, 2020	5 out of 5	Yes	8	2	3
2.	Mr. Jamshyd N. Godrej	Non-Executive and Non-Independent	-	-	3 out of 5	No	5	0	1
3.	Mr. Vijay M. Crishna	Non-Executive and Non-Independent	-	Re-appointed as a Non-Executive Director of the Company w.e.f. May 11, 2020	3 out of 4	Yes	3	0	1
4.	Ms. Tanya A. Dubash	Non-Executive and Non-Independent	Sister of Ms. Nisaba Godrej & Mr. Pirojsha Godrej	Re-appointed as Director liable to retire by rotation w.e.f. July 31, 2020	5 out of 5	Yes	8	0	1
5.	Ms. Nisaba Godrej	Non-Executive and Non-Independent	Sister of Ms. Tanya A. Dubash and Mr. Pirojsha Godrej	-	4 out of 5	Yes	5	0	0
6.	Mr. Pirojsha Godrej	Non-Executive and Non-Independent	Brother of Ms. Nisaba Godrej and Ms. Tanya A. Dubash	-	5 out of 5	Yes	5	0	3
7.	Mr. Balram S. Yadav	Executive and Non-Independent	-	-	5 out of 5	Yes	6	1	4
8.	Mr. Kavas N. Petigara (\$)	Non-Executive & Independent	-	-	5 out of 5	Yes	4	3	5
10.	Dr. Raghunath A. Mashelkar	Non-Executive & Independent	-	-	5 out of 5	Yes	4	0	1
11.	Dr. Ritu Anand	Non-Executive & Independent	-	-	5 out of 5	Yes	2	0	1
12.	Ms. Aditi Kothari Desai	Non-Executive & Independent	-	-	5 out of 5	Yes	1	0	1
13.	Ms. Roopa Purushothaman	Non-Executive & Independent	-	-	5 out of 5	Yes	2	0	0
14.	Mr. Natarajan Srinivasan	Non-Executive & Independent	-	-	5 out of 5	Yes	5	3	5
15.	Mr. Kannan Sitaram	Non-Executive & Independent	-	-	5 out of 5	Yes	1	0	0

(*) - Alternate Directorships and Directorships in Private Companies, Companies governed by Section 8 of the Companies Act, 2013 and Foreign Companies have been excluded.

(#)- In accordance with Regulation 26 of the Listing Regulations, Membership(s)/ Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all Public Limited Companies have been considered.

(\$) Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent) of the Company with effect from April 1, 2021.

Details of Directorship of Directors in Listed Entities and the category of their Directorship as on March 31, 2021:

Sr. No.	Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
1.	Mr. Nadir B. Godrej	Godrej Agrovet Limited	Chairman & Non-Executive Director
		Godrej Industries Limited	Managing Director
		Godrej Consumer Products Limited	Non-Executive Director
		Godrej Properties Limited	Non-Executive Director
		Astec LifeSciences Limited	Chairman & Non-Executive Director
2.	Mr. Jamshyd N. Godrej	Godrej Agrovet Limited	Non-Executive Director
		Godrej Industries Limited	Non-Executive Director
		Godrej Consumer Products Limited	Non-Executive Director
		Godrej Properties Limited	Non-Executive Director
3.	Mr. Vijay M. Crishna	Godrej Agrovet Limited	Non-Executive Director
		Godrej Industries Limited	Non-Executive Director
4.	Ms. Tanya A. Dubash	Godrej Agrovet Limited	Non-Executive Director
		Godrej Industries Limited	Whole Time Director
		Godrej Consumer Products Limited	Non-Executive Director
		Britannia Industries Limited	Independent Director
		Escorts Limited	Independent Director
5.	Ms. Nisaba Godrej	Godrej Agrovet Limited	Non-Executive Director
		Godrej Consumer Products Limited	Managing Director
		VIP Industries Limited	Independent Director
		Mahindra and Mahindra Limited	Independent Director
6.	Mr. Pirojsha Godrej	Godrej Agrovet Limited	Non-Executive Director
		Godrej Consumer Product Limited	Non-Executive Director
		Godrej Properties Limited	Whole Time Director
7.	Mr. Balram S. Yadav	Godrej Agrovet Limited	Managing Director
		Astec LifeSciences Limited	Non-Executive Director
7.	Mr. Kavas N. Petigara (*)	Godrej Agrovet Limited	Independent Director
		Godrej Industries Limited	Independent Director
8.	Dr. Raghunath A. Mashelkar	Godrej Agrovet Limited	Independent Director
		Reliance Industries Limited	Independent Director
9.	Dr. Ritu Anand	Godrej Agrovet Limited	Independent Director
10.	Ms. Aditi Kothari Desai	Godrej Agrovet Limited	Independent Director
11.	Ms. Roopa Purushothaman	Godrej Agrovet Limited	Independent Director
12.	Mr. Natarajan Srinivasan	Godrej Agrovet Limited	Independent Director
		Infrastructure Leasing and Financial Services Limited	Nominee Director
		India First Life Insurance Company Limited (Debt Listed)	Independent Director
		CG Power and Industrial Solutions Limited	Managing Director
		Computer Age Management Services Limited	Independent Director
13.	Mr. Kannan Sitaram	Godrej Agrovet Limited	Independent Director

(*) Mr. Kavas Petigara ceased to be a Director (Non-Executive & Independent) of the Company with effect from April 1, 2021.

Note:

1. None of the Directors of the Company as mentioned above is:
 - (a) a Director in more than 10 (Ten) Public Limited Companies - As per Section 165 of the Companies Act, 2013;
 - (b) a Director in more than 7 (Seven) Listed Companies - As per Regulation 17A of the Listing Regulations;
 - (c) an Independent Director in more than 7 (Seven) Listed Companies or 3 (Three) Listed Companies (in case he / she serves as a Whole Time Director in any Listed Company - As per Regulation 17A of the Listing Regulations;
 - (d) a Member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees across all the Public Limited Companies in which he / she is a Director - As per Regulation 26 of the Listing Regulations.

e. Number of Equity Shares held by Directors and Dividend paid during the Financial Year 2020-21:-

Sr. No.	Name of Director	Equity Shares held as on March 31, 2021	Dividend paid during the Financial Year 2020-21 (Amount in ₹)
1.	Mr. Nadir B. Godrej	102.00	561.00
2.	Mr. Jamshyd N. Godrej	Nil	-
3.	Mr. Vijay M. Crishna	Nil	-
4.	Ms. Tanya A. Dubash	21,034.00*	187.00
5.	Ms. Nisaba Godrej	34.00	187.00
6.	Mr. Pirojsha Godrej	34.00	187.00
7.	Mr. Balram S. Yadav	42,80,631.00	2,35,43,470.50
8.	Mr. Kavas N. Petigara **	Nil	-
9.	Dr. Raghunath A. Mashelkar	Nil	-
10.	Dr. Ritu Anand	300.00	1,650.00
11.	Ms. Aditi Kothari Desai	Nil	-
12.	Ms. Roopa Purushothaman	992.00	5,456.00
13.	Mr. Natarajan Srinivasan	Nil	-
14.	Mr. Kannan Sitaram	Nil	-

*Ms. Tanya A. Dubash acquired 21,000 Equity Shares on December 22, 2020.

** Mr. Kavas Petigara ceased to be a Director (Non-Executive & Independent) of the Company with effect from April 1, 2021.

Note: The Shareholding reflects holding of the Directors in their own name (individual capacity only) and does not include Shares held through Trusts.

f. Directors seeking Appointment / Re-appointment:

Mr. Jamshyd N. Godrej (DIN: 00076250) and Mr. Pirojsha Godrej (DIN: 00432983), Non-Executive & Non-Independent Directors of the Company are liable to retire by rotation at the ensuing 30th (Thirtieth) AGM of your Company and being eligible, have offered themselves for re-appointment.

Brief Profile of Mr. Jamshyd N. Godrej:

Mr. Jamshyd N. Godrej, aged 72 years, is a Non-Executive Director of your Company. He is the Chairman of the Board of Godrej & Boyce Manufacturing Company Limited. He graduated in Mechanical Engineering from Illinois Institute of Technology, USA.

Mr. Jamshyd Godrej is the former Chairman of Ananta Aspen Centre (previously known as 'Aspen Institute India'), Chairman & Trustee of Ananta Centre. He is the President of World Wide Fund for Nature - India. He is the Chairman of the Board of Directors of Shakti Sustainable Energy Foundation, India Resources Trust and Council on Energy, Environment and Water. He is a Director of World Resources Institute, USA. He is also a Trustee of the Asia Society, USA. He is the Past President of Confederation of Indian Industry and also the Past President of the Indian Machine Tool Manufacturers' Association.

Mr. Jamshyd Godrej is the Chairman of the CII Sohrabji Godrej Green Business Centre. The Centre is housed in a LEED Platinum demonstration building which is the first green building in India and the greenest building in the world at the time when it was rated. The Green Business Centre is a Centre of Excellence for green buildings, energy efficiency, energy conservation, non-conventional energy sources, water policy, water conservation, etc.

Mr. Jamshyd Godrej is an ardent yachting enthusiast and has done extensive cruising along the West coast of India, the Baltic & North Sea, the Atlantic Ocean and in the Mediterranean Sea.

The President of India conferred on Mr. Jamshyd Godrej, the "Padma Bhushan" on April 3, 2003.

Brief Profile of Mr. Pirojsha Godrej:

Mr. Pirojsha Godrej, aged 40 years, is a Non - Executive Director of your Company. He is the Executive Chairman of Godrej Properties Limited (GPL). In the years that he has led GPL, it has become one of the fastest growing real estate developers in India and for the first time in the fiscal year 2016, GPL emerged as India's largest publically listed real estate developer by sales. He is the recipient of several recognitions in recent years including the "Green Champion Award" from the Indian Green Council in 2016, the "Best CEO of the Year"

at the Construction Times Awards in 2015, the "Best People CEO Award" by the National Human Resources Development Network in 2014 and the "Person of the Year" at the GIREM Leadership Awards in 2013.

Mr. Pirojsha Godrej holds a Bachelor's Degree in Economics from the Wharton School at the University of Pennsylvania, a Master Degree in International Affairs from School of International Public Affairs (SIPA) at Colombia University and a Master's degree in Business Administration (MBA) from Colombia Business School, U.S.A.

3. Committees of the Board of Directors – Composition and Terms of Reference:

A. Composition of the Committees:

The composition of various Committees constituted by the Board of Directors of the Company as on March 31, 2021 is summarized below:-

Sr. No.	Name of Director	Independent / Non-Independent	Position in the Committee (whether Chairperson / Member as on March 31, 2021)						
			Audit Committee (AC)	Nomination & Remuneration Committee (NRC)	Stakeholders' Relationship Committee (SRC)	Corporate Social Responsibility Committee (CSRC)	Risk Management Committee (RMC)	Managing Committee	Strategy Committee (#)
1.	Mr. Nadir B. Godrej	Non-Independent	N/A	N/A	Chairman	Member	Chairman	Chairman	Chairman
2.	Mr. Jamshyd N. Godrej	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3.	Mr. Vijay M. Crishna	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4.	Ms. Tanya A. Dubash	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5.	Ms. Nisaba Godrej	Non-Independent	N/A	Member	N/A	N/A	N/A	Member	N/A
6.	Mr. Pirojsha Godrej	Non-Independent	N/A	N/A	N/A	N/A	N/A	Member	N/A
7.	Mr. Balram S. Yadav	Non-Independent	Member	N/A	Member	Member	Member	Member	Member
8.	Mr. Kavas N. Petigara (*)	Independent	Chairman	N/A	N/A	N/A	N/A	N/A	Member
9.	Dr. Raghunath A. Mashelkar	Independent	N/A	N/A	N/A	Chairman	N/A	N/A	N/A
10.	Dr. Ritu Anand	Independent	Member	Chairperson	N/A	N/A	N/A	N/A	N/A
11.	Ms. Aditi Kothari Desai	Independent	Member	N/A	N/A	N/A	N/A	N/A	N/A
12.	Ms. Roopa Purushothaman	Independent	N/A	Member	N/A	Member	N/A	N/A	N/A
13.	Mr. Natarajan Srinivasan(\$)	Independent	N/A	N/A	Member	N/A	Member	N/A	N/A
14.	Mr. Kannan Sitaram	Independent	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(#) Strategy Committee has been dissolved with effect from May 7, 2021.

(*) Mr. Kavas N. Petigara ceased to be the Director (Non-Executive & Independent) of the Company with effect from April 1, 2021, consequently, he ceased to be Chairman/ Member of the Committees.

(\$) Mr. Natarajan Srinivasan has been appointed as the Chairman of the Audit Committee with effect from April 23, 2021.

Note:

1. "N/A" denotes "Not Applicable" as not being a Chairperson / Member of the Committee.
2. Mr. Vivek Raizada, Company Secretary & Compliance Officer acts as the Secretary to the Committees.

B. Attendance details of Committee Meetings of the Board of Directors of the Company held during the Financial Year 2020-21 are summarized below:

Sr. No.	Name of Director	Independent / Non-Independent	Audit Committee (AC)	Nomination & Remuneration Committee (NRC)	Stakeholder Relationship Committee (SRC)	Corporate Social Responsibility Committee (CSRC)	Risk Management Committee (RMC)	Managing Committee	Strategy Committee
1.	Mr. Nadir B. Godrej	Non-Independent	-	-	1 of 1	2 of 2	1 of 1	5 of 5	-
2.	Mr. Jamshyd N. Godrej	Non-Independent	-	-	-	-	-	-	-
3.	Mr. Vijay M. Crishna	Non-Independent	-	-	-	-	-	-	-
4.	Ms. Tanya A. Dubash	Non-Independent	-	-	-	-	-	-	-
5.	Ms. Nisaba Godrej	Non-Independent	-	1 of 1	-	-	-	1 of 5	-
6.	Mr. Pirojsha Godrej	Non-Independent	-	-	-	-	-	1 of 5	-
7.	Mr. Balram S. Yadav	Non-Independent	5 of 5	-	1 of 1	2 of 2	1 of 1	5 of 5	-
8.	Mr. Kavas N. Petigara	Independent	5 of 5	-	-	-	-	-	-
9.	Dr. Raghunath A. Mashelkar	Independent	-	-	-	2 of 2	-	-	-
10.	Dr. Ritu Anand	Independent	5 of 5	1 of 1	-	-	-	-	-
11.	Ms. Aditi Kothari Desai	Independent	5 of 5	-	-	-	-	-	-
12.	Ms. Roopa Purushothaman	Independent	-	1 of 1	-	2 of 2	-	-	-
13.	Mr. Natarajan Srinivasan	Independent	-	-	1 of 1	-	1 of 1	-	-
14.	Mr. Kannan Sitaram	Independent	-	-	-	-	-	-	-

Note:

- As per the request received from the Directors stating their inability to attend the Meetings, Leave of Absence was granted to them.

C. Skills Matrix for the Board of Directors:

Your Company recognizes the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse points of view which helps in creating an effective and well-rounded Board.

The list of core skills / expertise / capabilities for the Board members have been outlined by the Nomination and Remuneration Committee and approved by the Board of Directors, which are as under:

- Strategy & Business - Is or has been the Chief Executive Officer, Chief Operating Officer or held any other leadership position in an organization leading to significant experience in strategy or business management; Brings ability to identify and assess strategic opportunities and threats in the context of the business.
- Industry Expertise - Expertise with respect to the sector which the organization operates in; Has an understanding of the 'big picture' in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.
- Market Expertise - Expertise with respect to the geography which the organization operates in; Understands the macro-economic environment, the nuances of the business, consumers and trade in the geography, and has the knowledge of the regulations and legislations of the market(s) which the business operates in.
- Technology Perspective – Expertise with respect to business specific technologies such as in the field of Research & Development (R&D), Manufacturing etc.; Has experience and adds perspective on the future ready skills required by the organization such as e-commerce, digitalization, sustainability etc.
- People & Talent Understanding - Experience in human resource management such that he / she brings in a considered approach to the effective management of people in an organization.
- Governance, Finance & Risk – Has an understanding of the law and application of corporate governance principles in a commercial enterprise of similar scale; Capability to provide inputs for strategic financial planning, assess financial statements and oversee budgets for the efficient use of resources; Ability to identify key risks for the business in a wide range of areas including legal and regulatory.
- Diversity of Perspective - Provides a diversity of views to the Board that is valuable to manage customers, consumers, employees, key stakeholders or shareholders.

List of Directors along with the skills / expertise / competence (identified by the Board of Directors) which are possessed by them:

Sr. No.	Director Names / Skills	Strategy & Business	Industry Expertise	Market Expertise	Technology Perspective	People & Talent Understanding	Governance, Finance & Risk	Diversity of Perspective
1.	Mr. Nadir B. Godrej	✓	✓	✓	✓		✓	
2.	Mr. Jamshyd N. Godrej	✓		✓			✓	✓
3.	Mr. Vijay M. Crishna	✓		✓			✓	✓
4.	Ms. Tanya A. Dubash	✓		✓			✓	✓
5.	Ms. Nisaba Godrej	✓		✓		✓	✓	✓
6.	Mr. Pirojsha Adi Godrej	✓		✓			✓	✓
7.	Mr. Balram S. Yadav	✓	✓	✓			✓	
8.	Mr. Kavas N. Petigara			✓			✓	✓
9.	Dr. Raghunath A. Mashelkar				✓		✓	✓
10.	Dr. Ritu Anand					✓	✓	✓
11.	Ms. Aditi Kothari Desai	✓		✓			✓	✓
12.	Ms. Roopa Purushothaman	✓		✓	✓			✓
13.	Mr. Natarajan Srinivasan	✓		✓			✓	✓
14.	Mr. Kannan Sitaram	✓		✓		✓	✓	✓
15.	Dr. Ashok Gulati	✓	✓	✓				

D. Composition and Terms of Reference of the Committees:**I. AUDIT COMMITTEE:****a) Composition:**

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee of the Board of Directors was/is constituted by the following Directors as Members:

Sr. No.	Name of the Member	Designation in the Committee & Nature of Directorship
1.	Mr. Kavas N. Petigara (*)	Chairman (Independent Director) (upto March 31, 2021)
2.	Mr. Natarajan Srinivasan (#)	Chairman (Independent Director) (with effect from April 23, 2021)
3.	Mr. Balram S. Yadav	Member (Managing Director)
4.	Dr. Ritu Anand	Member (Independent Director)
5.	Ms. Aditi Kothari Desai	Member (Independent Director)

(*) Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021.

(#) Mr. Natarajan Srinivasan (Non-Executive & Independent Director) has been appointed as the Chairman of Audit Committee of the Company with effect from April 23, 2021, consequent to cessation of Chairmanship of Mr. Kavas N. Petigara.

All the Members of the Audit Committee are financially literate and possess sound knowledge of Financial Management, Accounting Practices and Internal Controls.

Mr. Vivek Raizada, Company Secretary & Compliance Officer, is the Secretary to the Audit Committee.

b) Terms of Reference:

The terms of reference of the Audit Committee include the matters specified in Section 177 of the Companies Act, 2013 as well as Part C of Schedule II to the Listing Regulations.

The terms of reference of the Audit Committee as on March 31, 2021, are as follows:-

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation of the appointment, remuneration and terms of appointment of the Statutory Auditors, including Cost Auditors and Secretarial Auditors, of the Company;
3. Approval of payment to Statutory Auditors, including Cost Auditors and Secretarial Auditors, for any other services rendered by them;
4. Reviewing, with the Management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for its approval, with particular reference to:
 - (i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;
 - (v) Compliance with listing and other legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions;
 - (vii) Modified opinion(s) in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the Auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions with Related Parties of the Company;
9. Scrutiny of Inter-Corporate Loans and Investments;
10. Considering valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12.
 - (a) Reviewing, with the Management, performance of Statutory Auditors, Internal Auditors, Cost Auditors and Secretarial Auditors;
 - (b) Reviewing with the Management, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any including the structure of Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal Auditors of any significant findings and follow-up thereon;
15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults, in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividend) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism / oversee the Vigil mechanism;
19. Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background etc. of the candidate;

20. Mandatorily reviewing the following:
 - (i) Management Discussion and Analysis of financial condition and results of operations.
 - (ii) Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by the Management.
 - (iii) Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
 - (iv) Internal Audit reports relating to internal control weaknesses.
 - (v) Appointment, removal and terms of remuneration of the Chief Internal Auditor.
 - (vi) Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) of the Listing Regulations.
 - (b) Annual statement of funds utilized for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the Listing Regulations.
21. Reviewing financial statements, in particular, the investments made by the Company's unlisted subsidiaries;
22. Reviewing compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time, at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;
23. Noting the report of Compliance Officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;
24. Formulating the scope, functioning, periodicity of and methodology for conducting the internal audit;
25. Reviewing show cause, demand, prosecution notices and penalty notices, which are materially important;
26. Reviewing any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
27. Reviewing any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company;
28. Reviewing details of any Joint Venture or collaboration agreement;
29. Reviewing sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
30. Reviewing quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material;
31. Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments;
32. Investigation into any above matter or referred to it by the Board of Directors and for this purpose, to have full access to information contained in the records of the Company and external professional advice, if necessary;
33. Carrying out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

Further, the Quorum for a Meeting of the Audit Committee shall either be 2 (Two) Members or 1/3rd (One-Third) of the total strength of the Committee, whichever is greater, with at least 2 (Two) Independent Directors in attendance and the Audit Committee consecutive shall meet at least 4 (Four) times in a year and not more than 120 (One Hundred and Twenty) days shall elapse between two Meetings.

The representatives of the Statutory Auditors and Internal Auditors were invited to the Quarterly Audit Committee Meetings. They have attended all the Quarterly Meetings held during the year. The Internal Auditor reports directly to the Audit Committee.

In terms of the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Audit and Auditors) Rules, 2014, the Company has maintained cost records in its books of accounts for the Financial Year 2020-21.

c) Meetings and Attendance:

During the Financial Year 2020-21, there were 5 (Five) Meetings of the Audit Committee of the Board of Directors which were held on May 11, 2020, July 31, 2020, September 28, 2020, November 4, 2020 and February 4, 2021. The necessary quorum was present for all the Meetings of the Audit Committee.

II. NOMINATION AND REMUNERATION COMMITTEE:**a) Composition:**

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, as on March 31, 2021, comprised of the following 3 (Three) Directors as Members:

Sr. No.	Name of the Member	Designation in the Committee & Nature of Directorship
1.	Dr. Ritu Anand	Chairperson (Independent Director)
2.	Ms. Nisaba Godrej	Member (Non-Executive & Non-Independent Director)
3.	Ms. Roopa Purushothaman	Member (Independent Director)

All the Members of the Nomination and Remuneration Committee are Non-Executive Directors and more than 50% (Fifty per cent) of the Members are Independent Directors. The Chairperson of the Nomination and Remuneration Committee is an Independent Director.

Mr. Vivek Raizada, Company Secretary & Compliance Officer is the Secretary to the Nomination and Remuneration Committee.

There was no change in the composition of the Nomination and Remuneration Committee during the year under review.

b) Terms of Reference:

The terms of reference of Nomination and Remuneration Committee include the matters specified in Section 178 of the Companies Act, 2013 as well as Part D Para A of Schedule II to the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee as on March 31, 2021, are as follows:-

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors, a policy relating to the appointment and remuneration in whatever form payable to the Directors, Key Managerial Personnel and other Senior Management employees;
2. To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors in accordance with the Nomination and Remuneration Policy;
3. To devise a policy on diversity of the Board of Directors;
4. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and or removal;
5. To consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
6. To specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board or by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
7. To recommend to the Board of Directors, qualifications, appointment, remuneration (in whatever form) and removal of Directors, Key Managerial Personnel and persons in Senior Management positions in accordance with the Nomination and Remuneration Policy;
8. To consider grant of stock options to eligible Directors and employees, to formulate detailed terms and conditions of Employee Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOS;
9. To make necessary recommendation(s) to the Board of Directors for amendment / revision of the Nomination and Remuneration Policy of the Company from time to time, as it may deem fit;
10. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

The composition of the Nomination and Remuneration Committee mentioned herein below is as prescribed by the Companies Act and the Listing Regulations:

- a) The Committee shall comprise of at least 3 (Three) Directors, all of the Members shall be Non-Executive Directors and at least 50% (Fifty per cent) shall be Independent Directors.
- b) The Chairperson of the Nomination and Remuneration Committee shall be an Independent Director and shall be present at the Annual General Meeting.

- c) The Company Secretary shall act as a Secretary to the Nomination and Remuneration Committee.

The Quorum for the Meeting of the Nomination and Remuneration Committee shall either be 2 (Two) Members or 1/3rd (One-third) of the total strength of the Committee, whichever is higher (including at least one Independent Director in attendance) and the Nomination and Remuneration Committee shall meet at least once in a year.

c) Meetings and Attendance:

During the Financial Year 2020-21, 1 (One) Meeting of the Nomination and Remuneration Committee of the Board of Directors was held on May 11, 2020. The necessary Quorum was present at the Meeting of the Nomination and Remuneration Committee.

d) Performance Evaluation Criteria for Independent Directors:

Performance evaluation of Directors is carried out through a structured questionnaire which was prepared after taking into consideration, various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The evaluation of Independent Directors is required to be done by the entire Board of Directors which shall include –

- (a) Performance of the Directors; and
- (b) Fulfillment of the independence criteria as specified in the Listing Regulations and their independence from the management.

Provided that in the above evaluation, the Directors who are subject to evaluation shall not participate.

In particular, an Independent Director shall be a person who shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising his / her duties;
- iii. exercise his / her responsibilities in a bona fide manner in the interest of the Company;
- iv. devote sufficient time and attention to his / her professional obligations for informed and balanced decision making;
- v. not allow any extraneous considerations that will vitiate his / her exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making;
- vi. not abuse his / her position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vii. refrain from any action that would lead to loss of his / her independence;
- viii. where circumstances arise which make an Independent Director lose his / her independence, the Independent Director must immediately inform the Board accordingly;
- ix. assist the Company in implementing the best corporate governance practices.

e) Remuneration to Directors:

Directors with Material Significant Related Party Transactions, pecuniary or business relationship with the Company:

Except for drawing of remuneration by the Managing Director, receipt of Commission by the Non-Executive Directors (including Independent and Non-Independent Directors, but excluding the Managing Director) and receipt of Sitting Fees by Independent Directors for attending the Board and Committee Meetings, none of the Directors have any other Material Significant Related Party Transactions, pecuniary or business relationship with the Company. Attention of the Shareholders is drawn to the disclosures of transactions with Related Parties set out in Note No. 54 to the Standalone Financial Statements forming part of the Annual Report 2020-21.

In preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Financial Statements. The suitable disclosure as required by the Ind-AS 24 has been made in the Notes to the Financial Statements.

Remuneration to Non-Executive Directors:

1) Remuneration / Commission:

The remuneration / commission to the Non-Executive Directors of the Company shall be in accordance with the statutory provisions of the Companies Act, 2013 and the Rules made thereunder for the time being in force.

2) **Sitting Fees:**

The Non-Executive / Independent Director may receive remuneration by way of fees for attending Meetings of the Board or Committee thereof, provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the applicable law from time to time.

Provided that Independent Directors are entitled to receive Sitting Fees for attending the Meetings of the Board and of Committees thereof in which they are Members.

3) **Limit of Remuneration / Commission:**

Remuneration / Commission paid to Non-Executive Directors is within the monetary limits as approved by Shareholders, as per Section 197 of the Companies Act, 2013.

Stock Options:

The Company has not granted Stock Options to any of its Promoter Directors / Independent Directors during the Financial Year 2020-21.

The details of Sitting Fees & Commission paid to Non-Executive Directors during the Financial Year 2020-21 are as follows:-

Sr. No.	Name of the Non-Executive Director	Sitting Fees (in ₹)		Commission	Total
		For Board Meetings	For Committee Meetings		
1.	Mr. Nadir B. Godrej	Nil	Nil	₹7,50,000/-	₹7,50,000/-
2.	Mr. Jamshyd N. Godrej	Nil	Nil	₹7,50,000/-	₹7,50,000/-
3.	Mr. Vijay M. Crishna*	Nil	Nil	₹6,67,808/-	₹6,67,808/-
4.	Ms. Tanya A. Dubash	Nil	Nil	₹7,50,000/-	₹7,50,000/-
5.	Ms. Nisaba Godrej	Nil	Nil	₹7,50,000/-	₹7,50,000/-
6.	Mr. Pirojsha Godrej	Nil	Nil	₹7,50,000/-	₹7,50,000/-
7.	Mr. Kavas N. Petigara	₹5,00,000/-	₹3,00,000/-	₹7,50,000/-	₹15,50,000/-
8.	Dr. Raghunath A. Mashelkar	₹5,00,000/-	₹1,00,000/-	₹7,50,000/-	₹13,50,000/-
9.	Dr. Ritu Anand	₹5,00,000/-	₹3,00,000/-	₹7,50,000/-	₹15,50,000/-
10.	Ms. Aditi Kothari Desai	₹5,00,000/-	₹2,50,000/-	₹7,50,000/-	₹15,00,000/-
11.	Ms. Roopa Purushothaman	₹5,00,000/-	₹1,50,000/-	₹7,50,000/-	₹14,00,000/-
12.	Mr. Natarajan Srinivasan	₹5,00,000/-	₹50,000/-	₹7,50,000/-	₹13,00,000/-
13.	Mr. Kannan Sitaram	₹5,00,000/-	Nil	₹7,50,000/-	₹12,50,000/-
TOTAL		₹35,00,000/-	₹11,50,000/-	₹96,67,808/-	₹1,43,17,808/-

*Appointed with effect from May 11, 2020.

Remuneration to the Managing Director:

The remuneration paid to Mr. Balram S. Yadav, Managing Director of the Company for the Financial Year 2020-21, is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company. The remuneration and the terms of appointment of the Managing Director are governed by an agreement executed by the Company with him.

The current tenure of Mr. Balram S. Yadav as the "Managing Director" of the Company is for a period of 5 (Five) years from September 1, 2017 upto August 31, 2022.

The details of remuneration paid to Mr. Balram S. Yadav, Managing Director during the Financial Year 2020-21 are as follows:-

Particulars	Amount in ₹
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,18,52,439
(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	71,99,100
(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-
Stock Option	-
Sweat Equity	-
Commission	-
As a % of profit	-
Others (specify)	-
Total	3,90,51,539

The details of remuneration and terms of appointment of Mr. Balram S. Yadav as the Managing Director are as follows:-

1) Terms of Remuneration of Managing Director:

a. Fixed Compensation:

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity.

The Basic Salary shall be in the range of ₹ 9,08,333/- to ₹ 20,00,000/- per month, payable monthly. The annual increments will be decided by the Board of Directors and will be merit-based and will take into account other relevant factors.

The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time-to-time.

b. Performance Linked Variable Remuneration (PLVR):

PLVR shall be according to the applicable scheme of the Company for each of the Financial Year or as may be decided by the Board of Directors.

c. Flexible Compensation:

In addition to the fixed compensation and PLVR, Mr. Balram S. Yadav will be entitled to allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 2013 and the Rules framed thereunder.

Additionally, the total Stock Options granted to Mr. Balram S. Yadav under the Employees Stock Grant Scheme, 2018 of the Company (ESGS 2018) are as follows:-

Particulars	Granted during 2018	Granted during 2019	Granted during 2020	Total
No. of Options Granted	12,108	14,481	16,548	43,137
No. of Options Vested as on date	8,072	4,827	Nil	12,899
No. of Options Exercised and Shares Allotted as on date	(8,072)	(4,827)	Nil	(12,899)
No. of Options Outstanding as on date	4,036	9,654	16,548	30,238

Note: The Nomination and Remuneration Committee of the Board of Directors, at its Meeting held on May 7, 2021, has allotted 4,827 Equity Shares under the Godrej Agrovet Limited – Employees Stock Grant Scheme 2018, against options which were granted in May 2019.

2) Overall Remuneration:

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any Financial Year, which the Board of Directors, in its absolute discretion, may pay to the Managing Director from time to time, shall not exceed the limits prescribed from time to time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may, for the time being, be in force unless specific approvals are taken as may be applicable under relevant laws.

3) Minimum Remuneration:

Notwithstanding the foregoing, where in any Financial Year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

4) Other Terms and Conditions:

- a) The Managing Director is not liable to retire by rotation. The appointment is terminable by giving 3 (three) months' notice in writing on either side.
- b) The Managing Director shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever, or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment concerning / in connection with the business or affairs or other matters whatsoever of the Company and it shall be the Managing Director's endeavor, during the continuance of his employment, to prevent any other person from disclosing the aforesaid information.
- c) If the Managing Director be guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as a Director or any breach of this Agreement, as in the opinion of all other Directors renders his retirement from the office desirable, the opinion of such other Directors shall be final, conclusive and binding on the Managing Director and the Company may, by giving 30 (Thirty) days' notice in writing to the Managing Director, determine this Agreement and he shall cease to be the Managing Director of the Company, upon expiration of such notice.
- d) In the event of any re-enactment or re-codification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendment(s) thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendment(s) thereto or the Rules and notifications issued thereunder.
- e) The terms and conditions of the Agreement with the Managing Director are subject to such alterations / variations as may be mutually agreed upon in writing between the Company and the Managing Director from time to time.

f) Policy for Selection and Appointment of Directors and their Remuneration:

The Nomination and Remuneration Committee has adopted a Policy which, *inter alia*, deals with the manner of selection or appointment of Directors on the Board of Directors, including Managing Director and Whole Time Director, if any, and their remuneration.

The Nomination and Remuneration Committee evaluates the candidature of prospective in line with the Nomination and Remuneration Policy and the skill sets stated above and makes suitable recommendation to the Board of Directors for final approval.

The appointment of all Directors is also subject to Shareholders' approval.

The Nomination and Remuneration Policy of the Company has been uploaded and can be accessed on the Company's website at the weblink <https://godrejagrovet.com/sustainability/codes-and-policies>

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**a) Composition:**

In terms of Regulation 20 of the Listing Regulations and Section 178 of the the Companies Act, 2013, the Stakeholders' Relationship Committee of the Board of Directors, as on March 31, 2021, comprised of the following 3 (Three) Directors as Members:

Sr. No.	Name of the Member	Designation in the Committee & Nature of Directorship
1.	Mr. Nadir B. Godrej	Chairman (Non-Executive and Non-Independent Director)
2.	Mr. Balram S. Yadav	Member (Managing Director)
3.	Mr. Natarajan Srinivasan	Member (Independent Director)

Mr. Vivek Raizada, Company Secretary & Compliance Officer, is the Secretary to the Committee.

b) Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee include the matters specified in Section 178 of the Companies Act, 2013 as well as Part D Para B of Schedule II of the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee, as on March 31, 2021 are as follows:-

1. To oversee and review all matters connected with transfer of Company's securities;
2. To approve issue of duplicate shares / debentures certificates;
3. To oversee the performance of the Company's Registrar and Share Transfer Agent;
4. To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
5. To investigate into complaints relating to allotment of shares, approval of transfers or transmission of shares, debentures or any other securities;
6. To review the measures taken for effective exercise of voting rights by Shareholders;
7. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company;
8. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the security holders of the Company;
9. To investigate into complaints relating to allotment on Shares, approval of Transfer or transmission of Shares, Debentures or any other securities;
10. To specifically look into various aspects of Shareholders, Debentureholders and other security holders;
11. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

The Stakeholders' Relationship Committee shall comprise of at least 3 (Three) Directors, at least 1 (One) being Independent Director or the composition shall be as may be prescribed by the Companies Act and the Listing Regulations. The Chairperson of the Stakeholders' Relationship Committee shall be a Non-Executive Director and shall present at the Annual General Meeting.

The Stakeholders' Relationship Committee shall meet at least once in a year.

c) Meetings and Attendance:

During the Financial Year 2020-21, 1 (One) Meeting of the Stakeholders' Relationship Committee was held on November 4, 2020. The requisite quorum was present at that Meeting of the Stakeholders' Relationship Committee.

Name and Designation of Compliance Officer:

Mr. Vivek Raizada is the Company Secretary & Compliance Officer of the Company.

Details of Investor Complaints received during the Financial Year 2020-21, are as follows:-

Particulars	No. of complaints
Complaints outstanding as on April 1, 2020	Nil
Complaints received during the Financial Year ended March 31, 2021	74
Complaints resolved during the Financial Year ended March 31, 2021	74
Complaints outstanding as on March 31, 2021	Nil

During the Financial Year ended March 31, 2021, no shares in physical form were processed for transfer. There were no pending shares for transfer as on March 31, 2021.

IV. RISK MANAGEMENT COMMITTEE:**a) Composition:**

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee of the Board of Directors, as on March 31, 2021, comprised of the following 3 (Three) Members:

Sr. No.	Name of the Member	Designation in the Committee & Nature of Directorship
1.	Mr. Nadir. B. Godrej	Chairman (Non-Executive, Non-Independent Director)
2.	Mr. Balram S. Yadav	Member (Managing Director)
3.	Mr. Natarajan Srinivasan	Member (Independent Director)

All the Members of the Risk Management Committee, including Chairman, are Directors of the Company and none of the senior executives is a Member of the Committee.

Mr. Vivek Raizada, Company Secretary & Compliance Officer is the Secretary to the Committee.

b) Terms of Reference:

The terms of reference of the Risk Management Committee include the matters specified in Part D Para C of Schedule II to the Listing Regulations.

The terms of reference of the Risk Management Committee as on March 31, 2021, are as follows:-

1. To lay down procedures to inform Board Members about the risk assessment and minimization procedures;
2. To frame, implement and monitor the risk management plan for the Company;
3. To monitor and review the risk management plan;
4. To ensure proper procedures and mechanism exists for monitoring and reviewing cyber security risks;
5. To perform such other functions as may be necessary or appropriate for the performance of its duties;
6. To make necessary recommendation(s) to the Board of Directors for amendment / revision of the Risk Management Policy of the Company, from time to time, as it may deem fit;
7. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.

c) Terms of Reference:

During the Financial Year 2020-21, 1 (One) Meeting of the Risk Management Committee of the Board of Directors was held on February 4, 2021. The requisite quorum was present at the Meeting of the Risk Management Committee.

V. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**a) Composition:**

In terms of Section 135 of the Act read with the Rules framed thereunder, the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company consists of the following 4 (Four) Directors as Members as on March 31, 2021:

Sr. No.	Name of the Member	Designation in the Committee & Nature of Directorship
1.	Dr. Raghunath A. Mashelkar	Chairman (Independent Director)
2.	Mr. Nadir B. Godrej	Member (Non-Executive, Non-Independent Director)
3.	Mr. Balram S. Yadav	Member (Managing Director)
4.	Ms. Roopa Purushothaman	Member (Independent Director)

Mr. Vivek Raizada, Company Secretary & Compliance Officer, is the Secretary to the Committee.

b) Terms of Reference:

The terms of reference of the CSR Committee as on March 31, 2021 are as follows:-

1. To formulate and recommend to the Board of Directors, the Corporate Social Responsibility Policy, indicating the Corporate Social Responsibility activities to be undertaken;
2. To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities;
3. To monitor the Corporate Social Responsibility Policy and its implementation by the Company from time to time;
4. To constitute a transparent monitoring mechanism for implementation of Corporate Social Responsibility projects or programs or activities undertaken by the Company;
5. To review, approve and sign the Annual Report on Corporate Social Responsibility to be annexed to the Board's Report; and
6. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act and the Rules framed thereunder.

c) Meeting and Attendance:

During the Financial Year 2020-21, 2 (Two) Meetings of the CSR Committee of the Board of Directors were held, i.e., on May 11, 2020 and November 4, 2020. The requisite quorum was present at both the Meetings of the CSR Committee.

VI. OTHER COMMITTEES:**A. MANAGING COMMITTEE:**

The terms of reference of the Managing Committee include handling of various administrative and other matters of the Company, which have been delegated to the Managing Committee by the Board of Directors, from time to time.

The Managing Committee comprises of the following 4 (Four) Members as on March 31, 2021:-

Sr. No.	Name of the Member	Designation in the Committee & Nature of Directorship
1.	Mr. Nadir B. Godrej	Chairman (Non-Executive, Non-Independent Director)
2.	Ms. Nisaba Godrej	Member (Non-Executive, Non-Independent Director)
3.	Mr. Pirojsha Godrej	Member (Non-Executive, Non-Independent Director)
4.	Mr. Balram S. Yadav	Member (Managing Director)

Mr. Vivek Raizada, Company Secretary & Compliance Officer is the Secretary to the Managing Committee.

B. STRATEGY COMMITTEE:

The terms of reference of the Strategy Committee included identification of the organic as well as inorganic growth prospects of the Company and the businesses in which the Company and/or any of its subsidiaries or associates operate, thereby exploring strategic options for its growth.

The Strategy Committee comprised of the following 3 (Three) Directors as on March 31, 2021:-

Sr. No.	Name of the Member	Designation in the Committee & Nature of Directorship
1.	Mr. Nadir B. Godrej	Chairman (Non-Executive, Non-Independent Director)
2.	Mr. Kavas N. Petigara (*)	Member (Independent Director)
3.	Mr. Balram S. Yadav	Member (Managing Director)

Mr. Vivek Raizada, Company Secretary & Compliance Officer was the Secretary to the Strategy Committee.

*Mr. Kavas N. Petigara ceased to be a Director (Non-Executive, Independent) with effect from April 1, 2021.

The Strategy Committee has been dissolved with effect from May 7, 2021.

C. MEETING OF INDEPENDENT DIRECTORS:

Pursuant to Schedule IV to the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Independent Directors of the listed entity shall hold at least one meeting in a year, without the presence of Non-Independent Directors and members of the Management and all the Independent Directors shall strive to be present at such meeting.

During the Financial Year under review, 1 (One) separate meeting of Independent Directors was held on May 11, 2020, *inter alia*, to: -

- Review the assessment /evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the assessment /evaluation of performance of the Chairman of the Company, taking into account the views of the Executive Director and Non-Executive Directors;
- Assess the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors have submitted declarations that they meet the criteria of Independence as prescribed under Section 149(6) the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder. The terms and conditions for appointment of Independent Directors and letter(s) of appointment issued to the Independent Directors are hosted on the Company's website at the weblink <https://www.godrejagrovet.com/investors/shareholder-information>

Confirmation by the Board of Directors:

In the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and the Companies Act, 2013 (as amended from time to time) and are independent of the Management of the Company.

Resignation of Independent Director:

Mr. Kavas N. Petigara (DIN: 00066162), who was re-appointed as an Independent Director of the Company with effect from April 1, 2019, had resigned from the position of "Non-Executive & Independent Director" of the Company, due to personal reasons, with effect from April 1, 2021.

As per the confirmation received from Mr. Kavas N. Petigara, there were no material reasons for his resignation other than those mentioned in his resignation letter dated March 31, 2021.

4. General Body Meetings:**a) Details of last three Annual General Meetings:**

The date, time and venue of Annual General Meetings (AGMs) held during the preceding 3 (Three) Financial Years are as follows:

AGM for the Financial Year	Date	Time	Venue
2017-18 (27 th AGM)	August 9, 2018	4.00 p.m.	Auditorium, "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India
2018-19 (28 th AGM)	August 2, 2019	3.30 p.m.	Auditorium, "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India
2019-20 (29 th AGM)	July 31, 2020	4.00 p.m.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

b) Details of Special Resolutions passed during the previous three Financial Years (i.e., 2018-19, 2019-20 and 2020-21):

i. Special Resolutions passed in Annual General Meetings (AGMs):

Date of AGM	Number of Special Resolutions passed	Details of Special Resolution passed
August 9, 2018	6 (Six)	- Approval for re-appointment of Mr. K. N. Petigara (DIN: 00066162) as a Non-Executive & Independent Director, for a further term of 3 (Three) years with effect from April 1, 2019 upto March 31, 2022; - Approval for re-appointment of Mr. Amit B. Choudhury (DIN:00557547) as a Non-Executive, Independent Director, for a further term of 3 (Three) years with effect from April 1, 2019 upto March 31, 2022; - Approval for continuation of appointment of Mr. A. B. Godrej (DIN: 00065964) as a Non-Executive & Non-Independent Director of the Company; - Approval for continuation of appointment of Dr. Raghunath A. Mashelkar (DIN: 00074119) as a Non-Executive & Independent Director of the Company; - Approval for Remuneration paid in excess of maximum remuneration permissible under the Companies Act, 2013 to Mr. Balram S. Yadav, (DIN: 00294803) as the Managing Director; - Alteration / amendment in "Godrej Agrovet Limited – Employees Stock Grant Scheme, 2018" ("ESGS 2018").
August 2, 2019	-	-
July 31, 2020	1 (One)	Appointment of Mr. Vijay M. Crishna (DIN: 00066267) as a Non-Executive & Non-Independent Director of the Company.

ii. Special Resolutions passed at the Extra-ordinary General Meetings (EGMs):

No Extra-Ordinary General Meeting of the Shareholders was held during the Financial Years 2018-19, 2019-20 and 2020-21.

iii. Special Resolutions passed by Postal Ballot:

During the Financial Year 2020-21, no resolution was passed through postal ballot.

5. MEANS OF COMMUNICATION

All vital information relating to the Company and its performance, including Quarterly and Annual Financial Results, official press releases, disclosures of material events are posted on the website of the Company, viz., www.godrejagrovet.com.

The Quarterly Financial Results of the Company's performance are published in English in leading daily newspapers 'Financial Express' and 'Business Standard' and in regional language (Marathi) in daily newspapers 'Loksatta' and 'Mumbai Lakshadeep'. The Financial Results of the Company are also available on the websites of BSE Limited and National Stock Exchange of India Limited, viz., www.bseindia.com and www.nseindia.com, respectively.

The Company files electronically the Quarterly and Annual Financial Results, Corporate Governance Report, Shareholding Pattern, etc. through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).

All the disclosures of presentations made to Institutional Investors or to the Analysts are posted on the website of the Company, viz., www.godrejagrovet.com. The presentations made to Institutional Investors or to the Analysts are also available on the websites of BSE Limited and National Stock Exchange of India Limited, viz., www.bseindia.com and www.nseindia.com, respectively.

6. DISCLOSURE

I. Material Significant Related Party Transactions:

Except as disclosed below, all transactions entered into with the Related Parties as defined under the Act and the Listing Regulations, during the Financial Year 2020-21, were in the ordinary course of business and at arm's length price.

During the Financial Year 2020-21, the Company has entered into a transaction with Godrej Properties Limited ("GPL") [a Related Party as per Section 2(76) of the Companies Act, 2013], for sale of a land admeasuring 17 Acres and 16 Guntas (approx.) situated at Tiruvaranga Village and Bagur Village, Anugondanahalli, Hobli, Hoskote Taluka, Bangalore Rural District, Karnataka, for an aggregate consideration of ₹ 15.32 Crore (Rupees Fifteen Crore and Thirty Two Lakh Only).

The aforementioned transaction with GPL was approved by the Audit Committee and the Board of Directors at their Meetings held on September 28, 2020 and November 4, 2020, in compliance with Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and Regulation 23 of the Listing Regulations (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force).

The aforementioned transaction was not in ordinary course of business of the Company but was entered at an arm's length price.

There were no material significant transactions with Related Parties during the Financial Year 2020-21 that may have potential conflict with the interests of the Company at large.

In preparation of the Financial Statements for the Financial Year 2020-21, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements. Attention of the Shareholders is drawn to the disclosure of transactions with Related Parties as set out for the Financial Year 2020-21 in Note No. 54 of the Standalone Financial Statement, forming a part of this Annual Report. None of the transactions with any of the Related Parties were in conflict with the Company's interest.

The Related Party Transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long term strategy for sectoral investments, profitability, liquidity and capital resources. All Related Party Transactions are on arm's length basis and are intended to further the Company's interests.

The Policy on Related Party Transactions is available on the website of the Company at the weblink <https://godrejagrovet.com/sustainability/codes-and-policies>.

Except for drawing remuneration by the Managing Director and payment of sitting fees to Independent Directors and commission to Non-Executive Directors, (including Independent and Non-Independent Directors, but excluding the Managing Director) none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company.

II. Policy on Material Subsidiaries:

Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations. Creamline Dairy Products Limited is a Material Subsidiary of your Company whose income or net worth (i.e., paid-up capital and free reserves) exceeds 10% (Ten per cent) of the consolidated income or net worth respectively of the Company in the immediately preceding accounting year. The copies of the Minutes of the Board Meetings of Subsidiary Companies are circulated at the subsequent Board Meetings of your Company.

The Management of the unlisted Material Subsidiary periodically brings to the notice of the Board of Directors of your Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

This Policy on Material Subsidiaries is available on the website of the Company at the weblink <https://godrejagrovet.com/sustainability/codes-and-policies>.

III. Vigil Mechanism and Whistle Blower Policy:

Your Company has adopted a Whistle Blower Policy ("the Policy") as a part of its vigil mechanism. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/or any unethical practices in the organization without the knowledge of the Management. All employees shall be protected from any adverse action for reporting any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation.

This Policy is also applicable to the Company's Directors and employees and it is available on the internal employee portal and the website of the Company at the weblink <https://godrejagrovet.com/sustainability/codes-and-policies>. Mr. V. Swaminathan, Head Corporate Audit & Assurance, has been appointed as the 'Whistle Blowing Officer' and his contact details have been mentioned in the Policy. Furthermore, employees are also free to communicate their complaints directly to the Chairman of the Audit Committee, as stated in the Policy.

To support its people to overcome their ethical dilemmas and raise an ethical concern freely "Speak up" was launched in Godrej. It is a platform for Godrej employees, business associates, agents, vendors, distributors and consultants to easily raise their ethical concerns in any of the following ways:

- Log on to the web portal
- Dial the hotline number
- Write to the ethics e-mail id
- Reach out to the Whistle Blowing Officer.

While raising a concern, the person can choose to remain anonymous. Speak up ensures to maintain confidentiality for genuine concerns.

The Audit Committee reviews reports made under the Policy and implements corrective actions, wherever necessary.

IV. Details of Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements:

The Company complies with all the mandatory requirements of Company law, Securities law & other applicable laws and has also adopted and complied with the following non-mandatory requirements: -

- Separate Positions of Chairperson and Managing Director:

The Company has separate positions for Chairman and Managing Director. Mr. Nadir B. Godrej is the “Chairman” of the Company and Mr. Balram S. Yadav is the “Managing Director” of the Company.

- Reporting of Internal Auditors:

The Internal Auditors of the Company give their quarterly report to the Audit Committee and the same is taken for review at the time of meetings of the Audit Committee.

V. Policy for Prevention of Sexual Harassment at the Workplace:

Your Company is committed to create and maintain an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company strongly opposes sexual harassment and such behavior is prohibited. Your Company has constituted an Internal Complaints Committee pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“the said Act”) to deal with complaints relating to sexual harassment at workplace. While the said Act is applicable only to the women employees, your Company’s policy covers all employees.

The details of complaints received during the Financial Year ended March 31, 2021 are as follows:

- a. Number of complaints filed during the Financial Year – 2
- b. Number of complaints disposed off during the Financial Year – 2
- c. Number of complaints pending as at end of the Financial Year – Nil.

VI. Details of Non-compliance on matters related to Capital Markets:

There has not been any non-compliance by the Company and no penalties or strictures were imposed on your Company by any of the Stock Exchanges or the Securities and Exchange Board of India (SEBI) or any statutory authority, on any matter related to capital markets, during the last 3 (Three) Financial Years.

VII. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the Financial Year 2020-21, the Company has not raised funds through any kind of issue (public issue, rights issue, preferential issue, etc.).

VIII. A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs (MCA) or any such statutory authority:

Certificate issued by BNP & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs (MCA) or any such statutory authority, is annexed to this Corporate Governance Report.

IX. Disclosure about instances where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with the reasons thereof:

During the Financial Year 2020-21, there were no instances reported / recorded, where the Board of Directors of the Company did not accept recommendation(s) of any of its Committees.

X. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part:

(₹ In Crore)

Name of the Company	Name of Statutory Auditors	Particulars	Amount
Godrej Agrovet Limited		Audit Fees (including limited reviews)	0.72
		Other matters	0.02
		Reimbursement of Expenses	-
Astec LifeSciences Limited		Audit fees	0.18
		Other matters	0.019
	BSR & Co. LLP	Reimbursement of Expenses	0.001
Creamline Dairy Products Limited		Audit fees	0.22
		Other matters	0.08
		Reimbursement of Expenses	0.001
Godrej Tyson Foods Limited		Audit Fees	0.182
		Other Matters	-
		Reimbursement of Expenses	0.001
Godrej Maxximilk Private Limited		Audit Fees	0.02
		Other Matters	0.03
		Reimbursement of Expenses	-
Godvet Agrochem Limited	Kalyaniwalla & Mistry LLP	Audit Fees	0.006
		Other Matters	0.02
		Reimbursement of Expenses	-

XI. Risk Management:

Your Company continuously monitors business and operational risks. All key functions and divisions are independently responsible to monitor risks associated within their respective areas of operations such as production, insurance, legal and other issues like health, safety and environment. Your Company has formulated Risk Management Policy for identification of risks and has constituted a Risk Management Committee in order to ensure implementation of the Policy.

Risk Management Policy is also made available on the website of your Company at the weblink <https://godrejagrovet.com/sustainability/codes-and-policies>. The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of your Company.

XII. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Commodity Price Risk:

The Company is an Agri Company manufacturing agri products. Hence, volatility in raw material input prices poses risk for the business.

Currency Risk:

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

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

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

The Company determines the existence of an economic relationship between the hedging instruments and hedged item based on the currency, amount and timing of their respective cash flows.

The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in off-setting the changes in the cash flows of the hedged item using the hypothetical derivative method.

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

XIII. GENERAL SHAREHOLDER INFORMATION:-

a) Registered Office:

"Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400079, Maharashtra, India.

b) 30th Annual General Meeting:

Date	Day	Time	Venue
August 10, 2021	Tuesday	4.00 p.m. (IST)	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

c) Financial Year:

Financial Year: From April 1, 2020 to March 31, 2021

For the Financial Year 2020-21, Financial Results were announced on:

Quarter / Annual	Date
First Quarter	July 31, 2020
Half Year	November 4, 2020
Third Quarter	February 4, 2021
Annual	May 7, 2021

d) Book Closure Dates and Dividend Payment Date:

The Book Closure dates are from Friday, August 6, 2021 to Monday, August 9, 2021 (both days inclusive). The Final Dividend, if declared by the Shareholders at the 30th Annual General Meeting, will be paid by Tuesday, August 17, 2021.

e) Corporate Identification Number (CIN):

Your Company's CIN, allotted by the Ministry of Corporate Affairs is L15410MH1991PLC135359. Your Company is registered at Mumbai in the State of Maharashtra, India.

f) Listing Details and Listing Fees:

Payment of Listing Fees:-

The Company is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

The International Securities Identification Number (ISIN) of the Company for both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is INE850D01014.

The Company has paid the Annual Listing fees for the Financial Year 2021-22 to BSE and NSE.

Payment of Depository Fees:-

Annual Custody / Issuer Fee for the Financial Year 2021-22, has been paid by the Company to NSDL and CDSL.

g) Stock Code:

Name of Stock Exchange	Scrip Code
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra	GODREJAGRO
BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra	540743

Table-1 below provides the monthly high and low prices and volumes of Equity Shares of the Company at BSE and NSE for the Financial Year ended March 31, 2021.

Table-2 below compares the Company's share price at the BSE with the Sensex and Table 3 below compares the Company's share price at the NSE with the NSE Nifty 50.

Tables 4 and 5 below give the distribution of shareholding by size and by ownership, respectively, as on March 31, 2021.

Table 1:- Monthly High and Low Prices and Volumes of Equity Shares of the Company at NSE and BSE for the Financial Year 2020-21:

Stock Exchange	BSE			NSE		
Month	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)
April 2020	422.30	342.05	1,90,558	424.85	347.00	23,23,601
May 2020	411.30	349.15	2,01,155	415.00	349.00	28,54,297
June 2020	464.40	367.75	4,93,928	463.80	366.00	81,29,557
July 2020	482.20	430.80	5,36,659	498.00	429.80	65,02,941
August 2020	514.90	460.75	4,64,359	515.14	460.50	60,91,676
September 2020	544.00	470.15	3,64,337	534.50	471.05	27,71,801
October 2020	548.50	503.75	2,31,255	548.50	503.60	21,63,895
November 2020	537.00	485.00	5,07,386	537.75	489.45	24,50,671
December 2020	568.70	497.40	5,14,425	561.00	502.20	42,53,219
January 2021	554.65	519.00	1,60,307	554.75	523.25	29,69,427
February 2021	546.25	477.25	5,22,190	547.10	476.40	30,83,285
March 2021	525.25	469.70	11,00,910	525.00	475.20	33,03,010

Table 2:- Company's Share Performance as compared to BSE Sensex for the Financial Year 2020-21:

Month	Company's Monthly Close Price on BSE (in ₹)	BSE Monthly Sensex Close
April 2020	406.30	33,717.62
May 2020	374.90	32,424.10
June 2020	430.90	34,915.80
July 2020	458.70	37,606.89
August 2020	487.05	38,628.29
September 2020	508.10	38,067.93
October 2020	515.40	39,614.07
November 2020	509.90	44,149.00
December 2020	535.05	47,751.33
January 2021	534.95	46,285.77
February 2021	486.55	49,099.99
March 2021	524.45	49,509.15

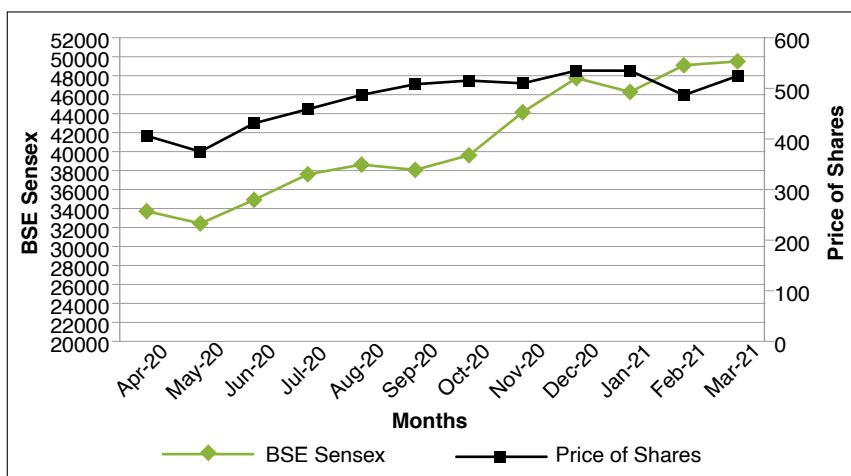


Table 3:- Company's Share Performance as compared to NSE Nifty 50 for the Financial Year 2020-21:

Month	GAVL Monthly Close Price on NSE (in ₹)	NSE Nifty 50 Monthly Close
April 2020	405.95	9,859.90
May 2020	374.40	9,580.30
June 2020	430.80	10,302.10
July 2020	459.15	11,073.45
August 2020	487.75	11,387.50
September 2020	509.45	11,247.55
October 2020	515.60	11,642.40
November 2020	509.90	12,968.95
December 2020	535.10	13,981.75
January 2021	535.20	13,634.60
February 2021	485.75	14,529.15
March 2021	523.80	14,690.70

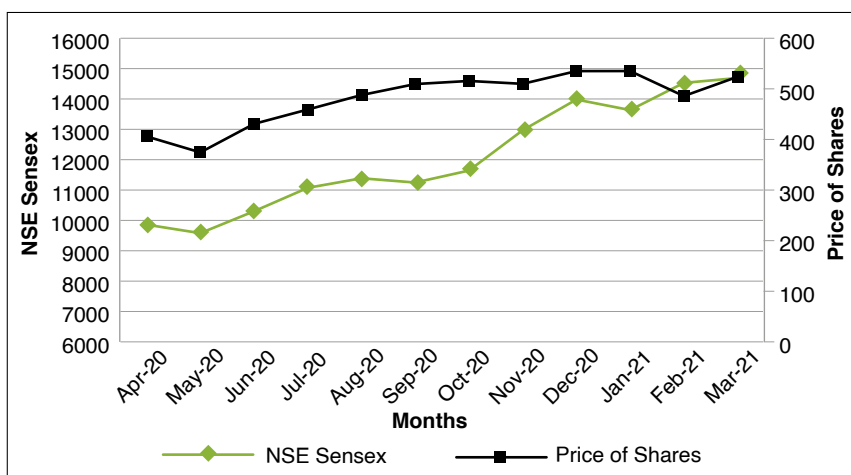


Table 4:- Distribution of Shareholding by Size as on March 31, 2021:

Number of Shares	Number of Shareholders	Shareholders %	Shareholding %
1-5000	1,04,223	97.139582	2.97
5001- 10000	1,714	1.597510	0.70
10001- 20000	699	0.651493	0.54
20001- 30000	204	0.190135	0.27
30001- 40000	85	0.079223	0.16
40001- 50000	93	0.086679	0.23
50001- 100000	103	0.096000	0.40
100001 & Above	171	0.159378	94.74
Total	1,07,292	100	100

Table 5:- Distribution of Shareholding by Ownership as on March 31, 2021:

Category	No. of Equity Shares	% of Shareholding
Alternative Investment Fund	Nil	-
Banks	48	0.00
Bodies Corporates	20,99,039	1.09
Clearing Members	2,84,937	0.15
Directors	42,81,923	2.23
Employees	25,25,897	1.32
Foreign Corporate Bodies	2,28,15,329	11.88
Foreign Nationals	Nil	-
Foreign Portfolio – Corp.	54,52,245	2.84
Hindu Undivided Family (HUF)	3,34,645	0.17
Indian Financial Institutions	Nil	-
Mutual Funds	32,22,441	1.68
NBFC	7,73,922	0.40
Non Resident Indians (Non-Repatriable)	1,38,349	0.07
Non Resident Indians	4,19,713	0.22
Promoter Director	102	0.00
Promoter Group	2,07,35,793	10.80
Promoters Bodies Corporate	11,48,69,826	59.81
Qualified Institutional Buyers	42,15,121	2.19
Resident Individual	98,88,333	5.15
Trust	14,237	0.01
TOTAL	19,20,71,900	100

The abovementioned details are as per BENPOS received from KFin Technologies Private Limited, Registrar and Share Transfer Agent of the Company, as on March 31, 2021.

XIV. Shares held in Physical and Dematerialized form:

As on March 31, 2021, the break-up of share capital of the Company held in physical and dematerialized form is as under:

Mode	No. of Equity Shares	Percentage (%)
Demat shares with NSDL	18,37,98,822	95.69%
Demat shares with CDSL	82,73,041	4.31%
Shares held in physical mode	37	0.00%
Total	19,20,71,900	100.00%

XV. Liquidity:

During the Financial Year 2020-21, higher trading activity was witnessed on National Stock Exchange of India Limited (NSE). The relevant data for the daily turnover on both the Stock Exchanges for the said Financial Year is given below:

Particulars	Stock Exchange		Total
	BSE	NSE	
Shares	55,97,849	4,68,97,380	5,24,95,229
Values (₹ in Crore)	271.27	2221.46	2492.73

XVI. Share Transfer System:

Share transfer is given effect within a maximum period of 30 (Thirty) days from the date of receipt, subject to documents being valid and complete in all respects. Pursuant to the Regulation 40 of the Listing Regulations, the Board has delegated the authority for approving transfer / transmission / transposition of securities of the Company to the Stakeholders' Relationship Committee / Chief Financial Officer / Compliance Officer of the Company / Registrar and Share Transfer Agent as per the following limits:

Sr. No.	Particulars	Limit
1	Stakeholders' Relationship Committee	Above 2,000 Equity Shares
2	Chief Financial Officer or Compliance Officer	From 500 Equity Shares to 2,000 Equity Shares
3	Registrar and Share Transfer Agent	Upto 500 Equity Shares

Further, the Chief Financial Officer or the Compliance Officer of the Company are authorized by the Board of Directors of the Company to effect issue or rematerialization of the securities of the Company upto a limit of 500 Equity Shares in a calendar Quarter, pursuant to the Regulation 40 of the Listing Regulations.

The Company has obtained from a Company Secretary in Practice, Half Yearly Certificates (April 2020 - September 2020 and October 2020 - March 2021) to the effect that all certificates have been issued within 30 (Thirty) days of the date of lodgment of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and has filed the same with the Stock Exchanges where the Company's shares are listed.

In terms of Regulation 40(1) of the Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2020, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holding to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

A summary of transfer / transmission of shares of the Company is placed at the Stakeholders' Relationship Committee Meeting.

XVII. Reconciliation of Share Capital Audit Report:

As per Regulation 76 of the Securities and Exchange Board of India (Depository and Participants) Regulations, 2018, a qualified Practicing Company Secretary carried out an audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total physical holding, with the total issued and listed capital.

The audit is carried out every Quarter and report thereon is submitted to the Stock Exchange(s) where the Company's shares are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form, as stated in the Reconciliation Share Capital Audit Report submitted to the Stock Exchange(s).

XVIII. Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants / any Convertible instruments and their likely impact on Equity:

The Company does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

XIX. Disclosure of Commodity Price Risk / Foreign Exchange Risk and Hedging Activities:**1. Risk Management Policy of the Company with respect to commodities including through hedging:**

Commodities form a major part of the raw materials required for Company's products portfolio and hence commodity price risk is one of the important market risks for the Company. Your Company enters into fixed price contracts with vendors and also uses commodity derivatives on recognized exchanges to hedge the commodity prices volatility.

The commodity procurement team, based on intelligence and monitoring, forecasts commodity prices and movements and finalizes the commodity stocking strategy. A robust planning and strategy helps to manage the risks despite volatility in commodity prices.

Your Company does not enter into any derivative instruments for speculative purposes.

In respect of commodities which are imported, there is a foreign currency risks and mitigation of the same is managed by the forex committee. The forex committee meets periodically and reviews the overall foreign exchange currency exposure and the Company enters into forward contracts to hedge the currency risks. The details of hedged and un-hedged of foreign currency exposures are available in the notes to Financial Statements of the Annual Report.

Exposure to commodity and commodity risks faced by the entity throughout the Financial Year 2020-21:

Commodity Name	Exposure in INR towards the particular commodity (₹ in Crore)	Exposure in Quantity terms towards the particular commodity (MT)	% of such exposure hedged through commodity derivatives				Total
			Domestic Market		International Market		
			OTC	Exchange (QT MT.)	OTC	Exchange	
Crude Palm Oil (CPO)	583.88	79,103	-	2960	-	-	2960

XX. Registrar and Share Transfer Agents:

The contact details of the Company's Registrar and Share Transfer Agents are as under:-

KFin Technologies Private Limited
(Previously known as Karvy Fintech Private Limited)
Selenium Building, Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad - 500 032, Rangareddy, Telangana, India
Tel.: 1800 309 4001 Fax: (91 40) 2343 1551
E-mail: godrej.agrovet@kfintech.com
Investor Grievance E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

XXI. Credit Ratings:

The details of Credit Ratings held by the Company as on March 31, 2021 are as under:

Ratings from ICRA Limited:

Instrument	Amount (₹ in Crore)	ICRA Rating
Long Term Fund Based & Non-Fund Based Limits	690	[ICRA] AA (Stable)
Commercial Paper	600	[ICRA] A1+(Stable)

Ratings from CRISIL:

Instrument	Amount (₹ in Crore)	CRISIL Rating
Commercial Paper	600	[CRISIL] A1+(Stable)

There has been no change in credit rating issued by ICRA Limited during the Financial Year ended March 31, 2021 and credit rating from CRISIL has been obtained for first time during the said Financial Year.

XXII. Plant Locations:

The Company has plants at various locations across the country, including the following:-

Animal Feed:

Sachin (Surat - Gujarat), Miraj (Sangli - Maharashtra), Dhule (Maharashtra), Khanna (Ludhiana - Punjab), Ikolaha (Ludhiana - Punjab), Khurda (Orissa), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Medchal (Telangana) and Unnao (Uttar Pradesh).

Aqua Feed:

Hanuman Junction (Krishna Dist., Andhra Pradesh) and Kondapalli (Vijayawada, Andhra Pradesh)

Crop Protection Business:

Samba (Jammu & Kashmir) and Lote Parshuram (Ratnagiri, Maharashtra)

Vegetable Oils:

Ch. Pothepalli (West Godavari Dist., Andhra Pradesh), Chintampalli (West Godavari Dist., Andhra Pradesh), Seethanagaram (West Godavari Dist. Andhra Pradesh), Varanavasi (Ariyalur, Tamil Nadu), Valpoi (Sattari, Goa) and Kolasib (Mizoram)

XXIII. Address for Correspondence:**Mr. S. Varadaraj****Chief Financial Officer**

"Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079, Maharashtra
Phone: 022 – 2519 4416, Fax: 022 - 2519 5124
Email id: s.varadaraj@godrejagrovet.com , Website: www.godrejagrovet.com

Mr. Vivek Raizada**Company Secretary & Compliance Officer**

"Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079, Maharashtra
Phone: 022 – 2519 4416, Fax: 022 - 2519 5124
Email id: vivek.raizada@godrejagrovet.com , Website: www.godrejagrovet.com

Investor Correspondence should be addressed to:**KFin Technologies Private Limited**

(Previously known as Karvy Fintech Private Limited)

Registrar & Share Transfer Agents

Selenium Building, Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad - 500 032, Rangareddy, Telangana, India
Tel. No.: 1800 309 4001 Fax No.: (91 40) 2343 1551
E-mail: einward.ris@kfintech.com
Investor Grievance E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

Exclusive E-mail ID for Investors / Shareholders:

The Company has designated gavlinvestors@godrejagrovet.com as an e-mail ID to enable the Shareholders and Investors to correspond with the Company.

XXIV. SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system.

The salient features of this system are:

1. Centralized database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

XXV. Non-compliance of any Requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

XXVI. Code of Conduct:

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company at the weblink <https://godrejagrovet.com/sustainability/codes-and-policies>

The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2021, is annexed to this Corporate Governance Report.

XXVII. Disclosures by Senior Management Personnel to the Board of Directors:

Your Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2020-21. Interested Directors, if any, neither participate in discussions, nor do they vote on such matters.

XXVIII. Public, Rights and Other Issues:

There were no Public, Rights and other Issues during the Financial Year 2020-21 except allotment of 30,002 (Thirty Thousand Two) Equity Shares to certain employees under the Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 (ESGS 2018). Further, the Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement in terms of the Listing Regulations.

XXIX. CEO and CFO Certification:

Mr. Balram S. Yadav, Managing Director and Mr. S. Varadaraj, Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Quarterly and Annual Financial Statements for the Financial Year ended March 31, 2021.

XXX. Management Discussion and Analysis Report:

Management Discussion and Analysis Report for the Financial Year 2020-21 forms a part of this Annual Report.

XXXI. Disclosure of Accounting Treatment in preparation of Financial Statements:

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India and comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Companies Act, 2013.

XXXII. Compliance Certificate on Corporate Governance:

As per Para E of Schedule V of the Listing Regulations, the Certificate issued by BNP & Associates, Company Secretaries, regarding compliance of conditions of Corporate Governance is annexed to this Corporate Governance Report.

XXXIII. Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:

Sr. No.	Particulars	Regulation	Compliance Status Yes/ No/N.A.	Compliance observed for the following:
1.	Board of Directors	17 & 17A	Yes	- Board Composition - Meetings of Board of Directors - Review of Compliance Reports - Plans for Orderly Succession for Appointments - Code of Conduct - Fees/Compensation - Minimum Information to be placed before the Board - Compliance Certificate - Risk Assessment and Management - Performance Evaluation of Independent Directors - Explanatory Statement to be annexed - Maximum Number of Directorships - Recommendation of the Board of Directors
2.	Audit Committee	18	Yes	- Composition of Audit Committee - Meetings of Audit Committee - Powers of Audit Committee - Role of Audit Committee - Review of Information by the Audit Committee

Sr. No.	Particulars	Regulation	Compliance Status Yes/ No/N.A.	Compliance observed for the following:
3.	Nomination and Remuneration Committee ("NRC")	19	Yes	- Composition of NRC - Meetings of the NRC - Powers of the NRC - Role of the NRC
4.	Stakeholders' Relationship Committee ("SRC")	20	Yes	- Composition of SRC - Role of the SRC - Meetings of the SRC
5.	Risk Management Committee ("RMC")	21	Yes	- Composition of RMC - Role of the RMC - Meetings of the RMC
6.	Vigil Mechanism / Whistle Blower	22	Yes	- Formulation of Vigil Mechanism for Directors and Employees - Direct access to Chairperson of Audit Committee
7.	Related Party Transactions	23	Yes	- Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions - Related Party Transactions of the Company are in accordance with contracts duly approved by the Audit Committee, Board of Directors and Shareholders - Review of Related Party Transactions pursuant to the aforesaid approvals - Disclosure of Related Party Transactions
8.	Corporate Governance requirements with respect to subsidiary of Listed entity	24 & 24A	Yes	- Review of Investments made by unlisted subsidiary companies, by the Audit Committee. - Minutes of Meetings of Board of Directors of unlisted subsidiary companies placed at the Meetings of the Board of Directors of the Company - Review of significant transactions and arrangements entered into by the unlisted subsidiary companies - Secretarial Audit Report of material subsidiary to be annexed to the Board's Report of the Company
9.	Obligations with respect to Independent Directors	25	Yes	- Maximum Directorships and Tenure - Meeting of Independent Directors - Familiarization of Independent Directors
10.	Obligations with respect to Directors and Senior Management	26	Yes	- Memberships / Chairmanships in Committees - Affirmation with compliance to Code of Business Conduct and Ethics from Directors and Management
11.	Other Corporate Governance Requirements	27	Yes	- Compliance with discretionary requirements - Filing of quarterly compliance report on Corporate Governance
12.	Website	46(2) (b) to (i)	Yes	- Terms and conditions of appointment of Independent Directors - Composition of various Committees of Board of Directors - Code of Business Conduct and Ethics for Directors Management Personnel - Details of establishment of Vigil Mechanism / Whistle Blower Policy - Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions - Details of familiarization programmes imparted to Independent Directors

XXXIV. Transfer of Unpaid / Unclaimed amounts of Dividend to Investor Education and Protection Fund:

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as no such amount of dividend was lying in the unpaid / unclaimed dividend account for a period of consecutive 7 (Seven) years.

DECLARATION BY MANAGING DIRECTOR

WITH RESPECT TO COMPLIANCE WITH CODE OF CONDUCT OF GODREJ AGROVET LIMITED ("THE COMPANY")

As provided under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V to the said Regulations, this is to confirm that all the Members of the Board of Directors and the Senior Management have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2021.

For Godrej Agrovet Limited

Sd/-
Balram S. Yadav
Managing Director
(DIN: 00294803)

Date: May 7, 2021

Place: Mumbai

**CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS
UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Members of
Godrej Agrovet Limited

We have examined all relevant records of **Godrej Agrovet Limited** (further known as "the Company") for the purpose of certifying compliance of the disclosure requirements and corporate governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), for the Financial Year ended March 31, 2021. We have obtained all the information and explanations to the best of our knowledge and belief, which were necessary for the purpose of this certification.

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified for listed company.

We further state that such compliance 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.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

B. Narasimhan
Partner
FCS No:1303 / C P No: 10440
PR No. 637/2019
UDIN: F001303C000257152

Place: Mumbai
Date: May 7, 2021

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,
Godrej Agrovet Limited,
Godrej One, 3rd Floor,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai- 400 079,
Maharashtra

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Godrej Agrovet Limited** bearing CIN: L15410MH1991PLC135359 and having registered office at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli East, Mumbai 400 079 (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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, We hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ending on March 31, 2021, have been debarred or disqualified from being appointed or continuing as Director of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority;

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1	Mr. Nadir B. Godrej	00066195	25.11.1991
2	Mr. Jamshyd N. Godrej	00076250	24.08.1992
3	Mr. Vijay M. Crishna	00066267	11.05.2020
4	Ms. Tanya A. Dubash	00026028	10.04.2003
5	Ms. Nisaba Godrej	00597503	24.07.2006
6	Mr. Pirojsha Godrej	00432983	05.11.2018
7	Mr. Balram S. Yadav	00294803	01.09.2007
8	Mr. Kavas N. Petigara	0066162	24.08.1992
9	Dr. Raghunath A. Mashelkar	00074119	18.07.2017
10	Dr. Ritu Anand	00363699	18.07.2017
11	Ms. Aditi Kothari Desai	00426799	18.07.2017
12	Ms. Roopa Purushothaman	02846868	18.07.2017
13	Mr. Natarajan Srinivasan	00123338	04.02.2019
14	Mr. Kannan Sitaram	01038711	17.06.2019

*Note: The date of appointment is as per the date appearing in MCA records.

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 BNP & Associate
Company Secretaries**
Firm Registration. No. P2014MH037400
PR. No: 637/2019

**B. Narasimhan
Partner**

**Date: May 7, 2021
Place: Mumbai**

**FCS No: 1303 / C P No: 10440
UDIN: F001303C000257119**

**STANDALONE
FINANCIALS AND
AUDITORS'**
REPORT

Independent Auditors' Report

To the Members of Godrej Agrovet Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Godrej Agrovet Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2021, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant 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 financial statements give the information required by the Companies Act, 2013 ("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 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Description of Key audit matter

Revenue Recognition

The Key Audit Matter	How the matter was addressed in our audit
Refer Note 1 [6(A)(i)] of accounting policy and Note 29 and Note 30 in standalone financial statements The Company recognizes revenue from sale of goods when control of the goods has transferred and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. The Company has large number of customers and the sales contracts with customers have different terms relating to transfer of control of underlying goods and the right of return. We identified the recognition of revenue from sale of products as a key audit matter because: • The Company and its external stakeholders focus on revenue as a key performance indicator. This could create an incentive for higher revenue to be recognised at period end, i.e. before the control of underlying goods have been transferred to the customer; and • Estimation of accrual for sales returns, mainly in the crop protection segment involves significant judgement.	Our audit procedures included following: - Assessing the appropriateness of the Company's accounting policies in respect of revenue recognition by comparing with applicable accounting standards; - Evaluating the design, testing the implementation and operating effectiveness of the Company's internal controls over recognition of revenue; - Performing substantive testing for year-end cutoff testing, by selecting samples of revenue transactions recorded during and after the year and verifying the underlying documents, which included sales invoices, dispatch documents and proof of delivery, depending on the terms of contracts with customer. - Examining journal entries (using statistical sampling) posted to revenue to identify unusual or irregular items - Evaluating the design and testing the implementation and operating effectiveness of the internal controls over accrual for sales returns, in crop protection segment; - Checking completeness and accuracy of the data used for accrual of sales returns, in crop protection segment. - Examining historical trend of sales return claims to assess the assumptions and judgements used in accrual of sales returns in crop protection segment. Comparing historically recorded accruals to the actual amount of sales returns; - Examining manual journal entries (using statistical sampling) posted to sales return accrual to identify unusual or irregular items. - Evaluating adequacy of disclosures given in Note 29 and Note 30 to the standalone financial statements.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 opinion on the standalone 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 financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key audit matter (continued)

Loss allowance on trade receivables – Refer Note 1 [3] to the Standalone financial statements

The Key Audit Matter	How the matter was addressed in our audit
Loss allowance on trade receivables – crop protection segment Trade receivables of crop protection segment of Rs 383.53 crores consist of individual / small customers in different jurisdictions within India. Accordingly, there are significant large number of customers subject to different business risk, climate risk, political risk and interest rate risk. The balance of loss allowance for trade receivables of crop protection segment represent the Company's best estimate at the balance sheet date of expected credit losses (ECL) under Ind AS 109. The Company assesses the ECL allowance for these individual / small customers resulting from all possible defaults over the expected life of the receivables. ECL is assessed at each reporting date on collective basis using provision matrix. The measurement of ECL involves significant judgements and assumptions, primarily including: - Loss rate in provision matrix depending on days past due, - credit risk of customers and - historical experience adjusted for future economic conditions. For measuring ECL, the Company adopted provision matrix, employed numerous parameters and applied significant estimates and judgements. In addition, the exposures of the trade receivables of crop protection segment and the ECL involve significant amounts. In view of this, we identified the assessment of ECL on trade receivables of crop protection segment as a key audit matter.	Our audit procedures to assess the ECL on trade receivables of crop protection segment included the following: • Testing the design, implementation and operating effectiveness of key controls over measurement of ECL on trade receivables in crop protection segment. Evaluating the processes of credit control and collection of trade receivables; • Assessing the Company's accounting policy for ECL on trade receivables with applicable accounting standards; • Using our internal IT specialists to assess and obtain comfort over ageing report. Assessing the classification of trade receivables based on such ageing report generated from system; • Challenging the ECL estimates by examining the information used to form such estimates; • Checking completeness and accuracy of the data used by the Company for computation of assumptions used for computing ECL on trade receivables. Assessing assumptions such as the basis of segmentation of trade receivables, historical default rate and other related factors; • Obtaining independent customer confirmations on the outstanding invoices on sample (using statistical sampling) basis. Verifying balances obtained from customer with balance in the books along with applicable reconciling items. Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to closing trade receivable balances, when confirmations are not received; • Examining data inputs to provisioning matrix; • Examining sample manual journal entries (using statistical sampling) for loss allowances to identify unusual or irregular items.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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. 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 standalone 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 financial statements, including the disclosures, and whether the standalone 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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, 2016 ('the Order'), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - (A) As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
 - (e) on the basis of written representations received from the directors as on 31 March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021, from being appointed as a director in terms of Section 164(2) of the Act;

- (f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements – Refer Note 47 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 27 to the standalone financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings
- in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
- For B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022
- Koosai Leherly**
Partner
Membership No: 112399
UDIN: 21112399AAAABE3809
- Mumbai
07 May 2021

Annexure A to the Independent Auditors' Report – 31 March 2021

(Referred to in our report of even date)

With reference to the Annexure referred to in paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Independent Auditors' Report to the Members of the Company on the standalone financial statements for the year ended 31 March 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets, by which all fixed assets are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the above programme, the Company has verified all fixed assets during the year and no material discrepancies were noticed in respect of the assets verified during the year.
- (c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except as mentioned in the table below. Further in respect of immovable properties of land that have been taken on lease and disclosed as Right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement, except as mentioned in the table below:

S r . No	Total No. of cases	Type of Assets	Gross block as at March 31, 2021 (Rs in crore)	Net block as at March 31, 2021 (Rs in crore)	Remarks
1	1	Free Hold Land	0.04	0.04	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds
2	1	Free Hold Land	0.46	0.46	Received on demerger of Godrej Soap Business. Company is in the process of transferring the title deeds.
3	2	Lease Hold Land	8.13	7.71	Company has received the allotment letter from GIDC. Company is in process of registration
4	1	Factory Building	1.24	0.98	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds.
5	1	Factory Building	0.22	0.00	Received on demerger of Godrej Soap Business. Company is in the process of transferring the title deeds.
6	1	Office Building	0.54	0.47	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds.
7	1	Office Building	0.33	0.29	Received on demerger of Godrej Soap Business. Company is in the process of transferring the title deeds.

- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in books of account.
- (iii) (a) The Company has granted unsecured loans to five companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to other body corporate, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. In our opinion, the rate of interest and other terms and conditions on which the unsecured loans have been granted to companies listed in the register maintained under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.
- (b) The unsecured loans granted to the companies covered in the register maintained under Section 189 of the Act are repayable on demand. The borrower has been regular in the payment of interest.
- (c) The unsecured loans granted to the companies covered in the register maintained under Section 189 of the Act are repayable on demand and there is no amount overdue for more than ninety days in respect of such loans.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of grant of loans, making

investments, providing guarantees and securities, as applicable.

- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of Provident fund, Employees' State Insurance, Income tax, Goods and services tax,

Professional tax, Duty of customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Goods and services tax, Professional tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

Also, refer note 47.2 to the standalone financial statements.

- (b) According to the information and explanations given to us, there are no dues of Goods and services tax which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of Income-tax, Duty of excise and Duty of customs have not been deposited as on 31 March 2021 by the Company on account of disputes:

Name of the statute	Nature of the Dues	Amount (Rs in crore)*	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty (including interest)	7.59	April 2008 – March 2015	CESTAT/ Assessing officer
Central Excise Act, 1944	Excise duty (including interest)	10.08	November 2006 – October 2014	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	4.31	May 2009 – June 2017	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	2.47	March 2003 – May 2006	Commissioner of Central Excise (Appeals)
Customs Act, 1962	Custom duty (including interest)	0.58	April 2011 – March 2012	Joint Commissioner of Customs Group -I, Chennai
Customs Act, 1962	Custom duty (including interest)	0.68	April 2012 – March 2013	CESTAT
Income tax Act, 1961	Income tax (including interest)	1.06	AY 2017-18	Commissioner of Income tax (Appeals)

* Net of amounts paid in protest.

- (viii) In our opinion, and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks, financial institutions and government. The Company did not have any outstanding dues to debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and the term loans taken by the Company have been applied for the purpose for which they were raised.
- (x) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the

Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private

placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the order is not applicable to the Company.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Koosai Leheroy

Partner

Mumbai
07 May 2021

Membership No: 112399
UDIN: 21112399AAAABE3809

Annexure B to the Independent Auditors' Report on the standalone financial statements of Godrej Agrovet Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 1 A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to the financial statements of Godrej Agrovet Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls with reference to financial statements. 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 financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial

controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to 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 financial statements include 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 financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Koosai Leheri

Partner

Membership No: 112399

UDIN: 21112399AAAABE3809

Mumbai
07 May 2021

Standalone Balance Sheet

as at March 31, 2021

(Rs. in crore)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
(I) Non-current assets			
(a) Property, plant and equipment	2	944.91	834.83
(b) Capital work-in-progress	3	14.68	120.01
(c) Right of use assets	4	63.30	61.66
(d) Intangible assets	5	3.13	2.91
(e) Intangible assets under development		0.63	0.75
(f) Biological assets other than bearer plants	6	5.68	6.27
(g) Financial Assets			
(i) Investments			
Investments in Subsidiaries, Associate and Joint Ventures	7 (a)	592.49	591.49
Other investments	7 (b)	3.57	0.82
(ii) Loans	8	12.55	11.74
(iii) Others	9	1.47	1.58
(h) Deferred tax assets	44	6.70	6.31
(i) Other non-current assets	10	16.54	19.45
Total Non current assets		1,665.65	1,657.82
(II) Current Assets			
(a) Inventories	11	696.67	597.09
(b) Financial Assets			
(i) Investments	12	0.04	0.04
(ii) Trade Receivables	13	646.85	713.76
(iii) Cash and cash equivalents	14	32.55	31.40
(iv) Bank balances other than (iii) above	15	0.93	0.79
(v) Loans	16	39.82	17.16
(vi) Others	17	66.18	168.52
(c) Other current assets	18	91.29	62.88
Total current assets		1,574.33	1,591.64
Total Assets		3,239.98	3,249.46
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity share capital	19	192.07	192.04
(b) Other equity	20	1,563.80	1,385.69
Total equity		1,755.87	1,577.73
(II) Liabilities			
(1) Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	74.72	1.55
(ii) Lease Liabilities		18.44	20.76
(iii) Other financial liabilities	22	0.27	0.85
(b) Provisions	23	4.70	4.72
(c) Deferred tax liabilities (net)	44	64.05	63.11
(d) Other non-current liabilities	24	11.39	15.13
Total non current liabilities		173.57	106.12
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	596.08	385.60
(ii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		1.61	2.01
Total outstanding dues of creditors other than micro enterprises and small enterprises		404.97	923.11
(iii) Other financial liabilities	27	177.53	150.19
(b) Other current liabilities	28	61.84	40.27
(c) Provisions	29	58.15	39.92
(d) Current tax liabilities (Net)		10.36	24.51
Total current liabilities		1,310.54	1,565.61
Total liabilities		1,484.11	1,671.73
Total Equity and Liabilities		3,239.98	3,249.46

The notes 1 to 54 form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

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

CIN:L15410MH1991PLC135359

N. B. GODREJ

Chairman

DIN: 00066195

B.S.YADAV

Managing Director

DIN: 00294803

Koosai Leheri

Partner

Membership Number: 112399

Mumbai, May 7, 2021

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

(Rs. in crore)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I. Revenue from operations			
Sale of products		4,389.83	4,976.29
Other operating revenue		23.21	142.39
Total Revenue From Operations	30	4,413.04	5,118.68
II. Other income	31	100.77	41.01
III. Total Income		4,513.81	5,159.69
IV. Expenses			
Cost of materials consumed	32	3,179.57	3,789.83
Purchases of Stock-in-Trade	33	226.90	220.44
Changes in inventories of finished goods, stock under cultivation , work in progress and Stock-in-Trade	34	(13.10)	45.74
Employee benefits expense	35	229.11	216.21
Finance costs	36	36.27	23.51
Depreciation and amortisation expenses	37	85.09	79.85
Other expenses	38	417.41	424.89
Total Expenses		4,161.25	4,800.47
V. Profit before exceptional items and tax		352.56	359.22
Exceptional items		-	-
VI. Profit Before Tax		352.56	359.22
VII. Tax expense:		73.56	65.91
1. Current Tax		73.46	85.83
2. Deferred Tax		0.10	(19.92)
VIII. Profit for the year		279.00	293.31
IX. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		1.86	(3.28)
Changes in Fair Value of investment in Body Corporate		1.77	-
Income tax related to Items that will not be reclassified to profit or loss		(0.92)	0.83
Other comprehensive income for the year		2.71	(2.45)
X. Total comprehensive income for the year (VII + VIII)		281.71	290.86
XI. Earnings per equity share (Nominal value of Rs. 10 each, fully paid-up)			
Basic (Rs.)	39	14.53	15.27
Diluted (Rs.)		14.52	15.27

The notes 1 to 54 form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

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

CIN:L15410MH1991PLC135359

B.S.YADAV

Managing Director

DIN: 00294803

N. B. GODREJ

Chairman

DIN: 00066195

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Koosai Leherly

Partner

Membership Number: 112399

Mumbai, May 7, 2021

Standalone Statement of Cash Flows

for the year ended March 31, 2021

Particulars	(Rs. in crore)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash Flow from Operating Activities :		
Net Profit Before Taxes	352.56	359.22
Adjustment for:		
Depreciation and amortisation	85.09	79.85
(Profit)/Loss on sale of Property, plant and equipment	1.94	0.50
Unrealised foreign exchange gain/loss (net)	0.21	(0.10)
Dividend income	(67.23)	(3.54)
Grant amortisation	(0.75)	(1.11)
Interest income	(3.67)	(2.21)
Employee share based compensation cost	2.03	1.96
Finance Cost	36.27	23.51
Allowances for Doubtful Debts and Advances	9.08	3.18
Liabilities no longer required written back	(1.90)	(4.27)
Change in fair value of biological assets	0.08	(0.23)
Bad Debts Written off	31.83	21.99
	92.98	119.53
Operating Profit Before Working Capital Changes	445.54	478.75
Adjustments for:		
Inventories	(99.58)	77.88
Biological assets other than bearer plants	0.50	(1.36)
Trade Receivables	25.99	(150.55)
Non-current / Current financial assets- loans	(5.04)	(1.80)
Non-current / Current financial assets- others	102.92	(135.36)
Non-current/ Current assets	(3.71)	(9.25)
Trade payables and acceptances	(516.62)	(139.97)
Non-current / Current - provisions	(2.90)	(0.48)
Non-current / Current financial liabilities- others	0.02	12.04
Non-current / Current liabilities	18.58	0.80
	(479.84)	(348.05)
Cash Generated from Operations	(34.30)	130.70
Direct Taxes paid (net of refunds received)	(88.08)	(73.03)
Net Cash Flow Generated from Operating Activities	(122.38)	57.67

(Rs. in crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
B. Cash Flow from Investing Activities :		
Acquisition of Property, plant and equipment and CWIP	(82.40)	(156.77)
Proceeds from sale of Property, plant and equipment	1.84	4.48
Intercompany Deposits Given	(115.17)	-
Intercompany Deposits returned	96.75	8.69
Purchase of Investments	(1.97)	(44.95)
Interest Received	2.86	2.36
Dividend Received	67.23	3.54
Net Cash Flow used in Investing Activities	(30.86)	(182.65)
C. Cash Flow from Financing Activities :		
Proceeds from exercise of ESOP shares	0.03	0.01
Repayment of Short Term Borrowings	(2,037.90)	(1,418.24)
Proceeds from Short Term Borrowings	2,248.38	1,698.39
Repayment of Long Term Borrowings	(3.91)	(5.50)
Proceeds from Long Term Borrowings	99.28	3.91
Finance Cost	(32.92)	(20.46)
Lease Liability repayments	(12.93)	(11.25)
Dividend Paid	(105.64)	(86.42)
Dividend Tax Paid	-	(17.05)
Net Cash Flow Generated from Financing Activities	154.39	143.39
Net increase/ (decrease) in Cash and Cash equivalents	1.15	18.41
Cash and Cash equivalents (Opening balance)	31.40	12.99
Cash and Cash equivalents (Closing balance) (refer note 14)	32.55	31.40

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

2 Figures in brackets indicate cash outflow.

The Notes 1 to 54 form an integral part of the Financial Statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

CIN:L15410MH1991PLC135359

B.S.YADAV

Managing Director

DIN: 00294803

N. B. GODREJ

Chairman

DIN: 00066195

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Koosai Leherly

Partner

Membership Number: 112399

Mumbai, May 7, 2021

Standalone Statement of changes in equity

for the year ended March 31, 2021

(a) Equity share capital

(Rs. in crore)

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the reporting year	192.04	192.03
Changes in Equity share capital during the year (refer note 19)	0.03	0.01
Balance at the end of the reporting year	192.07	192.04

(b) Other equity

(Rs. in crore)

	Retained earnings	General reserve	Employee share option outstanding	Securities Premium	Total
Balance at April 1, 2020	940.98	15.55	2.32	426.84	1,385.69
Total comprehensive income for the year					
Profit for the year (net of income tax)	279.00	-	-	-	279.00
Other comprehensive income for the year (net of income tax)	2.71	-	-	-	2.71
Total comprehensive income for the year	281.71	-	-	-	281.71
Transactions with the owners of the Company, recorded directly in equity					
Contributions and distributions					
Dividends	(105.63)	-	-	-	(105.63)
Others					
Employee compensation expenses recognized during the year	-	-	2.03	-	2.03
ESOP shares exercised during the year	-	-	(1.68)	1.68	-
Balance at March 31, 2021	1,117.06	15.55	2.67	428.52	1,563.80
Balance at April 1, 2019	756.08	15.55	1.16	426.06	1,198.85
Profit for the year (net of income tax)	293.31	-	-	-	293.31
Other comprehensive income for the year (net of income tax)	(2.45)	-	-	-	(2.45)
Total comprehensive income for the year	290.86	-	-	-	290.86
Transactions with the owners of the Company, recorded directly in equity					
Contributions and distributions					
Dividend	(86.42)	-	-	-	(86.42)
Dividend distribution tax	(17.05)	-	-	-	(17.05)
Others					
Impact on transition to Ind AS 116 net off tax (refer note no 4)	(2.49)	-	-	-	(2.49)
Employee compensation expenses recognized during the year	-	-	1.94	-	1.94
ESOP shares exercised during the year	-	-	(0.78)	0.78	-
Balance at March 31, 2020	940.98	15.55	2.32	426.84	1,385.69

The notes 1 to 54 form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

Koosai Leheri

Partner

Membership Number: 112399

Mumbai, May 7, 2021

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

CIN:L15410MH1991PLC135359

B.S.YADAV

Managing Director

DIN: 00294803

N. B. GODREJ

Chairman

DIN: 00066195

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Notes to the Financial Statements

Note 1 Significant Accounting Policies

1. General information

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

2. Basis of preparation and measurement

(i) Basis of preparation:

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements of the Company for the year ended March 31, 2021 were authorized for issue in accordance with a resolution of the Board of Directors on May 7, 2021.

Current versus non-current classification: All assets and liabilities have been classified as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

(ii) Basis of measurement

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

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

(iii) Functional and presentation currency

These financial statements are presented in Indian rupees,

which is the Company's functional currency. All amounts have been rounded off to the nearest crore, unless otherwise indicated. The amount reflected as "0.00" in Financials are value with less than one lakh.

3. Key estimates and assumptions

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

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

Judgment, estimates and assumptions are required in particular for:

• Determination of the estimated useful lives

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

• Recognition and measurement of defined benefit obligations

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

• Recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable

Notes to the Financial Statements

that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

- a. **Provision for sales returns**

The Company makes a provision for estimated sales returns, based on its historical experience and is dependent on other relevant factors.

- b. **Provision for doubtful trade receivables**

The Company has large number of individual small customers. Management assesses the level of allowance for doubtful debts after taking into account ageing analysis and any other factor specific to individual counterparty and a collective estimate based on historical experience adjusted for certain current factors.

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

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

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

- **Fair valuation of employee stock grants**

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

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

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an

option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and commodity futures. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

- **Biological Assets**

Management uses inputs relating to production and market prices in determining the fair value biological assets.

- **Impairment of investments in subsidiaries**

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is an indication of impairment. Management inter alia considers various inputs such as macro-economic environment, industry specific matters, financial projections and other relevant information for purposes of such assessment.

4. Measurement of fair values

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

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to the Financial Statements

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

5. Recent pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc. Statement of profit and loss:
- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

6. Significant accounting policies

A. Revenue & Other income

i. Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Company includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Company no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Company. As at 31 March 2021, an estimate has been made of goods that will be returned and a liability has been recognized for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Company using a best estimate based on historical experience.

ii. Dividend income

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

iii. Interest income

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

B. Foreign currency

i. Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions

Notes to the Financial Statements

or an average rate if the average rate approximates the actual rate at the date of the transaction.

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

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

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

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

C. Employee benefits

i. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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

ii. Defined contribution plans

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

iii. Defined benefit plans

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

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

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

- **Gratuity Fund**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

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

iv. Other long-term employee benefits

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

Notes to the Financial Statements

v. Terminal Benefits:

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

D. Income Tax

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

i. Current tax

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

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

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

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

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at

each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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

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

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

E. Inventories

Inventories are carried in the balance sheet as follows:

- (a) Raw materials, Packing materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.
- (b) Work-in-progress: At lower of cost of materials, plus appropriate production overheads and net realisable value.
- (c) Finished Goods: At lower of cost of materials, plus appropriate production overheads and net realisable value.

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

Notes to the Financial Statements

F. Property, plant and equipment

i. Recognition and measurement

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

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

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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

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

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

ii. Subsequent expenditure

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

iii. Depreciation/ Amortizations

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/up to the month of additions/ deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property,

plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

- (a) Plant and Machinery: - 20 Years
- (b) Computer Hardware:
Depreciated over its estimated useful life of 4 years.
- (c) Leasehold Land:
Amortized over the lease term.
- (d) Leasehold improvements and equipments:
Amortised over the Primary lease period or 16 years, whichever is less.

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

G. Borrowing costs

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

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

H. Segment reporting

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

I. Intangible assets

Recognition and measurement

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

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

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the

Notes to the Financial Statements

straight-line method over their estimated useful lives, and is generally recognised in the statement of profit or loss, except in the case of certain intangibles, as per the provisions of various schemes of amalgamation.

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

- Grant of licenses : 10 years
- Computer Software : 6 years

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

J. Research and Development Expenditure

Research Expenditure:

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

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

K. Share-based payments:

- a. Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).
- b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.
- c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.
- d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit or Loss.
- e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of

diluted earnings per share.

L. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and commodity futures contracts.

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

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

i. Financial assets Classification

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

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

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

Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Initial recognition & measurement

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

Notes to the Financial Statements

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

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Investments in Subsidiaries, Associates & Joint Ventures:

Investments in subsidiaries, associates & joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially

all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. Financial liabilities Classification

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

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Statement

Notes to the Financial Statements

of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

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

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, acceptances, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial guarantee contracts

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

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

Derivative financial instruments

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

M. Provisions, contingent liabilities and contingent assets

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

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

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

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

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

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

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

Notes to the Financial Statements

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

N. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction

in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and awards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

O. Impairment of non-financial assets

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

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

Notes to the Financial Statements

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

P. Cash and cash equivalents

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

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

Q. Government Grants

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

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

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

R. Earnings Per Share ("EPS")

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

S. Biological assets

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

Notes to the Financial Statements

Note 2 Property, plant and equipment

(Rs. in crore)

Particulars	Freehold Land (refer note 2.1)	Leasehold Land (refer note 2.1 & 2.2)	Buildings (refer note 2.1)	Plant and Machinery	Furniture and Fixtures	Vehicles	Office & Other Equipment	Leasehold Improvements	Livestock used for R&D	Total
As at March 31, 2021										
Gross Block										
Cost at April 1, 2020	40.44	-	350.33	625.58	11.77	30.68	35.62	2.80	0.55	1,097.77
Additions	12.98	-	51.44	103.95	2.24	2.84	13.27	1.07	0.03	187.82
Disposals	-	-	(0.31)	(4.17)	(0.00)	(1.73)	(0.13)	-	(0.01)	(6.35)
As at March 31, 2021	53.42	-	401.46	725.36	14.01	31.79	48.76	3.87	0.57	1,279.24
Accumulated Depreciation										
At April 1, 2020	-	-	47.61	182.47	4.44	13.05	13.93	1.30	0.14	262.94
Charge for the year	-	-	13.27	50.79	1.49	3.25	4.65	0.47	0.05	73.97
Disposals	-	-	(0.27)	(1.74)	(0.00)	(0.51)	(0.06)	-	0.00	(2.58)
As at March 31, 2021	-	-	60.61	231.52	5.92	15.79	18.52	1.77	0.19	334.33
Net Block as at March 31, 2021	53.42	-	340.85	493.84	8.08	16.00	30.24	2.10	0.38	944.91
As at March 31, 2020										
Gross Block										
Cost as at April 1, 2019	40.23	30.73	315.82	570.34	9.06	30.39	27.97	2.60	0.35	1,027.49
Additions	0.21	-	34.51	56.57	2.77	5.47	7.83	0.20	0.23	107.80
Disposals	-	-	-	(1.33)	(0.06)	(5.18)	(0.18)	-	(0.03)	(6.79)
Transition impact of IND AS 116 (Refer note 4)	-	(30.73)	-	-	-	-	-	-	-	(30.73)
As at March 31, 2020	40.44	-	350.33	625.58	11.77	30.68	35.62	2.80	0.55	1,097.77
Accumulated Depreciation										
At April 1, 2019	-	1.30	35.51	133.99	3.19	10.96	10.22	0.84	0.11	196.12
Charge for the year	-	-	12.10	48.78	1.26	3.55	3.76	0.46	0.04	69.95
Disposals	-	-	-	(0.30)	(0.01)	(1.46)	(0.05)	-	(0.01)	(1.83)
Transition impact of IND AS 116 (Refer note 4)	-	(1.30)	-	-	-	-	-	-	-	(1.30)
As at March 31, 2020	-	-	47.61	182.47	4.44	13.05	13.93	1.30	0.14	262.94
Net Block as at March 31, 2020	40.44	-	302.72	443.11	7.33	17.63	21.69	1.50	0.41	834.83

Note 2.1: Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited), are being complied with. Stamp duty payable thereon is not presently determinable.

Note 2.2: The Company adopted Ind AS 116 effective 1st April 2019. Consequently, leasehold land has been reclassified from 'Property, Plant & Equipment' to 'Right of Use assets'.

Notes to the Financial Statements

Note 3 : Capital Work In Progress

Particulars	Amount
As at March 31, 2021	
Cost	
At April 1, 2020	120.01
Additions during the year	54.20
Capitalised during the year	(159.53)
As at March 31, 2021	14.68
As at March 31, 2020	
At April 1, 2019	62.18
Additions during the year	149.80
Capitalised during the year	(91.97)
As at March 31, 2020	120.01

Note: Capital work in progress includes borrowing cost capitalised during the year of Rs. 0.26 crore (Previous Year Rs. 1.51 crores).

Note 4 : Leases

Operating Lease:

The Company's leasing arrangements are in respect of leasehold land, building and vehicles. These leasing arrangements are renewable on a periodic basis by mutual consent on mutually acceptable terms.

Right-of-use assets (Rs. in crore)

Particulars	Buildings	Land	Vehicles	Total
Cost				
As at 1 April 2020	24.36	36.47	11.19	72.02
Additions	11.87	-	-	11.87
Disposals	0.07	-	-	0.07
Balance at 31 March 2021	36.16	36.47	11.19	83.82
Accumulated depreciation and impairment				
As at 1 April 2020	6.27	1.73	2.36	10.36
Depreciation	6.88	0.46	2.86	10.20
Eliminated on disposals of assets	0.04	-	-	0.04
Balance at 31 March 2021	13.11	2.19	5.22	20.52
Carrying amounts				
As at 31 March 2020	18.09	34.73	8.83	61.66
Balance at 31 March 2021	23.05	34.28	5.97	63.30

Notes to the Financial Statements

Breakdown of lease expenses

(Rs. in crore)

Particular	Year ended March 31, 2021	Year ended March 31, 2020
Short-term lease expense	8.99	7.35
Total lease expense	8.99	7.35

Cash outflow on leases

(Rs. in crore)

Particular	Year ended March 31, 2021	Year ended March 31, 2020
Repayment of lease liabilities	9.57	8.19
Interest on lease liabilities	3.36	3.06
Short-term lease expense	8.99	7.35
Total cash outflow on leases	21.92	18.60

Maturity analysis of lease liability

(Rs. in crore)

Particular	Total Lease Payable	Less than 1 year	1 and 5 years	Over 5 years	Weighted average effective interest rate %
March 31, 2021					
Lease liabilities	34.52	9.31	18.95	6.26	9%
March 31, 2020					
Lease liabilities	38.17	10.50	25.41	2.26	9%

Impact of changes in accounting policies

The following table provides the extract of impact of adopting Ind AS 116 on the financial statements

i. Statement of financial position

(Rs. in crore)

Particular	Impact of changes in accounting policies
As at April 1, 2019	
	Adjustments
Right-of-use assets	23.17
Total assets	23.17
Lease liabilities	(27.02)
Deferred tax liabilities (net)	1.36
Total liabilities	(25.66)
Retained earnings	2.49
Total equity	2.49

Reconciliation between operating lease commitments disclosed in March 2019 financials applying Ind AS 17 and lease liabilities recognised in the statement of financial position

(Rs. in crore)

Particulars	
Operating lease commitments disclosed in March 2019 financials (under Ind AS 17)	25.45
Add: Liability on account of reassessment of lease term	6.49
Less: Discounting impact (total interest)	4.92
Lease liability as at April 1, 2019	27.02

Notes to the Financial Statements

Note 5 : Intangible Assets

(Rs. in crore)

Particulars	Computer Software
As at March 31, 2021	
Cost	
At April 1, 2020	8.94
Additions	1.14
Disposals	-
As at March 31, 2021	10.08
Accumulated amortisation	
At April 1, 2020	6.03
Charge for the year	0.92
Disposals	-
As at March 31, 2021	6.95
Net Block as at March 31 , 2021	3.13
As at March 31, 2020	
Cost	
At April 1, 2019	7.50
Additions	1.44
Disposals	-
As at March 31, 2020	8.94
Accumulated amortisation	
At April 1, 2019	5.19
Charge for the year	0.84
Disposals	-
As at March 31, 2020	6.03
Net Block as at March 31, 2020	2.91

Notes to the Financial Statements

Note 6 : Biological Assets other than bearer plants

A. Reconciliation of carrying amount

(Rs. in crore)

March 31, 2021

Particulars	Oil palm saplings	
	Qty.	Amount
Balance as April 1, 2020	8,08,247	6.27
Add:		
Purchases	6,87,500	3.30
Production/ Cost of Development		1.81
Less:		
Sales / Disposals	(6,88,580)	(5.61)
Change in fair value less cost to sell:	-	(0.08)
Realised	-	(0.40)
Unrealised	-	0.32
Balance as at March 31, 2021	8,07,167	5.69

March 31, 2020

(Rs. in crore)

Particulars	Oil palm saplings	
	Qty.	Amount
Balance as April 1, 2019	6,72,953	4.68
Add:		-
Purchases	7,15,500	3.07
Production/ Cost of Development		2.35
Less:		-
Sales/ Disposals	(5,80,206)	(4.06)
Change in fair value less cost to sell:	-	0.23
Realised	-	(0.38)
Unrealised	-	0.61
Balance as at March 31, 2020	8,08,247	6.27

The Company has trading operations in oil palm business whereby the Company purchases the saplings and sells the saplings once it has achieved the desired growth. During the year ended March 31, 2021, the Company purchased 6,87,500 (Previous year: 7,15,500) number of saplings, out of which 6,87,500 (Previous year: 7,15,500) were still under cultivation.

B. Measurement of Fair value

i. Fair Value hierarchy

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

Notes to the Financial Statements

ii. Level 3 Fair values

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

(Rs. in crore)

Particulars	March 31, 2021	March 31, 2020
Gain / (Loss) included in 'other operating revenue'	(0.08)	0.23
Change in fair value - (realised)	(0.40)	(0.38)
Change in fair value - unrealised	0.32	0.61

iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation Rs.51.28 to 111.09 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)

C. Risk Management strategies related to agricultural activities

The Company is exposed to the following risks relating to its Oil Palm business.

i. Regulatory and environmental risks

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

ii. Supply and demand risks

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

iii. Climate and other risks

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

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

	Profit or (loss) for the year ended March 31,2021		Profit or (loss) for the year ended March 31,2020	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost	(0.13)	0.14	(0.08)	0.09
Cash flow sensitivity (net)	(0.13)	0.14	(0.08)	0.09

Notes to the Financial Statements

		(Rs. in crore)	
		As at March 31, 2021	As at March 31, 2020
Note 7 : Investments			
A. Investments in subsidiaries and joint ventures			
Investment in Equity Instruments (Fully Paid)			
(a) Investment in equity of subsidiaries			
i Quoted			
Astec LifeSciences Limited.	294.48	294.48	
12,204,016 (Previous year 12,204,016) Equity shares of Rs.10/- each.			
ii Unquoted			
i Godvet Agrochem Limited	9.95	9.95	
9,950,000 (Previous year 9,950,000) Equity Shares of Rs. 10/- each.			
ii Creamline Dairy Products Limited.	162.07	162.07	
5,879,008 (Previous year 5,879,008) equity shares of Rs.10/- each.			
iii Godrej Tyson Foods Limited	72.94	72.94	
101,439 (Previous year 101,439) Equity Shares of Rs.10/- each.			
iv Godrej Maxximilk Private Limited			
882,822 (Previous year 842,006) Equity shares of Rs. 10 each.	16.03	15.03	
{40,816 Equity Shares (Previous year 338,963) subscribed during the current year.}			
(b) Investment in equity of joint ventures (Unquoted)			
i ACI Godrej Agrovet Private Limited, Dhaka, Bangladesh.	12.58	12.58	
1,850,000 (Previous year 1,850,000) Equity Shares of Rs. 100/- each.			
ii Omnivore India Capital Trust	24.44	24.44	
Total (A)	592.49	591.49	
B. Investment in equity instruments			
i. Quoted at FVOCI			
i. KSE Limited	3.57	0.82	
15,554 (Previous Year 7,467) Equity Shares of Rs. 10/- each			
{Acquired 8,087 shares during the current year (Previous year 7,467)}			
ii. Unquoted at FVTPL			
(a) Investment in Co-operative Society	0.00	0.00	
(b) Investment in Other Corporates	0.00	0.00	
Total (B)	3.57	0.82	
TOTAL	596.06	592.31	

		(Rs. in crore)	
		As at March 31, 2021	As at March 31, 2020
Note 7.1 Other disclosures			
Aggregate amount of quoted investment	298.05	295.30	
Market value of quoted investment	1,229.14	481.81	
Aggregate amount of unquoted investments	298.01	297.01	
Aggregate amount of Impairment in the value of investments	-	-	

Notes to the Financial Statements

(Rs. in crore)

		As at March 31, 2021	As at March 31, 2020
Note 7.2			
Name of subsidiaries, associate and joint ventures	- Place of business	% of holding	% of holding
1. Godvet Agrochem Limited	-Mumbai	100.00	100.00
2. Astec Life sciences Limited	-Mumbai	62.30	62.37
3. Creamline Dairy Products Limited	-Hyderabad	51.91	51.91
4. ACI Godrej Agrovet Private Limited	-Dhaka, Bangladesh	50.00	50.00
5. Godrej Tyson Foods Limited	-Mumbai	51.00	51.00
6. Al Rahaba International Trading Limited Liability	-Abu Dhabi, UAE.	24.00	24.00
7. Godrej Maxximilk Private Limited	-Mumbai	74.90	74.00
8. Investment in units of Omnivore India Capital Trust, a venture capital organization, is considered as a joint venture as the Company participates in the key activities jointly with the Investment Manager.			

(Rs. in crore)

		As at March 31, 2021	As at March 31, 2020
Note 8			
Non Current Loans (Refer Note 42.2)			
Unsecured, considered good (unless otherwise stated)			
1 Security deposits			
i Considered good		12.08	11.25
ii Considered doubtful		0.23	0.23
Less : Allowance for bad and doubtful deposits		(0.23)	(0.23)
Net Deposits		12.08	11.25
2 Loan to employees		0.47	0.49
TOTAL		12.55	11.74

(Rs. in crore)

		As at March 31, 2021	As at March 31, 2020
Note 9			
Other non-current financial assets			
1 Claims receivable		1.46	1.46
2 Bank Deposit with remaining maturity of more than 12 months (refer note 9.1)		0.01	0.12
TOTAL		1.47	1.58
Note 9.1: Fixed Deposits of Rs. 0.01 crore (Previous year Rs.0.12 crore) are pledged with government authorities.			

Notes to the Financial Statements

(Rs. in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 10		
Other non-current assets		
1 Capital advances	8.40	9.56
2 Balance with government authorities	4.48	4.36
3 Others		-
i) Considered good	3.66	5.53
ii) Considered doubtful	0.19	0.19
Less : Allowance for doubtful advances	(0.19)	(0.19)
	3.66	5.53
TOTAL	16.54	19.45

(Rs. in crore)		
	As at March 31, 2020	As at March 31, 2020
Note 11		
Inventories (refer note 11.1)		
(Valued at lower of cost and net realizable value)		
1 Raw materials	511.16	425.16
2 Raw Materials in Transit	1.14	-
3 Work in Progress	8.96	10.74
4 Project in progress (refer note 51)	5.72	12.08
5 Finished goods	57.75	64.19
6 Stock-in-Trade	84.12	62.21
7 Stores and Spares	27.82	22.71
TOTAL	696.67	597.09
Note 11.1 : Refer note 25 for information on inventories pledged as securities by the Company		
Note 11.2 : The write-down of inventories to net realisable value during the year amounted to Rs. 6.7 crore (31 March 2020: Rs. 3.4 crore). The write-downs/ provisions are included in cost of materials consumed.		

(Rs. in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 12		
Current Investments		
Investment in equity of associates (Unquoted) (refer note. 7.2)		
i Al Rahaba International Trading Limited Liability Company, Abu Dhabi, UAE.	0.04	0.04
24 (previous year 24) Equity Shares of AED. 1,500/- each.		
TOTAL	0.04	0.04
Aggregate amount of quoted investment	-	-
Market value of quoted investment	-	-
Aggregate amount of unquoted investments	0.04	0.04
Aggregate amount of impairment in value of investments	-	-

Notes to the Financial Statements

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 13		
Trade Receivables (refer note 42.2)		
i. Secured and considered good (refer note 13.1)	102.68	123.93
ii. Unsecured and considered good	544.17	589.83
iii. Credit impaired	29.27	20.19
Less : Loss allowance	(29.27)	(20.19)
TOTAL	646.85	713.76
Note 13.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.		
Note 13.2: Refer to note 25 for information on trade receivables pledged as security by the company.		

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 14		
Cash and cash equivalents		
1 Cash on hand	0.58	0.69
2 Balances with banks:		
(a) Current Accounts	31.93	30.67
(b) Saving bank account of company's ESOP Trust	0.04	0.04
TOTAL	32.55	31.40

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 15		
Bank Balances Other Than Cash and Cash Equivalents		
1 Fixed Deposits - maturity more than 3 months and less than 12 months	0.84	0.70
2 Unclaimed dividend Account	0.08	0.09
TOTAL	0.93	0.79

Notes to the Financial Statements

(Rs. in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 16		
Current Loans		
Unsecured, Considered Good, Unless Otherwise Stated		
1 Loans and advances to related parties (refer note 54)		
(a) Intercompany Deposits	18.42	-
2 Loans and Advances - Others		
(a) Loans and advances to employees	0.01	0.36
(b) Security deposits	1.87	2.29
(c) Other Loans and advances.		
i. Unsecured and considered good	19.51	14.51
ii. Credit impaired	0.13	0.13
Less : Loss allowance	(0.13)	(0.13)
TOTAL	39.82	17.16

(Rs. in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 17		
Other current financial assets		
1 Interest accrued on Bank Fixed Deposit	0.05	0.04
2 Interest Accrued on Intercompany Deposits	0.80	-
3 Interest Accrued on other Deposits	0.02	0.03
4 Other Receivables (Refer note 51)	49.41	153.93
5 Derivative assets	-	0.85
6 Others	15.90	13.67
TOTAL	66.18	168.52

(Rs. in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 18		
Other current assets		
1 Advances to suppliers	25.29	18.64
2 Balance with government authorities	15.15	9.89
3 Others (includes prepayments, inventory receivable on returns, etc.)	50.86	34.35
TOTAL	91.29	62.88

Notes to the Financial Statements

				(Rs. in crore)	
		As at March 31, 2021		As at March 31, 2020	
Note 19					
Share Capital					
1	Authorised :				
	(a) 224,994,000 (Previous year 224,994,000) Equity shares of the par value of Rs. 10 each	224.99		224.99	
	(b) 6,000 (Previous year 6,000) Preference shares of the par value of Rs. 10 each	0.01		0.01	
TOTAL		225.00		225.00	
2	Issued, Subscribed and Paid-up:				
	192,068,824 (Previous year 192,041,898) Equity shares of Rs. 10 each fully paid up.	192.07		192.04	
TOTAL		192.07		192.04	
3	Reconciliation of number of shares outstanding at the beginning and end of the year :	As at March 31, 2021		As at March 31, 2020	
		No. of shares	Rs. In crore	No. of shares	Rs. In crore
Equity shares :					
	Outstanding at the beginning of the year	19,20,41,898	192.04	19,20,28,739	192.03
	Shares issued during the year (refer note 41)	30,002	0.03	13,159	0.01
Outstanding at the end of the year		19,20,71,900	192.07	19,20,41,898	192.04
4	Rights, preferences and restrictions attached to				
a	Equity Shares: The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.				
5	Shareholders holding more than 5% shares in the company is set out below:	As at March 31, 2021		As at March 31, 2020	
		No. of shares	%	No. of shares	%
(a)	Equity shares				
	1 Godrej Industries Limited -Holding Company	11,50,59,634	59.90%	11,38,51,427	59.28%
	2 V-Sciences Investments Pte Ltd	2,28,15,329	11.88%	2,28,15,329	11.88%
6	There are no shares reserved for issue under options.				
7	Shares issued for consideration other than cash:				
i.	Equity Shares allotted as fully paid up by way of Bonus Shares				
	Year ended	No. of Bonus shares			
	March 31 2020	-			
	March 31 2019	-			
	March 31 2018	-			
	March 31 2017	9,25,65,438			
	March 31 2016				

Notes to the Financial Statements

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 20		
Other Equity		
1. Retained Earnings	1,117.06	940.98
2. General Reserve	15.55	15.55
3. Employee Stock Grants Outstanding.	2.67	2.32
4. Securities Premium	428.52	426.84
TOTAL EQUITY	1,563.80	1,385.69

General reserve

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

Employee Stock Grants Outstanding

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

Securities Premium

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

Dividend

	(Rs. in crore)	
The following dividends were declared and paid by the company during the year:	As at March 31, 2021	As at March 31, 2020
Equity Dividend paid @ Rs. 5.50 (previous year @ Rs. 4.50) per share	105.63	86.42
Dividend distribution tax on the equity dividend paid	-	17.05
	105.63	103.47

The Board, in its meeting on May 7, 2021 has recommended a final dividend of Rs. 8.00 per equity share for the financial year ended March 31, 2021 subject to the approval at the Annual General Meeting. The cash outflow on account of dividend would be Rs. 153.66 crores.

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 21		
Non current- Borrowings		
Unsecured		
1 Deferred payment liabilities (refer note 21.1)	-	1.55
2 Term Loans from banks (refer note 21.3)	74.72	-
TOTAL	74.72	1.55

Note 21.1: Deferred Loan against acquisition of Lease hold Land is availed at interest rate of 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on a half yearly basis for a period of 6 years from 1st July 2016 up to 1st Jan 2022. Total loan availed was Rs.6.18 crore and outstanding for the year ended March 31, 2021 was Rs. 1.03 crore (Previous year Rs. 2.58 crore) with current maturity disclosed separately in note no. 27 at Rs. 1.03 crore (Previous year Rs. 1.03 crore) .

Note 21.2: Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, up to March 2021. Total loan availed was Rs. 4.67 crore and outstanding for the year ended March 31, 2021 was Rs. Nil (Previous year Rs. 1.34 crore) with current maturity disclosed separately in note 27 at Rs. Nil (Previous year Rs. 1.34 crore) .

Notes to the Financial Statements

Note 21.3: Term Loans are taken for the year ended March 31, 2021 and carries interest rates of T Bill +0.14 to T Bill +0.65 bps and repo rate + 2.30 bps. These loans are repayable on different dates upto 52 months from the date of the Financial Statements.

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 22		
Other Non-Current Financial Liabilities		
Non Trade Payables	0.27	0.85
Total	0.27	0.85

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 23		
Non Current Provisions		
Provision for employee benefits :		
- Provision for compensated absences (refer note 40)	4.70	4.72
Total	4.70	4.72

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 24		
Other non-current liabilities		
Deferred grant	11.39	15.13
Total	11.39	15.13

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 25		
Current borrowings		
Secured		
(a) Working Capital Demand Loans from Banks (refer note 25.1)	6.00	-
Unsecured		
(a) Term loans from Banks (refer note 25.2)	-	15.07
(b) Commercial paper (refer note 25.3)	472.53	148.11
(c) Working Capital Demand Loans from Banks (refer note 25.4)	117.55	222.42
Total	596.08	385.60

Note 25.1 : Working Capital Demand Loan from Bank are at an interest rate of 6.80% and secured against inventories and receivables.

Note 25.2 : Term Loans are taken for the year ended March 31, 2020 and carries interest rates Previous Year T Bill +0 to T Bill +0.14 bps.

Note 25.3 : Commercial Paper are taken for the year ended March 31, 2021 and carries interest rate of 3.50% to 3.67% (Previous year 5.10% to 7.5%) and are repayable over the next 3 months from the date of the financial statements.

Note 25.4 : Working Capital Loans from Banks are at an Interest Rate of T Bill+ 0.2 bps to T Bill + 0.4 bps, Repo rate + 0 bps and three months MCLR + 0.15 bps (Previous Year 4.96% to 9.00% and T Bill +0.06 to T Bill +0.15 bps). These loans are repayable on different dates upto 6 months from the date of the financial statements.

Notes to the Financial Statements

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 26		
Current - Trade Payables		
1 Trade Payables		
a. Due to micro enterprises and small enterprises (refer note 26.1)	1.61	2.01
b. Other than micro enterprises and small enterprises	273.36	150.51
2 Acceptances	131.61	772.60
Total	406.58	925.12

	(Rs. in crore)	
Additional disclosure related to Micro Enterprises and Small Enterprises	As at March 31, 2021	As at March 31, 2020
A Principal amount remaining unpaid	1.61	2.01
B Interest due thereon	-	0.01
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E Interest accrued and remaining unpaid	0.13	0.13
F Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Note 26.1: Micro enterprise and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Accordingly Rs. 1.61 crore is due as on March 31, 2021 (Previous Year Rs. 2.01 crores) to Micro and Small enterprises on account of principal.

	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 27		
Other financial liabilities		
1 Current maturities of long-term debt		
(i) Unsecured Loan		
From others - Deferred Sales Tax Loan (refer note 21.2)	-	1.34
From others - Deferred payment liabilities (refer note 21.1)	1.03	1.03
Term Loan (Refer Note 21.3)	23.53	-
2. Current maturity of lease liability	15.03	10.50
3 Liabilities towards beneficiaries of Company's ESOP Trust	0.06	0.06
4 Security Deposit	60.90	62.61
5 Non Trade Payables	21.30	33.75
6 Derivative liability	0.21	-
7 Others (includes accrual for expenses, bonus, etc.)	55.39	40.81
8 Unclaimed Dividend	0.08	0.09
Total	177.53	150.19

Notes to the Financial Statements

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 (2) (c) of the Companies Act, 2013 as at the year end.

(Rs. in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 28		
Other current liabilities		
1 Advances from Customers	45.25	30.84
2 Statutory Liabilities	15.74	8.58
3 Deferred Grants	0.85	0.85
Total	61.84	40.27

(Rs. in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 29		
Current Provisions		
1 Provision for employee benefits		
- Provision for compensated absences (refer note 40)	0.36	0.36
- Provision for gratuity (refer note 40)	0.84	5.57
2 Provision for sales return (refer note. 29.1 and 29.2)	56.95	33.99
Total	58.15	39.92

(Rs. in crore)		
	As at March 31, 2021	As at March 31, 2020
Note. 29.1 Movement of provision for sales return		
Opening Balance	33.99	33.65
Add: Provision created during the year	246.24	201.27
Less : Utilised during the year	223.28	200.92
Closing Balance	56.95	33.99

Note. 29.2 : The Company makes a provision on estimated sales return based on historical experience. The sales returns are generally expected within a year.

Notes to the Financial Statements

(Rs. in crore)		
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 30		
Revenue from operations		
1 Sale of products (refer note 30.1)		
Sale of products	4,355.36	4,934.76
Sale of Scrap and Empties	34.47	41.53
	4,389.83	4,976.29
2 Other operating revenue		
Rebates/Incentives from Government	13.69	7.48
Fair value of Biological Assets (refer note 6)	(0.08)	0.23
Sales of Real Estate project (refer note 51)	9.60	134.68
	23.21	142.39
Total	4,413.04	5,118.68

(Rs. in crore)		
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 30.1:		
1 Reconciliation of revenue from contract with customers		
Particulars		
Revenue from contract with customer as per the contract price	4,529.03	5,107.74
Adjustments made to contract price on account of :-		
a) Discounts/Incentives	(139.20)	(131.45)
b) Distribution cost reimbursed	-	-
	4,389.83	4,976.29
2 Disaggregation of revenue.		
Animal Feed	3,093.16	3,717.72
Vegetable Oil	706.91	668.46
Crop Protection	568.32	562.08
Other Business	21.44	28.03
	4,389.83	4,976.29
3 Geographical disaggregation		
Sales in India	4,386.15	4,972.04
Sales outside India	3.68	4.25
	4,389.83	4,976.29

Notes to the Financial Statements

(Rs. in crore)		
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 31		
Other Income		
1 Interest income		
(a) Instruments measured at amortised cost		
- Interest received on Deposits	3.67	2.21
2 Dividend income		
(i) Dividend received from Joint Venture Company	59.46	0.07
(ii) Dividend received from Subsidiary Company	7.71	3.47
(iii) Dividend from Others	0.05	-
3 Claims received	3.34	0.72
4 Liabilities no longer required written back	1.90	4.27
5 Recovery of Bad Debts written off	1.73	1.00
6 Royalty & Technical Knowhow	6.85	5.07
7 Other Miscellaneous Income	15.31	23.09
8 Grant amortization	0.75	1.11
TOTAL	100.77	41.01

(Rs. in crore)		
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 32		
Cost of materials consumed		
a Material at the Commencement of the year	425.16	402.37
b Add : Purchases / Change in Project-in-progress (refer note 51)	3,289.58	3,824.33
c Less : Material sold	22.87	11.71
	3,691.87	4,214.99
d Less: Material at the Close of the year	512.30	425.16
Total	3,179.57	3,789.83

(Rs. in crore)		
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 33		
Purchase of stock-in-trade		
Agri Input	226.90	220.44
Total	226.90	220.44

Notes to the Financial Statements

	(Rs. in crore)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 34		
Changes In Inventories of Finished Goods, Work In Progress, Stock under cultivation and Stock-In-Trade		
1 Stocks at the Commencement of the year		
(a) Finished Goods	64.19	83.64
(b) Work In Progress	10.74	14.23
(c) Stock under cultivation	6.27	4.68
(d) Stock-in-Trade	62.21	86.60
Total Stock at the commencement of the year	143.41	189.15
2 Less : Stocks at the Close of the year		
(a) Finished Goods	57.75	64.19
(b) Work In Progress	8.96	10.74
(c) Stock under cultivation	5.68	6.27
(d) Stock-in-Trade	84.12	62.21
Total Stock at the close of the year	156.51	143.41
Change in the stock of Finished Goods, Work In Progress, Stock under cultivation, Stock in Trade	(13.10)	45.74

	(Rs. in crore)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 35		
Employee benefits expense		
1 Salaries, Wages, Bonus and Allowances	202.06	184.21
2 Contribution to Provident, Gratuity and Other Funds (refer note 40)	14.01	13.15
3 Expense on Employee Stock grant scheme (refer note 41)	2.03	2.75
4 Staff Welfare Expense	11.01	16.10
TOTAL	229.11	216.21

	(Rs. in crore)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 36		
Finance Costs		
1 Interest Expense		
i. Paid to Banks on Loans and Cash Credit	7.85	6.88
ii. On Lease liability	3.36	3.06
iii. EPCG	8.98	-
iv. Others	15.28	12.66
2 Other Borrowing Costs	0.80	0.91
TOTAL	36.27	23.51

Note 36.1: Finance costs are net of interest capitalised to capital work in progress Rs.0.26 crore (Previous year Rs. 1.51 crore).

Notes to the Financial Statements

	(Rs. in crore)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 37		
1 Depreciation	73.97	69.95
2 Amortization	0.92	0.84
3 Amortization of Right of Use Asset (refer note 4)	10.20	9.06
Depreciation and amortisation Expenses	85.09	79.85

	(Rs. in crore)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 38		
Other Expenses		
1 Stores and Spares consumed	21.32	22.74
2 Power and Fuel	59.53	61.37
3 Processing and Other Manufacturing Charges	95.23	93.80
4 Rent	8.99	7.35
5 Rates and Taxes	5.58	2.46
6 Repairs and Maintenance		
(a) Machinery	8.61	9.26
(b) Buildings	1.18	2.23
(c) Other assets	1.47	1.42
7 Insurance	3.66	2.64
8 Payment to auditors (refer note 38.1)	0.74	0.73
9 Freight	57.80	66.53
10 Advertisement, Selling and Distribution Expenses	28.09	34.52
11 Bad Debts/Advances Written Off	31.83	21.99
12 Allowances for Doubtful Debts and Advances	9.08	3.18
13 Loss on Sale/Write off of Property, plant and equipment	1.94	0.50
14 Research Expenses	2.05	1.82
15 Net gain/loss on foreign currency transactions and translation	0.38	0.58
16 Corporate Social Responsibility (refer note 49)	6.28	5.85
17 Miscellaneous Expenses	73.65	85.92
Total	417.41	424.89

	(Rs. in crore)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 38.1: Payment to auditors		
(a) Audit Fees (including limited reviews)	0.72	0.65
(b) Other matters	0.02	0.03
(c) Reimbursement of Expenses	-	0.05

Notes to the Financial Statements

Note 39 : Earnings per share

Calculation of weighted average number of equity shares - Basic and Diluted

(Rs. in crore)

Particulars	March 31, 2021	March 31, 2020
1 Calculation of weighted average number of equity shares - Basic		
Number of shares at the beginning of the year	19,20,41,898	19,20,28,739
Equity shares issued during the year	30,002	13,159
Number of equity shares outstanding at the end of the year	19,20,71,900	19,20,41,898
Weighted average number of equity shares for the year	19,20,66,153	19,20,38,339
2 Calculation of weighted average number of equity shares - Diluted		
Weighted average equity shares - Basic	19,20,66,153	19,20,38,339
Dilutive impact of share grants (refer note 39.1)	54,912	38,950
Revised number of potential equity shares outstanding at the end of the year	19,21,21,065	19,20,77,289
Weighted average number of potential equity shares for the year	19,21,21,065	19,20,77,289
3 Profit attributable to ordinary shareholders (Basic/diluted)		
Profit (loss) for the year, attributable to the owners of the Company	279.00	293.31
Profit for the year, attributable to ordinary shareholders	279.00	293.31
4 Basic Earnings per share (Rs.)	14.53	15.27
5 Diluted Earnings per share (Rs.)	14.52	15.27
6 Nominal Value of Shares (Rs.)	10	10

Note 39.1 Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Notes to the Financial Statements

Note. 40 Employee benefits

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

Defined Contribution Plans:

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

The Company recognised Rs. 10.11 crore for the year ended March 31, 2021 (for Previous Year Rs. 9.54 crore) towards provident fund contribution, Rs. 0.52 crore for the year ended March 31, 2021 (for Previous Year Rs. 0.63 crore) towards employees' state insurance contribution and Rs. 0.52 crore for the year ended March 31, 2021 (Previous Year Rs. 0.54 crore) towards superannuation fund contribution in the Statement of Profit and Loss.

Defined Benefit Plan:

I. Provident Fund

The Company manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2021.

Particulars	(Rs. in crore)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Plan assets at period end, at fair value	154.67	131.76
Provident Fund Corpus / Obligation	151.09	128.28
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	9.32%	8.43%
Weighted Average YTM	9.25%	8.44%
Guaranteed Rate of Interest	8.50%	8.50%

II. Gratuity.

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

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

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

Notes to the Financial Statements

(Rs. in crore)

	March 31, 2021	March 31, 2020
Defined benefit obligation	(30.18)	(28.43)
Fair value of plan assets	29.33	22.86
Net defined benefit (obligation)	(0.85)	(5.57)

i. Movement in net defined benefit (asset) liability

(Rs. in crore)

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

	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening balance	28.43	24.97	22.86	21.17	5.57	3.80
Included in profit or loss						
Current service cost	2.31	1.99	-	-	2.31	1.99
Interest cost (income)	1.96	1.95	1.58	1.65	0.38	0.30
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions		-	-	-	-	-
Financial assumptions	0.18	1.93	-	-	0.18	1.93
Experience adjustment	(0.05)	0.69	-	-	(0.05)	0.69
Return on plan assets excluding interest income		-	1.97	(0.66)	(1.97)	0.66
	32.83	31.53	26.41	22.16	6.42	9.37
Other						
Contributions paid by the employer			5.57	3.80	(5.57)	(3.80)
Benefits paid	(2.65)	(3.10)	(2.65)	(3.10)	-	-
Closing balance	30.18	28.43	29.33	22.86	0.85	5.57
Represented by						
Net defined benefit liability	0.85	5.57				
	0.85	5.57				
Amount recognised in other comprehensive income for the year						
Actuarial loss on obligation for the period	0.13	2.62				
Return on plan assets	(1.97)	0.66				
Net expense for the period recognised in OCI	(1.86)	3.28				

Notes to the Financial Statements

ii. Plan assets

Plan assets comprise the following

	(Rs. in crore)	
	March 31, 2021	March 31, 2020
Insurer managed fund (100%)	29.33	22.86
	29.33	22.86

iii. Actuarial assumptions

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

	March 31, 2021	March 31, 2020
Discount rate	6.82%	6.89%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs. & Below 8.00 % p.a. & For service 5 yrs and above 3.00 % p.a.	For service 4 yrs. & Below 8.00 % p.a. & For service 5 yrs and above 3.00 % p.a.
Mortality rate	Indian Assured Lives Mortality(2006-08) Ultimate	Indian Assured Lives Mortality(2006-08) Ultimate

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

iv. Sensitivity analysis

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

	(Rs. in crore)			
	March 31, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.25)	2.61	(2.13)	2.46
Future salary growth (1% movement)	2.63	(2.31)	2.49	(2.18)
Rate of employee turnover (1% movement)	0.34	(0.39)	0.34	(0.39)

The sensitivity analysis 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 year.

v. Expected future cash flows

The expected future cash flows in respect of gratuity were as follows

	(Rs. in crore)	
Expected future benefit payments	March 31, 2021	March 31, 2020
1st Following year	2.80	2.91
2nd Following year	1.71	1.41
3rd Following year	2.46	2.20
4th Following year	3.59	2.24
5th Following year	1.86	3.60
Thereafter	12.73	12.27

Notes to the Financial Statements

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended March 31, 2021 based on actuarial valuation using the projected accrued benefit method is Rs. 0.10 crore (previous year Rs. 1.93 crore).

Termination Benefits: All termination benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss.

Incentive Plans: The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Statement of Profit & Loss. The Scheme rewards its employees based on the achievement of key performance indicators and profitability, as prescribed in the scheme.

Note 41: Share-based payment arrangements:

Description of share-based payment arrangements

Employee stock options

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is Re. 1 per equity share as provided in the scheme. The Company has provided Rs.Nil (Previous Year Rs.0.81crore) for the aforesaid eligible employees for the current financial year.

Employee stock grant scheme - equity settled

The Company had set up the Employees Stock Grant Scheme 2018 (ESGS) pursuant to the approval by the Shareholders by way of postal ballot, the result of which was declared on June 20,2018.

The ESGS Scheme is effective from April 1, 2018, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2018 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty five Lakhs) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

The Exercise Price of the shares has been fixed at Re. 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

The Company has provided Rs.2.03 crore (Previous Year Rs. 1.94 crore) for all the eligible employees for current year.

Notes to the Financial Statements

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2021:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Description of the Inputs used
Dividend yield %	1.21%	0.87%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	28% - 29%	28% - 29%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.649% to 4.277%	6.563% to 7.043%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	455.34	515.37	

The Status of the above plan is as under:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Weighted average Exercise Price (Rs.)
Options Outstanding at the Beginning of the Year	69,234	42,705	Rs.10.00
Options Granted	57,853	53,484	
Options Vested	30,002	13,159	
Options Exercised	30,002	13,159	
Options Lapsed / Forfeited	7,784	13,796	
Total Options Outstanding at the end of the year	89,301	69,234	

The weighted average exercise price of the options outstanding as on March 31, 2021 is Rs. 10/- (previous year Rs. 10/- per share)

Notes to the Financial Statements

Note 42: Financial instruments – Fair values and risk management

Note 42.1: Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. in crore)

March 31, 2021		Carrying amount				Fair value			
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
I Non Current Financial Assets									
1	Investments	0.00	3.57	-	3.58	3.57	-	0.00	3.58
2	Loans and Advances	-	-	12.55	12.55	-	-	-	-
3	Others	-	-	1.47	1.47	-	-	-	-
II Current Financial Assets									
1	Trade and other receivables	-	-	646.85	646.85	-	-	-	-
2	Cash and cash equivalents	-	-	32.55	32.55	-	-	-	-
3	Other bank balances	-	-	0.93	0.93	-	-	-	-
4	Loans and Advances	-	-	39.82	39.82	-	-	-	-
5	Others	-	-	66.18	66.18	-	-	-	-
		0.00	3.57	800.35	803.93	3.57	-	0.00	3.58
Financial liabilities									
I Non Current Financial Liabilities									
1	Borrowings	-	-	74.72	74.72	-	-	-	-
2	Other non-current financial liabilities	-	-	0.27	0.27	-	-	-	-
II Current Financial liabilities									
1	Borrowings	-	-	596.08	596.08	-	-	-	-
2	Trade and other payables	-	-	406.58	406.58	-	-	-	-
3	Others	0.21	-	162.29	162.50	-	0.21	-	0.21
		0.21	-	1,239.94	1,240.15	-	0.21	-	0.21
March 31, 2020									
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
I Non-current Financial Assets									
1	Investments	0.00	0.82	-	0.82	0.82	-	0.00	0.82
2	Loans and Advances	-	-	11.74	11.74	-	-	-	-
3	Others	-	-	1.58	1.58	-	-	-	-
II Current Financial Assets									
1	Trade and other receivables	-	-	713.76	713.76	-	-	-	-
2	Cash and cash equivalents	-	-	31.40	31.40	-	-	-	-
3	Other bank balances	-	-	0.79	0.79	-	-	-	-
4	Loans and Advances	-	-	17.16	17.16	-	-	-	-
5	Others	-	-	168.52	168.52	-	-	-	-
		0.00	0.82	944.95	945.77	0.82	-	0.00	0.82
I Non-current Financial liabilities									
1	Borrowings	-	-	1.55	1.55	-	-	-	-
2	Others	-	-	0.85	0.85	-	-	-	-
II Current Financial liabilities									
1	Borrowings	-	-	385.60	385.60	-	-	-	-
2	Trade and other payables	-	-	925.12	925.12	-	-	-	-
3	Others	-	-	139.70	139.70	-	-	-	-
		-	-	1,452.82	1,452.82	-	-	-	-

Notes to the Financial Statements

Valuation technique used to determine fair value

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as significant unobservable input used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward contract for foreign exchange contracts	- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.	NA	NA
Other financial instruments	-the fair value of the remaining financial instruments is determined using discounted cash flow analysis.	NA	NA

Financial risk management

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

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

i. Risk management framework

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

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

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

Note 42.2: Credit risk

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

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

Trade receivables and loans and advances.

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

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

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

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

Notes to the Financial Statements

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

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

	Carrying amount	
	(Rs. in crore)	
	March 31, 2021	March 31, 2020
Trade receivables (net of impairment)	646.85	713.76
Exports		
Distributors	-	-
Other	-	0.25
Domestic		
Distributors	599.19	692.86
Other	47.66	20.65
Total of Trade Receivables	646.85	713.76
Total of Other Receivables	82.88	181.99
Impairment		
The ageing of trade receivables as follows :		
	March 31, 2021	March 31, 2020
Neither past due nor impaired	300.85	272.25
Past due 1–30 days	77.91	132.09
Past due 31–90 days	86.24	121.81
Past due 91–180 days	53.03	87.68
> 180 days	158.09	120.12
	676.12	733.95
The movement in the allowance for impairment in respect of trade and other receivables during the period was as follows:		
	March 31, 2021	March 31, 2020
For Trade receivables		
Balance as at April 1	20.19	15.92
Impairment loss recognised	40.14	26.01
Amounts written off	(31.05)	(21.74)
Balance as at March 31	29.27	20.19

Notes to the Financial Statements

	Carrying amount	
	(Rs. in crore)	
	March 31, 2021	March 31, 2020
For other receivables		
Balance as at April 1	0.36	0.23
Impairment loss recognised	0.78	0.38
Amounts written off	(0.78)	(0.25)
Balance as at March 31.	0.36	0.36

Cash and cash equivalents

The Company held cash and cash equivalents and other Bank balances of Rs. 33.48 crore at March 31, 2021 (Previous Year Rs. 32.31 crore) . The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

Note 42.3: Liquidity risk

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

Exposure to liquidity risk

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

(Rs. in crore)

March 31, 2021	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
Non-current borrowings	74.72	74.72	-	-	69.56	5.16	-
Other non-current financial liabilities-Others	0.27	0.27	-	-	0.27	-	-
Current, non derivative financial liabilities							
Working Capital Loans from Banks	117.55	117.55	117.55	-	-	-	-
Term loans from banks	-	-	-	-	-	-	-
Commercial papers	472.53	472.53	472.53	-	-	-	-
Trade and other payables	274.97	274.97	274.97	-	-	-	-
Acceptances	131.61	131.61	131.61	-	-	-	-
Other current financial liabilities	162.21	162.21	161.70	0.51	-	-	-
Derivative liability	0.21	0.21	0.21	-	-	-	-
Total	1,234.07	1,234.07	1,158.56	0.51	69.83	5.16	-

Notes to the Financial Statements

March 31, 2020	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
Deferred payment Liabilities	1.55	1.55	-	-	1.55	-	-
Other non-current financial liabilities-Others	0.85	0.85	-	-	0.85	-	-
Current, non derivative financial liabilities							
Working Capital Loans from Banks	222.42	222.42	222.42	-	-	-	-
Term loans from banks	15.07	15.07	15.07	-	-	-	-
Commercial papers	148.11	148.11	148.11	-	-	-	-
Trade and other payables	152.52	152.52	152.52	-	-	-	-
Acceptances	772.60	772.60	772.60	-	-	-	-
Other current financial liabilities	139.59	139.59	137.74	1.85	-	-	-
Total	1,452.72	1,452.72	1,448.47	1.85	2.40	-	-

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

The Company has sufficient current assets to manage the liquidity risk, if any, in relation to current financial liabilities.

Note 42.4 : Currency Risk

Market risk

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

Our Board of Directors and its Audit Committee are responsible for overseeing our risk assessment and management policies. Our major market risks of foreign exchange, interest rate and counter-party risk are managed centrally by our Company treasury department, which evaluates and exercises independent control over the entire process of market risk management.

We have a written treasury policy, and reconciliations of our positions with our counter-parties are performed at regular intervals.

Interest rate risk is covered by entering into fixed-rate instruments to ensure variability in cash flows attributable to interest rate risk is minimised.

Currency risk

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

Notes to the Financial Statements

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows.

(Rs. in crore)

	March 31, 2021		March 31, 2020	
	USD	EURO	USD	EURO
Financial Assets				
Trade and other receivables	11.42	-	8.87	-
Foreign exchange forward contracts	-	-	-	-
Net exposure to foreign currency risk (Assets)	11.42	-	8.87	-
Financial Liabilities				
Foreign currency loan	-	-	-	-
Trade payables	(22.51)	-	(21.25)	(0.28)
Foreign exchange forward contracts	22.44	-	21.10	0.28
Net exposure to foreign currency risk (Liabilities)	(0.07)	-	(0.15)	-
Net exposure	11.35	-	8.72	-
Un-hedged foreign currency exposures				
Purchase	(0.07)	-	(0.15)	-
Other income	11.42	-	8.87	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at March 31, 2021 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rs. in crore)

Effect in INR crores	Profit or loss (net of tax)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2021				
USD (2% movement)	0.17	(0.17)	0.17	(0.17)
	0.17	(0.17)	0.17	(0.17)
Effect in INR crores	Profit or loss (net of tax)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2020				
USD (2% movement)	0.13	(0.13)	0.13	(0.13)
	0.13	(0.13)	0.13	(0.13)

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

Notes to the Financial Statements

Note 42.5: Interest rate risk

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

Exposure to interest rate risk

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

(Rs. in crore)

	Nominal amount	
	March 31, 2021	March 31, 2020
Fixed-rate instruments		
Financial assets		
Loans and Advances	0.47	0.49
Other financial assets	38.89	15.77
Total	39.36	16.26
Financial liabilities		
Borrowings	478.53	302.08
Other financial liabilities	61.93	63.64
Total	540.46	365.72
Financial liabilities		
Variable-rate instruments		
Financial liabilities		
Borrowings	215.81	85.07
	215.81	85.07

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(Rs. in crore)

	Profit or (loss) and Equity (net of tax)		Profit or (loss) and Equity (net of tax)	
	March 31, 2021		March 31, 2020	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
Variable-rate instruments				
Cash flow sensitivity (net)	(1.61)	1.61	(0.64)	0.64
	(1.61)	1.61	(0.64)	0.64

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Notes to the Financial Statements

Note 43. : Tax expense

(a) Amounts recognised in profit and loss

(Rs. in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	73.46	85.83
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	0.10	3.18
Reduction in tax rate	-	(23.10)
Deferred tax expense	0.10	(19.92)
Tax expense for the year	73.56	65.91

(b) Amounts recognised in other comprehensive income

(Rs. in crore)

	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit liability (asset)	1.86	(0.47)	1.39	3.28	(0.83)	2.45
Changes in fair value of investment in Body Corporate	1.77	(0.45)	1.32	-	-	-
	3.63	(0.92)	2.71	3.28	(0.83)	2.45

(c) Reconciliation of effective tax rate

(Rs. in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax.	352.56	359.22
Company's domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 34.94%)	88.74	90.42
Tax effect of:		
Reduction in tax rate	-	(23.10)
Expense not allowed for tax purposes	1.66	1.53
Income not considered for tax purpose	(16.92)	(1.18)
Tax paid at lower rate	(0.30)	(2.62)
Others	0.38	0.86
	73.56	65.91
Current tax	73.46	85.83
Deferred tax	0.10	(19.92)

The Company's effective tax rate for the year ended March 31, 2021 is 20.86% and for year ended March 31, 2020 was 18.35%.

The effective tax rate for the year ended March 31, 2020 was lower primarily on account of reduction in existing income tax rate and remeasuring the deferred tax liabilities basis the reduced tax rate.

The Company has opted to adopt the new Concessional tax rate under section 115BAA of the Income Tax Act which was inserted in the Income Tax Act, 1961, by the Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 with all the provisions/conditions stated therein. Accordingly, all domestic companies opting to pay tax under section 115BAA are not eligible to claim weighted deduction for expenditure incurred for scientific research under Section 35 (2AB) of the Income Tax Act. Hence, no specific disclosures are being made in respect of Research & Development expenses for the current year

Notes to the Financial Statements

Note. 44

Movement in deferred tax balances for the year ended March 31, 2021

(Rs. in crore)

	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax liability	Deferred tax asset	Net Deferred Tax
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(67.97)	(4.15)	-	-	(77.13)	5.02	(72.11)
Compensated absences	1.28	(0.01)	-	-	1.27	-	1.27
Investments	1.38	0.30	(0.45)	-	(0.45)	1.68	1.23
Biological Assets	(0.10)	(0.10)	-	-	(0.19)	-	(0.19)
Doubtful Debtors	5.19	2.32	-	-	7.51	-	7.51
Lease arrangements	1.09	0.03	-	-	1.12	-	1.12
Other items	2.32	1.51	-	-	3.82	-	3.82
Tax assets (Liabilities)	(56.81)	(0.10)	(0.45)	-	(64.05)	6.70	(57.35)

Movement in deferred tax balances for the year ended March 31, 2020

(Rs. in crore)

	Net balance April 1, 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax liability	Deferred tax asset	Net Deferred Tax
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(89.55)	21.59	-	-	(72.89)	4.93	(67.97)
Compensated absences	1.42	(0.14)	-	-	1.28	-	1.28
Investments	1.17	0.21	-	-	-	1.38	1.38
Biological Assets	(0.05)	(0.05)	-	-	(0.10)	-	(0.10)
Doubtful Debtors	5.67	(0.48)	-	-	5.19	-	5.19
Lease arrangements	-	1.09	-	1.36	1.09	-	1.09
Other items	3.26	(0.94)	-	-	2.32	-	2.32
Tax assets (Liabilities)	(78.09)	21.28	-	1.36	(63.11)	6.31	(56.81)

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

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

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

Notes to the Financial Statements

Note 45 : Capital Management

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

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

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

The Company's adjusted net debt to equity ratio as at March 31, 2021 and March 31, 2020 was as follows.

(Rs. in crore)

	As at March 31, 2021	As at March 31, 2020
Total borrowings	695.37	389.52
Less : Cash and cash equivalent	32.55	31.40
Adjusted net debt	662.82	358.12
Total equity	1,755.87	1,577.73
Adjusted net debt to equity ratio	0.38	0.23

Note 46: Segment information for the year ended March 31, 2021

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

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

- 1) Animal feed
- 2) Crop Protection
- 3) Vegetable Oil
- 4) Real Estate Business
- 5) Other Business Segment includes, Seed Business, Energy Generation through Windmill.

Notes to the Financial Statements

(i) Information about Primary business Segments

(Rs. in crore)

Particulars	For the year ended March 31, 2021							Total
	Animal Feed	Vegetable Oil	Crop Protection	Real Estate	Other Business	Unallocated	Inter Segment	
Revenue from operations	3,093.16	710.04	581.47	9.60	21.43	-	(2.66)	4,413.04
Result								
Segment Result	190.76	83.75	153.42	2.49	(2.10)	-		428.32
Unallocated expenditure net of unallocated income						(110.39)		(110.39)
Interest expenses						(36.27)		(36.27)
Interest Income						3.67		3.67
Dividend Income and Profit on sale of Investments (net)						67.23		67.23
Profit before taxation						(75.76)		352.56
Provision for taxation						73.56		73.56
Profit after taxation						-		279.00
Other Information								
Segment assets	1,365.12	367.57	652.82	7.18	35.15	812.14		3,239.98
Segment liabilities	395.09	47.94	195.63	2.86	19.46	823.14		1,484.12
Capital expenditure	41.04	31.15	1.64	-	0.18	8.39		82.40
Depreciation and amortisation	44.41	25.80	7.44	-	1.46	5.98		85.09

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

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

(i) Information about Primary business Segments

(Rs. in crore)

Particulars	For the year ended March 31, 2020							Total
	Animal Feed	Vegetable Oil	Crop Protection	Real Estate	Other Business	Unallocated	Inter Segment	
Revenue from operations	3,717.72	673.50	567.72	134.68	28.03	-	(2.97)	5,118.68
Result								
Segment Result	153.69	89.34	153.84	78.06	(3.62)	-		471.31
Unallocated expenditure net of unallocated income	-	-	-	-	-	(94.33)		(94.33)
Interest expenses	-	-	-	-	-	(23.51)		(23.51)
Interest Income	-	-	-	-	-	2.21		2.21
Dividend Income and Profit on sale of Investments (net)	-	-	-	-	-	3.54		3.54
Profit before taxation and exceptional item						(112.09)		359.22
Profit before taxation						-		
Provision for taxation						65.91		65.91
Profit after taxation								293.31
Other Information								
Segment assets	1,297.35	359.93	643.12	147.51	30.20	771.35		3,249.46
Segment liabilities	961.55	45.40	135.80	0.00	9.93	519.05		1,671.73
Capital expenditure	121.51	24.17	2.54	-	(0.00)	8.55		156.77
Depreciation and amortisation	38.19	27.57	7.45	-	1.53	5.11		79.85

1. There are no transactions with single external customers which amounts to 10% or more of the company's revenue.

2. As the Company mainly caters to the need of domestic market and the total export turnover is not significant, separate geographical segment information has not been given in the standalone financial statements.

Notes to the Financial Statements

Note 47 : Contingent Liabilities

(Rs. in crore)

Particulars	March 31,2021	March 31,2020
Claims against the Company not acknowledged as debts:		
(i) Excise Matter		
Excise duty demands relating to disputed classification, assessable values, availment of credit etc. which the Company has contested and is in appeal at various levels	20.24	87.94
(ii) Customs Matter		
Customs duty demands relating to disputed classification which the Company has contested and is in appeal at various levels.	1.26	1.14
(iii) Income Tax		
The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the Order of the Assessing Officer in which he has disallowed against Depreciation on Land/ rights in Land of Godrej One and cash deposited during demonetization period	1.41	1.06
(iv) Surety Bond issued on behalf of related party.	1.21	1.21
(v) Guarantees issued by the Banks and counter guaranteed by the company .	8.10	4.54
(vi) Claims against the Company not acknowledged as debt	8.50	5.11

Note 47.1 : Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax).The probability and timing of outflow with regard to these matters depend on the final outcome of litigations/ disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

Note 47.2 : The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability section in the financial statements. The impact of the same is not ascertainable

Note 48 : Commitments

(Rs. in crore)

Particulars	March 31,2021	March 31,2020
a) Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	56.71	32.89
b) Outstanding Export obligation Under EPCG Scheme	8.24	34.72

Note 49 : Corporate Social Responsibility (CSR) expenditure.

As per Section 135 of the Companies Act, 2013 a CSR Committee has been formed by the company. The funds are utilised during the year on activities which are specified in schedule VII of the Act.The utilisation is done by the way of direct contribution towards various activities. Gross amount required to be spent by the company during the year Rs. 6.22 crore (Previous year Rs.5.37 crore).

Amount spent during the period on:	For the year ended March 31, 2021			For the year ended March 31, 2020		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	6.28	-	6.28	5.85	-	5.85

Notes to the Financial Statements

Note 50 : Assessment of impact of Covid-19 pandemic:.

The management has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, loans and advances and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

Note 51 :With a view to focus on its core activities, the Company has partially sold the real estate project during the year to Godrej Properties Limited and the revenue of Rs.9.60 crore (Previous year Rs. 134.68 crore) has been included in other operating revenue and cost thereof has been included in the cost of material consumed.Receivable for the same as at March 31, 2021 is Rs. Nil (Previous year : Rs. 133.34 crore)

Note 52 : Movement in borrowings

(Rs. in crore)

Particulars	April 1, 2020	Cash Flow	Non-cash changes (Fair value changes)	March 31, 2021
Long term borrowings	3.91	95.37	-	99.28
Short term borrowings	385.60	210.48	-	596.08
Total borrowings	389.51	305.85	-	695.36

(Rs. in crore)

Particulars	April 1, 2019	Cash Flows	Non-cash changes (Fair value changes)	March 31, 2020
Long term borrowings	5.50	(1.59)	-	3.91
Short term borrowings	105.46	280.14	-	385.60
Total borrowings	110.96	278.55	-	389.51

Note 53 : The amount reflected as "0.00" in Financials are values with less than Rs. one lakh.

Note 54: Related Party Disclosures (Contd.)

1 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

(a) (i) **Key Management Personnel and Entities where Key Management Personnel has significant influence and their Relatives**

Mr. N. B. Godrej (Chairman)

Mr. A. B. Godrej

Mr. J. N. Godrej

Mr. V. M. Crishna

Ms. Tanya A. Dubash

Ms. Nisaba Godrej

Mr. Pirojsha A. Godrej

Mr. B. S. Yadav

Mr. K. N. Petigara

Dr. Raghunath A. Mashelkar

Dr. Ritu Anand

Ms. Aditi Kothari Desai

Ms. Roopa Purushothaman

Notes to the Financial Statements

	Mr. N. Srinivasan
	Mr. Kannan Sitaram
	Mr. Vivek Raizada (Company Secretary)
	Mr. S. Varadaraj (Chief Financial Officer)
	The Raika Godrej Family Trust
	ABG Family Trust
	TAD Family Trust
	TAD Children Trust
	NG Family Trust
	NG Children Trust
	PG Family Trust
	PG Children Trust
	PG Lineage Trust
	NBG Family Trust
	RNG Family Trust
	BNG Successor Trust
	BNG Lineage Trust
	BNG Family Trust
	HNG Family Trust
	SNG Successor Trust
	SNG Lineage Trust
	SNG Family Trust
	JNG Family Trust
	PJG Family Trust
	RJG Family Trust
	NJG Family Trust
	SGC Family Trust
	VMC Family Trust
	FVC Family Trust
	FVC Children Trust
	NVC Family Trust
	NVC Children Trust
	Pheroza Jamshyd Godrej
	Freyan Crishna Bieri
	Nyrika Holkar
	Navroze Jamshyd Godrej
	Raika Jamshyd Godrej
	Rishad Kaikhushru Naoraji
	Karla Bookman
	Sasha Godrej
	Lana Godrej
(b)	(i) Holding companies
	Godrej Industries Limited

Notes to the Financial Statements

(ii) Subsidiary companies	Godvet Agrochem Limited
	Creamline Dairy Products Limited
	Astec LifeSciences Limited
	Behram Chemicals Private Limited
	Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia)
	Astec Europe Sprl (Belgium, Europe) (upto 31/08/2020)
	Godrej Tyson Foods Limited
	Godrej Maxximilk Private Limited
(iii) Fellow Subsidiary Companies	Godrej Properties Limited
	Godrej One Premises Management Private Limited
	Godrej International Limited
	Godrej International Trading & Investments Pte. Ltd.
	Ensemble Holdings & Finance Limited
(iv) Joint Ventures	ACI Godrej Agrovet Private Limited, Bangladesh
	Omnivore India Capital Trust
(v) Associates	Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
(vi) Other Related Parties	Godrej & Boyce Manufacturing Company Limited
	Godrej Consumer Products Limited
	Godrej Seeds & Genetics Limited
	Godrej Infotech Limited
	Anamudi Real Estates LLP
	Astec Crop Care Private Limited
	Nichem Solutions
	Tyson India Holdings Limited
	Kavali Milkline Private Limited
	Khammam Milkline Private Limited
	Mohan Milkline Private Limited
	Orgaa Farms Private Limited
	Pamuru Milkline Private Limited
	Pragathi Milkline Private Limited
	Vidya Milkline Private Limited
	Ongole Milkline Private Limited.
	Dhulipalla Milkline Private Limited
	My Village Model Village Foundation
	Prima Food Tech Private Limited
(vi) Post-employment benefit plan (entities) for the benefit of employees of the company	Godrej Agrovet Limited Provident Fund Trust
	Godrej Agrovet Limited Superannuation Scheme
	Godrej Agrovet Limited Group Gratuity Trust

Notes to the Financial Statements

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

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

(Rs. in crore)							
Sr. No.	Nature of Transactions	Holding Companies	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
		(i)	(ii)	(iii)	(iv)	(v)	(vi) & (vii)
1	Purchase / Transfer of property, plant and equipment	-	0.02	-	-	-	0.07
		-	0.06	10.30	-	-	0.88
2	Investment in subsidiaries and joint ventures	-	1.00	-	-	-	-
		-	44.13	-	-	-	-
3	Advances given during the year	-	-	-	-	-	0.10
		-	-	-	-	-	-
4	Sundry deposits placed	0.10	-	-	-	-	-
		0.14	-	0.01	-	-	-
5	Intercompany deposits placed during the year	-	115.17	-	-	-	-
		-	58.09	-	-	-	-
6	Intercompany deposits returned	-	96.75	-	-	-	-
		-	66.78	-	-	-	-
7	Sale of materials / finished goods / other operating revenue	-	335.84	9.60	1.84	-	-
		2.73	395.47	134.68	2.10	-	-
8	Purchase of materials / finished goods / services	6.21	8.62	0.12	-	-	0.21
		6.41	1.86	-	-	-	0.52
9	Expenses charged to / reimbursement received from other companies	0.14	26.44	0.03	-	-	0.73
		0.00	15.98	0.00	-	-	1.18
10	Expenses charged by / reimbursement made to other companies	8.47	4.44	2.50	-	-	0.66
		8.48	5.33	3.10	-	-	0.92
11	Dividend income	-	7.71	-	59.46	-	-
		-	3.47	-	0.07	-	-
12	Dividend paid	62.62	-	-	-	-	-
		50.25	-	-	-	-	-
13	Interest income on intercompany deposits placed / loans given	-	1.41	-	-	-	-
		-	0.28	-	-	-	-
14	Sundry income	-	-	-	6.85	-	0.01
		-	-	-	5.07	-	0.01

Notes to the Financial Statements

(Rs. in crore)							
Sr. No.	Nature of Transactions	Holding Companies	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
		(i)	(ii)	(iii)	(iv)	(v)	(vi) & (vii)
15	Outstanding intercorporate deposit receivable	-	18.42	-	-	-	-
		-	-	-	-	-	-
16	Capital advance given during the year	-	-	-	-	-	0.06
		-	-	1.28	-	-	0.82
17	Outstanding capital advance	-	-	0.07	-	-	-
		-	-	0.07	-	-	-
18	Outstanding receivables	0.34	58.96	0.10	11.46	-	0.22
		0.56	62.98	133.34	8.10	-	0.53
19	Outstanding payables	-	(1.33)	(2.85)	-	-	(2.71)
		-	-	(0.36)	-	-	(7.43)
20	Guarantees outstanding	-	-	-	-	-	1.21
		-	-	-	-	-	1.21
21	Contribution to post-employment benefit plans	-	-	-	-	-	28.30
		-	-	-	-	-	24.91

(Rs. in crore)

(ii) Details relating to persons referred to in items 1(a)(i) above		As at March 31, 2021	As at March 31, 2020
1	Remuneration to key management personnel		
	Salary and short term employee benefit	5.66	5.32
	Post employee gratuity & medical benefits	0.10	0.10
	Shared based payment	0.71	0.89
2	Dividend paid	8.17	11.35
3	Director's sitting fees	0.55	0.46
4	Director's commission	0.96	0.97

3. Significant Related Party Transactions :

(Rs. in crore)		
Sr. No.	Nature of Transaction	As at March 31, 2021
1	Purchase of property, plant and equipment	
	Godrej & Boyce Manufacturing Company Limited	0.07
	Godrej Properties Limited	-
	Godrej Vikhroli Properties India Limited	-
2	Sale / Transfer of Fixed Assets	

Notes to the Financial Statements

		(Rs. in crore)	
Sr. No.	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
	Godrej Tyson Foods Limited	0.01	0.03
	Creamline Dairy Products Limited	0.01	0.03
	Astec LifeSciences Ltd.	0.00	-
3	Investment in subsidiaries and joint ventures		
	Astec LifeSciences Ltd.	-	36.66
	Godrej Maxximilk Private Limited	1.00	7.47
4	Advances given during the year		
	Godrej & Boyce Manufacturing Company Limited	0.10	-
5	Sundry deposits placed		
	Godrej Industries Limited	0.10	0.14
	Godrej One Premises Management Private Limited	-	0.01
6	Intercompany deposits placed during the year		
	Godvet Agrochem Limited	6.62	5.80
	• Maximum amount of Intercompany Deposit outstanding during the year	4.80	-
	Godrej Maxximilk Private Limited	17.30	10.07
	• Maximum amount of Intercompany Deposit outstanding during the year	11.00	-
	Astec LifeSciences Ltd.	13.50	37.22
	• Maximum amount of Intercompany Deposit outstanding during the year	7.00	24.72
	Creamline Dairy Products Limited	30.00	5.00
	• Maximum amount of Intercompany Deposit outstanding during the year	20.00	5.00
	Godrej Tyson Foods Limited	47.75	-
	• Maximum amount of Intercompany Deposit outstanding during the year	11.00	-
7	Intercompany deposits returned		
	Godvet Agrochem Limited	4.80	12.85
	Astec LifeSciences Ltd.	13.50	37.22
	Creamline Dairy Products Limited	30.00	5.00
	Godrej Maxximilk Private Limited	0.70	11.72
	Godrej Tyson Foods Limited	47.75	-
8	Sale of materials / finished goods / other operating revenue		
	ACI Godrej Agrovet Private Limited	1.84	2.10
	Godrej Maxximilk Private Limited	0.52	1.81
	Godrej Tyson Foods Limited	324.84	380.63
	Godrej Industries Limited	-	2.73
	Creamline Dairy Products Limited	10.49	13.02
	Godrej Properties Limited	9.60	134.68
9	Purchase of materials / finished goods / services		

Notes to the Financial Statements

		(Rs. in crore)	
Sr. No.	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
	Godrej & Boyce Manufacturing Company Limited	0.00	0.16
	Godrej Industries Limited	6.21	6.41
	Godrej Consumer Products Limited	0.21	0.36
	Godrej Tyson Foods Limited	0.13	0.16
	Astec LifeSciences Ltd.	8.43	1.49
	Godrej Properties Limited	0.12	-
	Creamline Dairy Products Limited	-	0.04
	Godrej Maxximilk Private Limited	0.06	0.18
10	Expenses charged to / reimbursement received from other companies		
	Godrej & Boyce Manufacturing Company Limited	0.73	1.18
	Godrej Industries Limited	0.14	0.00
	Godrej Tyson Foods Limited	14.62	4.67
	Godvet Agrochem Limited	0.39	0.30
	Creamline Dairy Products Limited	1.52	0.97
	Astec LifeSciences Ltd.	5.78	6.69
	Godrej Properties Limited	0.03	0.00
	Godrej Maxximilk Private Limited	4.14	3.35
11	Expenses charged by / reimbursement made to other companies		
	Godrej Infotech Limited	0.05	0.03
	Godrej & Boyce Manufacturing Company Limited	0.27	0.48
	Godrej Consumer Products Limited	0.33	0.41
	Godrej Industries Limited	8.47	8.48
	Godrej Tyson Foods Limited	2.48	3.41
	Godvet Agrochem Limited	1.49	1.58
	Creamline Dairy Products Limited	0.05	0.04
	Natures Basket Limited	-	0.00
	Godrej One Premises Management Private Limited	2.50	3.09
	Godrej Maxximilk Private Limited	0.02	0.00
	Astec LifeSciences Ltd.	0.40	0.30
12	Dividend income		
	Creamline Dairy Products Limited	5.88	1.76
	Astec LifeSciences Ltd.	1.83	1.71
	Omnivore India Capital Trust	-	0.07
	ACI Godrej Agrovat Private Limited	59.46	-
13	Dividend paid		
	Godrej Industries Limited	62.62	50.25
	Mr. B. S. Yadav (Managing Director)	2.35	1.92
	Mr. N. B. Godrej (Chairman)	0.00	0.00
	Mr. A. B. Godrej	0.00	0.00
	Mr. J. N. Godrej	-	0.00

Notes to the Financial Statements

		(Rs. in crore)	
Sr. No.	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
	Ms. Tanya A. Dubash	0.00	0.00
	Ms. Nisaba Godrej	0.00	0.00
	Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018)	0.00	0.00
	Dr. Ritu Anand	0.00	0.00
	Ms. Roopa Purushothaman	0.00	0.00
	Dr. S. L. Anaokar (upto 3rd February, 2019)	-	0.00
	S. Varadaraj	0.11	0.09
	Vivek Raizada	0.00	0.00
	The Raika Godrej Family Trust	0.00	-
	TAD Family Trust	0.76	0.62
	BNG Family Trust	0.76	0.62
	HNG Family Trust	0.76	0.62
	SNG Family Trust	0.76	0.62
	NG Family Trust	0.76	0.62
	PG Family Trust	0.21	0.62
	Pheroza Jamshyd Godrej	-	1.87
	Freya Crishna Bieri	0.00	0.00
	Nyrika Holkar	0.00	0.00
	Navroze Jamshyd Godrej	0.00	0.00
	Raika Jamshyd Godrej	0.00	0.00
	FVC Family Trust	0.00	0.93
	NVC Family Trust	1.14	0.93
	Rishad Kaikhushru Naoroji	-	1.87
	Karla Bookman	0.18	-
	Sasha Godrej	0.18	-
	Lana Godrej	0.19	-
14	Interest income on intercorporate deposits placed / loans given		
	Godrej Tyson Foods Limited	0.30	-
	Godvet Agrochem Limited	0.12	0.15
	Astec LifeSciences Ltd.	0.02	0.05
	Godrej Maxximilk Private Limited	0.82	0.05
	Creamline Dairy Products Limited	0.15	0.02
15	Sundry income		
	ACI Godrej Agrovet Private Limited	6.85	5.07
	Godrej Consumer Products Limited	0.01	0.01
16	Outstanding intercorporate deposit receivable		
	Godvet Agrochem Limited	1.82	-
	• Maximum amount of Intercorporate Deposit outstanding during the year	4.80	7.05
	Godrej Maxximilk Private Limited	16.60	-
	• Maximum amount of Intercorporate Deposit outstanding during the year	16.60	-

Notes to the Financial Statements

			(Rs. in crore)
Sr. No.	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
17	Capital advance given during the year		
	Godrej & Boyce Manufacturing Company Limited	0.06	0.82
	Godrej Properties Limited	-	1.28
18	Outstanding capital advance		
	Godrej Vikhroli Properties India Limited	0.04	0.04
	Godrej Properties Limited	0.04	0.04
19	Outstanding receivables		
	Godrej & Boyce Manufacturing Company Limited	0.17	0.52
	Godrej Industries Limited	0.34	0.56
	Godrej One Premises Management Private Limited	0.10	-
	Godrej Seeds & Genetics Limited	0.00	0.00
	Godvet Agrochem Limited	-	0.14
	Godrej Properties Limited	-	133.34
	Godrej Consumer Products Limited	0.05	-
	Godrej Tyson Foods Limited	46.79	56.65
	ACI Godrej Agrovet Private Limited	11.42	8.06
	Creamline Dairy Products Limited	2.25	0.83
	Omnivore India Capital Trust	0.03	0.03
	Godrej Maxximilk Private Limited	9.92	4.56
	Astec LifeSciences Ltd.	-	0.80
20	Outstanding payables		
	Godvet Agrochem Limited	(0.26)	-
	Astec LifeSciences Ltd.	(1.07)	-
	Godrej Properties Limited	(2.85)	-
	Godrej Consumer Products Limited	-	(0.05)
	Godrej One Premises Management Private Limited	-	(0.36)
	Godrej Agrovet Limited Employees Provident Fund Trust.	(1.83)	(1.77)
	Godrej Agrovet Limited Employees Superannuation Scheme.	(0.04)	(0.05)
	Godrej Agrovet Limited Employees Group Gratuity Trust.	(0.84)	(5.57)
21	Guarantees outstanding		
	Godrej Consumer Products Limited	1.21	1.21
22	Director's sitting fees		
	Mr. K. N. Petigara (Independent Director)	0.09	0.08
	Mr. Amit B. Choudhury (Independent Director)	-	0.02
	Dr. Ritu Anand (Independent Director)	0.09	0.08
	Ms. Aditi Kothari Desai (Independent Director)	0.09	0.05
	Dr. Raghunath A. Mashelkar (Independent Director)	0.07	0.05

Notes to the Financial Statements

		(Rs. in crore)	
Sr. No.	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
	Ms. Roopa Purushothaman (Independent Director)	0.08	0.07
	Mr. N. Srinivasan (Independent Director)	0.07	0.06
	Mr. Kannan Sitaram (Independent Director)	0.06	0.04
23	Director's commission		
	Mr. N. B. Godrej (Chairman)	0.08	0.08
	Mr. K. N. Petigara (Independent Director)	0.08	0.08
	Mr. Amit B. Choudhury (Independent Director)	0.01	0.01
	Dr. Ritu Anand (Independent Director)	0.08	0.08
	Ms. Aditi Kothari Desai (Independent Director)	0.08	0.08
	Dr. Raghunath A. Mashelkar (Independent Director)	0.08	0.08
	Ms. Roopa Purushothaman (Independent Director)	0.08	0.08
	Ms. Tanya A. Dubash	0.08	0.08
	Mr. V. M. Crishna	0.07	0.08
	Mr. J. N. Godrej	0.08	0.08
	Ms. Nisaba Godrej	0.08	0.08
	Mr. N. Srinivasan (Independent Director)	0.08	0.08
	Mr. Kannan Sitaram (Independent Director)	0.06	0.06
	Mr. Pirojsha A. Godrej (Director)	0.08	0.08
24	Contribution to post-employment benefit plans		
	Godrej Agrovet Limited Employees Provident Fund Trust.	22.22	20.57
	Godrej Agrovet Limited Employees Superannuation Scheme.	0.52	0.54
	Godrej Agrovet Limited Employees Group Gratuity Trust.	5.57	3.80

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

CIN:L15410MH1991PLC135359

N. B. GODREJ

Chairman

DIN: 00066195

B.S.YADAV

Managing Director

DIN: 00294803

Koosai Leherly

Partner

Membership Number: 112399

Mumbai, May 7, 2021

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

**CONSOLIDATED
FINANCIALS AND
AUDITORS'**
REPORT

Independent Auditors' Report

To the Members of
Godrej Agrovet Limited

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of Godrej Agrovet Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate and its joint ventures which comprise the Consolidated Balance Sheet as at 31 March 2021 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated 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 of such subsidiaries, associate and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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, its associate, and joint ventures as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated 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 financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

The Key Audit Matter	How the matter was addressed in our audit
Refer Note 1[8(A)(i)] of accounting policy and Note 29 and Note 30 in standalone financial statements The Group recognizes revenue from sale of goods when control of the goods has transferred and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. The Group has large number of customers and the sales contracts with customers have different terms relating to transfer of control of underlying goods and the right of return. We identified the recognition of revenue from sale of products as a key audit matter because: - The Group and its external stakeholders focus on revenue as a key performance indicator. This could create an incentive for higher revenue to be recognised at period end, i.e. before the control of underlying goods have been transferred to the customer; and - Estimation of accrual for sales returns, mainly in the crop protection segment involves significant judgement.	Our audit procedures included following: - Assessing the appropriateness of the Group's accounting policies in respect of revenue recognition by comparing with applicable accounting standards; - Evaluating the design, testing the implementation and operating effectiveness of the Group's internal controls over recognition of revenue; - Performing substantive testing for year-end cutoff testing, by selecting samples of revenue transactions recorded during and after the year and verifying the underlying documents, which included sales invoices, dispatch documents and proof of delivery, depending on the terms of contracts with customer. - Examining journal entries (using statistical sampling) posted to revenue to identify unusual or irregular items - Evaluating the design and testing the implementation and operating effectiveness of the internal controls over accrual for sales returns, in crop protection segment; - Checking completeness and accuracy of the data used for accrual of sales returns, in crop protection segment. - Examining historical trend of sales return claims to assess the assumptions and judgements used in accrual of sales returns in crop protection segment. Comparing historically recorded accruals to the actual amount of sales returns; - Examining manual journal entries (using statistical sampling) posted to sales return accrual to identify unusual or irregular items. - Evaluating adequacy of disclosures given in Note 29 and Note 30 to the standalone financial statements.

Loss allowance on trade receivables – Refer Note 1 [5 (iv) b] to the consolidated financial statements

Loss allowance on trade receivables – crop protection segment Trade receivables of crop protection segment of Rs 570.68 crores consist of individual / small customers in different jurisdictions within India. Accordingly, there are significant large number of customers subject to different business risk, climate risk, political risk and interest rate risk. The balance of loss allowance for trade receivables of crop protection segment represent the Group's best estimate at the balance sheet date of expected credit losses (ECL) under Ind AS 109. The Group assesses the ECL allowance for these individual / small customers resulting from all possible defaults over the expected life of the receivables. ECL is assessed at each reporting date on collective basis using provision matrix. The measurement of ECL involves significant judgements and assumptions, primarily including: - Loss rate in provision matrix depending on days past due; - credit risk of customers and - historical experience adjusted for future economic conditions. For measuring ECL, the Group adopted provision matrix, employed numerous parameters and applied significant estimates and judgements. In addition, the exposures of the trade receivables of crop protection segment and the ECL involve significant amounts. In view of this, we identified the assessment of ECL on trade receivables of crop protection segment as a key audit matter.	Our audit procedures to assess the ECL on trade receivables of crop protection segment included the following: • Testing the design, implementation and operating effectiveness of key controls over measurement of ECL on trade receivables in crop protection segment. Evaluating the processes of credit control and collection of trade receivables; • Assessing the Group's accounting policy for ECL on trade receivables with applicable accounting standards; • Using our internal IT specialists to assess and obtain comfort over ageing report. Assessing the classification of trade receivables based on such ageing report generated from system; • Challenging the ECL estimates by examining the information used to form such estimates; • Checking completeness and accuracy of the data used by the Group for computation of assumptions used for computing ECL on trade receivables. Assessing assumptions such as the basis of segmentation of trade receivables, historical default rate and other related factors; • Obtaining independent customers confirmations on the outstanding invoices on sample (using statistical sampling) basis. Verifying balances obtained from customer with balance in the books along with applicable reconciling items. Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to closing trade receivable balances, when confirmations are not received; • Examining data inputs to provisioning matrix; • Examining sample manual journal entries (using statistical sampling) for loss allowances to identify unusual or irregular items.
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Goodwill and intangible assets (refer note 1 [5] and 54 - to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of Goodwill and intangible assets with indefinite life, pursuant to business acquisitions totaled to Rs 326.40 crores as at 31 March 2021. Management performs an annual impairment review for Goodwill and intangible assets having indefinite life or more frequently if events or changes in circumstances indicate that they might be impaired. The goodwill and intangible assets are attributable to cash generating units and is reviewed for impairment using a value in use model, as described in note 1 [5] to the consolidated financial statements. We consider the impairment evaluation of Goodwill by management to involve significant estimates and judgement, due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, this is a key audit matter	Our audit procedures included the following: • Testing the appropriateness of management's basis to identify relevant CGUs for which Goodwill and intangible asset is being tested; • Obtained and assessed the valuation working prepared by the management for its impairment assessment. • Involved our valuation specialists to assist in the evaluation of assumptions and methodologies used by the Group. • Evaluated the underlying key assumptions such as discount rate, growth rate etc. in estimating projections including cash flows. • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions; and • Assessing the adequacy of disclosures in respect of such goodwill and intangible assets in accordance with the accounting standards.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, 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.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures is responsible for overseeing the financial reporting process of each company

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 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 associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 such entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated 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. Our responsibilities in this regard are further described in paragraph (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Matters

- (a) We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 65.64 crores as at 31 March 2021, total revenues (before consolidation adjustments) of Rs. 9.34 crores and net cash outflows amounting to Rs 1.35 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) (before consolidation adjustments) of Rs. 41.31 crores for the year ended 31 March 2021, in respect of one joint venture, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the audit reports of the other auditors.
- (b) The financial statements/financial information of two subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs. 0.00 crores as at 31 March 2021, total revenues (before consolidation adjustments) of Rs Nil crores and net cash outflows amounting to Rs. 0.00 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) (before consolidation adjustments) of Rs. 4.28 crores for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of one associate and one joint venture, whose financial statements/financial information have not been audited by us or by other auditors. These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate, 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, joint venture and associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the

Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that
- 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 of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 reports of the other auditors on separate financial statements of the subsidiaries and joint venture, as noted in the 'Other Matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group, its associate and joint ventures. Refer Note 47 to the consolidated financial statements.
- ii. The Group, its associate and joint ventures has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 27 to the consolidated financial statements.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, and joint venture incorporated in India during the year ended 31 March 2021.
- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

- C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Koosai Leheri

Partner

Mumbai
07 May 2021

Membership No: 112399
UDIN: 21112399AAAABH6739

Annexure A to the Independent Auditors' Report on the consolidated financial statements of Godrej Agrovet Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Godrej Agrovet Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated 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 of the relevant subsidiary companies 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 financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial controls with reference to consolidated 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 consolidated 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 financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matters

Our aforesaid reports 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 insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Koosai Lehera

Partner

Mumbai
07 May 2021

Membership No: 112399
UDIN: 21112399AAABH6739

Consolidated Balance Sheet

as at March 31, 2021

(₹ in crore)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
(I) Non-current assets-			
(a) Property, Plant and Equipment	2	1,833.79	1,724.53
(b) Capital work-in-progress	3	136.77	150.47
(c) Right of use assets	4	120.47	103.54
(d) Goodwill		264.88	264.88
(e) Other Intangible assets	5	61.52	63.55
(f) Intangible assets under development		4.66	2.74
(g) Biological assets other than bearer plants	6	17.66	21.95
(h) Equity accounted investees	7 (A)	120.15	128.34
(i) Financial Assets			
(i) Investments	7 (B)	3.57	0.83
(ii) Loans	8	23.12	24.01
(iii) Others	9	2.50	1.93
(j) Deferred tax assets	44	19.61	27.81
(k) Other tax assets (net)		11.24	11.93
(l) Other non-current assets	10	41.42	41.18
Total non current assets		2,661.36	2,567.69
(II) Current Assets			
(a) Biological assets	6	61.55	57.74
(b) Inventories	11	980.39	886.50
(c) Financial Assets			
(i) Investments	12	-	-
(ii) Trade Receivables	13	822.57	853.13
(iii) Cash and cash equivalents	14	48.63	48.75
(iv) Bank balances other than (iii) above	15	2.31	2.06
(v) Loans	16	26.50	19.15
(vi) Others	17	56.55	170.97
(d) Other current assets	18	139.07	94.05
Total current assets		2,137.57	2,132.35
TOTAL ASSETS		4,798.93	4,700.04
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity share capital	19	192.07	192.04
(b) Other equity	20	1,859.03	1,646.10
Non-controlling interests		410.26	382.46
Total equity		2,461.36	2,220.60
(II) Liabilities			
(1) Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	148.74	42.78
(ii) Lease Liabilities		18.88	21.00
(ii) Other financial liabilities	22	0.27	0.86
(b) Provisions	23	9.31	8.28
(c) Deferred tax liabilities (net)	44	171.30	175.09
(d) Other non-current liabilities	24	17.05	21.19
Total non current liabilities		365.55	269.20
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	794.06	575.69
(ii) Trade Payables	26		
Total outstanding dues of micro enterprises and small enterprises		8.03	5.27
Total outstanding dues of creditors other than micro enterprises and small enterprises		724.58	1,283.24
(iii) Other financial liabilities	27	298.77	225.57
(b) Other current liabilities	28	72.66	52.62
(c) Provisions	29	61.00	43.29
(d) Current tax liabilities (net)		12.92	24.56
Total current liabilities		1,972.02	2,210.24
Total liabilities		2,337.57	2,479.44
TOTAL EQUITY AND LIABILITIES		4,798.93	4,700.04

The Notes 1 to 61 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

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

CIN:L15410MH1991PLC135359

N. B. GODREJ

Chairman

DIN: 00066195

B.S.YADAV

Managing Director

DIN: 00294803

Koosai Leherly

Partner

Membership Number: 112399

Mumbai, May 07, 2021

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in crore)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I. Revenue from Operations	30		
Sale of products		6,239.60	6,815.77
Other operating revenue		27.11	148.27
Total Revenue From Operations		6,266.71	6,964.04
II. Other income	31	39.56	46.82
III. Total Income		6,306.27	7,010.86
IV. Expenses			
Cost of materials consumed	32	4,361.76	5,181.31
Purchases of Stock-in-Trade	33	247.40	239.74
Changes in inventories of finished goods, stock under cultivation, work in progress and Stock-in-Trade	34	(1.35)	(44.99)
Employee benefits expense	35	376.40	354.05
Finance costs	36	46.47	41.63
Depreciation and amortisation expenses	37	154.00	148.07
Other expenses	38	718.73	745.44
Total Expenses		5,903.41	6,665.25
V. Profit before Exceptional items, Tax and Share of Equity Accounted Investees		402.86	345.61
Share of profit of equity-accounted investees, net of tax		50.24	12.94
VI. Profit Before Exceptional items and Tax		453.10	358.55
VII. Exceptional Items (refer note 53)		-	(9.92)
VIII. Profit Before Tax		453.10	348.63
IX. Tax expense:		105.53	48.05
1. Current Tax		101.23	103.78
- for current year		101.09	102.66
- Adjustment for Tax of Previous Years (net)		0.14	1.12
2. Deferred Tax		4.30	(55.73)
X. Profit for the year		347.57	300.58
XI. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability		0.59	(4.03)
Changes in Fair Value of investment in Body Corporate		1.77	-
Equity accounted investee's share of other comprehensive income		-	0.12
Income tax related to items that will not be reclassified to profit or loss		(0.58)	1.05
		1.78	(2.86)
(B) Items that will be reclassified to profit or loss			
Exchange difference on translation of financial statements of foreign operations		1.03	(1.12)
Income tax related to items that will be reclassified to profit or loss		-	-
		1.03	(1.12)
Other comprehensive income for the year		2.81	(3.98)
XII. Total comprehensive income for the year (X + XI)		350.38	296.60
Profit attributable to:			
Equity holders of the Company		313.74	306.19
Non-controlling interest		33.83	(5.61)
		347.57	300.58
XIII. Other comprehensive income is attributable to :			
Equity holders of the Company		3.23	(3.74)
Non Controlling interests		(0.42)	(0.24)
		2.81	(3.98)
XIV. Total comprehensive income is attributable to :			
Equity holders of the Company		316.97	302.45
Non Controlling interests		33.41	(5.85)
		350.38	296.60
XV. Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)	39		
Basic (Rs.)		16.34	15.94
Diluted (Rs.)		16.33	15.94

The Notes 1 to 61 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

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

CIN:L15410MH1991PLC135359

N. B. GODREJ

Chairman

DIN: 00066195

B.S.YADAV

Managing Director

DIN: 00294803

Koosai Leherly

Partner

Membership Number: 112399

Mumbai, May 07, 2021

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(₹ in crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash Flow from Operating Activities :		
Net Profit Before Taxes	453.10	348.63
Adjustment for:		
Depreciation and amortisation	154.00	148.07
(Profit)/Loss on sale of Property, plant and equipment	0.12	0.56
Profit on sale of Investments (net)	(0.10)	(0.33)
Unrealised foreign exchange gain/loss (net)	(0.94)	1.34
Dividend income	(0.05)	-
Grant amortisation	(1.15)	(1.43)
Interest income	(3.24)	(2.76)
Employee share based compensation cost	2.05	2.02
Share of equity-accounted investees, net of tax	(50.24)	(12.94)
Finance Cost	46.47	41.63
Profit on sale of subsidiary	(0.25)	-
Allowances for Doubtful Debts and Advances	13.73	4.84
Liabilities no longer required written back	(4.41)	(5.88)
Change in fair value of biological assets	0.90	0.59
Exceptional Items	-	9.92
Bad Debts Written off	33.18	22.85
	190.07	208.48
Operating Profit Before Working Capital Changes	643.17	557.11
Adjustments for:		
(Increase) / Decrease in Inventories	(93.88)	13.04
(Increase) / Decrease Biological assets other than bearer plants	0.78	(16.28)
(Increase) Trade Receivables	(20.22)	(141.68)
(Increase) / Decrease Current / Non-current Financial assets- Loans	(6.47)	(5.21)
(Increase) / Decrease Non-current Financial assets /Current Financial assets- Others	113.63	(145.49)
(Increase) / Decrease Other Current / Non-current assets	(30.69)	7.05
Increase / (Decrease) Trade Payables and acceptances	(543.97)	44.74
(Decrease) Current / Non-current Provisions	(3.65)	(0.36)
Increase Current / Non-current Financial liabilities- Others	34.71	18.87
Increase / (Decrease) Other current / Non-current liabilities	17.05	4.90
	(532.71)	(220.42)

(₹ in crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash Generated from Operations	110.46	336.69
Direct Taxes paid (net of refunds received)	(112.30)	(96.91)
Net Cash Flow from Operating Activities	(1.84)	239.78
B. Cash Flow from Investing Activities :		
Acquisition of Property, plant and equipment	(255.86)	(263.38)
Proceeds from sale of Property, plant and equipment	6.70	5.85
Purchase of Investments	(0.97)	(0.82)
Proceeds from sale of investments	0.10	0.33
Deposits Redeemed	-	0.11
Interest Received	3.21	2.68
Dividend Received	59.52	0.07
C. Cash Flow from Financing Activities :		
Proceeds from exercise of ESOP shares	0.03	0.23
Repayment of Short Term Borrowings	(1,906.60)	(2,334.44)
Proceeds from Short Term Borrowings	2,125.00	2,582.85
Repayment of Long Term Borrowings	(20.05)	(32.82)
Proceeds from Long Term Borrowings	159.51	15.46
Finance Cost	(43.01)	(39.02)
Lease Liability repayments	(13.66)	(11.64)
Dividend Paid	(112.19)	(89.25)
Dividend Tax Paid	-	(18.35)
Transactions with non-controlling interests	0.02	(36.66)
Net Cash Flow used in Financing Activities	189.05	36.36
Net increase / (decrease) in Cash and Cash equivalents	(0.09)	20.98
Cash and Cash equivalents (Opening balance)	48.75	27.77
Less: Cash & Cash equivalents removed on subsidiary sold	(0.03)	
Cash and Cash equivalents (Closing balance) (refer note 14)	48.63	48.75

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

2 Figures in bracket indicate cash outflow.

The Notes 1 to 61 form an integral part of the Consolidated Financial Statements

As per our Report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

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

CIN:L15410MH1991PLC135359

N. B. GODREJ

Chairman

DIN: 00066195

B.S.YADAV

Managing Director

DIN: 00294803

Koosai Leherly

Partner

Membership Number: 112399

Mumbai, May 07, 2021

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Consolidated Statement of changes in equity

for the year ended March 31, 2021

(a) Equity share capital

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the reporting year	192.04	192.03
"Changes in equity share capital during the year (refer note 19)"	0.03	0.01
Balance at the end of the reporting year	192.07	192.04

(b) Other equity

	Retained earnings	Capital Reserve	General reserve	Employee share option outstanding	Securities Premium	Non Controlling Interest Reserve	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of a foreign operation	Total attributable to the owners of the Company	Non - controlling interest	Total
Balance at April 1, 2020	1,306.48	1.73	18.14	4.11	427.77	(103.85)	0.02	(8.30)	1,646.10	382.46	2,028.56
Total comprehensive income for the year											
Profit for the year (net of income tax)	313.74	-	-	-	-	-	-	-	313.74	33.83	347.57
Other comprehensive income for the year (net of income tax)	2.20	-	-	-	-	-	-	1.03	3.23	(0.42)	2.81
Total comprehensive income for the year	315.94	-	-	-	-	-	-	1.03	316.97	33.41	350.38
Transactions with the owners of the Company, recorded directly in equity											
Contributions and distributions											
Dividends	(105.64)	-	-	-	-	-	-	-	(105.64)	(6.55)	(112.19)
Dividend distribution tax	-	-	-	-	-	-	-	-	-	-	-
Others											
Employee compensation expenses recognised during the year	-	-	-	2.05	-	-	-	-	2.05	-	2.05
Sale of subsidiary of Astec Lifesciences Limited	-	-	-	-	-	-	-	-	-	(0.21)	(0.21)
Transfer of share premium	-	-	-	(1.70)	1.70	(0.19)	-	-	(0.19)	0.89	0.70
Exercise of Employee stock grants	-	-	-	-	-	(0.26)	-	-	(0.26)	0.26	(0.00)
Acquisition of non-controlling interests (refer note 57)	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2021	1,516.78	1.73	18.14	4.46	429.47	(104.30)	0.02	(7.27)	1,859.03	410.26	2,269.29
Balance at April 1, 2019	1,091.02	1.73	18.14	2.89	426.99	(76.66)	0.02	(7.18)	1,456.95	400.96	1,857.91
Total comprehensive income for the year											
Profit for the year	306.19	-	-	-	-	-	-	-	306.19	(5.61)	300.58
Other comprehensive income for the year (net of income tax)	(2.62)	-	-	-	-	-	-	(1.12)	(3.74)	(0.24)	(3.98)

	Retained earnings	Capital Reserve	General reserve	Employee share option outstanding	Securities Premium	Non Controlling Interest Reserve	Effective portion of Cash Flow Hedges	Exchange differences on the financial statements of a foreign operation	Total attributable to the owners of the Company	Non - controlling interest	Total
Total comprehensive income for the year	303.57	-	-	-	-	-	-	(1.12)	302.45	(5.85)	296.60
Transactions with the owners of the Company, recorded directly in equity											
Contributions and distributions											
Dividends	(86.42)	-	-	-	-	-	-	-	(86.42)	(2.88)	(89.30)
Dividend distribution tax	(17.75)	-	-	-	-	-	-	-	(17.75)	(0.59)	(18.34)
Others											
Employee compensation expenses recognised during the year	-	-	-	2.00	-	-	-	-	2.00	-	2.00
Exercise of Employee stock grants	-	-	-	(0.78)	0.78	-	-	-	-	0.26	0.26
Liability towards Put Option Arrangement	18.48	-	-	-	-	-	-	-	18.48	-	18.48
Acquisition of non-controlling interests (refer note 57)	-	-	-	-	-	(27.19)	-	-	(27.19)	(9.44)	(36.63)
Others	-	-	-	-	-	-	-	-	-	-	-
Impact on transition to Ind AS 116 net off tax (refer note 4)	(2.42)	-	-	-	-	-	-	-	(2.42)	-	(2.42)
Balance at March 31, 2020	1,306.48	1.73	18.14	4.11	427.77	(103.85)	0.02	(8.30)	1,646.10	382.46	2,028.56

The Notes 1 to 61 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

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

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Membership Number: 112399

Mumbai, May 07, 2021

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Notes to the Consolidated Financial Statements

NOTE 1. Significant Accounting Policies

1. General information

Godrej Agrovet Ltd. ("the Company" or "Parent") is a public limited Company, which is domiciled and incorporated in the Republic of India with its registered office situated at 3rd Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai – 400 079. The Company and its subsidiaries, joint ventures and associates (the "Group") is a diversified agribusiness Group and its principal activities include manufacturing and marketing of high quality animal feed, innovative crop protection & agricultural inputs, palm oil & allied products, poultry and processed food & milk and milk products.

2. Basis of preparation and presentation

(i) Basis of preparation:

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated financial statements of the Group for the year ended March 31, 2021 were authorized for issue in accordance with a resolution of the Board of Directors on May 7, 2021.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of classification of assets and liabilities into current and non-current.

(ii) Basis of measurement

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

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

(iii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees, which is the Group's functional currency. All amounts have been rounded off to the nearest crore, unless otherwise indicated. The amount reflected as "0.00" in Financials are value with less than one lakh.

3. Basis of consolidation

(i) Subsidiaries :

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Equity method :

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, then unless it has incurred obligations or made payments on behalf of the other entity, Group does not recognise further losses. Unrealised gains on transactions between the Group and its equity accounted investees are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have

Notes to the Consolidated Financial Statements

been changed where necessary to ensure consistency with the policies adopted by the Group.

4. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- Fair value of the assets transferred;
- Liabilities incurred to the former owners of the acquired business;
- Equity interests issued by the Group
- Fair value of any asset or liability resulting from contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at their fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition related costs are expenses as incurred. The excess of the

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest is remeasured to fair value at the acquisition date. Any gains arising from such remeasurement are recognized in the Consolidated Statement of Profit and Loss or Other Comprehensive Income, as appropriate.

5. Key estimates and assumptions

While preparing consolidated financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses

for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

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

Judgement, estimates and assumptions are required in particular for:

• Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Impairment testing of Goodwill & intangible assets with indefinite useful life is done at least once annually and upon occurrence of indication of impairment. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The growth rates and margins used to make estimate future performance are based on past performance and our estimates of future growths and margins achievable in the CGUs. Discount rates reflect specific risks relating to the relevant segments and geographies in which the CGUs operate.

• Recognition and measurement of defined benefit obligations

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

• Recognition of deferred tax assets

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

Notes to the Consolidated Financial Statements

depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of provisions**

- a. Provision for sales returns

The Group makes a provision for estimated sales returns, based on its historical experience and is dependent on other relevant factors.

- b. Provision for doubtful trade receivables

The Group has large number of individual small customers. Management assesses the level of allowance for doubtful debts after taking into account ageing analysis and any other factor specific to individual counterparty and a collective estimate based on historical experience adjusted for certain current factors.

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

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

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

- **Fair valuation of employee share options**

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

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

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that

create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and commodity. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

- **Biological Assets**

Management uses inputs relating to production and market prices in determining the fair value of biological assets.

6. Measurement of fair values

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

7. Standards issued but not yet effective

Recent pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc. Statement of profit and loss: • Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

8. Significant accounting policies

A. Revenue and Other income

i. Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Group includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Group no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Group. As at 31 March 2021, an estimate has been made of goods that will be returned and a liability has been recognized for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Company using a best estimate based on historical experience.

ii. Dividend income

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

iii. Interest income

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

B. Foreign currency

i. Transactions and balances

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

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

Notes to the Consolidated Financial Statements

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

Exchange differences are generally recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

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

On consolidation, the assets and liabilities of foreign operations are translated into INR 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 recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in profit and loss.

C. Employee benefits

i. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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

ii. Defined contribution plans

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

iii. Defined benefit plans

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

- Provident Fund Contributions other than those made to the Regional Provident Fund

Office of the Government which are made to the Trust administered by the Group.

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

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

• Gratuity Fund

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI).

iv. Other long-term employee benefits

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

Notes to the Consolidated Financial Statements

v. Terminal Benefits:

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

D. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

i. Current tax

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

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

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

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

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent

that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the consolidated statement of profit and loss.

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

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

E. Inventories

Inventories are carried in the consolidated balance sheet as follows:

- (a) Raw materials, Packing materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.
- (b) Work-in-progress: At lower of cost of materials, plus appropriate production overheads and net realisable value.
- (c) Finished Goods: At lower of cost of materials, plus appropriate production overheads and net realisable value.

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

Notes to the Consolidated Financial Statements

expected to be sold at or above cost.

- (d) Land development project in progress includes cost of land, development management fees, construction cost, allocated interest and expenses attributable to the construction of the project undertaken by the Group.

F. Property, plant and equipment

i. Recognition and measurement

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

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

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Consolidated Statement of Profit and Loss.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Consolidated Statement of Profit and Loss.

ii. Subsequent expenditure

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

iii. Depreciation/ Amortizations

Depreciation on tangible fixed assets is provided in

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

- Plant and Machinery: - 20 Years
- Computer Hardware, Crates, cans and milko testers: Depreciated over the estimated useful life of 4 years.
- Leasehold Land: Amortized over the lease term.
- Leasehold improvements and equipments:

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

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

G. Borrowing costs

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

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

H. Segment reporting

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

I. Intangible assets

Recognition and measurement

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

Intangible assets viz. Technical Know-how fees, Grant of Licenses and Computer software, which are acquired by the Group and have finite useful lives are measured at

Notes to the Consolidated Financial Statements

cost less accumulated amortisation and any accumulated impairment losses, if any.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the Statement of Profit and Loss.

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

- Grant of licenses : 10 years
- Computer Software : 6 years
- Technical Know-how of a capital nature : 6 years & Product Registration expenses
- Brands : 20 years

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

Research and Development Expenditure

Research Expenditure:

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

Capital expenditure incurred during the period on research & development is accounted for as an addition to intangible assets.

J. Share-based payments:

- a. Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).
- b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.
- c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.
- d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the

employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of Profit and Loss.

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

K. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward exchange forward contracts.

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

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

i. Financial assets

Classification

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

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

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

Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Consolidated Financial Statements

Initial recognition & measurement

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

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

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.
- If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Statement of Assets and Liabilities) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to

what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. Financial liabilities

Classification

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

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

Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through

Notes to the Consolidated Financial Statements

profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial guarantee contracts

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit and loss.

Offsetting of financial instruments

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

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

L. Provisions, contingent liabilities and contingent assets

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

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

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

M. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in- substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use

asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight- line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all o f the risks and awards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

N. Impairment of non-financial assets

Goodwill and intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

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

Notes to the Consolidated Financial Statements

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

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

O. Cash and cash equivalents

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

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

P. Government Grants

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

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

Revenue grants are recognized in the consolidated statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

Q. Earnings Per Share ("EPS")

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

R. Biological assets

Biological assets are measured at fair value less costs to sell, with any change therein recognized in the consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements

(₹ in crore)

Note 2 Property, plant and equipment

PARTICULARS	Freehold Land (refer note 2.1)	Leasehold Land (refer note 2.2)	Buildings (refer note 2.1)	Plant and Machinery	Furniture and Fixtures	Vehicles	Office & Others Equipment	Leasehold Improvements	Livestock used for R&D	Total
As at March 31, 2021										
Gross Block										
Cost as at April 1, 2020	361.63	-	576.56	1,093.43	16.09	39.20	51.64	3.51	0.55	2,142.61
Additions	12.98	-	68.73	147.62	2.42	4.45	17.70	1.15	0.03	255.08
Disposals	(1.36)	-	(0.47)	(7.82)	(0.03)	(2.77)	(0.21)	-	(0.01)	(12.67)
As at March 31, 2021	373.25	-	644.82	1,233.23	18.48	40.88	69.13	4.66	0.57	2,385.02
Accumulated Depreciation										
As at April 1, 2020	-	-	67.83	307.20	5.87	15.74	19.96	1.36	0.12	418.08
Charge for the year	-	-	22.07	102.95	1.91	4.24	7.28	0.51	0.05	139.01
Disposals	-	-	(0.39)	(4.41)	(0.00)	(0.97)	(0.09)	-	0.00	(5.86)
As at March 31, 2021	-	-	89.51	405.74	7.78	19.01	27.15	1.87	0.17	551.23
Net Block as at March 31, 2021	373.25	-	555.31	827.49	10.70	21.87	41.98	2.79	0.40	1,833.79
As at March 31, 2020										
Gross Block										
Cost as at April 1, 2019	361.38	59.51	523.23	970.48	12.67	39.18	41.89	3.31	0.35	2,012.00
Additions	0.25	-	53.35	127.01	3.49	6.97	10.07	0.20	0.23	201.57
Disposals	-	-	(0.02)	(4.06)	(0.07)	(6.95)	(0.32)	-	(0.03)	(11.45)
Transition impact of IND AS 116 (refer note 3)	-	(59.51)	-	-	-	-	-	-	-	(59.51)
As at March 31, 2020	361.63	-	576.56	1,093.43	16.09	39.20	51.64	3.51	0.55	2,142.61
Accumulated Depreciation										
As at April 1, 2019	-	1.39	47.24	208.87	4.25	13.53	13.80	0.86	0.09	290.03
Charge for the year	-	-	20.59	100.78	1.64	4.64	6.32	0.50	0.04	134.51
Disposals	-	-	(0.00)	(2.45)	(0.02)	(2.43)	(0.16)	-	(0.01)	(5.06)
Transition impact of IND AS 116 (refer note 4)	-	(1.39)	-	-	-	-	-	-	-	(1.39)
As at March 31, 2020	-	-	67.83	307.20	5.87	15.74	19.96	1.36	0.12	418.08
Net Block as at March 31, 2020	361.63	-	508.73	786.23	10.22	23.46	31.68	2.15	0.43	1,724.53

Note 2.1: Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited), and Dahej are being complied with. Stamp duty payable thereon is not presently determinable.

Note 2.2 The Company adopted Ind AS 116 effective 1st April 2019. Consequently, leasehold land has been reclassified from 'Property, Plant & Equipment' to 'Right of Use assets'.

Notes to the Consolidated Financial Statements

Note 3 Capital Work In Progress

Particulars	Amount
As at March 31, 2021	
Cost	
At April 1, 2020	150.47
Additions during the year	204.71
Capitalised during the year	(218.41)
As at March 31, 2021	136.77
As at March 31, 2020	
At April 1, 2019	92.12
Additions during the year	232.08
Capitalised during the year	(173.73)
As at March 31, 2020	150.47

Note: Capital work in progress includes borrowing cost capitalised during the year of Rs. 0.26 crore (Previous Year Rs. 1.51 crores).

Note 4 : Leases

The Group's leasing arrangements are in respect of land, building and vehicle. These leasing arrangements are renewable on a periodic basis by mutual consent on mutually acceptable terms.

Right-of-use assets

(₹ in crore)

	Buildings	Land	Vehicles	Total
Cost				
As at 1 April 2020	27.12	76.77	11.19	115.08
Additions	13.28	15.83	-	29.11
Disposals	(1.15)	-	-	(1.15)
Balance at 31 March 2021	39.25	92.60	11.19	143.04
Accumulated depreciation and impairment				
As at 1 April 2020	7.16	2.02	2.36	11.54
Depreciation	7.75	0.88	2.86	11.49
Impairment loss	-	-	-	-
Eliminated on disposals of assets	(0.46)	-	-	(0.46)
Balance at 31 March 2021	14.45	2.90	5.22	22.57

Carrying amounts

As at 1 April 2020	19.96	74.75	8.83	103.54
Balance at 31 March 2021	24.80	89.70	5.97	120.47

Breakdown of lease expenses

(₹ in crore)

	Year ended March 31, 2021	Year ended March 31, 2020
Short-term lease expense	12.57	10.80
Total lease expense	12.57	10.80

Notes to the Consolidated Financial Statements

Cash outflow on leases

(₹ in crore)

	Year ended March 31, 2021	Year ended March 31, 2020
Repayment of lease liabilities	10.20	8.14
Interest on lease liabilities	3.46	3.50
Short-term lease expense	12.36	10.80
Variable lease expenses (other than short term)	2.30	-
Total cash outflow on leases	28.32	22.44

Maturity analysis of lease liability

(₹ in crore)

	Total Lease Payable	Less than 1 year	1 and 5 years	Over 5 years	Weighted average effective interest rate %
March 31, 2021					
Lease liabilities	41.08	10.89	21.23	8.96	9%
March 31, 2020					
Lease liabilities	45.88	12.07	28.48	5.33	9%

Impact of changes in accounting policies

The following table provides the extract of impacts of adopting Ind AS 116 on the financial statements

i. Statement of financial position

(₹ in crore)

	Impact of changes in accounting policies
As at April 1, 2019	
	Adjustments
Right-of-use assets	24.75
Total assets	24.75
Lease liabilities	(28.27)
Deferred tax liabilities (net)	1.10
Total liabilities	(27.17)
Retained earnings	2.42
Total equity	2.42

Reconciliation between operating lease commitments disclosed in March 2019 financials applying Ind AS 17 and lease liabilities recognised in the statement of financial position

Particulars	(₹ in crore)
Operating lease commitments disclosed in March 2019 financials (under Ind AS 17) i.e. disclosed under future minimum lease payment under non cancellable operating lease	30.61
Add: Liability on account of reassessment of lease term	6.10
Less: Discounting impact (total interest)	7.06
Less: Short term lease	1.38
Less: Low value lease	-
Lease liability as at April 1, 2019	28.27

Notes to the Consolidated Financial Statements

Note 5 Intangible Assets

(₹ in crore)

Particulars	Computer Software	Brand	Product Registration	Total
As at March 31, 2021				
Cost				
As at April 1, 2020	21.58	54.79	2.71	79.08
Additions	1.47	-	-	1.47
Disposals	-	-	-	-
As at March 31, 2021	23.05	54.79	2.71	80.55
Accumulated amortisation				
As at April 1, 2020	11.99	0.83	2.71	15.53
Charge for the year	2.67	0.83	-	3.50
Disposals	-	-	-	-
As at March 31, 2021	14.66	1.66	2.71	19.03
Net Block as at March 31, 2021	8.39	53.13	-	61.52
As at March 31, 2020				
Cost				
As at April 1, 2019	18.71	54.79	2.71	76.21
Additions	2.87	-	-	2.87
As at March 31, 2020	21.58	54.79	2.71	79.08
Accumulated amortisation				
As at April 1, 2019	9.45	-	2.71	12.16
Charge for the year	2.54	0.83	-	3.37
Disposals	-	-	-	-
As at March 31, 2020	11.99	0.83	2.71	15.53
Net Block as at March 31, 2020	9.59	53.96	-	63.55

Notes to the Consolidated Financial Statements

Note 6 Biological Assets other than bearer plants

A. Reconciliation of carrying amount

(₹ in crore)

March 31, 2021

Particulars	Oil palm saplings		Cattles		PS Birds / Hatching eggs / Broilers	Total
	Qty.	Amount	Qty.	Amount	Amount	
Balance as April 1, 2020	8,08,247	6.27	781	5.25	68.17	79.69
Add:						
i. Purchases	6,87,500	3.30	6	0.04	76.37	79.71
ii. Production/ Cost of Development		1.81	388	2.53	232.05	236.39
Less:						
i. Sales / Disposals	(6,88,580)	(5.61)	(210)	(0.54)	(311.24)	(317.39)
ii. Change in fair value less cost to sell:	-	(0.08)	-	(0.82)	1.71	0.81
Realised	-	(0.40)	-	(0.51)	(18.21)	(19.12)
Unrealised	-	0.32	-	(0.31)	19.92	19.93
Balance as at March 31, 2021	8,07,167	5.69	965	6.46	67.06	79.21
Non Current	-	5.69		6.46	5.51	17.66
Current	-	-		-	61.55	61.55

March 31, 2020

(₹ in crore)

Particulars	Oil palm saplings		Cattles		PS Birds / Hatching eggs / Broilers	Total
	Qty.	Amount	Qty.	Amount	Amount	
Balance as April 1, 2019	6,72,953	4.68	554	4.14	63.16	71.98
Add:		-				
i. Purchases	7,15,500	3.07	63	0.41	45.71	49.19
ii. Production/ Cost of Development		2.35	221	1.52	262.08	265.95
Less:						
i. Sales / Disposals	(5,80,206)	(4.06)	(57)	(0.00)	(295.87)	(299.93)
ii. Change in fair value less cost to sell:	-	0.23	-	(0.82)	(6.91)	(7.50)
Realised	-	(0.38)	-	(0.31)	(25.12)	(25.81)
Unrealised	-	0.61	-	(0.51)	18.21	18.31
Balance as at March 31, 2020	8,08,247	6.27	781	5.25	68.17	79.69
Non Current	-	6.27	781	5.25	10.43	21.95
Current	-	-	-	-	57.74	57.74

The group has trading operations in oil palm business whereby the group purchases the saplings and sells the saplings once it has achieved the desired growth. During the year ended March 31, 2021, the group purchased 6,87,500 (Previous year: 7,15,500) number of saplings, out of which 6,87,500 (Previous year: 7,15,500) were still under cultivation.

Notes to the Consolidated Financial Statements

B. Measurement of Fair value

i. Fair Value hierarchy

The fair value measurements for oil palm saplings, cattles and PS Birds /Hatching eggs /Broilers have been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

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

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
	Oil palm saplings / Cattles	Oil palm saplings / Cattle
Gain/(loss) included in 'other operating revenue'	-0.90	-0.59
Change in fair value (realised)	-0.91	-0.69
Change in fair value (unrealised)	0.01	0.10

Particulars	March 31, 2021	March 31, 2020
	PS Birds / Hatching eggs / Broilers	PS Birds / Hatching eggs / Broilers
Gain/(loss) included in 'cost of goods sold'	1.71	-6.91
Change in fair value (realised)	-18.21	-25.12
Change in fair value (unrealised)	19.92	18.21

iii. Valuation technique and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹ 51.28 to 111.09 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)
Biological assets - it comprises of: PS Bird; Hatching eggs; and Contract farm- Broilers	Discounted cash flows	Estimated price of each component - PS birds - ₹ 20.59 per Hatching eggs (Previous year Rs.21.00), - Hatching eggs - ₹ 34.49 per Day Old Chicks (Previous year ₹ 27) , - Contract farms- Broilers - ₹ 105 per kg for live bird (Previous year ₹ 64.00)	The estimated fair valuation would increase/(decrease) if - Estimated price of each component of poultry stock was higher/(lower) - discounting is done for the expected cash flows
Cattles	Market approach with the help of Valuation certificate from an external valuer	Estimated price impact on age, breed and yield of the Cattle	The estimated fair valuation would increase/(decrease) if - Estimated yield of the cattle is increased or decreased

Notes to the Consolidated Financial Statements

C. Risk Management strategies related to agricultural activities

The group is exposed to the following risks relating to its plantations, Cattles and PS Bird /Hatching egg /Broiler

i. Regulatory and enviromental risks

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

ii. Supply and demand risks

The group is exposed to risks arising from fluctuations in the price and sales volume of plants and milk. For oil palm plants, when possible, the group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing. For milk, the Group manage this risk by effective marketing tie up for sale of milk.

The group exposed the risk arising from the flutuations in the price of Hatching eggs, commercial day old chicks and live birds. when the price goes down the management possibly manage this risk by diverting more live birds for processing and when prices goes up the management sells more Hatching eggs, Day old Chicks and Live Birds.

iii. Climate and other risks

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

The Group is exposed to risks arising from fluctuations in yield and health of the Cattle. Group manages this risk by effective sourcing and maintenance of cattle.

The Group's Live stock are exposed to the extreme climatic changes in summer and winter season. However, the Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspections of Live Stock and adopting Industry best practices by professional qualified veterinarian doctors.

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

(₹ in crore)

	Profit or (loss) for the year ended March 31,2021		Profit or (loss) for the year ended March 31,2020	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost (Oil plam saplings)	(0.13)	0.14	(0.08)	0.09
Estimated change in valuation- Cattle	0.65	(0.65)	0.52	(0.52)
Estimated change in valuation- Poultry (PS Birds / Hatching eggs /Broilers)	7.77	(7.77)	6.99	(6.99)
Cash flow sensitivity (net)	8.29	(8.28)	7.43	(7.43)

Notes to the Consolidated Financial Statements

	As at March 31, 2021	As at March 31, 2020
(₹ in crore)		
Note 7 : Investments		
A. Equity accounted investees		
I Investment in Equity Instrument (Fully Paid)		
(a) Investment in joint ventures (Unquoted)		
i. ACI Godrej Agrovet Private Limited, Dhaka, Bangladesh. 1,850,000 (Previous Year 1,850,000) Equity Shares of Rs. 100/- each.	84.99	102.11
ii. Omnivore India Capital Trust 2,444.37 (Previous Year 2,444.37) units of Rs. 1,00,000 each.	35.16	26.23
Total (A)	120.15	128.34
B. Non-current Investments		
Investment in equity instruments		
i. Quoted at FVOCI		
i. KSE Limited 15,554 (Previous Year 7,467) Equity Shares of Rs. 10/- each (Acquired 8,087 shares during the current year (Previous year 7,467))	3.56	0.82
ii. Unquoted at FVTPL		
(a) Investment in Co-operative Society	0.01	0.01
(b) Investment in Other Corporates	0.00	0.00
Total (B)	3.57	0.83
TOTAL	123.72	129.17

	As at March 31, 2021	As at March 31, 2020
(₹ in crore)		
Note 8		
Non Current - Loans (refer note 42.2)		
Unsecured, considered good (unless otherwise stated)		
1 Security deposits		
i Considered good	22.63	23.47
ii Considered doubtful	0.25	0.23
Less : Allowance for bad and doubtful deposits	(0.25)	(0.23)
Net Deposits	22.63	23.47
2 Loan to employees	0.49	0.53
TOTAL	23.12	24.01

	As at March 31, 2021	As at March 31, 2020
(₹ in crore)		
Note 9		
Other non-current financial assets		
1 Claims receivable	1.89	1.79
2 Interest accrued but not due on fixed deposits	-	0.00
2 Bank Deposit with remaining maturity of more than 12 months (refer note 9.1)	0.61	0.14
TOTAL	2.50	1.93

Notes to the Consolidated Financial Statements

Note 9.1: Fixed Deposits of Rs. 0.01 crore (Previous year Rs.0.12 crore) are pledged with government authorities. Further Fixed deposits with scheduled banks of Rs. Nil (Previous Year Rs. 0.01 crore) held as margin money towards sales tax registration and fixed deposit of Rs. Nil (Previous Year Rs. 0.01 crore) were kept as earnest money deposits.

(₹ in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 10		
Other non-current assets		
1 Capital advances	11.46	17.38
2 Balance with Government Authorities	24.60	17.09
3 Others		
i) Considered good	5.36	6.71
ii) Considered doubtful	1.13	0.46
Less : Allowance for doubtful advances	(1.13)	(0.46)
	5.36	6.71
TOTAL	41.42	41.18

(₹ in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 11		
Inventories		
(Valued at lower of cost and net realizable value)		
1. Raw materials (including packing materials)	663.73	558.44
2. Raw Materials in Transit	1.14	16.87
3. Work in progress	52.90	46.48
4. Project in progress	5.72	12.08
5. Finished goods	129.87	155.61
6. Stock-in-Trade	85.85	63.50
7. Stores and Spares	41.18	33.52
TOTAL	980.39	886.50

Note 11.1 : Refer note 25 for information on inventories pledged as securities by the Company

The write-down / (reversal) of inventories to net realisable value and other provisions / losses during the year amounted to Rs. 8.61 crore (31 March 2020: Rs. 14.48 crore). The write-downs/ provisions are debited to Profit and Loss Account and included in cost of materials consumed.

(₹ in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 12		
Current Investments		
Investment in equity of associates (Unquoted) (refer note 7.2)		
i Al Rahaba International Trading Limited Liability Company, Abu Dhabi, UAE.		
24 Equity Shares of AED. 1500/- each	-	-
TOTAL	-	-

Notes to the Consolidated Financial Statements

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 13		
Trade Receivables (refer note 42.2)		
i. Secured and considered good (refer note 13.1)	106.57	126.91
ii. Unsecured and considered good	716.00	726.22
iii. Credit impaired	37.13	25.70
Less : Loss allowance	(37.13)	(25.70)
TOTAL	822.57	853.13

Note 13.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.

Note 13.2: Refer to note 25 for information on trade receivables pledged as security by the group.

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 14		
Cash and cash equivalents		
1 Cash on hand	2.67	3.71
2 Cheques, Drafts on Hand	0.62	0.60
3 Balances with banks:		
(a) Current Accounts	45.30	44.30
(b) Deposit Account (Maturity less than Three months)	-	0.10
(c) Saving Bank Account of Company's ESOP Trust	0.04	0.04
TOTAL	48.63	48.75

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 15		
Bank Balances Other Than Cash and Cash Equivalents		
1 Fixed Deposits -more than 3 months and less than 12 months (refer note. 15.1)	2.12	1.88
2 Unclaimed dividend accounts	0.19	0.18
TOTAL	2.31	2.06

Note 15.1: Fixed Deposits of Rs. Nil crores (Previous year Rs. 1.11 crores) are pledged with Banks for Guarantees issued. Further fixed deposits of Rs. 0.08 (Previous year Rs.0.06 crore) are kept as earnest money deposit.

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 16		
Current Loans		
Unsecured, Considered Good, Unless Otherwise Stated		
1 Loans and advances to related parties (refer note. 59)		
(a) Loans and advances to employees	0.58	0.96
(b) Security deposits	2.94	3.43
(c) Other Loans and advances.		
i Unsecured and considered good	22.98	14.76
ii. Credit impaired	0.13	0.13
Less : Loss allowance	(0.13)	(0.13)
TOTAL	26.50	19.15

Notes to the Consolidated Financial Statements

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 17		
Other current financial assets		
1 Interest on Bank Fixed Deposit	0.07	0.24
2 Interest Accrued on other Deposits	0.40	0.20
3 Claims receivable	-	0.07
4 Other Receivables (refer note 52)	38.61	151.16
5 Derivatives		
- Foreign exchange forward contracts not designated as hedge	-	3.30
6 Others	17.47	16.00
TOTAL	56.55	170.97

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 18		
Other current assets		
1 Advances to suppliers	30.11	24.14
Less: Allowance for doubtful advance	(0.28)	(0.45)
2 Balance with government authorities		
i) Considered good	51.86	28.62
ii) Considered doubtful	0.36	-
Less : Allowance for doubtful advances	(0.36)	-
3 Others (includes prepayments, inventory receivable on returns, etc.)	57.38	41.74
TOTAL	139.07	94.05

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 19		
Share Capital		
1 Authorised :		
(a) 224,994,000 (Previous Year 224,994,000) Equity shares of the par value of Rs. 10 each	224.99	224.99
(b) 6,000 (Previous Year 6,000) Preference shares of the par value of Rs. 10 each	0.01	0.01
TOTAL	225.00	225.00
2 Issued, Subscribed and Paid-up:		
192,071,900 (Previous Year 192,041,898) Equity shares of Rs. 10 each fully paid up.	192.07	192.04
TOTAL	192.07	192.04

3	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ In crore	No. of shares	₹ In crore
Reconciliation of number of shares outstanding at the beginning and end of the year :				
Equity shares :				
Outstanding at the beginning of the year	19,20,41,898	192.04	19,20,28,739	192.03
Shares issued during the year (refer note 41)	30,002	0.03	13,159	0.01
Outstanding at the end of the year	19,20,71,900	192.07	19,20,41,898	192.04

Notes to the Consolidated Financial Statements

4 Rights, preferences and restrictions attached to:

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

5	Shareholders holding more than 5% shares in the company is set out below:	As at March 31, 2021		As at March 31, 2020	
		No. of shares	%	No. of shares	%
(a) Equity shares					
1	Godrej Industries Limited (the holding Company)	11,50,59,634	59.90%	11,38,51,427	59.28%
2	V-Sciences Investments Pvt Ltd	2,28,15,329	11.88%	2,28,15,329	11.88%

6 There are no shares reserved for issue under options.

7 Equity Shares allotted as fully paid up by way of Bonus Shares

Year ended	No. of Bonus shares
March 31 2020	-
March 31 2019	-
March 31 2018	-
March 31 2017	9,25,65,438
March 31 2016	-

(₹ in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 20		
Other Equity		
1. Retained Earnings	1,516.78	1,306.48
2. Capital Reserve	1.73	1.73
3. General Reserve	18.14	18.14
4. Exchange differences on translating the financial statements of a foreign operation	(7.27)	(8.30)
5. Effective portion of Cash Flow Hedges	0.02	0.02
6. Employee stock grants Outstanding	4.46	4.11
7. Non Controlling Interest Reserve	(104.30)	(103.85)
8. Securities Premium	429.47	427.77
Total	1,859.03	1,646.10

General reserve

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

Capital Reserve

Excess of assets recognised over consideration paid on business acquisition made by the group

Exchange differences on translating the financial statements of a foreign operation

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

Notes to the Consolidated Financial Statements

Effective portion of Cash Flow Hedges

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

Non-controlling Interest Reserve

Non- controlling Interest Reserve represent the difference between the consideration paid and the carrying value of non- controlling interest acquired in subsidiaries.

Employee stock grants outstanding

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

Securities Premium

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

(₹ in crore)		
	As at March 31, 2021	As at March 31, 2020
9 Dividend		
The following dividends were declared and paid by the Company during the year:		
Equity Dividend paid @ Rs. 5.50 (previous year @ Rs. 4.50) per share	105.64	86.42
Dividend distribution tax on the equity dividend paid		17.05
	105.64	103.47

The Board, in its meeting on May 7, 2021 has recommended a final dividend of Rs. 8.00 per equity share for the financial year ended March 31, 2021 subject to the approval at the Annual General Meeting. The cash outflow on account of dividend would be Rs. 153.66 crores.

(₹ in crore)		
	As at March 31, 2021	As at March 31, 2020
Note 21		
Non current- Borrowings		
Unsecured		
a. Term loans from banks (refer note 21.1)	148.74	41.23
b. Deferred payment liabilities (refer note 21.2)	-	1.55
TOTAL	148.74	42.78

Note 21.1: (A) Term Loans amounting to Rs. 98.25 crores having current maturity of Rs. 23.53 crores are taken for the year ended March 31, 2021 and carries interest rates of T Bill +0.14 to T Bill +0.65 bps and repo rate + 2.30 bps. These loans are repayable on different dates upto 52 months from the date of the Financial Statements.

(B) Term Loan from Bank amounting to Rs. 40.17 crores with current maturities Rs. 0.17 crores carries interest rate at 3 month T Bill + 175 bps (Previous year Nil) and is repayable on 15th April, 2022.

(C) Term loans for Rs. 19.00 crore (Previous Year Rs. 23.00 crore) including current maturity of Rs. 4.00 crore (Previous Year Rs. 4.00 crore) from banks for the year ended 31 March 2021 are at an Interest Rate of 7.05% . These loans are repayable at 28 equal quarterly installment of Rs. 1.00 crore each from 15 February 2019.

(D) Term Loan amounting to Rs. 7.73 crores having current maturity of Rs.2.81 crores is repayable in 16 structured quarterly instalments commencing from 31st December 2019 and carries interest at Treasury bill rate + 100 bps spread p.a. Current interest rate of the loan is 6.27% per annum

Notes to the Consolidated Financial Statements

(E) Term loan amounting to Rs. 12.50 crores with current maturity of Rs. 10.00 crores is repayable in quarterly instalments commencing from 30th September 2020 and current interest rate of the loan is 6.15% per annum

(F) Term Loan amounting to Rs. 15.20 crores carries Interest Rates of 3 months T Bill + 175 bps. The loan is repayable in 19 instalments commencing from November 2020. The first 18 installment are of Rs. 0.90 crores and last instalment is of Rs. 0.80 crores. Accordingly, Rs.3.60 crores being repayable in one year.

Note 21.2: Deferred Loan against acquisition of Lease hold Land is availed at interest rate of 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on a half yearly basis for a period of 6 years from 1st July 2016 up to 1st Jan 2022. Total loan availed was Rs.6.18 crore and outstanding for the year ended March 31, 2021 was Rs. 1.03 crore (Previous year Rs. 2.58 crore) with current maturity disclosed separately in note no. 27 at Rs. 1.03 crore (Previous year Rs. 1.03 crore) .

Note 21.3: Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, up to March 2021. Total loan availed was Rs. 4.67 crore and outstanding for the year ended March 31, 2021 was Rs. Nil (Previous year Rs. 1.34 crore) with current maturity disclosed separately in note 27 at Rs. Nil (Previous year Rs 1.34 crore).

	(₹ in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 22		
Other Non-Current Financial Liabilities		
Non Trade Payables	0.27	0.86
TOTAL	0.27	0.86

	(₹ in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 23		
Non Current Provisions		
Provision for employee benefits (refer note 40)		
- Provision for compensated absences	7.27	6.83
- Provision for gratuity	2.04	1.45
Total	9.31	8.28

	(₹ in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 24		
Other non-current liabilities		
Deferred grant	17.05	21.19
Total	17.05	21.19

Notes to the Consolidated Financial Statements

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 25		
Current borrowings		
1 Secured		
(a) Cash credit from banks (refer note 25.1)	3.00	44.88
(b) Buyers credit (refer note 25.2)	-	0.21
(c) Working Capital loan (refer note 25.3)	21.00	-
2 Unsecured		
(a) Term loans from Banks (refer note 25.4)	-	55.07
(b) Commercial paper (refer note 25.5)	547.53	148.11
(c) Cash credit (refer note 25.1)	0.95	14.55
(d) Working Capital Demand Loans from Banks (refer note. 25.6)	221.58	312.59
(e) Buyers credit (refer note 25.2)	-	0.28
Total	794.06	575.69

Note 25.1: Cash Credit from banks / overdrafts are repayable on demand and carries interest at the rate of MCLR + 0.25 and 7.20% to 8.20% per annum (Previous year 1 Year MCLR +0. 25 to 0.55 bps and 8.20% per annum) . The cash credit from Bank is secured against inventories and receivables.

Note 25.2: Buyers credit are at interest rate of Nil (Previous Year were at an interest rate of 3 to 6 month LIBOR + 40 to 120 bps) and were repaid within 6 months.

All the secured current borrowings have first pari passu charge on the current assets of the Group, including inventory and receivables both present & future.

Note 25.3: Working capital loan from Bank carries interest rate at 4.75% to 6.80% and repayable on different dates and secured against inventories and receivables.

Note 25.4: (A) Term Loans are taken for the year ended March 31, 2020 and carries interest rates Previous Year T Bill +0 to T Bill +0.14 bps.

(B) Term Loans of Rs. 40.00 crores taken for the year ended March 31, 2020 carries interest rate of 5.96% p.a. to 6.5% p.a. (Previous Year 6.10% p.a. to 6.70% per annum) are repayable on different dates upto one year from the date of the financial statement .

Note 25.5: The group has raised Commercial Paper which carries interest rate of 3.50% to 4.25% (Previous year 5.10% to 7.50%)

Note 25.6: Working capital Demand loan from banks carries interest rate of 3.41% to 4.75%, T Bill+ 0.2 bps to T Bill + 0.4 bps, Repo rate + 0 bps and three months MCLR + 0.15 bps (Previous year 4.96% to 9.00% and T Bill +0.06 to T Bill +0.15 bps). These loans are repayable on different dates.

Notes to the Consolidated Financial Statements

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 26		
Current - Trade Payables		
1 Trade Payables		
a. Due to micro enterprises and small enterprises (refer note. 26.1)	8.03	5.27
b. Other than micro enterprises and small enterprises	457.04	402.34
2 Acceptances	267.54	880.90
Total	732.61	1,288.51
Additional disclosure related to Micro Enterprises and Small Enterprises		
A Principal amount remaining unpaid	8.03	5.27
B Interest due thereon	-	0.08
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E Interest accrued and remaining unpaid	0.13	0.19
F Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Note 27		
Other financial liabilities		
1 Current maturities of long-term debt		
(a) Long term loan		
Secured Loan		
(i) Current maturities of long-term debt	0.38	9.49
Unsecured Loan		
From others - Deferred Sales Tax Loan (refer note no: 21.3)	-	1.34
From others - Deferred payment liabilities (refer note no: 21.2)	1.03	1.03
Current maturities of long-term debt - term loan	43.94	-
2 Current maturities of lease liabilities	16.48	12.07
3 Liabilities towards beneficiaries of companies ESOP Trust	0.06	0.06
4 Security Deposit	84.74	84.35
5 Non Trade Payables	70.87	55.20
6 Derivative liability	0.21	-
7 Unclaimed Dividend	0.19	0.18
8 Others (includes accrual for expenses, performance bonus, etc.)	80.87	61.85
Total	298.77	225.57

Notes to the Consolidated Financial Statements

	(₹ in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 28		
Other current liabilities		
1 Advances from Customers	50.41	38.03
2 Statutory Liabilities	20.98	13.31
3 Deferred Grants	1.26	1.26
4 Other	0.01	0.02
Total	72.66	52.62

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 (2) (c) of the Companies Act, 2013 as at the year end.

	(₹ in crore)	
	As at March 31, 2021	As at March 31, 2020
Note 29		
Current Provisions		
1 Provision for employee benefits (refer note 40)		
- Provision for compensated absences	1.27	1.05
- Provision for gratuity	2.39	7.87
2 Others	0.25	0.26
3 Provision for sales return (refer note 29.1 & 29.2)	57.09	34.11
Total	61.00	43.29

	(₹ in crore)	
	As at March 31, 2021	As at March 31, 2020
Note. 29.1 Movement of provision for sales return		
Opening Provision	34.11	33.75
Add : Provision made for the year	246.39	201.39
Less: Utilised during the year	223.41	200.97
Less:- Reversed during the year	-	0.06
Closing Provision	57.09	34.11

Note. 29.2 : The Group makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

Notes to the Consolidated Financial Statements

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 30		
Revenue from operations		
1 Sale of products (refer note 30.1)		
1 Sale of products	5,919.84	6,773.39
2 Sale of Scrap and Empties	319.76	42.38
	6,239.60	6,815.77
2 Other operating revenue		
1 Export Incentives	3.80	6.06
2 Rebates / Incentives from Government	14.12	7.88
3 Processing income	0.49	0.24
4 Sales of Real Estate project (refer note 52)	9.60	134.68
5 Fair value of Biological Assets (refer note 6)	(0.90)	(0.59)
	27.11	148.27
Total	6,266.71	6,964.04

Note 30.1:**1 Reconciliation of revenue from contract with customers**

(₹ in crore)

Particulars	Amount	Amount
Revenue from contract with customer as per the contract price	6,424.12	7,018.13
Adjustments made to contract price on account of :-		
a) Commission / Discounts	(184.52)	(202.36)
	6,239.60	6,815.77

2 Disaggregation of revenue

(₹ in crore)

Particulars	Amount	Amount
Animal Feed	3,093.16	3,717.72
Vegetable Oil	706.91	671.43
Crop Protection	1,123.20	1,084.69
Dairy	1,031.74	1,192.74
Poultry and processed food	602.45	515.37
Other Business	30.32	35.46
Inter segment elimination	(348.18)	(401.63)
	6,239.60	6,815.77

Notes to the Consolidated Financial Statements

3 Geographical disaggregation

(₹ in crore)

Particulars	Amount	Amount
Sales in India	5,951.50	6,515.71
Sales outside India	288.10	300.06
	6,239.60	6,815.77

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 31		
Other Income		
1 Interest Income		
(a) Instruments measured at amortised cost		
(i) Interest received on Deposits	2.68	2.48
(ii) Interest - Others	0.56	0.26
(b) Interest received from Income Tax Refund	0.05	0.03
2 Dividend received	0.05	-
3 Profit on sale of Investments (net)	0.10	0.33
4 Profit on sale of subsidiary	0.25	-
5 Claims received	3.85	0.98
6 Liabilities no longer required written back	4.41	5.89
7 Recovery of Bad Debts written off	1.77	1.08
8 Royalty & Technical Knowhow	6.85	5.07
9 Other Miscellaneous Income	15.19	23.99
10 Grant amortization	1.15	1.43
11 Applicable net gain on foreign currency transactions and translation	2.65	5.28
TOTAL	39.56	46.82

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 32		
Cost of materials consumed		
a Raw Material Stocks at the Commencement of the Year	574.30	445.52
b Add : Purchases / Change in Project-in-progress (refer note 52)	4,475.34	5,321.85
c Less : Raw Material sold	23.01	11.76
	5,026.63	5,755.61
d Less: Raw Material Stocks at the Close of the year	664.87	574.30
Total	4,361.76	5,181.31
Total Cost of Raw Material Consumed	4,361.76	5,181.31

Notes to the Consolidated Financial Statements

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 33		
Purchase of stock-in-trade		
1 Agri Input	247.40	220.81
2. Others	-	18.93
Total	247.40	239.74

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 34		
Changes In Inventories of Finished Goods, Work In Progress, Stock under cultivation and Stock-In-Trade and Biological assets		
1 Stocks at the Commencement of the year		
(a) Finished Goods	155.61	158.05
(b) Work In Progress	46.48	45.41
(c) Biological assets	68.17	-
(d) Stock under cultivation	6.27	4.68
(e) Stock-in-Trade	63.50	86.90
Total Stock at the commencement of the year	340.03	295.04
2 Less : Stocks at the Close of the year		
(a) Finished Goods	129.87	155.61
(b) Work In Progress	52.90	46.48
(c) Biological assets	67.07	68.17
(d) Stock under cultivation	5.69	6.27
(e) Stock-in-Trade	85.85	63.50
Total Stock at the close of the year	341.38	340.03
Change in the stock of Finished Goods, Work In Progress, Stock under cultivation, Stock in Trade and Biological Asset	(1.35)	(44.99)

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 35		
Employee benefits expense		
1 Salaries, Wages, Bonus and Allowances	333.48	306.06
2 Contribution to Provident, Gratuity and Other Funds (refer note 40)	23.46	21.92
3 Expense on Employee Stock based payments (refer note.41)	2.05	2.81
4 Staff Welfare Expense	17.41	23.26
TOTAL	376.40	354.05

Notes to the Consolidated Financial Statements

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 36		
Finance Costs		
1 Interest Expense		
i. Paid to Banks on Loans and Cash Credit	17.47	23.32
ii. On Lease liability	3.47	3.50
iii. EPCG	8.98	-
iv. Others	15.27	12.93
2 Other Borrowing Costs	1.28	1.88
TOTAL	46.47	41.63

Note 36.1: Finance costs are net of interest capitalised to capital work in progress Rs. 0.26 crore (Previous year Rs. 1.51 crore).

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 37		
Depreciation and Amortisation Expenses		
1 Depreciation	139.01	134.51
2 Amortization	3.50	3.37
3 Depreciation of Right of Use Asset (refer note 4)	11.49	10.19
Total	154.00	148.07

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 38		
Other Expenses		
1 Stores and Spares consumed	33.60	35.16
2 Power and Fuel	116.35	126.26
3 Processing and other manufacturing expenses	155.47	181.56
4 Rent	12.57	10.80
5 Rates and Taxes	7.55	4.94
6 Repairs and Maintenance		
(a) Machinery	19.06	19.67
(b) Buildings	1.48	2.74
(c) Other assets	4.47	5.41
7 Insurance	8.20	5.58
8 Payment to auditors (refer note 38.1)	1.51	1.39
9 Freight	72.55	82.19
10 Advertisement, Selling and Distribution Expenses	86.91	91.48
11 Bad Debts/Advances Written Off/sundry balance written off	33.18	22.85
12 Allowances for Doubtful Debts and Advances	13.73	4.84
13 Loss on Sale/Write off of property, plant and equipments	0.12	0.56
14 Research Expenses	2.98	2.71
15 Corporate Social Responsibility Expenses	7.68	7.58
16 Export Incentives (MEIS) written off	-	6.20
17 Miscellaneous Expenses	141.32	133.52
Total	718.73	745.44

Notes to the Consolidated Financial Statements

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note No. 38.1: Payment to auditors		
(a) Audit Fees (including limited reviews)	1.36	1.15
(b) Audit under other statutes	0.01	-
(c) Other Matters	0.14	0.15
(d) Reimbursement of Expenses	0.00	0.09
Total	1.51	1.39

Note 39 Earnings per share

Calculation of weighted average number of equity shares - Basic and diluted

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
1 Calculation of weighted average number of equity shares - Basic		
Number of shares at the beginning of the year	19,20,41,898	19,20,28,739
Equity shares issued during the year	30,002	13,159
Number of equity shares outstanding at the end of the year	19,20,71,900	19,20,41,898
Weighted average number of equity shares for the year	19,20,66,153	19,20,38,339
2 Calculation of weighted average number of equity shares - Diluted		
Weighted average equity shares - Basic	19,20,66,153	19,20,38,339
Dilutive impact of share grants (refer note 39.1)	54,912	38,950
Revised number of potential equity shares outstanding at the end of the year	19,21,21,065	19,20,77,289
Weighted average number of potential equity shares for the year	19,21,21,065	19,20,77,289
		(₹ in crore)
3 Profit attributable to ordinary shareholders (Basic/diluted)		
Profit for the year, attributable to the owners of the Company	313.74	306.19
Income/(Expense) recognized in Reserves		
Amortisation of Intangible Assets	-	-
Profit for the year, attributable to ordinary shareholders	313.74	306.19
4 Basic Earnings per share (Rs.)	16.34	15.94
5 Diluted Earnings per share (Rs.)	16.33	15.94
6 Nominal Value of Shares (Rs.)	10.00	10.00

Note 39.1 Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Notes to the Consolidated Financial Statements

Note. 40 Employee benefits

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

Defined Contribution Plans:

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

The group recognised Rs. 17.27 crore for the year ended March 31, 2021 (Previous Year Rs. 16.21 crore) towards provident fund contribution Rs. 0.53 crore for the year ended March 31, 2021 (for Previous Year Rs. 0.63 crore) towards employees' state insurance contribution and Rs. 0.52 crore for the year ended March 31, 2021 (Previous Year Rs. 0.54 crore) towards superannuation fund contribution in the Statement of Profit and Loss.

Defined Benefit Plan:

I. Provident Fund.

- a) The Group manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

The Group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2021.

(₹ in crore)		
Particulars	March 31,2021	March 31,2020
Plan assets at period end, at fair value	154.67	131.76
Provident Fund Corpus/ obligation	151.09	128.28
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	9.32%	8.43%
Weighted Average YTM	9.25%	8.44%
Guaranteed Rate of Interest	8.50%	8.50%

II. Gratuity.

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

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

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the ICICI Prudential Life insurance, a funded defined benefit plan for qualifying employees. The Holding Company has a Gratuity Trust and Trustees administer the contributions made by the Company to the gratuity scheme. The employee gratuity fund scheme for other Indian subsidiaries is managed by Life Insurance Corporation of India.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

Notes to the Consolidated Financial Statements

(₹ in crore)

	March 31, 2021	March 31, 2020
Defined benefit obligation	(42.67)	(40.20)
Fair value of plan assets	38.24	30.88
Net defined benefit (obligation)/assets	(4.43)	(9.32)

i. Movement in net defined benefit (asset) liability

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

(₹ in crore)

	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening balance	40.20	35.34	30.88	28.46	9.33	6.88
Included in profit or loss						
Current service cost	3.76	3.38	-	-	3.76	3.38
Past service cost	-	(0.16)	-	-	-	(0.16)
Interest cost (income)	2.67	2.71	2.07	2.19	0.61	0.52
Liability / Assets transferred in / Acquisitions	-	0.00	-	0.00	-	-
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions	-	(0.03)	-	-	-	(0.03)
Financial assumptions	0.13	2.75	-	-	0.13	2.75
Experience adjustment	1.16	0.59	-	-	1.16	0.59
Acquisition adjustment	-	-	(0.01)	-	-	-
Return on plan assets excluding interest income	-	-	1.87	(0.72)	(1.87)	0.72
	47.92	44.58	34.81	29.93	13.11	14.65
Other						
Contributions paid by the employer	-	-	7.89	5.33	(7.89)	(5.33)
Benefits paid	(5.25)	(4.38)	(4.46)	(4.38)	(0.80)	0.00
Acquisitions	-	-	-	-	-	-
Closing balance	42.67	40.20	38.24	30.88	4.43	9.32

(₹ in crore)

Represented by	March 31, 2021	March 31, 2020
Net defined benefit liability	4.43	9.32
	4.43	9.32

Notes to the Consolidated Financial Statements

ii. Plan assets

Plan assets comprise the following

	(₹ in crore)	
	March 31, 2021	March 31, 2020
Insurer managed fund (100%)	38.24	30.88
	38.24	30.88

iii. Actuarial assumptions

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

	(₹ in crore)	
	March 31, 2021	March 31, 2020
Discount rate	6.47%	6.44%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a.	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality (2006-08)	"Indian Assured Lives Mortality (2006-08)"

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

iv. Sensitivity Analysis

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

	(₹ in crore)			
	March 31, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.92)	3.36	(2.72)	3.13
Future salary growth (1% movement)	3.39	(2.99)	3.15	(2.78)
Rate of employee turnover (1% movement)	0.33	(0.42)	0.26	(0.35)

The sensitivity analysis 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.

v. Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2021 and March 31, 2020 were as follows

	(₹ in crore)	
Expected future benefit payments	March 31, 2021	March 31, 2020
1st Following year	4.96	5.25
2nd Following year	3.48	3.01
3rd Following year	3.97	3.67
4th Following year	4.99	3.57
5th Following year	3.12	4.81
Therafter	20.64	19.61

Notes to the Consolidated Financial Statements

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the period ended March 31, 2020 based on actuarial valuation using the projected accrued benefit method is Rs. 1.71 crore (Previous Year Rs. 2.90 crore)

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

Incentive Plans: The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Statement of Profit & Loss. The Scheme rewards its employees based on the achievement of key performance indicators and profitability, as prescribed in the scheme.

Note 41: Share-based payment arrangements:

Description of share-based payment arrangements

A. Godrej Agrovet Limited

Employee stock grants

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is Re. 1 per equity share as provided in the scheme. The Company has provided Rs. Nil (Previous Year Rs. 0.81 crore) for the aforesaid eligible employees for the current financial year.

Employee stock grants - equity settled

The Company had set up the Employees Stock Grant Scheme 2018 (ESGS) pursuant to the approval by the Shareholders by way of postal ballot, the result of which was declared on June 20, 2018.

The ESGS Scheme is effective from April 1, 2018, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2018 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty five Lakhs) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

The Exercise Price of the shares has been fixed at Re. 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period. The Company has provided Rs. 2.03 crore (Previous Year Rs. 1.94 crore) for all the eligible employees for current year.

Notes to the Consolidated Financial Statements

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2021:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Description of the Inputs used
Dividend yield %	1.21%	0.87%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	28% - 29%	28% - 29%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.649% to 4.277%	6.563% to 7.043%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	455.34	515.37	

The Status of the above plan is as under:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Weighted average Exercise Price (₹)
Options Outstanding at the Beginning of the Year	69,234	42,705	Rs.10.00
Options Granted	57,853	53,484	
Options Vested	30,002	13,159	
Options Exercised	30,002	13,159	
Options Lapsed / Forfeited	7,784	13,796	
Total Options Outstanding at the end of the year	89,301	69,234	

The weighted average exercise price of the options outstanding as on March 31, 2021 is Rs. 10/- (previous year Rs. 10/- per share)

B. Astec Lifescience Limited

(a) Employee stock option scheme (ESOS,2015)

The Group has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Group.

Once vested, the options remains exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

(b) Employee stock option plan (ESOP,2012)

The Group has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the Group in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Group.

Once vested, the options remains exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of Rs.34/- each. When exercisable, each option is convertible into one equity share.

Notes to the Consolidated Financial Statements

Set out below is a summary of options granted under both the plans:

Employee stock option plan (ESOP,2012)

	March 31, 2021		March 31, 2020	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	34.00	8,800	34.00	18,700
Granted during the period	-	-	-	-
Exercised during the period	34.00	2,000	34.00	9,900
Lapsed during the period	-	-	-	-
Closing balance		6,800		8,800
Vested and exercisable		6,800		8,800

Employee stock option scheme (ESOS,2015)

	March 31, 2021		March 31, 2020	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	387.35	29,700	387.35	34,500
Granted during the period	-	-	-	-
Exercised during the period	387.35	17,200	387.35	4,800
Lapsed during the period	-	-	-	-
Closing balance		12,500		29,700
Vested and exercisable		12,500		25,700

No options expired during the periods covered in the above tables.

Grant date	Expiry date	Exercise price	March 31, 2021 Share options	March 31, 2020 Share options
January 31, 2015	January 30, 2023	34.00	-	-
January 31, 2015	January 30, 2024	34.00	-	-
January 31, 2015	January 30, 2025	34.00	1,000	1,000
January 31, 2015	January 30, 2026	34.00	2,800	3,800
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	-	-
May 16, 2015	May 15, 2025	34.00	2,000	2,000
May 16, 2015	May 15, 2026	34.00	1,000	2,000
July 26, 2016	July 25, 2020	387.35	-	8,000
July 26, 2016	July 25, 2021	387.35	1,500	9,700
July 26, 2016	July 25, 2023	387.35	4,000	4,000
Total			19,300	38,500
Weighted average remaining contractual life of options outstanding at end of period			2.58	2.51

Notes to the Consolidated Financial Statements

(i) Fair value of options granted

The fair value of grant date of options granted during the year ended March 31, 2020 is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2021 Share options	March 31, 2020 Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	-
January 31, 2015	January 30, 2025	109.91	1,000	1,000
January 31, 2015	January 30, 2026	110.49	2,800	3,800
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	-
May 16, 2015	May 15, 2025	119.30	2,000	2,000
May 16, 2015	May 15, 2026	119.67	1,000	2,000
July 26, 2016	July 25, 2020	100.00	-	8,000
July 26, 2016	July 25, 2021	159.00	1,500	9,700
July 26, 2016	July 25, 2022	278.00	7,000	8,000
July 26, 2016	July 25, 2023	297.00	4,000	4,000
Total			19,300	38,500

The model inputs for options granted includes:

ESOS, 2015 granted on 26 July 2016

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	Rs. 387.35	Rs. 387.35	Rs. 387.35	Rs. 387.35
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	Rs. 387.35	Rs. 387.35	Rs. 387.35	Rs. 387.35
Expected price volatility of the Group's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted includes:

ESOP, 2012- Option B granted on 16 May 2015

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	Rs. 34/-	Rs. 34/-	Rs. 34/-	Rs. 34/-
Grant Date	May 16, 2015	May 16, 2015	May 16, 2015	May 16, 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	Rs. 138/-	Rs. 138/-	Rs. 138/-	Rs. 138/-
Expected price volatility of the Group's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

The model inputs for options granted includes:

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ESOP, 2012- Option A granted on 31 January 2015

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	Rs. 34/-	Rs. 34/-	Rs. 34/-	Rs. 34/-
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	Rs. 127.70/-	Rs. 127.70/-	Rs. 127.70/-	Rs. 127.70/-
Expected price volatility of the Group's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

b) Expense arising from share based payment transactions

(₹ in crore)

	March 31, 2021	March 31, 2020
Employee stock option plan	0.01	0.06
TOTAL	0.01	0.06

Note 42: Financial instruments – Fair values and risk management

Note 42.1: Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore)

March 31, 2021	FVTPL	Carrying amount FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
I Non Current Financial Assets								
1 Investments	0.01	3.56	-	3.57	3.56	0.01	0.00	3.57
2 Loans and advances	-	-	23.12	23.12	-	-	-	-
3 Others	-	-	2.50	2.50	-	-	-	-
II Current Financial Assets								
1 Trade and other receivables	-	-	822.57	822.57	-	-	-	-
2 Cash and cash equivalents	-	-	48.63	48.63	-	-	-	-
3 Other bank balances	-	-	2.31	2.31	-	-	-	-
4 Loans and advances	-	-	26.50	26.50	-	-	-	-
5 Others	-	-	56.55	56.55	-	1.20	-	1.20
	0.01	3.56	982.18	985.75	3.56	1.20	0.00	4.77
Financial liabilities								
I Non Current Financial Liabilities								
1 Borrowings	-	-	148.74	148.74	-	-	-	-
3 Others	-	-	0.27	0.27	-	-	-	-
II Current Financial liabilities								
1 Borrowings	-	-	794.06	794.06	-	-	-	-
2 Trade and other payables	-	-	732.61	732.61	-	-	-	-
3 Others	0.21	-	282.07	282.28	-	0.38	-	0.38
	0.21	-	1,957.75	1,957.96	-	0.38	-	0.38

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(₹ in crore)

March 31, 2020		Carrying amount					Fair value		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
I	Non-current Financial Assets								
1	Investments	-	0.82	0.01	0.83	0.82	-	0.01	0.83
2	Loans and Advances	-	-	24.01	24.01	-	-	-	-
3	Others	-	-	1.93	1.93	-	-	-	-
II	Current Financial Assets								
1	Trade and other receivables	-	-	853.13	853.13	-	-	-	-
2	Cash and cash equivalents	-	-	48.75	48.75	-	-	-	-
3	Other bank balances	-	-	2.06	2.06	-	-	-	-
4	Loans and Advances	-	-	19.15	19.15	-	-	-	-
5	Others	3.30	-	167.67	170.97	-	3.30	-	3.30
		3.31	0.82	1,116.70	1,120.82	0.82	3.30	0.01	4.13
I	Non-current Financial liabilities								
1	Borrowings	-	-	42.78	42.78	-	-	-	-
2	Others	-	-	0.86	0.86	-	-	-	-
II	Current Financial liabilities								
1	Borrowings	-	-	575.69	575.69	-	-	-	-
2	Trade and other payables	-	-	1,288.50	1,288.50	-	-	-	-
3	Others	-	-	213.52	213.52	-	-	-	-
		-	-	2,121.36	2,121.36	-	-	-	-

Valuation technique used to determine fair value

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as significant unobservable input used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward contract for foreign exchange contracts	- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.	NA	NA
Remaining financial instrument	- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.	NA	NA

Financial risk management

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

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

i. Risk management framework

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

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

Notes to the Consolidated Financial Statements

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

Note 42.2: Credit risk

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

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

Trade receivables and loans and advances.

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

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. The group's export sales are backed by letters of credit, Export Credit Guarantee Corporation and accordingly no provision has been made on the same. Further for domestic sales, the group segments the customers into Distributors and Others for credit monitoring.

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

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

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

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

	Carrying amount	
	(₹ in crore)	
	March 31, 2021	March 31, 2020
Trade Receivables (net of credit impaired)	822.57	853.13
Exports		
Distributors	78.57	0.25
Other	-	80.50
Domestic		
Distributors	677.46	729.90
Other	66.54	42.48
	822.57	853.13
Other Receivables	87.16	192.82
Impairment		
The ageing of trade receivables as follows.		

Notes to the Consolidated Financial Statements

(₹ in crore)

	March 31, 2021	March 31, 2020
Neither past due nor impaired	496.09	415.34
Past due 1–30 days	98.25	166.52
Past due 31–90 days	91.12	135.90
Past due 91–180 days	56.12	93.15
> 180 days	118.13	67.91
	859.71	878.82
The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:		

(₹ in crore)

	March 31, 2021	March 31, 2020
For Trade Receivable		
Balance as at April 1	25.70	19.75
Impairment loss recognised	43.83	28.54
Amounts written off	(32.40)	(22.59)
Balance as at March 31	37.13	25.70

(₹ in crore)

	March 31, 2021	March 31, 2020
For Other Receivable		
Balance as at April 1	0.36	0.23
Impairment loss recognised	0.80	0.38
Amounts written off	(0.78)	(0.25)
Balance as at March 31	0.38	0.36

Cash and cash equivalents and other bank balances

The group held cash and cash equivalents and other bank balances of Rs. 51.55 crore at March 31, 2021 (Previous Year Rs. 50.95 crore). The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

Other than trade and other receivables, the group has no other financial assets that is past due but not impaired.

Note 42.3: Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. The Group has access to funds from debt markets through loans from banks, commercial papers and other debt instruments.

Exposure to liquidity risk

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

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(₹ in crore)

March 31, 2021	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
Term Loan from Bank	148.74	161.55	6.41	6.41	126.07	22.67	-
Other non-current financial liabilities-Non Trade Payables	0.27	0.27	-	-	0.27	-	-
Current, non derivative financial liabilities							
Cash credit from bank	3.95	3.95	3.95	-	-	-	-
Commercial papers	547.53	547.53	547.53	-	-	-	-
Working Capital Loans from Banks	242.59	242.59	242.59	-	-	-	-
Trade and other payables	465.08	465.08	439.16	25.91	-	-	-
Acceptances	267.54	267.54	267.54	-	-	-	-
Other current financial liabilities	282.08	282.08	277.01	5.07	-	-	-
Derivative liability							
MTM on forward exchange contract	0.21	0.21	0.21	-	-	-	-
Total	1,957.99	1,970.80	1,784.40	37.39	126.34	22.67	

March 31, 2020	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
Deferred Sales Tax Loan	-	-	-	-			-
Deferred payment liabilities	1.55	1.55	-	-	1.55		-
Term loans from Bank and NBFC - Secured	41.23	41.23	-	-	13.61	27.62	-
Other non-current financial liabilities-Non Trade Payables	0.86	0.86			0.86	-	-
Current, non derivative financial liabilities							
Cash credit from bank	59.43	59.43	59.43	-	-	-	-
Term loans from banks	55.07	55.07	55.07	-	-	-	-
Commercial papers	148.11	148.11	148.11	-	-	-	-
Buyers Credit	0.48	0.48	0.48	-	-	-	-
Working Capital Loans from Banks	312.59	342.59	312.59	30.00	-	-	-
Trade and other payables	407.61	407.62	357.45	50.17	-	-	-
Acceptances	880.90	880.90	880.90	-	-	-	-
Other current financial liabilities	213.50	213.32	207.83	5.49	-	-	-
Total	2,121.33	2,151.35	2,022.05	85.67	16.02	27.62	

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

The Group has sufficient current assets to manage the liquidity risk, if any, in relation to current financial liabilities.

Notes to the Consolidated Financial Statements

Note 42.4 : Currency Risk

Market risk

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

Our Board of Directors and its Audit Committee are responsible for overseeing our risk assessment and management policies. Our major market risks of foreign exchange, interest rate and counter-party risk are managed centrally by our Company treasury department, which evaluates and exercises independent control over the entire process of market risk management.

We have a written treasury policy, and reconciliations of our positions with our counter-parties are performed at regular intervals.

Interest rate risk is covered by entering into fixed-rate instruments to ensure variability in cash flows attributable to interest rate risk is minimised.

Currency risk

The group's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time.

The functional currencies of the group companies are primarily the local currency of the respective countries in which they operate. The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues and expenses are denominated and the respective functional currencies of group companies. The currencies in which these transactions are primarily denominated are INR. Foreign currency revenues and expenses are in the nature of export sales, import purchases, royalty, technical know-how & professional and consultation fees.

Exposure to currency risk

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

(₹ in crore)

	March 31, 2021			March 31, 2020		
	USD	EUR	GBP	USD	EUR	GBP
Financial Assets						
Trade and other receivables	89.99	-	-	89.35	-	-
Foreign exchange forward contracts	-	-	-	-	-	-
Net exposure to foreign currency risk (Assets)	89.99	-	-	89.35	-	-
Financial Liabilities						
Buyers Credit	-	-	-	(0.48)	-	-
Trade payables	(111.24)	-	(0.09)	(163.42)	(1.32)	(0.07)
Foreign exchange forward contracts	22.44	-	-	77.41	0.28	-
Net exposure to foreign currency risk (Liabilities)	(88.80)	-	(0.09)	(86.49)	(1.04)	(0.07)
Net exposure	1.19	-	(0.09)	2.86	(1.04)	(0.07)
Un-hedged foreign currency exposures						
Purchase	(88.80)	-	(0.09)	(86.49)	(1.04)	(0.07)
Sale	89.99	-	-	89.35	-	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at 31 March 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Notes to the Consolidated Financial Statements

(₹ in crore)

Effect in INR crore	Profit or loss (net of tax)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2021				
USD (2% movement)	0.02	(0.02)	0.02	(0.02)
EUR (3% movement)	-	-	-	-
GBP (3% movement)	(0.00)	0.00	(0.00)	0.00
	0.02	(0.02)	0.02	(0.02)

Effect in INR crore	Profit or loss (net of tax)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2020				
USD (2% movement)	0.04	(0.04)	0.04	(0.04)
EUR (2% movement)	(0.02)	0.02	(0.02)	0.02
GBP (2% movement)	(0.00)	0.00	(0.00)	0.00
	0.03	(0.03)	0.03	(0.03)

Note: Sensitivity has been calculated using standard Deviation % of USD, EURO and GBP rate movement

Note 42.5: Interest rate risk

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

Exposure to interest rate risk

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

(₹ in crore)

Nominal amount	March 31, 2021	March 31, 2020
Fixed-rate instruments		
Financial Assets		
Loans and Advances	3.32	0.53
Other financial assets	25.30	33.19
Total	28.62	33.72
Financial Liabilities		
Borrowings	526.18	397.48
Other financial liabilities	75.32	84.35
Total	601.49	481.82
Variable -rate instruments		
Financial Liabilities		
Borrowings		
Term loans from Banks	313.71	62.80
Cash credit / WC Demand Loans from banks/Commercial Paper	147.03	168.23
Buyers Credit	-	0.48
Total	460.73	231.52

Notes to the Consolidated Financial Statements

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crore)

	Profit or (loss) and Equity (net of tax)		Profit or (loss) and Equity (net of tax)	
	March 31, 2021		March 31, 2020	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(3.45)	3.45	(1.73)	1.73
Cash flow sensitivity (net)	(3.45)	3.45	(1.73)	1.73

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Fair value sensitivity analysis for fixed-rate instruments

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

Notes to the Consolidated Financial Statements

Note 43. Tax expense

(a) Amounts recognised in profit and loss

(₹ in crore)

Particular	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	101.09	102.66
Adjustments in respect of earlier years	0.14	1.12
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	4.30	(23.04)
Reduction in tax rate	-	(33.38)
Increase in tax rate	-	-
MAT Credit	-	(0.69)
Deferred tax expense	4.30	(55.73)
Tax expense for the year	105.53	48.05

(b) Amounts recognised in other comprehensive income

(₹ in crore)

Particular	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability	0.59	(0.13)	0.44	(4.03)	1.07	(2.96)
Equity accounted investee's share of other comprehensive income	-	-	-	0.12	(0.02)	0.10
Changes in Fair Value of investment in Body Corporate	1.77	(0.45)	1.32	-	-	-
Items that will be reclassified to profit or loss						
Exchange difference on translation of financial statements of foreign operations	1.03	-	1.03	(1.12)	-	(1.12)
Effective portion of gains/(losses) on hedging instruments in cash flow hedges	-	-	-	-	-	-
	3.39	(0.58)	2.79	(5.03)	1.05	(3.98)

Notes to the Consolidated Financial Statements

(c) Reconciliation of effective tax rate

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	453.10	348.63
Company's domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate (Current year 25.17%)	114.04	87.75
Tax effect of:		
Expenses not allowed for tax purpose	2.08	2.53
Impact of derecognition of deferred tax asset on MAT credit entitlement	-	0.69
Income not considered for tax purpose	0.15	(0.28)
Tax paid at lower rate	(0.36)	(2.62)
Tax at higher than groups domestic tax rate	4.20	-
Deferred tax asset created at higher than group domestic tax rate	-	(5.63)
Change in Tax Rate	-	(33.38)
Share of profit of JV/Associate	(10.57)	(7.13)
Adjustment for current tax of earlier years	0.14	1.12
Tax impact on distribution of profit by Joint Venture	(4.45)	4.45
Other items	0.30	0.55
Total	105.53	48.05

Difference

The Group's weighted average tax rates for the year ended March 31, 2021 and 2020 was 23.29% and 13.78% respectively.

Note. 44

Movement in deferred tax balances for the year ended March 31, 2021

(₹ in crore)

	Net balance April 1, 2020	Recognised in profit or loss /OCI			Closing Balance as of March 31, 2021		
		Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax asset	Deferred tax liability	Deferred tax Net
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(184.26)	(3.86)	-	-	(1.20)	(186.92)	(188.12)
Compensated absences	2.43	(0.01)	0.22	-	0.15	2.49	2.64
Investments	0.85	(1.75)	(0.45)	-	(0.90)	(0.45)	(1.35)
Biological Assets	(6.40)	(0.69)	-	-	(6.90)	(0.19)	(7.09)
Doubtful Debts	6.21	2.09	-	-	-	8.30	8.30
Provisions	0.97	1.35	-	-	1.75	0.57	2.32
MAT Credit Entitlment	4.50	1.77	-	-	6.28	-	6.28
Carried forward Loss	29.21	(9.20)	-	-	20.01	-	20.01
Leases arrangements	0.78	0.03	-	-	0.02	0.79	0.81
Others	(1.57)	5.96	0.12	-	0.40	4.11	4.51
Total	(147.28)	(4.30)	(0.11)	-	19.61	(171.30)	(151.69)

Notes to the Consolidated Financial Statements

Movement in deferred tax balances for the year ended March 31, 2020

(₹ in crore)

	Net balance April 1, 2019	Recognised in profit or loss /OCI			Closing Balance as of March 31, 2020		
		Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax asset	Deferred tax liability	Deferred tax Net
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(214.40)	30.14	-		(1.48)	(182.78)	(184.26)
Compensated absences	3.01	(0.56)	(0.02)	-	-	2.43	2.43
Investments	(3.21)	4.06	-	-	0.85	-	0.85
Biological Assets	(8.89)	2.49	-	-	(6.30)	(0.10)	(6.40)
Doubtful Debts	6.81	(0.60)	-	-	-	6.21	6.21
Provisions	0.78	0.19	-	-	0.65	0.32	0.97
MAT Credit Entitlement	5.23	(0.73)	-	-	4.50	0.00	4.50
Carried forward Loss	2.47	26.74			29.21	-	29.21
Leases arrangements		(0.32)		1.10	0.03	0.75	0.78
Others	3.84	(5.68)	0.27	-	0.35	(1.92)	(1.57)
Total	(204.36)	55.73	0.25	1.10	27.81	(175.09)	(147.28)

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

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

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

Deferred tax liabilities of undistributed earnings of subsidiaries and joint venture was not recognised because the company controls the dividend policy of its subsidiaries and joint venture and does not expect any distribution of part profits in the foreseeable future.

Deferred tax assets as at March 31, 2021 aggregating to Rs.20.01 crores (Previous Year Rs. 26.97 crore) arising on account of business losses incurred during the year ended 31 March 2020. The management has assessed the recoverability of this deferred tax asset in near future within the adequate time-frame.

Notes to the Consolidated Financial Statements

Note 45 Capital Management

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

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

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

The Group's adjusted net debt to equity ratio at March 31, 2021 and March 31, 2020 were as follows.

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Total Borrowings	988.15	630.33
Less : Cash and cash equivalent	48.63	48.75
Adjusted net debt	939.52	581.58
Total equity (including non-controlling interests)	2,461.36	2,220.60
Adjusted net debt to adjusted equity ratio	0.38	0.26

Note 46: Segment Information for the year ending March 31, 2021

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

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

- 1) Animal feed
- 2) Vegetable Oil
- 3) Crop Protection
- 4) Dairy
- 5) Poultry & processed food
- 6) Real estate
- 7) Other Business Segment includes, Seed Business, Energy Generation through Windmill and Cattle Breeding Businesses

Notes to the Consolidated Financial Statements

Segment Information

(i) Information about Primary business Segments

(₹ in crore)

Particular	For the year ended March 31, 2021									Total
	Animal Feed	Vegetable Oil	Crop Protection	Dairy	Poultry and processed food	Real Estate	Other Business	Unallocated	Elimination	
Total Revenue	3,093.16	710.04	1,140.13	1,032.23	602.45	9.60	29.94	-	(350.84)	6,266.71
Less : Inter-segment	-	-	-	-	-	-	-	-	-	-
External Revenue	3,093.16	710.04	1,140.13	1,032.23	602.45	9.60	29.94	-	(350.84)	6,266.71
Result										
Segment Result	190.76	83.74	248.48	10.57	24.64	2.49	(3.93)	-	-	556.75
Unallocated expenditure net of unallocated income	-	-	-	-	-	-	-	(110.76)	-	(110.76)
Interest expenses	-	-	-	-	-	-	-	(48.85)	2.38	(46.47)
Interest Income	-	-	-	-	-	-	-	5.39	(2.10)	3.29
Dividend Income and Profit on Fair Valuation / sale of Investments	-	-	-	-	-	-	-	67.22	(67.17)	0.05
Profit before Exceptional, Tax & Share of Equity Accounted Investees	190.76	83.74	248.47	10.58	24.64	2.49	(3.93)	(87.00)	(66.89)	402.86
Share of Equity Accounted Investees Net of Tax	-	-	-	-	-	-	-	50.24	-	50.24
Exceptional Items	-	-	-	-	-	-	-	-	-	-
Profit Before Taxation	190.76	83.74	248.47	10.58	24.64	2.49	(3.93)	(36.77)	(66.89)	453.10
Provision for taxation	-	-	24.65	1.78	7.17	-	0.73	73.56	(2.36)	105.53
Profit after taxation	190.76	83.74	223.83	8.80	17.47	2.49	(4.66)	(110.33)	(64.53)	347.57
Segment assets	1,365.12	367.57	1,458.66	809.11	437.02	7.18	105.53	337.16	(88.42)	4,798.93
Segment liabilities	395.09	47.94	567.25	342.21	176.89	2.86	74.69	819.07	(88.43)	2,337.57
Capital expenditure	41.04	31.15	128.62	12.04	5.32	-	9.11	8.39	-	235.67
Depreciation and amortisation	44.41	25.80	30.52	27.67	17.14	-	3.35	5.99	(0.88)	154.00

Segment Information

(i) Information about Primary business Segments

(₹ in crore)

Particular	For the year ended March 31, 2020									Total
	Animal Feed	Vegetable Oil	Crop Protection	Dairy	Poultry and processed food	Real Estate	Other Business	Unallocated	Elimination	
Total Revenue	3,717.72	673.50	1,096.38	1,192.98	515.37	134.68	35.04	-	(401.63)	6,964.04
Less : Inter-segment	-	-	-	-	-	-	-	-	-	-
External Revenue	3,717.72	673.50	1,096.38	1,192.98	515.37	134.68	35.04	-	(401.63)	6,964.04
Result										
Segment Result	153.69	89.34	230.93	(0.03)	(64.47)	78.06	(8.31)	-	-	479.21
Unallocated expenditure net of unallocated income	-	-	-	-	-	-	-	(94.71)	-	(94.71)
Interest expenses	-	-	(12.59)	(1.78)	(3.69)	-	(2.32)	(23.51)	2.27	(41.63)
Interest Income	-	-	0.28	2.06	0.08	-	0.02	2.20	(1.90)	2.74
Dividend Income and Profit on sale of Investments	-	-	-	-	-	-	-	3.54	(3.54)	0.00

Notes to the Consolidated Financial Statements

(₹ in crore)

Particular	For the year ended March 31, 2020									
	Animal Feed	Vegetable Oil	Crop Protection	Dairy	Poultry and processed food	Real Estate	Other Business	Unallocated	Elimination	Total
Profit before Exceptional, Tax & Share of Equity Accounted Investees	153.69	89.34	218.62	0.25	(68.09)	78.06	(10.61)	(112.50)	(3.17)	345.61
Share of Equity Accounted Investees Net of Tax								12.94		12.94
Exceptional Items					(9.92)			-		(9.92)
Profit Before Taxation	153.69	89.34	218.62	0.25	(78.01)	78.06	(10.61)	(99.54)	(3.17)	348.63
Provision for taxation	-	-	14.63	(2.30)	(26.54)	-	0.05	65.91	(3.69)	48.05
Profit after taxation	153.69	89.34	204.00	2.56	(51.47)	78.06	(10.67)	(165.47)	0.52	300.58
Segment assets	1,297.35	359.93	1,340.49	806.21	444.99	147.51	90.52	307.69	(94.65)	4,700.04
Segment liabilities	961.55	45.40	463.32	334.58	199.42	0.00	51.00	518.82	(94.65)	2,479.44
Capital expenditure	121.51	24.17	40.92	36.00	15.69	-	2.40	8.55	-	249.26
Depreciation and amortisation	38.19	27.57	27.64	30.60	16.79	-	3.07	5.11	(0.90)	148.07

- There are no transactions with single external customers which amounts to 10% or more of the company's revenue.
- As the Group mainly caters to the need of domestic market and the total export turnover is not significant, separate geographical segment information has not been given in the consolidated financial statements.

Note 47 : Contingent Liabilities

(₹ in crore)

Particulars		As at March 31, 2021	As at March 31, 2020
Claims against the group not acknowledged as debts:			
(i) Excise Matter			
Excise duty demands relating to disputed classification, assessable values, availment of credit etc. which the group has contested and is in appeal at various levels		122.52	182.83
(ii) Customs Matter			
The group has preferred an appeal with the Customs Dept. in the matter of Assessable value of imported Capital goods and presently the case is pending with the Commissioner of Customs, Chennai.		1.56	1.43
(iii) Goods and Service tax (GST)			
GST demands relating to issues pertaining to cervat credit transition to GST. The said amount includes up-to-date interest.		2.88	2.57
(iv) Income Tax			
a	The Group has preferred appeal against the order of assessing officer and CIT in which demand of Rs. 4.52 crores (previous year Rs. 7.46 crore) has been determined for various assessment years as under. The said demand also included interest payable up to the date of passing order by the competent authority i.e. assessing officer / CIT.	4.52	7.46
b	The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the Order of the Assessing Officer in which he has disallowed against sec. 14A in respect of exempt income, Depreciation on Land/ rights in Land of Godrej One and cash deposited during demonetization period	1.41	1.06
c	The group has preferred appeals against the disallowance of deduction U/s 32(1)(iia) (Additional depreciation), dis-allowance u/s 14A & u/s.56(2)(viib), 36(2) and 80JJA of the Income Tax Act, 1961. Tax paid under protest as at 31 March 2021: Rs. 2.35 crore (Previous Year - Rs. 1.23 crore).	9.25	8.97

Notes to the Consolidated Financial Statements

(₹ in crore)		
Particulars	As at March 31, 2021	As at March 31, 2020
(v) Sales Tax Matters		
a Pending before JSCT(Appeal)	6.60	1.23
b Pending before Dy. Comm. Sales tax, Thane	-	0.06
c Contingent Liabilities against pending C & H Forms	0.57	0.53
d Indirect tax cases	0.98	-
e Value added tax demands relating to disputed classification, assessable values, availment of credit etc. which the Company has contested and is in appeal at various levels paid under protest (Rs. 0.23 crores and Rs. 0.03 crores)	9.00	10.12
f Sales tax demands relating to Non- submission of declaration forms which the Company has contested and is in appeal with Joint Commissioner of sales tax, Mumbai	0.07	0.07
(vi) Civil Matter		
a Nath Bio-Genes (India) Ltd has filed a suit against the Group alleging that some product supplied by the Group was responsible for the poor germination of its seeds.	65.00	65.00
b Surety Bond issued on behalf of related party.	1.21	1.21
c Guarantees issued by the Banks and counter guaranteed by the group.	18.61	4.93
d Claims against the company not acknowledged as debt	10.41	6.58

Note 47.1 : Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax). The probability and timing of outflow with regard to these matters depend on the final outcome of litigations/ disputes. Hence the Group is not able to reasonably ascertain the timing of the outflow.

Note 47.2 : The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability section in the financial statements. The impact of the same is not ascertainable

Note 48 : Commitments

(₹ in crore)		
Particulars	As at March 31, 2021	As at March 31, 2020
Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	88.78	92.18
Outstanding Export obligation Under EPCG Scheme	8.72	35.21

Note 49 : Investments in Subsidiary

On June 30, 2020, the group has acquired 40,816 equity shares of Godrej Maxximilk Pvt. Ltd (GMPL) for a consideration of Rs. 1.00 crores. Pursuant to these acquisition and subscription, the shareholding in GMPL rose to 74.90%.

Note 50 : Information in Respect of Investment in Associates.

The management has decided to divest its stake in AL Rahaba International Trading Limited Liability Company. Consequently, the same had been reclassified as current investment.

Notes to the Consolidated Financial Statements

Note 51 : Assessment of impact of Covid-19 pandemic

The management has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, goodwill, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

Note 52 : With a view to focus on its core activities, the Company has partially sold the real estate project during the year to Godrej Properties Limited and the revenue of Rs.9.60 crore (Previous year : Rs. 134.68 crore) has been included in other operating revenue and cost thereof has been included in the cost of material consumed. Receivables as at March 31, 2021 amounting to Rs. Nil (Previous Year Rs. 133.34 crores).

Note 53: Exceptional Item

During the previous year ended 31st March, 2020, the business of Godrej Tyson Foods Limited, a subsidiary company was adversely impacted due to outbreak of Covid in sales and profitability. The last few weeks of the financial year witnessed a sharp drop in prices as well as demand for poultry and related products on account of false rumours linking COVID-19 to poultry consumption .

This necessitated the subsidiary to take certain exceptional measures to mitigate losses on account of which inventory to the tune of Rs. 3 crore had to be destroyed and written off. The crash in prices towards end of March 2020 required the subsidiary to recognise a loss of Rs.6.92 crore in respect of fair valuation of biological assets. This total loss disclosed under exceptional item is Rs. 9.92 crores.

Note 54 : Goodwill and Other Intangible Assets with indefinite useful life.

The Goodwill and Indefinite life intangible assets (Brand) are tested for impairment and accordingly no impairment charges were identified for the year ended March 31, 2021

The Goodwill and intangible asset (Brand) arises from the following Group's Cash Generating Units (CGU):

(₹ in crore)		
Particulars	As at March 31, 2021	As at March 31, 2020
Astec Life sciences Limited (Crop Protection)	118.17	118.17
Creamline Dairy Products Limited (Dairy)		
- Goodwill	76.70	76.70
- Brand	38.22	38.22
Godrej tyson Foods Limited (Poultry)*	64.18	64.18
Godrej Maxximilk Private Limited (Cattle Breeding)*	5.84	5.84
Total	303.11	303.11

Astec Life sciences Limited

The recoverable amount of this Cash Generating Unit (CGU) is the higher of its fair value less cost to sell and its value in use. The goodwill allocated pertains to a listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation.

Creamline Dairy Products Limited

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using appropriate discount rate.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate	11%	11%
Long term growth rate beyond 5 years	2%	2%

Notes to the Consolidated Financial Statements

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

Godrej Tyson Foods Limited

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using appropriate discount rate.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate	11%	11%
Long term growth rate beyond 5 years	2%	2%

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

Godrej Maxximilk Private Limited

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using appropriate discount rate.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate	11%	11%
Long term growth rate beyond 5 years	2%	2%

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

Note 55: The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended 31 March 2021.

Notes to the Consolidated Financial Statements

Note 56: Disclosure of Joint Venture and Associates

Equity accounted investees

Financial information of joint ventures and associates that are material to the Group is provided below :

(₹ in crore)

Name of the entity	Place of business	% of ownership interest as of March 31, 2021	% of ownership interest as of March 31, 2020	Relationship	Accounting method	Carrying Amounts	
						March 31, 2021	March 31, 2020
ACI Godrej Agrovet Private Limited*	Bangladesh	50.0%	50.0%	Joint Venture	Equity method	84.99	102.12
Omnivore India Capital Trust	Maharashtra			Investment entity	Equity method	35.16	26.23
Al Rahaba International Trading Limited Liability Company	Abu Dhabi	24.0%	24.0%	Associate	Equity method	-	-
Total equity accounted investments						120.15	128.35

* Unlisted equity, no quoted prices available

Summary financial information of ACI Godrej Agrovet Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

(₹ in crore)

Particulars	ACI Godrej Agrovet Private Limited	
	March 31, 2021	March 31, 2020
Ownership	50%	50%
Cash and cash equivalent	8.61	15.48
Other current assets	283.16	255.31
Total current assets	291.77	270.79
Total non-current assets	216.64	220.50
Total assets	508.40	491.29
Current liabilities		
Financial liabilities (excluding trade payables and provisions)	123.20	28.34
Other liabilities	167.10	255.69
Total current liabilities	290.30	284.03
Total non current liabilities	48.06	54.73
Total liabilities	338.37	338.76
Net assets	170.04	152.53
Groups' share of net assets	85.02	76.26
Carrying amount of interest in joint venture	84.99	102.12
Reconciliation of Group share of net assets and carrying amount of interest in joint venture		
Carrying amount of interest in joint venture	84.99	102.12
Less : Unaccounted Dividend	-	25.49
Less : Other adjustments	(0.03)	0.36
Groups' share of net assets	85.02	76.26

Notes to the Consolidated Financial Statements

(₹ in crore)

Particulars	ACI Godrej Agrovet Private Limited	
	March 31, 2021	March 31, 2020
Revenues	1,251.43	1,027.17
Interest income	0.30	0.25
Depreciation and amortisation	25.44	21.51
Interest expense	(8.63)	(6.56)
Income tax expense	(16.01)	(9.60)
Profit from continuing operations	82.62	58.97
Profit from discontinued operations	-	-
Profit for the year	82.62	58.97
Other comprehensive income	-	0.21
Total comprehensive income	82.62	59.18
Group's share of profit	41.31	29.49
Group's share of profit	41.31	29.49
Group's share of Other comprehensive income	-	0.12
Group's share of Total comprehensive income	41.31	29.61

Note 57: Non Controlling Interest

Non controlling interest

Financial information of subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest		Principal activities
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	
Astec LifeSciences Ltd.	India	62.30%	62.37%	37.70%	37.63%	Manufacturing and Distribution of Agrochemical active ingredients and pharmaceutical intermediates.
Creamline Dairy Products Limited	India	51.91%	51.91%	48.09%	48.09%	The Company is principally engaged in milk procurement, processing of milk and manufacturing of milk products. The Company is also engaged in generation of power through renewable energy sources.
Godrej Maxximilk Private Limited.	India	74.90%	74.00%	25.10%	26.00%	The Company is an agribusiness company and its principal activities include Dairy Farm activities and Developing high breed Cattles.

Notes to the Consolidated Financial Statements

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest		Principal activities
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	
Godrej Tyson Foods Limited.	India	51.00%	51.00%	49.00%	49.00%	The Company is principally engaged in poultry processing, marketing and selling of value added vegetarian and poultry products.

The following table summarises information relating to each of the Group's subsidiary, before any inter-company eliminations

I. Summarised statement of profit or loss

(a) Godrej Maxximilk Private Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Total Revenue	8.92	7.27
Profit for the year	(8.14)	(7.80)
Other Comprehensive Income	-	-
Profit allocated to non-controlling interests	(2.06)	(2.03)
OCI allocated to non-controlling interests	-	-
Dividends paid to non-controlling interests	-	-

(b) Astec LifeSciences Ltd.

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Total Revenue	562.79	534.54
Profit for the year	67.01	49.91
Other Comprehensive Income	(0.18)	(0.17)
Profit allocated to non-controlling interests	25.24	20.41
OCI allocated to non-controlling interests	(0.07)	(0.07)
Dividends paid to non-controlling interests	-	1.69

(c) Creamline Dairy Products Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Total Revenue	1,038.66	1,199.61
Profit for the year	7.22	2.55
Other Comprehensive Income	(0.64)	0.06
Profit allocated to non-controlling interests	3.47	1.22
OCI allocated to non-controlling interests	(0.31)	0.03
Dividends paid to non-controlling interests	-	1.76

Notes to the Consolidated Financial Statements

(d) Godrej Tyson Foods Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Total Revenue	604.22	515.91
Profit for the year	14.68	(51.47)
Other Comprehensive Income	(0.12)	(0.38)
Profit allocated to non-controlling interests	7.19	(25.22)
OCI allocated to non-controlling interests	(0.06)	(0.18)
Dividends paid to non-controlling interests	-	

II. Summarised balance sheet

(a) Astec LifeSciences Ltd.

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Non-current liabilities	49.34	9.16
Current liabilities	322.28	318.36
	371.62	327.52
Non-current assets	357.24	247.46
Current assets	330.43	331.75
	687.67	579.21
Net assets	316.06	251.69
Net assets attributable to non-controlling interest	119.80	95.07

(b) Creamline Dairy Products Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Non-current liabilities	84.92	84.91
Current liabilities	239.18	231.55
	324.10	316.46
Non-current assets	555.58	558.04
Current assets	176.83	169.75
	732.42	727.79
Net assets	408.32	411.33
Net assets attributable to non-controlling interest	195.56	197.85

(c) Godrej Tyson Foods Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Non-current liabilities	32.60	37.45
Current liabilities	144.29	161.97
	176.89	199.42
Non-current assets	234.97	253.19
Current assets	137.87	127.62
	372.84	380.81
Net assets	195.95	181.39
Net assets attributable to non-controlling interest	96.02	88.88

Notes to the Consolidated Financial Statements

(d) Godrej Maxximilk Private Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Non-current liabilities	12.80	15.73
Current liabilities	39.01	17.84
	51.80	33.57
Non-current assets	41.96	31.94
Current assets	4.17	3.10
	46.13	35.03
Net assets	(5.67)	1.46
Net assets attributable to non-controlling interest	(1.17)	0.38

III. Summarised cash flow information

(a) Astec LifeSciences Ltd.

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Cash flows from(used in) in operating activities	(8.16)	168.43
Cash flows from(used in) in investing activities	(73.11)	(73.80)
Cash flows from(used in) in financing activities	81.34	(94.53)
Net increase /(decrease) in cash and cash equivalents	0.06	0.10

(b) Creamline Dairy Products Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Cash flows from(used in) in operating activities	68.06	50.46
Cash flows from(used in) in investing activities	(19.50)	(36.05)
Cash flows from(used in) in financing activities	(51.60)	(10.45)
Net increase /(decrease) in cash and cash equivalents	(3.04)	3.95

(c) Godrej Tyson Foods Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Cash flows from(used in) in operating activities	36.28	(29.01)
Cash flows from(used in) in investing activities	(10.46)	(17.30)
Cash flows from(used in) in financing activities	(23.68)	44.41
Net increase /(decrease) in cash and cash equivalents	2.14	(1.90)

(d) Godrej Maxximilk Private Limited

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Cash flows from(used in) in operating activities	(0.01)	(9.72)
Cash flows from(used in) in investing activities	(12.51)	(4.33)
Cash flows from(used in) in financing activities	11.44	14.11
Net increase /(decrease) in cash and cash equivalents	(1.08)	0.07

Notes to the Consolidated Financial Statements

IV. Transactions with non-controlling interests - Astec Lifescience Limited

During the current year, the Group has acquired Nil% (previous year acquired 4.70%) of subsequent interest in Astec Lifescience Limited. The carrying amount of such additional NCI stake acquired is ₹ Nil crore (previous year ₹ 11.45 crore).

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Carrying amount of non-controlling interests acquired	-	11.45
Consideration paid	-	36.63
Decrease in Equity attributable to the owners of the Company	-	(25.18)

Transactions with non-controlling interests - Godrej Maxximilk Private Limited

During the current year, the Group has acquired 0.90% of subsequent interest in Godrej Maxximilk Private Limited. The carrying amount of such additional NCI stake acquired is Rs. 1.00 crore.

(₹ in crore)

Particulars	March 31, 2021	March 31, 2020
Carrying amount of non-controlling interests acquired	0.26	2.01
Consideration paid	1.00	7.47
Decrease in Equity attributable to the owners of the Company	(0.26)	(2.01)

Note 58. Additional information, as required under Schedule III to the Companies Act, 2013

Name of the entity in	Net Assets - total assets minus total liabilities (net off inter company eliminations)		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income"	Amount
1	2	3	4	5	6	7	8	9
Parent								
1. Godrej Agrovet Limited	46.56%	1,145.96	61.60%	214.11	96.40%	2.71	61.88%	216.81
Subsidiaries								
Indian								
2. Godvet Agrochem Limited	0.64%	15.74	0.87%	3.03	0.00%	-	0.86%	3.03
3. Astec Lifesciences Limited	12.77%	314.42	11.86%	41.21	-4.09%	(0.11)	11.73%	41.09
4. Creamline Dairy Products Limited	11.76%	289.44	1.08%	3.75	-11.88%	(0.33)	0.97%	3.41
5. Godrej Tyson Foods Limited	6.67%	164.14	2.15%	7.49	-2.09%	(0.06)	2.12%	7.43
6. Godrej Maxximilk Private Limited	0.05%	1.26	-1.75%	(6.08)	0.00%	-	-1.73%	(6.08)
Minority interest in all subsidiaries	16.67%	410.26	9.73%	33.83	-15.13%	(0.42)	9.53%	33.41

Notes to the Consolidated Financial Statements

Associates (Investment as per equity method)								
AL RAHABA INTERNATIONAL TRADING LIMITED LIABILITY COMPANY	0.00%	-	0.00%		0.00%		0.00%	-
Joint Ventures (as per proportionate e consolidation / Investment as per equity method)								
Indian								
Omnivore India Capital Trust	1.43%	35.16	2.57%	8.93	0.00%	-	2.55%	8.93
Foreign								
ACI Godrej Agrovet Private Limited	3.45%	84.98	11.89%	41.31	36.79%	1.03	12.09%	42.34
TOTAL	100.00%	2,461.36	100.00%	347.57	100.00%	2.81	100.00%	350.38

Note 59: Related party disclosures

- 1 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

(a) (i)	Key Management Personnel and Entities where Key Management Personnel has significant influence and their Relatives	Mr. N. B. Godrej (Chairman)
		Mr. A. B. Godrej (upto 5th November, 2018)
		Mr. J. N. Godrej
		Mr. V. M. Crishna
		Ms. Tanya A. Dubash
		Ms. Nisaba Godrej
		Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018)
		Mr. B. S. Yadav (Managing Director)
		Mr. K. N. Petigara
		Dr. S. L. Anaokar (upto 3rd February, 2019)
		Mr. Amit B. Choudhury (upto 23rd May, 2019)
		Dr. Raghunath A. Mashelkar
		Dr. Ritu Anand
		Ms. Aditi Kothari Desai
		Ms. Roopa Purushothaman
		Mr. N. Srinivasan (w.e.f. 4th February, 2019)
		Mr. Kannan Sitaram (w.e.f. 17th June, 2019)
		Mr. Vivek Raizada (Company Secretary)
		Mr. S. Varadaraj (Chief Financial Officer)
		The Raika Godrej Family Trust
		ABG Family Trust

Notes to the Consolidated Financial Statements

		TAD Family Trust
		TAD Children Trust
		NG Family Trust
		NG Children Trust
		PG Family Trust
		PG Children Trust
		PG Lineage Trust
		NBG Family Trust
		RNG Family Trust
		BNG Successor Trust
		BNG Lineage Trust
		BNG Family Trust
		HNG Family Trust
		SNG Successor Trust
		SNG Lineage Trust
		SNG Family Trust
		JNG Family Trust
		PJG Family Trust
		RJG Family Trust
		NJG Family Trust
		SGC Family Trust
		VMC Family Trust
		FVC Family Trust
		FVC Children Trust
		NVC Family Trust
		NVC Children Trust
		Pheroza Jamshyd Godrej
		Freyan Crishna Bieri
		Nyrika Holkar
		Navroze Jamshyd Godrej
		Raika Jamshyd Godrej
		Rishad Kaikhushru Naoraji
		Karla Bookman
		Sasha Godrej
		Lana Godrej
		Anamudi Real Estates LLP
(b)	(i)	Holding companies
		Godrej Industries Limited
	(ii)	Fellow Subsidiary Companies
		Godrej Properties Limited
		Natures Basket Limited (upto 17th May, 2019)
		Godrej One Premises Management Private Limited
		Godrej Vikhroli Properties India Limited
	(iii)	Joint Ventures
		ACI Godrej Agrovet Private Limited, Bangladesh
		Omnivore India Capital Trust

Notes to the Consolidated Financial Statements

(iv) Associates	Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
(v) Other Related Parties	Godrej & Boyce Manufacturing Company Limited
	Godrej Consumer Products Limited
	Godrej Seeds & Genetics Limited
	Godrej Infotech Limited
	Astec Crop Care Private Limited
	Nichem Solutions
	Kavali Milkline Private Limited
	Khammam Milkline Private Limited
	Mohan Milkline Private Limited
	Orgaa Farms Private Limited
	Pamuru Milkline Private Limited
	Pragathi Milkline Private Limited
	Vidya Milkline Private Limited
	Ongole Milkline Private Limited.
	Dhulipalla Milkline Private Limited
	My Village Model Village Foundation
	Prima Food Tech Private Limited
(vi) Post-employment benefit plan (entities) for the benefit of employees of the company	Godrej Agrovet Limited Provident Fund Trust
	Godrej Agrovet Limited Superannuation Scheme
	Godrej Agrovet Limited Group Gratuity Trust

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

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

(₹ in crore)						
Sr. No.	Nature of Transactions	Holding Companies	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
		(i)	(ii)	(iii)	(iv)	(v)
1	Purchase / Transfer of property, plant and equipment	-	-	-	-	0.54
		-	10.30	-	-	1.04
2	Advances given during the year	-	-	-	-	0.10
		-	-	-	-	-
3	Sundry deposits placed	0.07	-	-	-	-
		0.14	0.01	-	-	-
4	Intercompany deposits placed during the year	-	-	-	-	-
		-	-	-	-	3.00
5	Intercompany deposits returned	-	-	-	-	-
		-	-	-	-	3.00

Notes to the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transactions	Holding Companies	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
		(i)	(ii)	(iii)	(iv)	(v)
6	Sale of materials / finished goods / other operating revenue	0.09	-	-	-	0.02
		2.15	134.70	0.74	-	0.07
7	Purchase of materials / finished goods / services	2.52	0.12	-	-	61.19
		3.67	-	-	-	68.84
8	Expenses charged to / reimbursement received from other companies	0.02	0.01	-	-	0.30
		0.00	-	-	-	0.44
9	Expenses charged by / reimbursement made to other companies	4.23	1.46	-	-	0.61
		4.09	1.85	-	-	0.82
10	Dividend income	-	-	33.01	-	-
		-	-	0.07	-	-
11	Interest income on intercorporate deposits placed / loans given	-	-	-	-	0.14
		-	-	-	-	0.04
12	Sundry income	-	-	3.27	-	0.01
		-	-	2.23	-	0.01
13	Outstanding intercorporate deposit receivable	-	-	-	-	0.23
		-	-	-	-	-
14	Capital advance given during the year	-	-	-	-	0.42
		-	1.28	-	-	0.34
15	Outstanding capital advance	-	0.07	-	-	0.08
		-	0.07	-	-	0.00
16	Outstanding receivables	0.37	0.10	11.46	-	0.23
		0.61	133.34	8.10	-	2.54
17	Outstanding payables	-	(2.85)	-	-	(3.94)
		-	(0.36)	-	-	(8.73)
18	Guarantees outstanding	-	-	-	-	1.21
		-	-	-	-	1.21
19	Contribution to post-employment benefit plans	-	-	-	-	11.58
		-	-	-	-	10.89

Notes to the Consolidated Financial Statements

(₹ in crore)

(ii) Details relating to persons referred to in items 1(a)(i) above		For the year ended March 31, 2021	For the year ended March 31, 2021
1	Remuneration to key management personnel		
	Salary and short term employee benefit	2.83	2.67
	Post employee gratuity & medical benefits	0.05	0.05
	Shared based payment	0.35	0.44
2	Director's sitting fees	0.45	0.25
3	Director's commission	0.96	0.48

3. Significant Related Party Transactions :

(₹ in crore)

Sr. No.	Nature of Transaction	For the year ended March 31, 2021	For the year ended March 31, 2021
1	Purchase of property, plant and equipment		
	Godrej & Boyce Manufacturing Company Limited	0.54	1.04
	Godrej Properties Limited	-	1.88
	Godrej Vikhroli Properties India Limited	-	8.42
2	Advances given during the year		
	Godrej & Boyce Manufacturing Company Limited	0.10	-
3	Sundry deposits placed		
	Godrej Industries Limited	0.07	0.14
	Godrej One Premises Management Private Limited	-	0.01
4	Intercompany deposits placed during the year		
	Prima Food Tech Private Limited	-	3.00
5	Intercompany deposits returned		
	Prima Food Tech Private Limited	-	3.00
6	Sale of materials / finished goods / other operating revenue		
	ACI Godrej Agrovet Private Limited	-	0.74
	Godrej Consumer Products Limited	0.00	0.02
	Godrej Industries Limited	0.09	2.15
	Godrej Properties Limited	-	134.70
	Nichem Solutions	-	0.01
	Khammam Milkline Private Limited	0.02	0.04
7	Purchase of materials / finished goods / services		
	Godrej & Boyce Manufacturing Company Limited	0.04	0.19
	Godrej Industries Limited	2.52	3.67
	Godrej Consumer Products Limited	0.19	0.30

Notes to the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	For the year ended March 31, 2021	For the year ended March 31, 2021
	Godrej Properties Limited	0.12	-
	Ongole Milkline Private Limited	11.57	13.35
	Mohan Milkline Private Limited	18.81	19.07
	Vidya Milkline Private Limited	3.10	4.42
	Khammam Milkline Private Limited	10.80	8.76
	Pamuru Milkline Private Limited	6.50	6.77
	Kavali Milkline Private Limited	8.58	13.05
	Pragathi Milkline Private Limited	1.58	2.88
	Prima FoodTech Private Limited	0.04	0.05
8	Expenses charged to / reimbursement received from other companies		
	Godrej & Boyce Manufacturing Company Limited	0.30	0.44
	Godrej Industries Limited	0.02	0.00
	Godrej Properties Limited	0.01	-
9	Expenses charged by / reimbursement made to other companies		
	Godrej Infotech Limited	0.04	0.03
	Godrej & Boyce Manufacturing Company Limited	0.16	0.22
	Godrej Consumer Products Limited	0.41	0.43
	Godrej Industries Limited	4.23	4.09
	Godrej One Premises Management Private Limited	1.46	1.85
	Nichem Solutions	-	0.09
	My Village Model Village Foundation	-	0.05
10	Dividend income		
	Omnivore India Capital Trust	-	0.07
	ACI Godrej Agrovat Private Limited	33.01	-
11	Interest income on intercorporate deposits placed / loans given		
	Prima Food Tech Private Limited	0.14	0.04
12	Sundry income		
	ACI Godrej Agrovat Private Limited	3.27	2.23
	Godrej Consumer Products Limited	0.01	0.01
13	Outstanding intercorporate deposit receivable		
	Prima FoodTech Private Limited	0.23	-

Notes to the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	For the year ended March 31, 2021	For the year ended March 31, 2021
14	Capital advance given during the year		
	Godrej & Boyce Manufacturing Company Limited	0.42	0.34
	Godrej Properties Limited	-	1.28
15	Outstanding capital advance		
	Godrej Vikhroli Properties India Limited	0.04	0.04
	Godrej Properties Limited	0.04	0.04
	Godrej & Boyce Manufacturing Company Limited	0.08	0.00
16	Outstanding receivables		
	Godrej & Boyce Manufacturing Company Limited	0.17	0.52
	Godrej Industries Limited	0.37	0.61
	Godrej One Premises Management Private Limited	0.10	-
	Godrej Seeds & Genetics Limited	0.00	0.00
	Godrej Properties Limited	-	133.34
	Godrej Consumer Products Limited	0.05	2.01
	ACI Godrej Agrovet Private Limited	11.42	8.06
	Omnivore India Capital Trust	0.03	0.03
	Nichem Solutions	-	0.01
17	Outstanding payables		
	Godrej Properties Limited	(2.85)	-
	Godrej One Premises Management Private Limited	-	(0.36)
	Godrej Agrovet Limited Provident Fund Trust.	(1.83)	(1.77)
	Godrej Agrovet Limited Superannuation Scheme.	(0.04)	(0.05)
	Godrej Agrovet Limited Group Gratuity Trust.	(0.84)	(5.57)
	Kavali Milkline Private Limited	(0.07)	(0.21)
	Khammam Milkline Private Limited	(0.86)	(0.58)
	Mohan Milkline Private Limited	(0.06)	(0.31)
	Pamuru Milkline Private Limited	(0.05)	(0.08)
	Pragathi Milkline Private Limited	(0.02)	(0.01)
	Vidya Milkline Private Limited	(0.09)	(0.02)
	Ongole Milkline Private Limited.	(0.08)	(0.11)
	Prima Food Tech Private Limited	-	(0.04)
18	Guarantees outstanding		
	Godrej Consumer Products Limited	1.21	1.21
19	Director's sitting fees		
	Mr. K. N. Petigara (Independent Director)	0.07	0.05
	Mr. Amit B. Choudhury (Independent Director)	-	0.02

Notes to the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	For the year ended March 31, 2021	For the year ended March 31, 2021
	Dr. Ritu Anand (Independent Director)	0.08	0.05
	Ms. Aditi Kothari Desai (Independent Director)	0.07	0.02
	Dr. Raghunath A. Mashelkar (Independent Director)	0.06	0.02
	Ms. Roopa Purushothaman (Independent Director)	0.06	0.04
	Mr. N. Srinivasan (Independent Director)	0.06	0.03
	Mr. Kannan Sitaram (Independent Director)	0.05	0.01
20	Director's commission		
	Mr. N. B. Godrej (Chairman)	0.08	0.04
	Mr. K. N. Petigara (Independent Director)	0.08	0.04
	Mr. Amit B. Choudhury (Independent Director)	0.01	0.01
	Dr. Ritu Anand (Independent Director)	0.08	0.04
	Ms. Aditi Kothari Desai (Independent Director)	0.08	0.04
	Dr. Raghunath A. Mashelkar (Independent Director)	0.08	0.04
	Ms. Roopa Purushothaman (Independent Director)	0.08	0.04
	Ms. Tanya A. Dubash	0.08	0.04
	Mr. V. M. Crishna	0.07	0.04
	Mr. J. N. Godrej	0.08	0.04
	Ms. Nisaba Godrej	0.08	0.04
	Mr. N. Srinivasan (Independent Director)	0.08	0.04
	Mr. Kannan Sitaram (Independent Director)	0.06	0.02
	Mr. Pirojsha A. Godrej (Director)	0.08	0.04
21	Contribution to post-employment benefit plans		
	Godrej Agrovet Limited Provident Fund Trust.	11.33	10.64
	Godrej Agrovet Limited Superannuation Scheme.	0.25	0.25

Note 60: During the year ended March 31 2021, the Group has sold its equity stake in Astec Europe Spri (subsidiary of Astec Lifesciences Ltd.) at a consideration of Euro 1.

Note 61: The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosures.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

CIN:L15410MH1991PLC135359

N. B. GODREJ

Chairman

DIN: 00066195

B.S.YADAV

Managing Director

DIN: 00294803

Koosai Leherly

Partner

Membership Number: 112399

Mumbai, May 7, 2021

S. VARADARAJ

Chief Financial Officer

ICAI Memb. No. 047959

VIVEK RAIZADA

Company Secretary

ICSI Memb. No. ACS11787

Part "A": Subsidiaries

1.	Sl. No.	1	2	3	4	5	6	7	8
2.	Name of the subsidiary	GODVET AGROCHEM LIMITED	ASTEC LIFESCIENCES LIMITED	ASTEC EUROPE SPRL	BEHRAM CHEMICALS PRIVATE LIMITED	COMERCIALIZADORA AGRICOLA AGROSTRACHEM CIA LTDA	CREAMLINE DAIRY PRODUCTS LIMITED	GODREJ TYSON FOODS LIMITED	GODREJ MAXXIMILK PRIVATE LIMITED
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.08.2020	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	EURO (Exchange Rate - 87.5742)	NA	Columbian Peso (Exchange rate 0.0197)	NA	NA	NA
5.	Share capital	9.95	19.59	-	0.60	0.01	11.32	0.20	1.18
6.	Reserves & surplus	5.79	289.11	-	0.47	(0.10)	185.65	150.09	(6.85)
7.	Total assets	18.41	677.90	-	1.10	0.00	454.53	314.57	46.13
8.	Total Liabilities	2.67	369.20	-	0.04	0.09	257.55	164.28	51.80
9.	Investments	-	0.43	-	-	-	-	-	-
10.	Turnover	-	554.87	-	-	-	1,031.75	602.45	8.91
11.	Profit before taxation	3.76	88.67	(0.01)	0.09	(0.00)	7.29	22.68	(8.14)
12.	Provision for taxation	0.73	23.98	-	0.02	-	1.35	7.46	-
13.	Profit after taxation	3.03	64.69	(0.01)	0.07	(0.00)	5.94	15.22	(8.14)
14.	Other comprehensive income before tax	-	(0.24)	(0.00)	-	(0.00)	(0.86)	(0.18)	-
15.	Tax on Other comprehensive income	-	0.06	-	-	-	0.22	0.06	-
16.	Other comprehensive income	-	(0.18)	(0.00)	-	(0.00)	(0.64)	(0.12)	-
17.	Total comprehensive income	3.03	64.52	(0.01)	0.07	(0.01)	5.30	15.10	(8.14)
18.	Proposed Dividend	-	2.94	-	-	-	11.32	-	-
19.	% of shareholding	100.00%	62.30%	-	65.63%	100.00%	51.91%	51.00%	74.90%

Names of subsidiaries which have been liquidated or sold during the year

During the year, the Group has sold its equity stake in Astec Europe Spri (subsidiary of Astec Lifesciences Ltd.).

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	ACI Godrej Agrovet Private Limited	Omnivore India Capital Trust	AI Rahaba International Trading Limited Liability Company	(Rs. in Crore)
1. Latest audited Balance Sheet Date	31.03.2021	31.03.2020	31.03.2017	
2. Shares of Associate/Joint Ventures held by the company on the year end	50%	10%	24%	
No.	1,850,000	2,444.37 Units	24	
Amount of Investment in Associates	12.58	24.44	0.04	
3. Description of how there is significant influence	due to percentage (%) of Share Capital	The Company participates in the key activities jointly with the Investment Manager.	due to percentage (%) of Share Capital	
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	85.02	14.02	-	
6. Profit / Loss for the year - 2020-21				
i. Considered in Consolidation	41.31	8.93	-	
ii. Not Considered in Consolidation	-	-	-	
Names of associate which have been liquidated or sold during the year	NA			



GODREJ AGROVET LIMITED

Registered Office:

Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400079, Maharashtra, India

Tel.: (91 22) 2519 4416, **Fax:** (91 22) 2519 5124,

Website: www.godrejagroveter.com.

Email: gavlinvestors@godrejagroveter.com