



ANNUAL REPORT 2019-20

Augmenting Prosperity To Emerge Stronger

At Godrej Agrovet, we have always put our consumers at the heart of everything we do. We have actively focused on transforming their lives through innovative, high-performance, cutting-edge products and services. Even amidst one of the most uncertain and difficult environment faced today, we continue to adapt to the best of our capabilities to meet their demand for our essential products, which has always been the key to our success.

Meeting the growing demand for daily nutrition by millions of homemakers, our subsidiary brands Godrej Jersey, Yummiez and Real Good Chicken provide a diverse portfolio of protein-rich food such as dairy, ready-to-cook vegetarian and non-vegetarian products. To reduce the consumer's anxiety around the daily availability of these products, we commenced direct deliveries to housing societies. This move from our brands was a response to ensure uninterrupted supply of essentials amidst the ongoing COVID-19 outbreak. During the year, we launched 'Jersey RECHARGE'- an energy drink with nourishing milk protein and a range of vegetarian ready-to-cook products keeping in mind the growing demand for quick solutions in otherwise busy lives.

Focused on enriching the lives of our farmers, we introduced a range of solutions including Hitweed Maxx and Hanabi that enables them to improve farm productivity. Hitweed Maxx is a herbicide that controls most of the weeds in cotton crop and Hanabi is a specialist to control mites in tea plantations. Our animal feed segment is continuously working towards providing higher yielding feed for the livestock, which not only helps our farmers to improve their productivity but also supplements their farm income.

We are confident that our agility, investment in cutting-edge research and go-to-market strategies will not only position us well to adapt to the changing scenario, but will also make us emerge stronger on the other side.

Green Initiative - Communication to Shareholders:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent through e-mail to the Shareholders. Further, in compliance with the provisions of the Companies Act, 2013, the Rules framed thereunder and the recent Circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI), electronic copies of the Notice of the 29th (Twenty-Ninth) Annual General Meeting (AGM) and the Annual Report for the Financial Year 2019-20 will be sent to all the Shareholders whose e-mail addresses are registered with the Company / Depository Participant(s). Shareholders may note that the Notice of the AGM and Annual Report 2019-20 will also be available on the Company's website (at 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 www1.nseindia.com) and on the website of National Securities Depository Limited (NSDL) (at www.evoting.nsdl.com).

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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)



Mr. Kavas N. Petigara (Independent Director)



Dr. Raghunath A. Mashelkar (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. Kannan Sitaram (Independent Director)



Mr. Natarajan Srinivasan (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) Mr. Balram S. Yadav Dr. Ritu Anand Ms. Aditi Kothari Desai **Nomination and Remuneration Committee:** Dr. Ritu Anand (Chairperson) Ms. Nisaba Godrei Ms. Roopa Purushothaman Stakeholders' Relationship Committee: Mr. Nadir B. Godrej (Chairman) Mr. Balram S. Yadav Mr. Amit B. Choudhury (resigned with effect from May 23, 2019) Mr. Natarajan Srinivasan (inducted with effect from August 2, 2019) **Corporate Social Responsibility Committee:** Dr. Raghunath A. Mashelkar (Chairman) Mr. Nadir B. Godrei Mr. Balram S. Yadav Ms. Roopa Purushothaman **Risk Management Committee:** Mr. Nadir B. Godrej (Chairman) Mr. Balram S. Yadav Mr. Amit B. Choudhury (resigned with effect from May 23, 2019) Mr. Natarajan Srinivasan (inducted with effect from June 17, 2019) **Managing Committee:** Mr. Nadir B. Godrej (Chairman) Ms. Nisaba Godrei 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)

Crop Protection Business:

Jammu (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)

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 doing well and are staying safe.

We are currently dealing with highly challenging times and the situation is changing very rapidly. The outbreak of COVID-19 has disrupted operations and economic activities globally and in India. Managing in these tough times will require a high degree of nimbleness and co-ordination amongst people. We at Godrej Agrovet are swiftly adapting to these changes and are working towards serving our customers in the most efficient way.

Financial Year 2019-20 was a difficult year as India's gross domestic product is expected to have grown at 4.2% which is the lowest growth rate seen in recent years. This was mainly due to the low growth of 3.2% estimated in the fourth quarter of the year. The agriculture sector is expected to grow by 4.0% which is broadly in line with the overall growth rate, thanks to a good Rabi season. However, macro indicators for a few of our businesses were unfavourable, with high commodity prices on one hand and low output prices on the other hand.

In the current Financial Year 2019-20, revenue growth was healthy with total income growing by 17.4% year-on-year to ₹7,011 Crore. However, profit before tax (excluding the non-recurring and exceptional items) declined by 22.4% year-

on-year. Low output prices in the vegetable oil business and commodity headwinds in the food businesses (dairy and poultry and processed products) lowered the profitability in the first nine months. In January, our food businesses had started showing signs of recovery with increases in output prices, but rumours of linking COVID-19 spread to poultry consumption severely hampered volumes, prices and profitability of the animal feed business and the poultry business.

Segment-wise, our feed businesses have shown a strong performance, even after considering the impact of the COVID-19 outbreak in the fourth guarter. In the Animal Feed segment the revenue and the segment result grew by nearly 20% each. Shrimp Feed volumes improved for the first time after four years and our joint venture ACI Godrej in Bangladesh grew its profits before tax by more than three times. In our subsidiary Astec LifeSciences, revenue and profit before taxes (excluding non-recurring items) posted strong growth. In the Crop Protection business, we successfully launched an in-house cotton herbicide 'Hitweed Maxx' and an in-licensing herbicide 'Hanabi' thereby growing our product portfolio. In the Dairy business, we have launched 'Jersey RECHARGE'- an energy drink with nourishing milk protein and in our processed foods business, we have launched a range of vegetarian ready-to-cook products keeping in mind the growing demand for quick solutions in otherwise busy lives.

Your Company plays a very critical role in India's food supply chain as our end products form part of essential commodities. Your Company has operations across India and all the factories were operational in April 2020 after obtaining necessary approvals. Teams across locations have been working relentlessly to ensure smooth supply of our end products. Your Company has put in place the requisite health and safety measures at various locations and are continuously reviewing them to ensure utmost safety of our people.

The current economic environment is highly uncertain as the extent and impact of the pandemic is unknown.

Given the extended lockdown, various agencies expect both the global and the Indian economy to contract in the Financial Year 2020-21. However, agencies also expect the agriculture sector to be more resilient compared to other sectors, as it forms part of essential goods and services. Further, the agriculture sector is expected to recover faster, once economic activity picks up. The macroeconomic indicators are positive for the sector with the strong expectation of an above normal monsoon, high water reservoir levels and good crop prices. In addition, multiple measures announced in the Government stimulus package will encourage private sector participation in the sector and will help increase income for the farmer. However, adequate labour availability in factories remains a near-term challenge which could impact production.

In the medium-term, I believe more opportunities will emerge in the agriculture sector, such as a shift from the unorganised sector to the organised sector, the increase in consumption of ready-to-heat and ready-to-cook products and the increase in contract manufacturing opportunities for Indian agrochemical companies. Your Company is well-equipped to manage the current situation based on the strong business continuity plan put in place and also to capitalise on opportunities given our strong balance sheet and diverse business portfolio.

We at Godrej Agrovet are fully committed to support our nation, customers, business partners and employees. I would like to thank our employees, business partners, vendors and other stakeholders for their efforts and contribution to the Company. Together we will all go to new heights.

Yours sincerely,

Nadir Godrej

Chairman, Godrej Agrovet Limited



Financial Highlights for the previous three Financial Years

Standalone Financial Highlights

(₹ in Crore)

Particulars	2019-20	2018-19	2017-18
Revenue from Operations	5,118.68	4,336.71	3,691.73
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	462.59	388.10	366.52
Profit / (Loss) Before Exceptional Items and Tax	359.22	307.49	281.32
Profit / (Loss) Before Tax	359.22	307.49	281.32
Profit / (Loss) After Tax	293.31	207.88	190.86
Other Comprehensive Income (Net of Tax)	(2.45)	(1.21)	(4.22)
Total Comprehensive Income	290.86	206.67	186.64
Earnings Per Share – Basic (in ₹)	15.27	10.68	9.99
Earnings Per Share – Diluted (in ₹)	15.27	10.68	9.99
Total Equity	1,577.73	1,390.88	1,288.88
Total Debt	389.52	110.96	216.72
Proposed Dividend, subject to approval of the Shareholders at the ensuing 29 th AGM (per Equity Share of Face Value of ₹ 10/- each) (in ₹)	5.50	4.50	4.50

Consolidated Financial Highlights

(₹ in Crore)

Particulars	2019-20	2018-19	2017-18
Revenue from Operations	6,964.04	5,917.73	5,205.91
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	535.30	508.94	474.84
Profit / (Loss) Before Exceptional Items and Tax	358.55	389.00	359.70
Profit / (Loss) Before Tax	348.63	477.30	371.75
Profit / (Loss) After Tax	300.58	349.33	251.04
Other Comprehensive Income (Net of Tax)	(3.98)	(1.02)	(6.79)
Total Comprehensive Income	296.60	348.31	244.25
Earnings Per Share - Basic (in ₹)	15.94	16.99	12.02
Earnings Per Share - Diluted (in ₹)	15.94	16.99	12.02
Total Equity	2,220.60	2,049.94	1,680.65
Total Debt	630.33	397.96	409.80

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT OF GODREJ AGROVET LIMITED

FOR THE FINANCIAL YEAR 2019-20

A. CAUTIONARY STATEMENT:

The statements in the "Management Discussion and Analysis Report" describe your 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, interalia, 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

Currently, the global economic environment is highly unpredictable as the duration and the impact of unprecedented COVID-19 pandemic is difficult to ascertain. At Godrej Agrovet Limited, we have always put our customers at the heart of everything we do. Amidst one of the most uncertain environment faced today, our employees across locations are relentlessly working towards providing uninterrupted supply of our products (feed, agrochemicals, dairy products, poultry and processed poultry products) for animal husbandry, crop protection and household consumption. Your Company is ensuring utmost safety of its employees by following measures such as usage of masks/gloves, regular temperature screening, setting up of disinfectant tunnels, maintaining

social distancing, allowing limited workforce and conducting comprehensive factory sanitization.

Post the COVID-19 outbreak in mid-March 2020, our operations were disrupted as volumes and sales declined across businesses and factories were closed, after the nationwide lockdown announced on March 24, 2020. However, agricultural activities were allowed during lockdown and our factories became operational in April 2020, after obtaining necessary approvals from local authorities. The demand for our products, remain firm and your Company is taking all necessary steps to ensure smooth supply of products along with maintaining safety of employees and business partners.

C. INDIAN ECONOMY AND AGRICULTURE OVERVIEW:

Indian Economy Overview

In February 2020, Central Statistical Organization (CSO) estimated Indian Gross Domestic Product (GDP) to grow at 5.0% for fiscal 2019-20, which was itself at multi-year low, mainly due to weak performance of the manufacturing and the construction sectors vis-à-vis previous fiscal. At that time, concerns regarding the COVID-19 impact were primarily limited to lower imports from China which would have affected production and supply chain in few sectors for few months in India. However, with rapid outbreak of COVID-19 in March 2020 leading to lockdown in multiple countries, there was a sharp decline in demand across sectors globally and India was no exception. This led to a low GDP growth rate estimate of 3.1% for the fourth quarter of

2019-20 as per CSO, thereby lowering the GDP growth estimate to 4.2% for 2019-20.

We enter the Financial Year 2020-21 with high degree of uncertainty with respect to economic situation, both globally and in India. Various domestic and global agencies are expecting India's GDP to contract in fiscal 2020-21, as the extended lockdown has severely impacted the economic activity in the country. Agencies in their expectations have highlighted that sectors such as agriculture, public administration and public utilities are more resilient and are expected to be less adversely impacted compared to other sectors. Further, pick-up in the economic activity may start from second half of 2020-21 and the Indian economy is expected to bounce back stronger in the next Financial Year.

However, given high uncertainty, future predictions need repeated recalibration because of the rapidly changing environment. Modelling parameters for growth and profitability across sectors is tough given inadequate information on multiple parameters. Extent of adverse impact of COVID-19 will depend on degree to which the spread of virus can be controlled and the level of pick-up in the economic activity in 2020-21. The Indian Government has announced a fiscal stimulus of around ₹20 lakh crore (nearly 10% of Indian GDP), especially targeting the key sectors such as MSME (micro, small and medium enterprises), agriculture, financial services and other essential services. Also, Reserve Bank of India has taken supportive measures using various instruments to help maintain adequate liquidity and to ease cash flow pressures. This provides much needed near-term relief and we expect Government to announce more measures to support economic growth in the medium-term.

Agriculture Sector Overview

For the Financial Year 2019-20, agriculture sector is estimated to grow at 4.0% compared to low growth rate of 2.4% seen in the previous Financial Year, thanks to the strong Rabi season. Outbreak of COVID-19 has affected the agriculture sector in mid-March 2020, but, the impact was limited. Cumulative rainfall during the monsoon season was 110% of the Long Period Averages (LPA), but was erratic and unevenly distributed both geographically and periodically. Therefore, the production of food-grains was adversely impacted during the Kharif season, however, sowing in the Rabi season was up by 10% due to good water reservoir levels and high soil moisture content. As a result, food grain production for the Financial Year 2019-20 is estimated at 295.67 million tonnes compared to previous year production of 285.21 million tonnes.

For Financial Year 2020-21, while the outbreak of COVID-19 has caused supply chain disruption and limited availability of labour, the impact on the agriculture sector is expected to be lower than other sectors. Further, agriculture sector is expected to recover faster, once economic activity picks up. Also, macro indicators for Indian agriculture sector are favorable with normal monsoon expectation, high reservoir levels, improved soil moistures and remunerative crop-prices. Indian Meteorological Department (IMD) in its recent monsoon forecast, has predicted a normal south-west monsoon for the year and rainfall is expected to be at 102% of the LPA (with a model error of +/- 4%). IMD highlights that 'El Nino' conditions will remain weak during the monsoon in the current year. This comes as a relief amid the ongoing health crisis, as normal monsoon should support agricultural growth in Financial Year 2020-21. Nevertheless, the spatial

and temporal distribution of rains will remain crucial for timely sowing and harvesting.

Government's recently announced measures for the agriculture sector can immensely benefit the sector, especially in the long-run. Setting up of central law for inter-state trade, changes to Essential Commodities Act and creating of a legal framework to facilitate farmers to directly engage with procurers are measures which can attract private sector participation and can result in higher income for the farmer. It will lead to creation of better infrastructure and will increase efficiency levels, however, timely implementation of the measures is critical.

D. KEY BUSINESS SEGMENTS:

Your Company is a diversified, research and development focused agri-business Company with operations across five business verticals: animal feed, crop protection, oil palm, dairy and poultry and processed foods. The Company focuses on improving 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 five key business segments is as follows:

Animal Feed Business

In the first nine months of the year, volume growth was 7.9%, driven by fish feed and layer feed segments, but 11.3% volume decline in the fourth guarter lowered the annual growth rate to 2.9% for the Financial Year 2019-20. In February 2020, rumours of COVID-19 infection through poultry and poultry product consumption led to steep volume decline in the poultry feed segment. Further, outbreak of COVID-19 from mid-March 2020 disrupted volumes and sales in other feed seaments as well. Nevertheless, for the full year. layer feed and fish feed segments registered a strong volume growth. Further, shrimp feed volumes grew in the current year over the previous year (after seeing a decline for last 4 years) supported by changes made in the product formulation.

Segment revenue grew by 20.1% during the year driven by price hikes taken for majority of



our end-products. This helped improve segment results, which increased by 19.6% compared to the previous year. Segment results could have been higher, but prices of key raw material were firm in the first nine months of the year, which limited the benefits of price hikes taken. Segment profitability was also impacted by volume decline seen in February and March.

In your Company's 50:50 joint venture with Advanced Chemical Industries Limited (ACI), Bangladesh, named ACI Godrej Agrovet Private Limited, performance improved significantly over the previous year as the Company posted year-on-year revenue and profit before tax growth of 56.9% and 339.6%, respectively. This was on account of strong volume growth in all segments, i.e. cattle, poultry and aqua feed.

Over the medium-term, your Company will aim at capitalizing on the R&D initiatives undertaken in the past few years which will enable it to improve segment margins. Our efforts to increase market share are yielding results as seen in the volume growth over the last two years (excluding the COVID-19 impact in Financial Year 2019-20). Therefore, we will continue to focus on our strategy of having deeper penetration in existing geographies and entering new geographies. We will also leverage digital analytics and automation in raw material purchase and supply chain management which will help us optimise our costs in the segment.

Crop Protection Business

In current Financial Year, your Company launched 'Hitweed Maxx' which is an in-house herbicide and is a one-stop solution for controlling all major weeds in the cotton crop. Your Company also launched 'Hanabi', through an in-licensing arrangement with Nissan Chemical Corporation, Japan, which is used for managing mites in tea plantation. In addition, other products such as Bloxit, Veteran, Prudens and Rohelus were launched, which will not only enhance the product portfolio but will also help your Company enter new crops and new markets.



In terms of performance, standalone revenue growth was modest at 3.3% and segment results declined marginally by 3.9% for the Financial Year 2019-20. This was due to lower volumes compared to the previous year, especially of the higher margin specialty products. Lower volumes were on account of the erratic and uneven monsoon during the Kharif season which resulted in lower application opportunities of our products. Also, placements in the month of March 2020 got severely impacted due to COVID-19, resulting in significant drop in volumes for the month. Your Company's subsidiary, Astec LifeSciences Limited, maintained its strong performance for the Financial Year 2019-20 as total income and profit before tax (excluding non-recurring and exceptional items) grew by 20.9% and 20.8%, year-on-year, respectively. Segment-wise, revenue growth is driven primarily by the enterprise sales, however contract manufacturing business has also grown over the previous year. Geographically, both the domestic business and the international business contributed to growth for the year.

Opportunities for the Indian agrochemical sector are increasing both in the domestic market and the overseas market. In the standalone business, the Company will focus on expanding its product portfolio either through in-house developments or through in-licensing arrangements. In addition, a greater emphasis will be placed on efficient working capital management by emphasizing on cash sales, effective distribution management and increasing collection. In your subsidiary Astec LifeSciences, the aim will be to develop new relationships for contract manufacturing business with international companies, to diversify into other chemistries and to invest in backward integration projects which will reduce dependence of raw material sourcing from international markets. Your Company is also in the process of setting up state-of-the-art R&D lab which will help business conduct in-house research and deliver new projects.

Oil Palm Business

While the Fresh Fruit Bunches (FFBs) volumes increased by 14.6% year-on-year in the Financial



Year 2019-20, decline in the Crude Palm Oil prices and the Palm Kernel Oil prices during the peak season (June to September) impacted the performance of the oil palm segment. Crude Palm Oil and Palm Kernel Oil prices declined by 16% and 32%, respectively, during the first half of the year. Also, oil content in the FFBs was lower in the current period vis-à-vis the previous year. As a result, segment revenue and segment result declined by 0.9% and 21.2%, respectively, in the Financial Year 2019-20.

However, international crude palm oil prices significantly increased from December 2019 onwards on expectation of lower supply from Malaysia, which is the largest producer and exporter of palm oil. This price increase along with sequential improvement in oil extraction ratio, supported the performance of the segment in the second half of the year.

At Godrej Agrovet, our continuous efforts have been to make our factories more environment friendly through our energy conservation and sustainable environment initiatives. Our efforts have been well recognized and our division was awarded the Bombay Civic Award (2019-20) from Bombay Chambers of Commerce and Industries for sustainable environment initiatives. Our palm oil mill was also awarded silver position at SEEM National Energy Management Awards in September 2019. Additionally, we have been recognized for the safety initiative at our factories and received National Safety Award (Runner-up) from Ministry of Labour and Employment.

In the medium-term, our focus will remain on improving the yields by undertaking different R&D initiatives in our production process. Our latest palm oil mill which uses continuous sterilization technology will further help improve yields in the medium-term. We are working on R&D projects to increase the share of revenue from value added products, which will help reduce volatility in margins to some extent. Emphasis also remains on increasing area under coverage outside Andhra Pradesh in other regions like Telangana.



Dairy Business

Financial performance in our dairy subsidiary, Creamlime Dairy Products Limited was impacted by high procurement prices of milk which lowered profitability. Despite taking price hikes at regular intervals, the entire procurement price increase could not be passed to the end customer. Further, in the current year (2019-20), milk volumes have declined compared to previous year (2018-19). However, our value added product portfolio received a very good customer response, especially the new launches, so value added product portfolio grew in mid-teens during the year. Also, salience of the value added product portfolio increased to 29% in the current year from 27% in the previous year and 24% two years ago.

Our focus has been on increasing the share of value added products in the product portfolio which have lesser volatility in margins. In this regard, we have continuously launched new products over the last three years. Current year new launches include new variants of thick shakes, butter milk, yogurts

etc. We have also launched energy drink named 'Jersey RECHARGE' which is a nourishing milk protein drink targeting the youth.

In the medium-term, focus remains on increasing the share of value added products, strengthening our brand awareness and building on our relationship with our business partners, mainly the farmers. We are looking at introducing new products based on market research and customer demand. We are investing in increasing the number of our Jersey distribution centers which would help us offer our entire product range under single roof to a larger audience and drive customer exclusivity.

Poultry & Processed Foods Business

Financial Year 2019-20 was a difficult year for the poultry businesses, especially the live bird segment. During the first nine months, the live bird business was impacted by supply side glut which kept output prices low, while the input prices (which forms a significant portion of overall cost of production) were very high.



As highlighted earlier, rumour in February linking coronavirus spread to chicken and eggs consumption sharply dented the demand and pricing for poultry and poultry products in the fourth quarter of the year. Overall demand in the industry declined by around 50% and ex-farm gate prices fell by around 70% in one month. This situation led to sharp losses in the live bird business of our subsidiary Godrej Tyson Foods Limited in the fourth guarter. However, rumours started receding from mid-April 2020 as Government took initiative by issuing advisory that poultry consumption is safe and the message was spread through social media to educate people. As a result, demand and prices for chicken and poultry products increased from April-2020 onwards which will help support growth and profitability in the near-term.

Chicken consumption in India has been steadily rising over the past few years driven by preference for protein rich food and rising income levels of the middle class. However, per capital consumption of chicken in India is lower than the world average per capita consumption levels. As 95% of the India poultry market is wet market, your Company in the fiscal 2018-19 started focusing on growing the live bird business and investments are on track for expanding the business. In addition, in the Yummiez segment we have launched multiple vegetarian ready-to-cook products which are being manufactured in the state-of-the-art facility in Ludhiana and we aim to increase the market share in the vegetarian processed food industry.

E. COMPANY'S FINANCIAL AND OPERATIONAL PERFORMANCE:

Standalone Performance:

For the Financial Year 2019-20, your Company reported standalone total income of ₹5,159.69

Crore compared to ₹4,394.90 Crore in the previous Financial Year. Profit before exceptional items and tax rose to ₹359.22 Crore from ₹307.49 Crore reported in the previous Financial Year.

The key highlights of Standalone Financials for the Financial Year ended March 31, 2020 are as under:

Particulars	Amount (₹ in Crore)
Total Income	5,159.69
Earnings Before Interest, Tax, Depreciation and Amortization	462.59
Reported Profit / (Loss) After Tax for the Year	293.31
Reported Total Comprehensive Income for the Year	290.86

Consolidated Performance:

For the Financial Year 2019-20, the Company reported consolidated total income of ₹7,010.86 Crore compared to ₹5,970.84 Crore in the previous Financial Year. Profit before exceptional items and tax was ₹358.55 Crore in Financial Year 2019-20 from ₹389.00 Crore in the previous Financial Year.

The key highlights of consolidated Financials for the Financial Year ended March 31, 2020 are as under:

Particulars	Amount (₹ in Crore)
Total Income	7,010.86
Earnings Before Interest, Tax, Depreciation and Amortization	535.30
Reported Profit / (Loss) After Tax for the Year	300.58
Reported Total Comprehensive Income for the Year	296.60

Key Financial Ratios:

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

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
Debtors Turnover Ratio	8.77	8.73	7.86	8.04
Inventory Turnover Ratio	6.03	5.51	6.38	5.54
Interest Coverage Ratio	9.30	12.12	16.28	14.99
Current Ratio	0.96	0.99	1.02	1.00
Debt Equity Ratio *	0.26	0.18	0.23	0.07
Operating Profit Margin (%)	5.56	6.94	7.48	7.60
Net Profit Margin (%)**	4.32	5.90	5.73	4.79
Return on Networth (%) **#	14.08	18.73	19.76	15.52

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

Standalone return on networth is higher than previous year on account of higher net profit in the current 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:

Debtors Turnover Ratio	Net sales (i.e. revenue from operations)/Average of opening and closing trade receivables
Inventory Turnover Ratio	Cost of Goods Sold/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 Networth	Profit after tax/Average of total equity

^{**} Consolidated net profit margin and consolidated return on networth is lower than previous year due to lower consolidated net profit in the current Financial Year which was impacted by loss incurred in our subsidiary Godrej Tyson Foods Limited.

F. OPPORTUNITIES, STRENGTHS THREATS, RISKS & CONCERNS:

(i) Opportunities and Strengths:

- Increase market share in existing business verticals: Several sectors in which the Company operates are largely unorganized, therefore, cost leadership is a key enabler for the Company to increase the market share of its products in those segments. 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 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 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 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 its 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 provides 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 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 a significant growth potential. Acquisition of Astec LifeSciences Limited (Subsidiary Company) provided the 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-line with the strategy to grow and develop market share or to add new product categories. The Company may consider opportunities for inorganic growth, such as through mergers and acquisitions, if among other things, they consolidate market

position in existing business verticals or achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits. The Company can also look at opportunities which strengthen and expand product portfolio and increase 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 COVID-19 pandemic continues for a very long time, it can lead to issues such as unavailability of labour, interstate trade movements, exports and imports which can adversely impact the businesses in which we operate.
- Unfavourable local and global weather patterns may have an adverse effect on the business, results of operations: As an agribased Company, the businesses are sensitive to weather conditions, including extremes such as drought and natural disasters. The availability of raw materials that are 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. 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 depend 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 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 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 in the event that 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: The Company's businesses are subject to seasonal variations that could result in fluctuations in performance. For example, in Animal Feed business, the Company sells lower volumes of cattle feed during the monsoons due to the availability of green fodder. In poultry and

processed foods business, the demand for poultry products is higher in the second half of Financial Year since the consumption of poultry meat and eggs are 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 of 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 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:

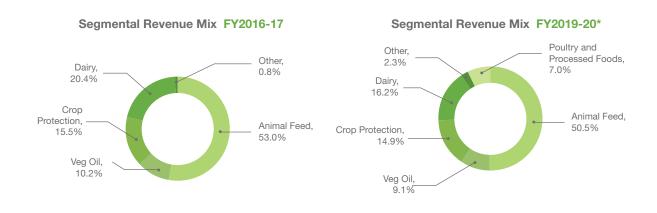
The work force is a critical factor in maintaining quality and safety, which strengthens the competitive position and the human resource policies focus on training and retaining of the employees of the Company. The Company trains employees on a regular basis to increase the level of operational excellence, 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-totime. 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, 2020, the total number of permanent employees was 2.708.

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 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 2019-20, revenue from real estate has been included in other segment



BUSINESS RESPONSIBILITY REPORT OF GODREJ AGROVET LIMITED

[Corporate Identity Number (CIN): L15410MH1991PLC135359] FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

Godrej Agrovet Limited ("the Company") is pleased to present this Business Responsibility Report for the Financial Year (F.Y.) 2019-20, 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.

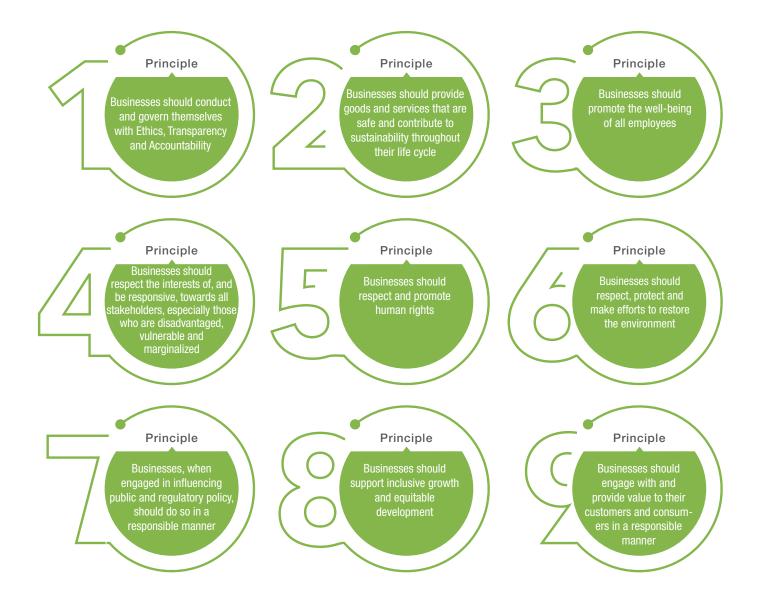
The Company recognizes the underlying idea of NVGs that a corporate needs to act as a 'Responsible Business' and ensure that its economic growth is socially and environmentally sustainable. The concept of parting with a portion of one's surplus wealth for the good of the society is a part of the Indian 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 Coronavirus disease - COVID-19 [declared as a pandemic by the World Health Organization (WHO)], 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.

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





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 100 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. Nadir 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!



About 23% (twenty three) of the shares of the Godrej Group are held in trusts that invest back in initiatives that support the environment as well as improve the quality and availability of healthcare and education. Through investment and oversight by the trust, a large tract of mangrove forests in Mumbai (Maharashtra) have been protected, developed, and maintained for several years and serve as a second set of lungs for the city. The Godrej Group has continually supported education and supports the Udayachal pre-primary and primary schools, which focus on the all-round development of children. The Udayachal high school has been accredited with the International School Award in recognition of the school incorporating global education into its curriculum and innovation into classroom teaching. In addition, the Godrej

Group has supported initiatives in healthcare through the Godrej Memorial Hospital at Vikhroli, Mumbai (Maharashtra), which aims to provide quality healthcare at affordable costs. One such initiative is our partnership with 'Smile Train', a US-based NGO, which helps in performing corrective cleft lip and palate surgeries for children from low-income families. The Group offers surgery and hospitalization to the patients free of cost.

All the businesses in the Godrej Group are inspired by the Brighter Giving philosophy and have imbibed Godrej values. "Brighter Giving" is a structured, skill-based, long-term volunteering programme or platform through which the employees can offer their time, knowledge and skills in meaningful,



volunteering projects. This programme has a long-term goal of seeking to enable and drive meaningful initiatives for the Godrej Group's non-profit partners and/or their beneficiaries. It also serves as a channel through which the employees can connect with and learn more about "Good & Green". In conjunction with the Godrej Group's vision for "Brighter Giving" for all stakeholders, the Group has developed a long-term vision of "Godrej Good & Green" for playing an active part 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 a part of Good & Green, the Group aspires by 2020, to create a more employable Indian workforce, a greener India and innovate for good and green products.

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

The 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 for good and green products by 2020.

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:

- 1. Corporate Identity Number (CIN): L15410MH1991PLC135359
- 2. Name of the Company: GODREJ AGROVET LIMITED
- **3.** Registered Office Address: Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra, India.
- 4. Website: www.godrejagrovet.com
- 5. E-mail ID: gavlinvestors@godrejagrovet.com
- **6. Financial Year reported:** From April 1, 2019 to March 31, 2020
- 7. 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

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:

	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), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Medchal (Telangana) and Unnao (Uttar Pradesh).	
	Crop Protection:	
Number of National	Samba (Jammu & Kashmir) and Lote Parshuram (Ratnagiri, Maharashtra)	
Locations	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)	
	Aqua Feed:	
	Hanuman Junction (Krishna Dist., Andhra Pradesh) and	
	Kondapalli (Vijayawada, Andhra Pradesh)	
Number of Inter-	ACI Godrej Agrovet Private Limited, a Joint Venture of the Company, is a company incorporated and operating in Bangladesh.	
national Locations	Al Rahba International Trading LLC is an Associate of the Company incorporated and operating in Abu Dhabi, United Arab Emirates (UAE).	

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.) 2019-20 (Standalone)	Amount
Paid-up Capital (₹ in Crore)	192.04
Total Income (₹ in Crore)	5159.69
Net Profit After Tax (₹ in Crore)	293.31
Total Spending on Corporate Social Responsibility (CSR) (₹ in Crore)	5.85

The list of activities in which the CSR expenditure mentioned above has been incurred is as follows:-

In compliance with the CSR Law as per Companies Act, Godrej Agrovet has undertaken various projects in line with activities mentioned under Schedule VII, 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

SECTION C:

OTHER DETAILS:

1. Subsidiary Companies:

The Company has 8 (eight) subsidiaries as on March 31, 2020, in or outside India, which includes 5 (five) direct subsidiaries and 3 (three) 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. Astec Europe Sprl (a subsidiary of Astec LifeSciences Limited) in Belgium, Europe
- Comercializadora Agricola Agroastrachem
 Cia Ltda (a subsidiary of Astec LifeSciences
 Limited) in Bogota, Columbia
- 6. Creamline Dairy Products Limited
- 7. Godrej Tyson Foods Limited
- 8. Godrej Maxximilk Private Limited

Nagavalli Milkline Private Limited (a wholly-owned subsidiary of Creamline Dairy Products Limited) merged / amalgamated with Creamline Dairy Products Limited vide order of the Hon'ble National Company Law Tribunal, Hyderabad Bench dated October 17, 2019, with Appointed Date as April 1, 2019 and the Effective Date of the said Order was October 31, 2019

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, 2020): -

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 Purushoth- aman	Member (Non- Executive, Independent Director)	02846868

There was no change in composition of the CSR Committee during the Financial Year 2019-20.

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 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.

There were 2 (two) Meetings of the CSR Committee during the Financial Year 2019-20 (i.e., on May 6, 2019 and November 4, 2019).

(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	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
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? (50 words)	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 MD/Owner/ CEO/Appropriate Board Director	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 not all policies as it is not a mandatory requirement.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Υ	Υ	Υ	Υ	Υ	Y	Υ	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	Υ	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?	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Audit	/ evalu		oy exte				nitored ied out	

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 anticompetition.

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 & Remuneration Committee;
- iii. Stakeholders' Relationship Committee;
- iv. Corporate Social Responsibility (CSR) Committee;
- v. Risk Management Committee;
- vi. Management Committee;
- vii. Strategy Committee.

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, 2020.

The Company also has a Code of Conduct which is applicable to all employees of 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 (F.Y.) 2019-20.

241 Stakeholders' Complaints were received during the Financial Year (F.Y.) 2019-20. All the complaints have been resolved and no complaint remained unresolved as on March 31, 2020.

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

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

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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 61,700 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 overconsumption 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. 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, 2020, are given in the table below: -

Total number of permanent employees	2,708
Total number of employees hired on temporary / contractual / casual basis	3,873
Number of permanent women employees	125
Number of permanent employees with disabilities	5
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	23.41%
Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in the Financial Year 2019-20 and pending, as on the end of the said Financial Year, i.e., March 31, 2020	As regards complaints relating to child labour, forced labour, involuntary labour, sexual harassment:
Percentage of employees who were given safety and skill upgradation training during the Financial Year 2019-20	75.78%

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 in the Godrej Industries Limited & Associated Companies (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

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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:

We have 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 long range plan, annual operating plan, 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 shareholders, to include all its stakeholders beyond its employees.

The stakeholder engagement process consists 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 / vendor meets, customer / 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, 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 the 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:

The 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 7,392 households across 51+ villages in 7 states and has trained 4,859 villagers to introduce new farming techniques, package of practices and awareness and knowledge building for this program. The Company has engaged with 8+ credible and result oriented nonprofit partners at the field to implement the program.





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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 eco system 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, the 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 gathered 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 2000+ 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, the 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, we 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 2019-20.

PRINCIPLE 6:

BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO

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RESTORE THE ENVIRONMENT

At Godrej, our sustainability strategy – "Good & Green" - is driven by the vision to help create a more inclusive and greener planet. Launched in 2011 as one of our four key imperatives for 2020, Good & Green is based on shared value principle that aligns business competitiveness and growth with positive social and environmental impact. The details of our sustainability strategy are available at https://www.godrejagrovet.com/good-and-green.aspx.

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, there is a relentless focus on productivity and environmental sustainability. To strengthen our approach, we have invested in cutting edge technologies and solutions that have greatly improved the speed and accuracy of our data monitoring. This has enabled us to unlock energy efficiencies above and beyond the basic improvement measures. Aside from incremental improvements on the process side such as monitoring the operations and optimizing the build capacity of pumps, compressors, motors and other utilities, we have

also invested in several modern energy efficient technologies such as Continuous Sterilizer, High Pressure Condensate Recovery, Pneumatic Cooling and Conveying System, among many others, which have greatly helped us reduce our specific energy consumption. Our efforts towards energy conservation have resulted in significantly lower energy consumption in the last three years. We are continuously working to replace inefficient, energy intensive equipment and with more efficient ones which are also cost effective.

<u>Case in point: Creamline Dairy's (CDPL)</u> Energy Saving Initiatives:

A multitude of energy efficiency projects in the plants of Creamline Dairy Products Limited helped reduce their specific energy consumption by more than 15% in last three years. These include use of high grade/efficient motors, optimization of the boiler and ETP operation, and the use of fuel additives to save thermal energy, among others.

Increasing Use of Renewable Energy:

Back in 2010-11, the Company management identified the need to mitigate GHG emissions, first by minimizing the emissions themselves and, second, by offsetting the lowered emissions. We set a target to off-set 100% of our emissions by 2020, thus becoming carbon neutral. In line with this vision, we continuously look for and adopt carbon reduction initiatives such as clean and low carbon technology, and increasing our renewable energy portfolio.

Year on year, the Company has been switching gradually from fossil fuels to renewable alternatives and from high carbon to low carbon intensive processes. We have been extremely

successful in this regard. Renewable energy usage as a percentage of overall energy use has increased substantially. During the Financial Year 2019-20, more than 67% of the total energy consumed by the Company was from renewable sources. Aside from using renewable fuels like biomass briquettes at the manufacturing plants, the Company has also started buying green power through Open Access schemes and by implementing solar roof top projects at multiple locations.

Case in point: Oil Palm business is powered almost entirely by renewable energy

Our Oil Palm business runs five oil palm mills. At the Company's oil palm plants, the waste from fruit bunches is used as boiler fuel. The electricity generated from the cogeneration boiler meets the power requirement of the plants. The plants also use biogas usage systems to recover waste biogas and use it as fuel in boilers. In all, about 99.5% of the energy we use at our Oil Palm plants is from renewable sources, the most among all our businesses.

Becoming carbon neutral and water positive:

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

Case in point: Creamline Dairy Product

Limited's (CDPL) Water Conservation Project

Our subsidiary, CDPL, has invested in a boom tube technology-based water treatment system last year, which will be extended to other manufacturing plants too. Other businesses like Godrej Tyson Foods Limited and Oil Palm are also recycling the effluent after treatment and using it in the process, striving towards zero liquid discharge.

Due to these measures, the specific water consumption of the Company reduced by more than 5% in the last three years and by 3% in the last year.

Case in point: Integrated Watershed Management Project in Magadi, Karnataka

In partnership with National Bank for Agriculture and Rural Development (NABARD), and non-profit partner - Indian Rural Integrated Development Society (IRIDS), we have developed an Integrated Watershed Management Project in 2,300 ha in Magadi Village, Tumkur District, Karnataka. This will help us offset 20,000 tons of carbon / annum, and 5 million m³ of water / 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. This year, we have reduced the specific waste to landfill by 8% through 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

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employee engagement in the form of training and development, education, communication, activities and recognition.

The Company also celebrates World Environment Day on 5th June and Energy Conservation week in December every year. This year, we celebrated the same across all our manufacturing plants. Additionally, the Company organized various environmental sustainability-related engagement activities such as tree plantation, cleanliness drives across Mumbai and in communities around our plants, recycling workshops, and awareness sessions in schools. We also planted over 6300 trees this year on Environment Day.

Awards and Accolades:

This year, Oil Palm manufacturing site located at Chintampalli, won two awards for their sustainability initiatives. The plant was awarded the 'Excellent Energy Efficient Unit - Silver rating' at the SNEMA Award 2019 for the first time, the National Safety Award 2019 and the Bombay Chamber of Commerce Award for Sustainability.

PRINCIPLE 7:

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DOSO 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.

The 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

The Company recognizes the fact that corporate growth and equitable development are interdependent and that the 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.

The 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 a customer-centric approach and greatly values the trust, satisfaction and loyalty of its customers. Its primary focus is delighting customers,



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both external and internal. The Company honors the freedom of choice of its customers and does not restrict free competition in any manner.

There are no undisputed customer complaints pending as at the end of the Financial Year 2019-20.

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 Agrovet Limited

Sd/-

Nadir B. Godrej Chairman

(DIN: 00066195)

Date: May 11, 2020 Place: Mumbai

NOTICE OF ANNUAL GENERAL MEETING (AGM) & EXPLANATORY STATEMENT

NOTICE OF THE 29TH (TWENTY-NINTH) ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29TH (TWENTY-NINTH) ANNUAL GENERAL MEETING ("AGM") of the Shareholders of GODREJ AGROVET LIMITED ("Company") will be held on Friday, July 31, 2020 at 4.00 p.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following BUSINESS:

ORDINARY BUSINESS:

 Adoption of Financial Statements for the Financial Year ended March 31, 2020:-

To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2020 and the Reports of the Board of Directors of the Company and the Statutory Auditors thereon, including Annexures thereto.

Declaration of Final Dividend on Equity Shares for the Financial Year ended March 31, 2020:-

To declare Final Dividend on Equity Shares @ 55% (Fifty Five per cent) [i.e.,@ ₹ 5.50/- (Rupees Five and Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended March 31, 2020.

 Re-appointment of Mr. Nadir B. Godrej (DIN: 00066195) as a "Director", liable to retire by rotation, who has offered himself for re-appointment:-

To appoint a Director in place of Mr. Nadir B. Godrej (DIN: 00066195), 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 to the re-appointment of Mr. Nadir B. Godrej [Director Identification Number (DIN): 00066195] as a "Director", who shall be liable to retire by rotation."

 Re-appointment of Ms. Tanya A. Dubash (DIN: 00026028), as a "Director", liable to retire by rotation, who has offered herself for re-appointment:-

To appoint a Director in place of Ms. Tanya A. Dubash (DIN: 00026028), Non-Executive & Non-Independent Director, who retires by rotation and being eligible, offers herself 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 to the re-appointment of Ms. Tanya A. Dubash [Director Identification Number (DIN): 00026028] as a "Director", who shall be liable to retire by rotation."

SPECIAL BUSINESS:

 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, 2021:-

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, 2021 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, 2021 for conducting audit of the cost records of the Company, of ₹1,20,000/-(Rupees One Lakh Twenty Thousand Only) plus Goods and Service Tax and reimbursement of out-of-pocket expenses, 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 Mr. Vijay M. Crishna (DIN: 00066267) as a 'Non-Executive & Non-Independent Director' of the Company:-

To approve the appointment of Mr. Vijay M. Crishna (DIN: 00066267) as a 'Non-Executive & Non-Independent Director' of the Company, pursuant to the provisions of Section 152, 160 and other applicable provisions of the Companies Act, 2013 and Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, and to consider, and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 152,160 and other applicable provisions of the Companies Act, 2013 and/or the Rules framed thereunder and Regulation17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Shareholders of the Company be and hereby accorded to the appointment of Mr. Vijay M. Crishna [Directors Identification Number (DIN): 00066267)], who having attained the age of 75

(seventy-five) years on March 8, 2020, as a Non-Executive & Non-Independent Director of the Company, liable to retire by rotation, with effect from May 11, 2020."

By Order of the Board of Directors of Godrej Agrovet Limited

Sd/-

Vivek Raizada
Head – Legal & Company Secretary & Compliance Officer
ICSI Membership No:- ACS11787

Date: May 11, 2020 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; E-mail: gavlinvestors@godrejagrovet.com; CIN: L15410MH1991PLC135359

NOTES:

1. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 issued by the Securities and Exchange Board of India (SEBI), have allowed the companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 29th AGM of the Company shall be conducted through VC / OAVM.

National Securities Depositories Limited ('NSDL') will be providing facility for voting through remote e-voting, 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 www.godrejagrovet.com.

 The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), setting out the material facts relating to Special Business to be transacted at 29th AGM, as set out in this Notice is annexed hereto.

Further additional information, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India (ICSI), in respect of Directors seeking appointment/reappointment at this AGM as mentioned in Item No. 3, 4 and 6 of this AGM Notice is also annexed hereto.

- 3. Since this AGM is being held pursuant to the MCA 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.
- 4. Corporate Shareholders 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, 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 e-mail through its registered email address to narasimhan.b8@gmail.com with a copy marked to evoting@nsdl.co.in and gavl.secretarial@godrejagrovet.com.
- 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.
- 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.
- 7. 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 and Key Managerial Personnel are interested, maintained under Section 189 of the Act and Certificate from the Statutory 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.
- The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 24, 2020 to Thursday, July 30, 2020 (both days inclusive) for annual closing and determining the entitlement of the Shareholders to Final Dividend for the Financial Year 2019-20, if declared.
- All the documents in connection with the accompanying Notice and Explanatory Statement are available for inspection and request regarding the same may please be sent on gavl.secretarial@godrejagrovet.com.
- 10. 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.
- In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (SEBI),

the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020, including Report of Board of Directors, Statutory Auditors' Report or other documents required to be attached therewith and the Notice of AGM are being sent through electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s) or Kfintech.

- Members are requested to support "Green Initiative" by 12. registering / updating their e-mail address(es) with the Depository Participant(s) (in case of Shares held in dematerialized form) or with Kfintech (in case of Shares held in physical form). Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the 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). Members holding shares in dematerialized form are requested to register (or update, in case of any change) their e-mail address with their Depository Participant(s), if not already registered / updated and Members holding shares in physical form are requested to register (or update, in case of any change) their e-mail address with Kfintech by sending email at godrej.agrovet@karvy.com, to enable the Company to send electronic communications.
- 13. Members may also note that the Notice of AGM and the Annual Report for the Financial Year 2019-20 will be available on the Company's website <u>www.godrejagrovet.com</u>, on the websites of the Stock Exchanges where the Equity Shares of the Company are listed, i.e., BSE Limited (at <u>www.bseindia.com</u>) and National Stock Exchange of India Limited (at <u>www1.nseindia.com</u>) and on the website of National Securities Depository Limited (NSDL) at <u>www.evoting.nsdl.com</u>.
- 14. 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 godrej.agrovet@karvy.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 godrejagrovet.com.
- 15. The Final Dividend for the Financial Year 2019-20, as recommended by the Board of Directors, if approved at the AGM, would be paid / credited by August 7, 2020 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**, **July 23**, **2020**, 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 on or before **Thursday**, **July 23**, **2020**.

16. 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).

- 17. Shareholders who have not encashed the dividend warrants for the previous year(s), are requested to make their claim with Kfintech ("RTA"), Registrar and Share Transfer Agent of the Company, having its office 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.
- 18. Members may note that the Income Tax 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 (at present 7.5%) on the amount of Dividend declared and paid by the Company during Financial Year 2020-21, provided Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered, TDS would be deducted at rate in force (at present 20%) as per Section 206AA of the Income Tax Act, 1961.

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 2020-21 does not exceed Rs.5,000/-. Please note that this includes future dividends, if any, which may be declared by the Company during the Financial Year 2020-21.

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:

Member is and will continue to remain a tax resident of the country of its residence during the Financial Year 2020-21;

- 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;
- Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company;
 and
- Member does not have a taxable presence or a permanent establishment in India during the Financial Year 2020-21.

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.

19. Shareholders may make an online submission of Form 15G / 15H and Form 10F, along with the requisite supporting documents as mentioned above, as applicable, on the website of Kfintech (at https://ris.kfintech.com/form15). The Shareholders may also download these forms from Kfintech's website and upload the duly filled form at https://ris.kfintech.com/form15 for submission. The aforesaid declarations and documents need to be submitted by

the Shareholders on or before Friday, 23rd July, 2020 by 11.59 p.m. (IST) to Kfintech. It may please be noted that Forms received after the said date and incomplete or incorrect forms shall not be considered and shall not be eligible for non-deduction or lower deduction of tax.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from a Shareholder, there would still be an option available with such Shareholder to file the return of income and claim an appropriate refund, if eligible.

The Company shall arrange to e-mail the soft copy of TDS certificate to a Shareholder on its registered email ID in due course, post payment of the said Dividend.

- 20. 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.
- 21. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all listed Companies 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 of / 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.
- 22. 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. 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 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 upon normalization of the postal services.
- 23. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depositary Participant(s) with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to Kfintech.

- 24. 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.
- 25. 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 IFSC 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.
- 26. SEBI has mandated that the securities of listed companies can be transferred only in dematerialized form from 1st April, 2019, except in case of transmission and transposition of securities. In view of the same and to avail various benefits of dematerialization 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.

- 27. 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 (Thirst-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.
- 28. 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.
- The venue of the 29th AGM shall be deemed to be the Registered Office of the Company at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079.

30. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM:

(A) VOTING THROUGH ELECTRONIC MEANS

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 Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) and Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs (MCA), 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 Monday, July 27, 2020 (at 9.00 a.m. IST) and ends on Thursday, July 30, 2020 (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., Friday, July 24, 2020, 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., Friday, July 24, 2020.
- e) Any person, 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, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING:-

Manner of Voting 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: Log-in to NSDL e-Voting system at $\underline{\text{https://www.evoting.}}$ $\underline{\text{nsdl.com/}}$

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

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 'Shareholders' section.
- 3. 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 eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. 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	16 Digit Beneficiary ID
in demat account with CDSL.	For example, if your Beneficiary ID is 12********* then your user ID is 12************************************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company
	For example, if your folio number is 001*** and EVEN is 113103 then user ID is 113103001

- 5. 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.
 - b) 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.
 - c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in "process for those shareholders whose email ids are not registered"

- 6. 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.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at <u>evoting@nsdl.co.in</u> 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.
- 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.
- After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- 3. Select "EVEN" of Company, i.e., 113103 for which you wish to cast your vote.
- 4. Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- 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 the 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 the Company at gavl.secretarial@godrejagrovet.com and to NSDLat evoting@nsdl.co.in.
- 2. 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.
- 3. 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.: 1800-222-990 or send a request to Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or amitv@nsdl.co.in or at telephone number 022-2499 4360 or Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone number 022-2499 4545.

Process for those Shareholders whose e-mail ID are not registered with the Depositories, for procuring User ID and Password and registration of e-mail ID on E-voting for the Resolutions set out in the Notice of AGM:

- 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 godrei.agrovet@karvy.com.
- 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).

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

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- 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.
- 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.
- 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.

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

- 1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members 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. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.
- 2. The Members can join the AGM in the VC/OAVM mode 30 (Thirty) 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.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
- 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.
- 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 <u>gavl.secretarial@godrejagrovet.com</u>. The same will be replied by the Company suitably either in advance or at the time of AGM.
- 7. 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@godrejagrovet.com from July 27, 2020 (9.00 a.m. IST) to July 29, 2020 (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.

Godrej Agrovet Limited

- 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 amitv@nsdl.co.in or at telephone number 022-2499 4360 or Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone number 022-2499 4545.
- 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.
- 31. B N & Associates, Company Secretaries (CS B. Narasimhan, Proprietor) has been appointed as the Scrutinizer to scrutinize the remote e-voting as well as the e-voting process to be conducted at the 29th AGM, in a fair and transparent manner.
- 32. The Scrutinizer shall immediately after 15 minutes from the conclusion of voting at the Meeting, will 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 by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The Results shall be declared not later than 48 (forty-eight) hours 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.godrejagrovet.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.
- Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Friday, July 31, 2020.

By Order of the Board of Directors of Godrej Agrovet Limited

Sd/-

Vivek Raizada

Head – Legal & Company Secretary & Compliance Officer ICSI Membership No:- ACS 11787

Place: Mumbai Date: May 11, 2020

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
E-mail: gavlinvestors@godrejagrovet.com

CIN: L15410MH1991PLC135359

ANNEXURE TO THE NOTICE OF THE 29TH (TWENTY-NINTH) ANNUAL GENERAL MEETING (AGM) OF GODREJ AGROVET LIMITED

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

The following 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 29th (Twenty-Ninth) Annual General Meeting ("AGM") of **Godrej Agrovet Limited** on **Friday, July 31, 2020, 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 11, 2020, based on recommendations of the Audit Committee, has re-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 2020-21, pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 ("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 ₹ 1,20,000/- (Rupees One Lakh Twenty Thousand Only) per annum, exclusive of applicable tax(es) and reimbursement of out-of-pocket expenses, if any, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, shall require ratification by the Shareholders.

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

- the Cost Auditors do not suffer from any disqualifications as specified under Section 141(3) of the Act;
- 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.

Special Resolution under Item No. 6:

Pursuant to sub-regulation (1A) of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members by way of a Special Resolution is necessary for appointment or continuation of appointment of any Non-Executive Director who has attained the age of 75 (Seventy-five) years.

Mr. Vijay M. Crishna, Non-Executive & Non-Independent Director of the Company, who has attained the age of 75 (Seventy-five) years on March 8, 2020, has been re-appointed by the Board of Directors at its Meeting

held on May 11, 2020 as an "Additional Director" (Non-Executive and Non-Independent), subject to approval of the Shareholders by way of a Special Resolution at the 29th AGM, pursuant to the provisions of Section 152,160 and other applicable provisions of the Companies Act, 2013 and sub-regulation (1A) of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief Profile:

Mr. Vijay M. Crishna is a B.A. (Economics) from St. Stephen's College, University of Delhi. He is also a Director of Godrej & Boyce Manufacturing Company Limited, Godrej Industries Limited and Precision Wires India Limited. He serves as a Trustee of the Bombay Scottish Orphanage Society and is a member of the Advisory Board of the Institute for Technology and Management, Navi Mumbai, the President's International Advisory Board Colorado College and on the Advisory Panel of the New Zealand Trade and Enterprise Beachhead Programme. In 1991, he had established the Naoroji Godrej Centre for Plant Research at Shindewadi, Satara District, which researches and propagates rare and endangered species of medicinal plants endemic to the Western Ghats. He is a Life Member of The Himalayan Club since 1973 and now its Honorary Secretary. He has trekked in the Garhwal, Sikkim, Ladakh, Nepal and Tibet. He has been active in theatre since 1965 in Delhi. Kolkata and Mumbai.

A brief resume of Mr. Vijay M. Crishna, nature of his expertise in specific functional areas, names of companies in which he is holding Directorships, Committee Memberships / Chairmanships, his shareholding etc. is annexed in terms of Regulation 36(3) of the Listing Regulations.

The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the appointment of Mr. Vijay M. Crishna as a "Non-Executive Director" of the Company, considering his experience, knowledge and contribution to the Company for many years.

Except Mr. Vijay M. Crishna, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned Resolution as mentioned in **Item No. 6**.

The Board recommends the **SPECIAL RESOLUTION** set forth in **Item No.** 6 for approval of the Shareholders.

By Order of the Board of Directors of Godrej Agrovet Limited

Sd/-

Vivek Raizada

Head – Legal & Company Secretary & Compliance Officer ICSI Membership No:- ACS 11787

Place: Mumbai Date: May 11, 2020

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

E-mail: gavlinvestors@godrejagrovet.com

CIN: L15410MH1991PLC135359

BRIEF RESUME OF DIRECTOR(S) / PERSON(S) SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 29TH (TWENTY-NINTH) ANNUAL GENERAL MEETING OF GODREJ AGROVET LIMITED

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Name of Director	Mr. Nadir B. Godrej (Chairman - Non - Executive &	Ms. Tanya A. Dubash (Non - Executive &	Mr. Vijay M. Crishna (Additional Director - Non - Executive
	Non - Independent Director)	Non - Independent Director)	& Non - Independent Director)
Director Identification Number (DIN)	00066195	00026028	00066267
Date of Birth (DD/MM/YYYY)	26/08/1951	14/09/1968	08/03/1945
Age (in years)	68	51	75
Nationality	Indian	Indian	Indian
Date of Appointment (DD/MM/YYYY)	25/11/1991	10/04/2003	11/05/2020
Qualification	Master of Science degree in Chemical Engineering from Stanford University and an MBA from Harvard Business School	Bachelor's degree in Arts from Brown University and Certificate in Advanced Management Program from Harvard Business School.	Bachelor's degree in Economics from St. Stephen's College, University of Delhi.
Nature of expertise in specific functional areas	 Strategy & Business Industry & Market Expertise Technology Perspective Governance, Finance & Risk 	Strategy & BusinessMarket ExpertiseGovernance, Finance & RiskDiversity of Perspective	 Strategy & Business Market Expertise Governance, Finance & Risk Diversity of Perspective
Number of Equity Shares held in the Company:			
By self:	102 Equity Shares	34 Equity Shares	Nil
As a Beneficial Owner of:	13,82,018 Equity Shares each (as Trustee of BNG Family Trust, HNG Family Trust and SNG Family Trust)	13,82,018 Equity Shares (as Trustee of TAD Family Trust)	1 Equity Share each (as a Trustee of VMC Family Trust and SGC Family Trust)
	1 Equity Share each (as Trustee of NBG Family Trust, RNG Family Trust, SNG Successor Trust, SNG Lineage Trust, BNG Successor Trust and BNG Lineage Trust)	1 Equity Share (as Trustee of TAD Children Trust)	
Number of Board Meetings attended	4	5	3
during the Financial Year 2019-20			
Directorships held in other Companies*	Godrej Industries Limited Godrej Consumer Products Limited Mahindra and Mahindra Limited Godrej Properties Limited Astec LifeSciences Limited	Godrej Industries Limited Godrej Consumer Products Limited Britanina Industries Limited Escorts Limited	Godrej Industries Limited Percison Wires India Limited
Chairmanships of Committees in other companies**	Godrej Consumer Products Limited Stakeholders' Relationship committee Corporate Social Responsibility Committee Securities Committee Godrej Industries Limited Corporate Social Responsibility Committee Risk Management Committee	-	
Memberships of Committees in other companies**	Godrej Industries Limited Stakeholders' Relationship committee Management Committee Mahindra & Mahindra Limited Audit Committee Governance, Nomination & Remuneration Committee Strategic Investment Committee R&D Committee Risk Management Committee	Godrej Industries Limited Stakeholders' Relationship committee Risk Management Committee Corporate Social Responsibility Managing Committee Godrej Consumer Products Limited Management Committee Corporate Social Responsibility Britannia Industries Limited Strategy and Innovation Steering Committee	-

Name of Director	Mr. Nadir B. Godrej	Ms. Tanya A. Dubash	Mr. Vijay M. Crishna	
	(Chairman - Non - Executive &	(Non - Executive &	(Additional Director - Non - Executive	
	Non - Independent Director)	Non - Independent Director)	& Non - Independent Director)	
Relationships between Directors of the	None	Elder Sister of Ms. Nisaba Godrej	None	
Company inter-se	[No relationship in terms of the	(Director) and Mr. Pirojsha Godrej	[No relationship in terms of the	
	Securities and Exchange Board of India	(Director)	Securities and Exchange Board of India	
	(Listing Obligations and Disclosure		(Listing Obligations and Disclosure	
	Requirements) Regulations, 2015]		Requirements) Regulations, 2015]	
Terms and conditions of appointment	Terms and Conditions of appointment	Terms and Conditions of appointment	Terms and Conditions of appointment	
/ re-appointment along with details	or re-appointment are as per the	or re-appointment are as per the	or re-appointment are as per the	
of remuneration sought to be paid	Nomination and Remuneration	Nomination and Remuneration	Nomination and Remuneration	
and remuneration last drawn by such	Policy of the Company as displayed	Policy of the Company as displayed	Policy of the Company as displayed	
person.	on the Company's website, i.e.	on the Company's website, i.e.	on the Company's website, i.e.	
	www.godrejagrovet.com.	www.godrejagrovet.com.	www.godrejagrovet.com.	
	• Entitled to Commission on Profits as a	• Entitled to Commission on Profits as a	• Entitled to Commission on Profits as a	
	Non- Executive Director	Non- Executive Director	Non- Executive Director	

 $^{(\}mbox{\ensuremath{^{\star}}})$ Includes names of other Listed Companies in which the person holds Directorship.

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

DIRECTORS' REPORT AND ANNEXURES

DIRECTORS' REPORT OF GODREJ AGROVET LIMITED

Corporate Identity Number (CIN): L15410MH1991PLC135359

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

TO THE MEMBERS:

Your Directors have pleasure in presenting the Directors' Report along with the Audited Financial Statements for the Financial Year 2019-20.

1. FINANCIAL SUMMARY:

Your Company's Standalone and Consolidated performance during the Financial Year 2019-20 as compared with that of the previous Financial Year 2018-19 is summarized below:-

(₹ in Crore)

	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Total Income	5,159.69	4,349.90	7,010.86	5,970.84
Profit Before Taxation & Exceptional Items	359.22	307.49	358.55	389.00
Add: Exceptional Items	-	-	(9.92)	88.30
Profit Before Taxation (PBT)	359.22	307.49	348.63	477.30
Less: Provision for Taxation	65.91	99.61	48.05	127.97
Profit After Taxation (PAT)	293.31	207.88	300.58	349.33

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 2019-20.

Businesses of the Company:

Animal Feed:

In the Financial Year 2019-20, volume growth was modest at 2.87%, as the fourth quarter volumes were impacted by the disruption caused by COVID-19 outbreak. Poultry segment volumes significantly declined in the fourth quarter due to the rumour of contacting coronavirus infection by consumption of poultry and poultry products. Further, volumes in the other segments (Fish, Cattle and Shrimp) were also impacted from mid-March 2020, after lockdown started in few states. However, despite modest growth, your Company posted segment revenue and segment result growth of 20.05% and 19.56%, respectively, for the Financial Year 2019-20 driven by price hikes taken across products categories. This was despite the high raw material prices.

Crop Protection:

At a standalone level, Crop Protection segment sales and segment results were ₹567.72 Crore and ₹153.84 Crore respectively, during the Financial Year 2019-20 (₹549.41 Crore and ₹160.07 Crore, respectively reported in the previous Financial Year 2018-19). During the Financial Year 2019-20, your Company launched an inhouse cotton herbicide 'Hitweed Maxx' and an in-licensing product 'Hanabi' which is used for managing mites in tea plantation. In addition, multiple other products were also launched which will

help your Company not only in enhancing its product portfolio, but also in entering new crops and new segments.

Vegetable Oil:

The sales of the vegetable oil segment were at ₹673.50 Crore in the Financial Year 2019-20 AS compared with sales of ₹679.30 Crore in the previous Financial Year. Segment result was ₹89.34 Crore in the current Financial Year compared with ₹113.45 Crore reported during previous Financial Year. The performance has been impacted by lower prices of crude palm oil and palm kernel oil during the first half of the Financial Year 2019-20 which was the peak season for the business. Further, oil content in the fruit was also lower than last year.

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 nonvegetarian products, cattle breeding and dairy farming, through its Subsidiaries, Joint Ventures and other Associates.

Pursuant 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 your Company's Subsidiaries, Associates and Joint Ventures in the Form AOC-1 is annexed and forms part of the Financial Statement. The Statement provides the details of 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 Venture and other Associates of your Company:

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 2019-20, Godvet recorded Profit Before Tax of ₹0.82 Crore as compared with Profit Before Tax of ₹0.63 Crore in the previous Financial Year 2018-19.

2. Astec LifeSciences Limited (Astec) & Its Subsidiaries:

Astec LifeSciences Limited, your Company's subsidiary manufactures agrochemical active ingredients (Technical Formulations), intermediate products and sells its products in India as well as exports them to approximately 24 countries. During in the Financial Year 2019-20, the Company recorded total income of ₹534.54 Crore, which is at a growth of 20.92% over the previous Financial Year. Profit Before Exceptional Items and Tax also increased to ₹61.35 Crore during the Financial Year 2019-20 as compared to ₹55.90 Crore during the previous Financial Year 2018-19.

Your Company has increased its stake in Astec from 57.67% in the previous Financial Year, to 62.37% in the current Financial Year. The Shareholding of the Company as on March 31, 2020 as per Register of Members was 119,72,830, i.e., 61.18%. Further, the Company acquired additional 93,740 Equity Shares on March 27, 2020, 82,135 Equity Shares on March 30, 2020 and 55,311 Equity Shares on March 31, 2020 aggregating to total shareholding of 1,22,04,016 Equity Shares, i.e., 62.37%, which was subsequently reflected in the Register of Members, after March 31, 2020.

Subsidiaries of Astec LifeSciences Limited:

Astec LifeSciences Limited had the following 3 (three) subsidiaries during the Financial Year 2019-20:

(i) Behram Chemicals Private Limited:

During the Financial Year 2019-20, Behram Chemicals Private Limited reported a Profit Before Tax of ₹0.08 Crore as compared to Profit Before Tax of ₹0.10 Crore during the previous Financial Year 2018-19.

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

During the Financial Year 2019-20, Comercializadora Agricola Agroastrachem Cia Ltda, reported Nil Profit Before Tax compared with (Loss) Before Tax of (₹0.0005) Crore during the last year.

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

During the period ended March 31, 2020, Astec Europe Sprl reported (Loss) Before Tax of (₹0.0109)

Crore, as compared with Profit Before Tax of ₹0.01 Crore reported during the last year.

3. Creamline Dairy Products Limited & Its Subsidiary:

Creamline Dairy Products Limited ("CDPL"), your Subsidiary is a leading private dairy Company based out of Southern India is one of the leading private dairy companies and its products are sold under the brand name 'Jersey'. During the Financial Year 2019-20, CDPL recorded a total income of ₹1,199.61 Crore as compared to ₹1,161.04 Crore reported in the previous Financial Year. Profit Before Tax for the current Financial Year stood at ₹3.14 Crore as compared with ₹20.04 Crore in the previous Financial Year.

Subsidiary of Creamline Dairy Products Limited:

Nagavalli Milkline Private Limited ("Nagavalli"): Nagavalli had been a wholly-owned subsidiary of CDPL upto October 31, 2019.

As a part of a re-organization strategy, a Scheme of Amalgamation of CDPL with Nagavalli under pursuant to Sections 230 to 232 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 was filed with the Hon'ble National Company Law Tribunal ('NCLT'), Hyderabad Bench during in the Financial Year 2018-19.

The Hon'ble NCLT, Hyderabad Bench approved/sanctioned the said Scheme on October 17, 2019 with Appointed Date as April 1, 2019.

The Scheme of Amalgamation became effective on October 31, 2019 with the filing of aforementioned Order of the NCLT with the Registrar of Companies, Hyderabad by both the companies (i.e. CDPL & Nagavalli).

4. Godrej Tyson Foods Limited:

Godrej Tyson Foods Limited ("GTFL") became a the subsidiary of your Company during in the previous Financial Year when latter increased its shareholding in it from 49.9% to 51.0%. 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. During the Financial Year 2019-20, GTFL recorded a total income of ₹515.91 Crore representing year-on-year growth of 5.49%. However, GTFL reported a Loss Before Tax of ₹6.68 Crore reported in the previous Financial Year.

5. Godrej Maxximilk Private Limited:

Godrej Maxximilk Private Limited ("GMPL") also became a subsidiary of your Company in the previous Financial Year. During in the current year, your Company has further increased its shareholding in GMPL to 74.0%. The subsidiary is engaged in in-vitro production of high-quality cows that aid dairy farmers to produce top-quality milk, thereby increasing their yield by a significant proportion. For the Financial Year 2019-20, GMPL has reported a Loss Before Tax of (₹7.80) Crore as compared with Loss Before Tax of (₹6.43) Crore in the previous Financial Year.

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

(i) ACI Godrej Agrovet Private Limited, Bangladesh:

ACI Godrej Agrovet Private Limited recorded revenues of ₹1,027.17 Crore during the Financial Year 2019-20 as compared with revenues of ₹654.86 Crore during the previous Financial Year 2018-19. The Joint Venture continues to remain amongst top players in all the feed categories it operates in Bangladesh.

(ii) Omnivore India Capital Trust:

Your Company has 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 your Company participates in the key activities jointly with the Investment Manager.

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

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

Your Company currently has a 24.0% stake in the associate (with a 33.33% share in profits). The investment in this associate appears as a part of current investment in the current Financial Year 2019-20.

3. FINANCE:

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

4. INFORMATION SYSTEMS:

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

- QR Code based Inventory Management System in Crop Protection Business of your Company to improve inventory tracking across the entire supply chain, automation of billing process and improved visibility of near expiry material.
- Automated Promotion Schemes given to Distributors of Crop Protection Business of your Company to provide real time visibility of provisions towards credit notes simplified internal process.
- Software Solution (Project Pragati) implemented to track all R&D initiatives in Crop Protection Business and Astec LifeSciences Limited.
- d) Implemented a comprehensive planning solution in Godrej Tyson Foods Limited, a subsidiary, to automate demand forecast and bring efficiency in S&OP (Sales and Operation Planning) and FP&A (Financial Planning and Analysis).

- Sales Force Automation along with integrated Distributor Management System to improve sales force productivity and visibility on secondary liquidation in Godrej Tyson Foods Limited and Creamline Dairy Products Limited.
- f) Provided digital payments option through mobile apps to customers and automated collection process for Creamline Dairy Products Limited.
- Implemented Disaster Recovery Solution for Subsidiaries and Joint Ventures to ensure Business Continuity.
- Supplier Relationship Management (SRM) portal (Project Suvidha) implemented to bring transparency in business transactions and improve efficiency in inbound logistics.
- Analytics Solution deployed for Animal Feed Sales & Finance function in your Company to provide meaningful insights and help carry out ad hoc analysis.
- Further strengthened IT security within your Company, its Subsidiaries and Joint Ventures.

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), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Medchal (Telangana) and Unnao (Uttar 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).

Aqua Feed:

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

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 Financial Year 2019-20, your Company drove specific interventions to enhance its employee capabilities, engagement levels and women representation in the business. There were various initiatives undertaken to improve the employee engagement and connect. Your Company measures employee engagement through an independent external agency. During the survey conducted in Financial Year 2019-20, most of the Company's businesses recorded improvement in the employee engagement

level. The engagement levels in your Company are in the top quartile in the industry. Your 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. During the Financial Year 2019-20, specific learning interventions such as Sales Capability, Leadership Development Program for women, Management Development Program (MDP) for selected Assistant Managers etc. were implemented. In most of your Company's businesses, the attrition stayed at / below the industry level. Your Company is committed to build and maintain a safe and healthy workplace. There are several policies formulated for the benefit of employees, which promote gender diversity, equal opportunity and prevention of sexual harassment, safety and health of employees.

During the Financial Year 2019-20, there was improvement in the woman representation at all levels. As on March 31, 2020, the total number of permanent employees were 2708.

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.

B. DIVIDEND:

The Board of Directors of your Company recommend a Final Dividend for the Financial Year 2019-20 @ 55% (Fifty-Five per cent) i.e., ₹5.50/- (Rupees Five and Paise Fifty Only) per Equity Share of Face Value of ₹10/- (Rupees Ten Only) each, subject to approval of the Members at the ensuing 29th (Twenty-Ninth) Annual General Meeting (AGM).

The Dividend will be paid to the Shareholders whose names appear in the Register of Members of the Company as on July 24, 2020 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.

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

The Dividend payout for the Financial Year under review is in accordance with the Dividend Distribution Policy of the Company.

9. TRANSFER TO RESERVE:

Your Directors do not propose to transfer any amount to reserves during the Financial Year ended March 31, 2020.

10. SHARE CAPITAL:

Your Company's Equity Share Capital position as at the beginning of the Financial Year 2019-20 (i.e., as on April 1, 2019) and as at the end of the said Financial Year (i.e., as on March 31, 2020) is as follows:-

Category of Share Capital	Aut	horized Share Cap	ital	Issued, Subscribed & Paid-up Share C		
	No. of Shares	Face Value Per Share (₹)	Total Amount (₹)	No. of Shares	Face Value Per Share (₹)	Total Amount(₹)
As on April 1, 2019:						
Equity	22,49,94,000	10	2,24,99,40,000	19,20,28,739	10	1,92,02,87,390
Preference	6,000	10	60,000	-	-	-
TOTAL	22,50,00,000		2,25,00,00,000	19,20,28,739		1,92,02,87,390
As on March 31, 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

During the Financial Year under review, your Company has allotted 13,159 (Thirteen Thousand One Hundred and Fifty-Nine) Equity Shares of Face Value of ₹10/- (Rupees Ten Only) each, pursuant to the exercise of options by the eligible employees of the Company under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 (GAVL ESGS 2018).

The aforementioned 13,159 (Thirteen Thousand One Hundred and Fifty-Nine) Equity Shares have been listed for trading on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

11. EMPLOYEES STOCK GRANT SCHEME:

The details of the grants allotted under Godrej Agrovet Limited - Employee Stock Grant Scheme, 2018 (ESGS 2018), as also the disclosures 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. gorejagrovet.com.

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the ESGS 2018. The Board of Directors confirm that the 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 Members. The Board further confirms that there have been no changes in the ESGS 2018 Scheme during the Financial Year 2019-20.

The Certificate, obtained from M/s. BSR & Co. LLP, Statutory Auditors in this regard, shall 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 2019-20.

13. HOLDING COMPANIES:

Your Company continues to be a subsidiary of Godrej Industries Limited ("GIL") as defined under Section 2(87) of the Companies Act, 2013. As on March 31, 2020, the shareholding of GIL in the Company was 11,38,51,427 (Eleven Crore Thirty-Eight Lakh Fifty-One Thousand Four Hundred and Twenty-Seven) Equity Shares of Face Value of ₹10/- (Rupees Ten Only) each aggregating to 59.28% 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 2019-20:-

i. Godvet Agrochem Limited:

(A Wholly-Owned Subsidiary of your Company throughout the Financial Year 2019-20)

ii. Astec LifeSciences Limited:

(A subsidiary of your Company throughout the Financial Year 2019-20, in which your Company holds 62.37% of the Equity Share Capital as on March 31, 2020)

iii. Behram Chemicals Private Limited:

(Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2019-20, in which Astec LifeSciences Limited holds 65.63% as on March 31, 2020)

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

(A Wholly-Owned Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2019-20)

v. Astec Europe Sprl (Belgium, Europe):

(Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2019-20, in which Astec LifeSciences Limited holds 50.10% as on March 31, 2020)

vi. Creamline Dairy Products Limited:

(Subsidiary of your Company throughout the Financial Year 2019-20, in which your Company holds 51.91% as on March 31, 2020)

Creamline Dairy Products Limited is an Unlisted Material Subsidiary of your Company as on March 31, 2020, as per Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vii. Nagavalli Milkline Private Limited:

(A Wholly-Owned Subsidiary of Creamline Dairy Products Limited, which has been amalgamated with Creamline Diary Products Limited with effect from October 31, 2019).

viii. Godrej Tyson Foods Limited:

(Subsidiary of your Company throughout the Financial Year 2019-20, in which your Company holds 51.00%).

ix. Godrej Maxximilk Private Limited:

(Subsidiary of your Company throughout the Financial Year 2019-20, in which your Company holds 74.00% as on March 31, 2020).

On September 30, 2019, your Company acquired additional 11.03% of Paid-up Equity Share Capital of Godrej Maxximilk Private Limited, increasing its Equity holding from 62.97 % to 74.00%.

15. JOINT VENTURE COMPANY:

i. ACI Godrej Agrovet Private Limited, Bangladesh

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

16. ASSOCIATE COMPANIES:

ii. 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 2019-20, your Company has not proposed or considered or approved any Scheme of Merger / Amalgamation / Takeover / De-merger or Arrangement with its Members and/or Creditors.

Update on previous Scheme of Merger /Amalgamation:

During the Financial Year 2018-19, the Board of Directors of your Company, at its Meeting held on September 14, 2018, had approved the Scheme of Amalgamation of Astec LifeSciences Limited, a listed subsidiary, with your Company and had filed a Petition C.A. (CAA) /1677/230-232/MB/2018 for the same.

However, based on the interaction with the multiple stakeholders across Astec LifeSciences Limited and your Company, the Board of Directors of Astec LifeSciences Limited and your Company at their respective Meetings held on May 6, 2019, reviewed the proposal and decided not to pursue the scheme further and it had been decided to withdraw the aforesaid Petition.

The aforementioned Petition has been dismissed as not presented before the NCLT (Mumbai Bench) vide an Order dated May 10, 2019.

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

Sr. No.	Particulars Change in Nature of Business, if any		Remarks None			
1.						
2.	Details of Directors / Key Managerial Personne		el (KMP) who were appointed or have resigned during the Financial Year 2019-20;			
	Sr. No	Name of Director	Date of Appointment/ Resignation			
	a)	Mr. Pirojsha Godrej	Appointed as an "Additional Director" (Non-Executive & Non-Independent Director) by the Board of Directors of the Company at its Meeting held on November 5, 2018. The Shareholders of the Company at the 28th Annual General Meeting held on August 2, 2019, appointed Mr. Pirojsha Godrej as "Director" (Non-Executive & Non-Independent Director) of the Company, liable to retire by rotation.			
	b)	Mr. Natarajan Srinivasan	Appointed as an "Additional Director" (Non-Executive & Independent Director) by the Board of Directors of the Company at its Meeting held on February 4, 2019. The Shareholders of the Company at the 28th Annual General Meeting held on August 2, 2019, appointed Mr. Natarajan Srinivasan as an "Independent Director" of the Company, for a period from February 4, 2019 upto July 17, 2022.			
	c)	Mr. Kannan Sitaram	Appointed as an "Additional Director" (Non-Executive & Independent Director) by the Board of Directors of the Company at its Meeting held on June 17, 2019. The Shareholders of the Company at the 28th Annual General Meeting held on August 2, 2019, appointed Mr. Kannan Sitaram as an "Independent Director" of the Company, for a period from June 17, 2019 upto July 17, 2022.			
	d)	Mr. Amit B. Choudhury	Independent Director of the Company who resigned from the directorship of the Company w.e.f. May 23, 2019, in terms of the provisions of Section 168 of the Companies Act, 2013.			
	e)	Mr. Vijay M. Crishna	Mr. Vijay M. Crishna ceased to be the Director 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.			
3.	Names of Companies which have become or have ceased to be Subsidiaries, Joint Ventures or Associate Companies during the Financial Year 2019-20.		Nagavalli Milkline Private Limited amalgamated with Creamline Dairy Products Limited during the Financial Year 2019-20, consequent to which, it ceased to be a step-down subsidiary of the Company.			

Sr. No.	Particulars	Remarks
4.	Details of Deposits covered under Chapter V of the Companies Act, 2013	(i) Accepted during the year: Nil (ii) Remained unpaid or unclaimed during the year: Nil (iii) 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 (iv) 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.	No significant and material orders have been passed by the regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6.	Details in respect of Adequacy of Internal Financial Controls with reference to the Financial Statement.	· ·

19. ANNUAL RETURN:

The Annual Return pursuant to Sections 92(3) and 134(3)(a) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014 forming part of the Directors' Report, have been made available on the website of the Company i.e., http://www.godrejagrovet.com.

20. DIRECTORS:

The Board of Directors of your Company during Financial Year 2019-20 comprised of the following Directors:

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.	Mr. Amit B. Choudhury#	(Independent Director)
10.	Dr. Raghunath A. Mashelkar	(Independent Director)
11.	Dr. Ritu Anand	(Independent Director)
12.	Ms. Aditi Kothari Desai	(Independent Director)
13.	Ms. Roopa Purushothaman	(Independent Director)
14.	Mr. Natarajan Srinivasan##	(Independent Director)
15.	Mr. Kannan Sitaram\$	(Independent Director)

* Mr. Vijay M. Crishna ceased to be the a Director 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors at its meeting held on May 11, 2020 has approved the appointment of Mr. Vijay M. Crishna, who has attained the age of 75 years, as an "Additional Director" of the Company, subject to the approval of Shareholders at the ensuing 29th Annual General Meeting of the Company, pursuant to the provisions of Section 152, 160 and other applicable provisions of the Companies Act and/or the Rules framed thereunder and Regulation 17(1A) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**Mr. Pirojsha Godrej, has been appointed as an "Additional Director" (Non-Executive & Non-Independent) by the Board of Directors with effect from November 5, 2018 and by the Shareholders of the Company at the 28th Annual General Meeting held on August 2, 2019.

#Mr. Amit B. Choudhury, Independent Director of the Company resigned from the directorship of the Company w.e.f. May 23, 2019, in terms of the provisions of Section 168 of the Companies Act, 2013.

##Mr. Natarajan Srinivasan has been appointed as an Independent Director of the Company, for a period from February 4, 2019 upto July 17, 2022, by the Shareholders of the Company at its 28th Annual General Meeting held on August 2, 2019.

\$Mr. Kannan Sitaram has been appointed as an Independent Director of the Company, for a period from June 17, 2019 upto July 17, 2022, by the Shareholders of the Company at its 28th Annual General Meeting held on August 2, 2019.

Mr. Nadir B. Godrej, Chairman of the Company (Non-Executive, Non-Independent Director) and Ms. Tanya A. Dubash (Non-Executive, Non-Independent Director) shall retire by rotation at the ensuing 29th (Twenty-Ninth) 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 reappointment.

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 2019-20:-

- 1. Mr. Balram S. Yadav, Managing Director;
- 2. Mr. S. Varadaraj, Chief Financial Officer & Head Legal & IT;
- 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 the Company has formulated the Nomination and Remuneration Policy.

The Nomination and Remuneration Policy of your Company has been made available on website of the Company i.e., on the web-link http://www.godrejagrovet.com/codes-and-policies.aspx.

The criteria for determining qualification, positive attributes and Independence of Directors is given in "Annexure -'B'" to this Directors' Report.

23. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

As on March 31, 2020, the following Directors on your Company's Board were Independent Directors:

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

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 7 (seven) Independent Directors, of the Company pursuant to Section 149(6) of the Companies Act, 2013, as amended from time to time, after undertaking due assessment of the veracity of the same and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The Certificate of Independence received from all the Independent Directors have been duly noted by the Board at its meeting held on May 11, 2020.

The criteria for determining qualification, positive attributes and independence of Directors is provided in the Nomination and Remuneration Policy of the Company and is available on the website at the web-link http://www.godrejagrovet.com/codes-and-policies.aspx.

All the Independent Directors of the Company have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The details of familiarization programme attended by the Independent Directors during the Financial Year 2019-20 are available on the website of the Company at the web-link http://www.godrejagrovet.com/listing-compliance.aspx.

24. STATEMENT OF THE BOARD OF DIRECTORS WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS APPOINTED DURING THE FINANCIAL YEAR 2019-20:

In the opinion of the Board of Directors of your Company, Mr. Natarajan Srinivasan and Mr. Kannan Sitaram, who were appointed as an "Additional Director" (Non-Executive & Independent Director) of the Company by the Board of Directors at its Meeting held on February 4, 2019 and on June 17, 2019 respectively, who were further appointed as an "Independent Director" by the Shareholders of the Company at the 28th Annual General Meeting held on August 2, 2019, for a period from February 4, 2019 upto July 17, 2022 and from June 17, 2019 upto July 17, 2022 respectively. They also possesses the requisite integrity, expertise and experience.

All the Independent Directors of your Company have successfully registered their name for inclusion in the 'Independent Directors Data Bank' maintained by the Indian Institute of Corporate Affairs, Manesar.

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 through circulation.

There were 5 (five) Meetings of the Board of Directors held during the Financial Year 2019-20, (i.e., May 6, 2019, June 17, 2019, August 2, 2019, November 4, 2019 and February 5, 2020).

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 comprises of the following Members as on March 31, 2020:-

- 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)

There were 4 (four) Meetings of the Audit Committee of the Board of Directors held during the Financial Year 2019-20, (i.e., May 6, 2019, August 2, 2019, November 4, 2019, and February 5, 2020).

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. The Audit Committee has made observations and recommendations to the Board of Directors, which have been noted and accepted by the Board.

During the Financial Year 2019-20, all recommendations made by the Audit Committee to the Board of Directors were accepted by the Board and 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, 2020:-

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

There were 2 (two) Meetings of the Nomination and Remuneration Committee of the Board of Directors held during the Financial Year 2019-20 (i.e., on May 6, 2019 and June 17, 2019).

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 during the Financial Year 2019-20:-

- 1. Mr. Nadir B. Godrei
 - (Chairman Non-Executive & Non-Independent Director)
- 2. Mr. Balram S. Yadav
 - (Member Managing Director)
- 3. Mr. Amit B. Choudhury*
 - (Member Non-Executive & Independent Director)
- 4. Mr. Natarajan Srinivasan*
 - (Member Non-Executive & Independent Director)

*Mr. Natarajan Srinivasan, was inducted as a Member of the Stakeholders' Relationship Committee with effect from August 2, 2019, in place of Mr. Amit B. Choudhury (who was a Member of the Stakeholders' Relationship Committee upto May 23, 2019).

During the Financial Year 2019-20, 1 (one) Meeting of the Stakeholders' Relationship Committee was held, i.e., on November 4, 2019.

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, 2020:-

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

There were 2 (two) Meetings of the CSR Committee held during the Financial Year 2019-20 (i.e., on May 6, 2019 and November 5, 2019).

Areas of CSR Expenditure:

Your Company is 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 CSR Policy of your Company is uploaded on the website, viz., www.godrejagrovet.com.

Amount of CSR Spending:

During the Financial Year 2019-20, your Company was required to spend ₹5.37 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 2019-20 was ₹5.85 Crore.

Annual Report on CSR Activities:

The Annual Report on CSR Activities of your Company for the Financial Year 2019-20, is annexed herewith as "Annexure - 'C".

30. RISK MANAGEMENT COMMITTEE:

Pursuant to the provisions of 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 during the Financial Year 2019-20:-

- Mr. Nadir B. Godrej (Chairman - Non-Executive & Non-Independent Director)
- Mr. Balram S. Yadav (Member - Managing Director)
- Mr. Amit B. Choudhury*
 (Member Non-Executive & Independent Director)
- Mr. Natarajan Srinivasan*
 (Member Non-Executive & Independent Director)

*Mr. Natarajan Srinivasan, was inducted as a Member of the Risk Management Committee with effect from June 17, 2019, in place of Mr. Amit B. Choudhury (who was a Member of the Risk Management Committee upto May 23, 2019).

During the Financial Year 2019-20, 1 (One) Meeting of the Risk Management Committee was held on May 6, 2019.

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 eliminating/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, 2020:

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

The Managing Committee met 11 (Eleven) times during the Financial Year 2019-20, (i.e., on April 12, 2019, May 8, 2019, June 11, 2019, July 12, 2019, July 25, 2019, August 2, 2019, September 30, 2019, November 11, 2019, January 6, 2020, February 5, 2020 and March 12, 2020).

32. STRATEGY COMMITTEE:

The Company has been looking forward for organic as well as inorganic growth for strengthening its footsteps in the businesses in which the Company and/or any of its Subsidiaries or Associates operate and hence intends to explore strategic options for its growth. Keeping this objective in mind and to streamline the process for evaluating any proposals for Strategic Acquisitions, Collaborations or Joint Ventures, a Strategy Committee of the Board of Directors has been constituted, comprising of the following Members, as on March 31, 2020:

- Mr. Nadir B. Godrej
 (Chairman Non-Executive & Non-Independent Director)
- Mr. Kavas N. Petigara
 (Member Non-Executive & Independent Director)
- Mr. Balram S. Yadav
 (Member Executive & Non-Independent Director)

The Strategic Committee met 1 (One) time during the Financial Year 2019-20, (i.e., on February 5, 2020).

33. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors met once during the Financial Year 2019-20, i.e., on February 5, 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 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 ("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. 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.

On a quarterly basis, the Audit Committee reviews reports made under this the 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, 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 pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

Your Company has complied with provisions relating to the constitution of Internal Complaints the Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The ICC at the Head Office level consists of the following Members as on March 31, 2020:

Ms. Chhavi Agarwal (Chairperson)
 Mr. S. Varadaraj (Member)
 Mr. Salil Chinchore (Member)
 Ms. Neeyati Shah (Member)
 Ms. Sharmila Kher (External Member)

The Company has formulated and circulated to all the employees, a policy on prevention of sexual harassment at workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

The ICC has not received any complaint of sexual harassment during the Financial Year 2019-20.

37. SIGNIFICANT REGULATORY OR COURT ORDERS:

During the Financial Year 2019-20, 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 your 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 the Company under the aforesaid provisions during the Financial Year 2019-20, 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 2019-20, 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 approval of the Audit Committee of the Board of Directors was 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. 59 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 2019-20, 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 82 Acres and 29 Guntas (Approx.) situated at Tiruvaranga Village, Begur Village, Anugondanahalli, Hobli, Hoskote Taluka, Bangalore Rural District, Karnataka, for an aggregate consideration of ₹134.68 Crore (Rupees One Hundred Thirty Four Crore and Sixty Eight Lakh Only).

The aforementioned transaction was not in ordinary course of business of the Company but was entered into at an arm's length price and the same was also disclosed to the BSE Limited and the National Stock Exchange of India Limited under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

40. FRAUD REPORTING:

During the period under review, 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 improve 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, the internal financial control system of your Company 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 2019-20.

Your 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, if there is a major change.

The internal control is supplemented by an extensive programme of internal, 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 4 (four) Meetings of the Audit Committee of the Board of Directors held during the Financial Year 2019-20, i.e., 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 all the recommendations of the Audit Committee.

42. CREDIT RATING:

During the Financial Year 2019-20, the Credit Rating granted by ICRA Limited to your Company has been reaffirmed at "[ICRA] AA" with respect to Long Term Fund Based Bank facilities and "[ICRA] A1+" with respect to Short Term Fund Based facilities (including for Commercial Paper).

43. 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.

44. 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 Accounts for the Financial Year ended March 31, 2020, 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, 2020) and of the profit and loss of the Company for that period (i.e., the Financial Year 2019-20);
- 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;
- they have prepared the Annual Accounts on a going concern basis;
- 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
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

45. CORPORATE GOVERNANCE:

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

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

46. STATUTORY AUDITORS:

M/s. 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 M/s. 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, 2020, does not contain any qualification, reservation, adverse remark or disclaimer.

The Securities and Exchange Board of India ("SEBI") had issued a Circular No. CIR / CFD / CMD1 / 114 / 2019 dated October 18, 2019 on the "Resignation of Statutory Auditors from listed entities and their material subsidiaries", pursuant to which, the terms of appointment of M/s B S R & Co. LLP, Statutory Auditors of the listed entity and its material subsidiary was required to be modified / altered / amended for the remaining period of their term.

On recommendation of the Audit Committee, the Board of Directors of your Company and its material subsidiary, viz., Creamline Dairy Products Limited, have altered / amended / modified the terms of appointment of their Statutory Auditors for the remainder term, in order to incorporate the necessary terms as required as per the aforementioned SEBI Circular.

47. 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 11, 2020, 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 2020-21. The Shareholders are requested to ratify the remuneration payable to the Cost Auditors at its ensuing 29th 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 2019-20

48. SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:

The Board of Directors of your Company at its meeting held on May 11, 2020, 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 2020-21, 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 2019-20 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, ("Listing Regulations"), Creamline Dairy Products Limited ("CDPL") is an Unlisted Material Subsidiary of your Company in terms of Regulation 16(1)(c) of the Listing Regulations. The Secretarial Audit Report submitted by the Secretarial Auditors of CDPL is also annexed as "Annexure- 'E'" to this Board's Report.

49. 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 report on the Financial Statements for the Financial Year 2019-20.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year 2019-20.

50. 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.

51. DEPOSITORY SYSTEM:

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

52. 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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION 53. 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.

54. **POLICIES OF THE COMPANY:**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("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 web-site viz., https://www.godrejagrovet.com/codes-and-policies. aspx, pursuant to Regulation 46 of the Listing Regulations.

The key policies that have been adopted by the Company pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, are as follows:

Sr. No.	Name of the Policy	Brief Particulars of the Policy				
1.	Risk Management Policy	Management Policy which is framed by the Board of Directors of the Company. The Policy deals with identifying and assessing risks such as operational, strateginancial, security, property, regulator reputational, cyber security and other isks and the Company has in place and adequate Risk Management infrastructuricapable 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, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, 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.				

Sr. No.	Name of the Policy	Brief Particulars of the Policy	
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, 2020, 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) 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 Mr. K. N. Petigara, 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.

Sr. No.	Name of the Policy	Brief Particulars of the Policy
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.
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 (Listing Regulations). 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 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 Unpublished Price Sensitive Information ("UPSI"). This policy also aims to have a uniform Code to curb unethical practices 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.

without a legitimate purpose.

Sr. No.	Name of the Policy	Brief Particulars of the Policy
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.

55. SECRETARIAL STANDARDS:

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

56. BUSINESS RESPONSIBILITY REPORT:

The Company has prepared its Business Responsibility Report for the Financial Year 2019-20, 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. 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.

57. MANAGERIAL REMUNERATION:

The remuneration paid to the Directors and Key Managerial Personnel of the Company during the Financial Year 2019-20 was in accordance with the Nomination and Remuneration Policy of the Company.

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 Report.

58. PARTICULARS OF EMPLOYEES:

The disclosure as per Section 197 of the Companies Act, 2013 read with Rules 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 upto the date of the ensuing 29th (Twenty-Ninth) Annual General Meeting. If any Shareholder is interested in inspecting the records thereof, such Shareholder may write to the Company Secretary 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.

59. 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 Accounts. The Notes to the Accounts 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 Accounts 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 at gav1.secretarial@godrejagrovet.com.

60. 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.

61. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the Financial Year under review, 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.

62. CAUTIONARY STATEMENT:

Statements in the Directors' 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.

63. 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, banks 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

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

Date: May 11, 2020 Place: Mumbai

ANNEXURE 'A' TO THE DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

[In terms of Regulation 43A of 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 ("**Regulations**") read with Notification dated July 8, 2016 issued by the Securities and Exchange Board of India, which requires top five hundred 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 five hundred 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.godrejagrovet.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 SEBI (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:

- Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- Significantly higher working capital requirements adversely impacting free cash flow;
- c) Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital
- In the event of inadequacy of profit or whenever the Company has incurred losses;
- Whenever it proposes to utilize surplus cash for buy-back of securities; or
- 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.
- iv. 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.
- iii. 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 11, 2020 Place: Mumbai

ANNEXURE 'B' TO THE DIRECTORS' REPORT

CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTORS OF GODREJ AGROVET LIMITED

As at the Financial Year ended March 31, 2020

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:

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising his duties;
- 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;
- 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) of the Securities and Exchange Board of India (Listing Obligation 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 11, 2020 Place: Mumbai

ANNEXURE - C TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
OF GODREJ AGROVET LIMITED

For the Financial Year ended March 31, 2020

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs to be undertaken and a reference to the weblink to the CSR Policy and projects or programs:

The Corporate Social Responsibility (CSR) Policy of Godrej Agrovet Limited (GAVL) aligns itself with the Godrej Group's (Group) 'Good & Green' vision of creating a more inclusive and greener India. Each of GAVL's CSR projects are aligned with the Good & Green goals of the Group and correspond to different items listed in Schedule VII to the Companies Act 2013.

GAVL aspires to be a sustainable company through leadership commitment, multiple stakeholder engagement and disciplined value chain mechanisms. GAVL's holistic approach towards sustainability not only manages its externalities but also integrates the prevalent social and environmental issues into business strategies to provide tangible solutions, which benefit the underserved communities and deliver competitive advantage to the business.

For instance, GAVL's employability projects are committed to the Good & Green goal that aims to "Train 1 million rural and urban youth in skills that enhance their earning potential." These projects fall under the second item listed in Schedule VII "Promoting employment and enhancing vocational skills." Similarly, Greener India projects contributes to goals that aim to "Achieve zero waste to landfill, carbon neutrality, a positive water balance, 30% reduction in specific energy consumption and increase utilization of renewable energy sources". Activities under these projects fall under "Ensuring Environmental Sustainability, Ecological Balance, Protection of Flora and Fauna" of Schedule VII to the Companies Act, 2013. The Company's goals are well in line with the Sustainable Development Goals and the National Action Plan on Climate Change; this enables the Company to gather a holistic view and understanding for the objectives of our CSR activities/programs.

The web-link to the CSR Policy and projects or programs is www.godrejagrovet.com/codes-and-policies.aspx

2. Composition of the CSR Committee

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 Composition of the CSR Committee during the Financial Year 2019-20 was as follows:-

Sr. No.	Name	Designation	
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	

3. Average Net Profit of the Company for last three Financial Years:

(₹ in Crore)

Financial Year	2016-17	2017-18	2018-19
Net Profit for the Financial Year as per Section 198 of the Companies	234.69	286.14	285.34
Act, 2013			

Average Net Profit of the Company for last three Financials Years: ₹268.72 Crore

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above):

₹5.37 Crore (2% of Average Net Profit for immediate preceding three financial years)

5. Details of CSR Spend during the Financial Year:

Total amount spent during the Financial Year: ₹5.85 Crore

Amount unspent, if any: NIL

· Manner in which the amount spent during the financial year is detailed below

(all numbers are in ₹):

Sr. No.	CSR Project or Activity identified	Sector in which the Project is covered	Project/ Programme: 1. Local area or other 2. Specify the State and district where the projects or programs were undertaken	Amount outlay (budget) project or programs wise (₹ in Crore)	Amount spent on projects 1. Direct expenditure 2. Overheads (₹ in Crore)	Cumulative expenditure upto the reporting period (₹ in Crore)	Amount spent direct or through the implementing agency
1.	Integrated rural livelihoods program - Increasing household incomes - Strengthening agriculture, animal husbandry and allied activities - women empowerment	Schedule (VII) (ii) Livelihoods Enhancement (iii) Empowering women (iv) Agriculture & animal Husbandry (x) Rural development	Maharashtra, Chhattisgarh, Bihar & Andhra Pradesh	2.71	Direct Expenditure: 2.71 Overheads: NIL	4.89	Sampada Trust, Registered Parivartan Trust, Ambuja Cement Foundation, Aga Khan Rural Support Programme India, Evangelical Social Action Forum J K Trust
2.	Community development initiatives - Infrastructure development - Promotion of education, - Sanitation and - Clean drinking water - Health awareness - Waste management	(i) Sanitation, health and hygiene (ii) Promoting Education (iv) Environment sustainability (x) Rural development	Pan India	0.40	Direct Expenditure: 0.40 Overheads: NIL	3.10	Direct Implementation Punyabhushan Foundation
3.	Integrated watershed management	Schedule (VII) (ii) Livelihoods enhancement (iv) Water Conservation (x) Rural development	Karnataka & Madhya Pradesh	0.60	Direct Expenditure: 0.60 Overheads: NIL	4.31	IRIDS (Indian Rural Integrated Development Society); b. Aga Khan Rural Support Programme India
4.	Promotion of Agriculture and Animal Husbandry	Schedule (VII) (ii) Promoting education (iv) Agriculture and animal husbandry (x) Rural development	Maharashtra & Karnataka	1.22	Direct Expenditure: 1.22 Overheads: NIL	5.43	Gandhi Research Foundation, Vrutti Gujarat Grassroots Innovation Network

Sr. No.	CSR Project or Activity identified	Sector in which the Project is covered	Project/ Programme: 1. Local area or other 2. Specify the State and district where the projects or programs were undertaken	Amount outlay (budget) project or programs wise (₹ in Crore)	Amount spent on projects 1. Direct expenditure 2. Overheads (₹ in Crore)	Cumulative expenditure upto the reporting period (₹ in Crore)	Amount spent direct or through the implementing agency
5.	Support for promotion of Education and Arts	Schedule (VII) (ii) promoting education (v) Art and culture	Maharashtra, Others	0.44	Direct Expenditure: 0.44 Overheads: NIL	5	Direct Implementation
6	Disaster Relief	Schedule (VII) (xii) disaster management	Maharashtra & Kerala	0.28	Direct Expenditure: 0.28 Overheads: NIL	0.28	SEEDS Mann Deshi Foundation
7	Expenditure on administrative over-heads			0.20	0.20	0.44	
	TOTAL			5.85	5.85	23.17	

^{6.} In case the Company has failed to spend the two percent of the Average Net Profit of last three Financial Years or any part thereof, the Company shall provide reasons for not spending the amount in its Board Report: Not applicable

7. Responsibility Statement of the CSR Committee:

Through this Report, the Company seeks to communicate its commitment towards CSR to the Ministry of Corporate Affairs. The implementation and monitoring of our CSR Policy complies with the CSR objectives and policies as laid down in this Report. The Board of Directors of the Company and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above. All the projects reported have been considered and undertaken with the best of our intentions to contribute to the greater good of the society. The Company has undertaken and implemented these projects with careful consideration and these projects are aligned with our vision as provided in our CSR Policy. In line with the requirements of the Companies Act, 2013, the Company has also instituted monitoring mechanisms to ensure the projects go on smoothly as planned.

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

Sd/-

Raghunath A. Mashelkar

Chairman of the CSR Committee & Independent Director

DIN: 00074119

Date: May 11, 2020 Place: Mumbai Sd/-

Balram S. Yadav

Managing Director & Member of the CSR Committee

DIN: 00294803

ANNEXURE - D TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2020

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule9 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, 2019 to March 31, 2020, ('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, 2020 as well as before the issue of this report,
- (ii) Our **observations** shared during our visits to the Corporate Office of the Company,
- (iii) 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
- (iv) Representations made, documents shown, and information provided by the Company, its Officers, Agents, and Authorised 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, 2020 the Company has:

- (i) complied with the statutory provisions listed hereunder, and
- 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-I**.

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 Byelaws framed thereunder:
- (iv) The following Regulations and 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:
 - 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; and
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- 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, 2020 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 28th Annual General Meeting held on 2nd August 2019 (28th AGM). The Compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(v)] 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, 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:
 - Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings;
 - (ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008,
 - (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - 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 has been duly complied with.
 - 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, 2020 comprised of:
 - 1 (One) Executive Director i.e. Mr. Balram S. Yadav (DIN:00294803) who is also the Managing Director of the Company;
 - (ii) 5 (Five) Non-Executive & Non Independent Directors, and
 - (iii) 7 (Seven) Non- Executive & Independent Directors, including three woman Independent Director 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 were carried out in compliance with the provisions of the Act and LODR:
 - (i) Re-appointment of Ms. Nisaba Godrej [DIN: 00591503](Non-Executive & Non-Independent Director) and Mr.

- J. N. Godrej [DIN: 00076250] (Non-Executive & Non-Independent Director), Directors liable to retire by rotation, at the 28th AGM held on August 2, 2019.
- (ii) Appointment of Mr. Pirojsha Godrej (DIN: 00432983) as Non-Executive & Non-Independent Director of the Company w.e.f November 5, 2018, which was regularised and approved by members at the 28th AGM held on August 2, 2019.
- (iii) Appointment of Mr. Natarajan Srinivasan (DIN: 00123338) as Independent Director for his first term with the Company w.e.f February 4, 2019 upto July 17, 2022 and Mr. Kannan Sitaram (DIN: 01038711) as Independent Director for his first term with the Company w.e.f. June 17, 2019 upto July 17, 2022 both the appointments were approved by Members at the 28th AGM of the Company held on August 2, 2019.
- (iv) In the Board Meeting held on May 11, 2020, the Board noted that Mr. Vijay M. Crishna (DIN: 00066267) has attained the age of 75 (Seventy-Five) years on March 8, 2020 and therefore by virtue of Regulation 17(1A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 Mr. Vijay M. Crishna ceases to be a Director of the Company.
- 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:
 - 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 on 9th July 2019 has approved and allotted 13,159 Equity Shares of face value of ₹10/- (Rupees Ten Only) each under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018.

(ii) During the Financial Year 2019-20, the Company has issued Commercial Paper worth ₹325 Crore which were listed on National Stock Exchange of India Limited (NSE), out of which Commercial Papers worth ₹ 175 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
 FCS No.: 1303/ CP No.: 10440

 Date : May 11, 2020
 UDIN: F001303B000226418

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

Annexure I to Secretarial Audit Report of Godrej Agrovet Limited

To,

The Members.

Godrej Agrovet 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.

- 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.
- 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.
- While forming an opinion on compliance and issuing this Report, we have also considered compliance related action taken by the Company after March 31, 2020 but before the issue of this Report.
- 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
- Our Secretarial Audit Report is neither an assurance as to the future viability of the Bank 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
 FCS No.: 1303/ CP No.: 10440

 Date: May 11, 2020
 UDIN: F001303B000226418

ANNEXURE - E TO THE DIRECTORS' REPORT

FORM MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2020

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

To, The Members.

CREAMLINE DAIRY PRODUCTS LIMITED

H.No. 6-3-1238/B/21 Asif Avenue, Rajbhavan Road, Hyderabad, Telengana - 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, 2020 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, 2020, as made available to us, according to the provisions of:

- The Companies Act, 2013 (the Act) and the Rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under— Not Applicable
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under 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 1998 (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:

- 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 ofIndia.
- 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:

· Few e-forms were filed belatedly with the MCA, with payment of requisite additional fees.

Godrej Agrovet Limited

 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 immoveable 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 a 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 department / 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 Nagavallli 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.

For P S Rao & Associates Company Secretaries

Sd/-

Vikas Sirohiya

M. No.15116 CP No.5246 Place: Hyderabad

Date: May 8, 2020

[This Report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this Report.]

Annexure I to the Secretarial Audit Report of Creamline Dairy Products Limited

To,

The Members,

CREAMLINE DAIRY PRODUCTS LIMITED

H.No. 6-3-1238/B/21 Asif Avenue, Rajbhavan Road, Hyderabad, Telengana - 500082

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

- 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.
- We have followed the audit practises 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.
- Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- 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.

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

Disclaimer

- 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.
- 8. As regards the Secretarial Audit for the FY 2019-20, a substantial portion of the audit programme was completed prior to the outbreak of the pandemic Covid 19 in the country. However, owing to the lockdown measures imposed across the country (and being in force till date) and the cascading impact thereof, for certain verifications 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

Sd/-

Vikas Sirohiya

M. No.15116 CP No.5246

Place: Hyderabad Date: May 8, 2020

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, 2020

[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 continues to focus on productivity and environmental sustainability at its manufacturing plants and continues to adopt various energy conservation measures. Some of the measures adopted by your Company for conservation of energy are as follows:

- Installation of automation in Ammonia Chiller.
- 2. Installation of Solar Heater to fulfill requirement of hot water.
- Installation of Variable Frequency Drive for agitators in Homo Brassinolide unit.
- Replacement of conventional lightings with Light Emitting Drive.
- 5. Continuous operation of Multiple Effective Evaporator plant for 24 hours as compared to earlier one shift operation.
- Installation of Agitator Thin Film Dryer to extend reduction in water consumption by recycling it in process.
- Commissioning of Digital Energy monitoring system to monitor section-wise energy consumption (steam, power and water) on an hourly basis and to record idle run of machinery.
- Operation of palm oil mill biomass waste based Captive Cogeneration plants.

The adoption of above energy conservation measures has resulted in the following benefits to the Company:-

- a) Direct decrease in the levels of energy consumption
- b) Reduction in the level of water consumption
- c) Reduction in process losses and storage losses
- Increase in use of renewable energy and decline in GHG consumption level.

The capital investment on energy conservation equipment made during the Financial Year 2019-20 is approximately ₹0.15 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.

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:

1) Methods/ Measures adopted / Efforts made:

- Adoption of renewable energy equipment and replacement of conventional high energy consuming lights
- Optimum utilization of capacity by employing storage tank and 24 hours operation of Multiple Effective Evaporator plant for continuous 2-3 days in a week
- Conversion of manual operation into automation in Ammonia Chiller for elimination of frequent manual intervention and operation and reduction in energy consumption
- Installation of bunch splitter before sterilization process to improve Oil extraction ratio and nut recovery and to ensure proper cooking of the Oil Palm fruit bunch
- Installation of PPPU Unit to recover and reuse process steam condensate in boiler feed water.

Benefits derived as a result of such measures / methods / efforts:

- a) Reduction in cost of production
- b) Optimum utilization of equipment capacity
- c) Improvement in Oil Extraction Ratio and nut recovery in Oil Palm business
- d) Enhanced level of Environmental Sustainability, Health and Safety
- e) Reuse of steam condensate in boiler and also of rejected water for certain purposes

3) 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 also has 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 2017-18, 2018- 19 & 2019-20), the required details are: Your Company had

imported continuous sterilization technology during the Financial Year 2017-18, which has been fully absorbed.

The Company's expenditure on R&D is given below:-

		Current Year (2019-20) ₹ in Crore	Previous Year (2018-19) ₹ in Crore
a)	Capital	4.56	0.26
b)	Recurring	11.58	13.08
c)	Total	16.14	13.34
d)	Total R& D expenditure as a Percentage of Total Turnover	0.32%	0.31%

C. 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:-

			Current Year (2019-20)	Previous Year (2018-19) ₹ in Crore	
A.	Foreign Earned	Exchange	₹ in Crore 10.09	5.61	
B.	Foreign Used	Exchange	102.04	117.05	

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

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

Date: May 11, 2020 Place: Mumbai

ANNEXURE 'G' TO THE DIRECTORS' REPORT

PARTICULARS IN RESPECT OF REMUNERATION OF

GODREJ AGROVET LIMITED

As at the Financial Year ended March 31, 2020

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 2019-20 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2019-20 is as under:

Sr. No.	Name of Director / Key Managerial Personnel (KMP)	Designation of Director / KMP	*Remuneration of Director / KMP for the Financial Year 2019-20 (in ₹)	% Increase in Remuneration in the Financial Year 2019-20	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	Not Applicable	1.94
2	Mr. Jamshyd N. Godrej (*)	Non-Executive, Non-Independent Director	7,50,000	Not Applicable	1.94
3	Mr. Vijay M. Crishna (*) (Directorship ceased w.e.f. March 8, 2020; Re-appointed by the Board of Directors as an Additional Director w.e.f. May 11, 2020)	Non-Executive, Non-Independent Director	7,50,000	Not Applicable	1.94
4	Ms. Tanya A. Dubash (*)	Non-Executive, Non-Independent Director	7,50,000	Not Applicable	1.94
5	Ms. Nisaba Godrej (*)	Non-Executive, Non-Independent, Director	7,50,000	Not Applicable	1.94
6	Mr. Pirojsha Godrej (*)	Non-Executive, Non-Independent, Director	3,02,055	Not Applicable	0.78
7.	Mr. Balram S. Yadav	Managing Director - Non-Promoter, Executive, Non-Independent Director	3,83,63,800	-17.89	99.20
8	Mr. Kavas N. Petigara (*)	Non-Executive, Independent Director	14,50,000	Not Applicable	3.75
9	Mr. Amit B. Choudhury (*) (Directorship ceased with effect from May 23, 2019)	Non- Executive, Independent Director	9,00,000	Not Applicable	2.33
10	Dr. Raghunath A. Mashelkar (*)	Non-Executive, Independent Director	12,00,000	Not Applicable	3.10

Sr. No.	Name of Director / Key Managerial Personnel (KMP)	Designation of Director / KMP	*Remuneration of Director / KMP for the Financial Year 2019-20 (in ₹)	% Increase in Remuneration in the Financial Year 2019-20	Ratio of Remuneration of each Director to Median Remuneration of Employees
11	Dr. Ritu Anand (*)	Non-Executive, Independent Director	14,50,000	Not Applicable	3.75
12	Ms. Aditi Kothari Desai (*)	Non-Executive, Independent Director	12,00,000	Not Applicable	3.10
13	Ms. Roopa Purushothaman (*)	Non-Executive, Independent Director	13,50,000	Not Applicable	3.49
14	Mr. Natarajan Srinivasan(*)	Non-Executive, Non-Independent Director	6,65,068	Not Applicable	1.72
15	Mr. Kannan Sitaram (with effect from June 17, 2019) (*)	Non-Executive, Non-Independent Director	3,00,000	Not Applicable	0.78
16	Mr. S. Varadaraj	Chief Financial Officer	1,26,22,518	-10.76	Not Applicable
17	Mr. Vivek Raizada	Company Secretary & Compliance Officer	85,29,313	21.25	Not Applicable

(*) - All Non-Executive Directors have been paid commission (for the Financial Year 2018-19) during the Financial Year 2019-20 and sitting fees have been paid to eligible Directors during the Financial Year 2019-20.

- (ii) The percentage increase in the median remuneration of employees in the Financial -5.48%
- (iii) The number of permanent employees on the rolls of Company
- Average percentile increase already made in the salaries of employees other than the (iv) 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

2,708 as on March 31, 2020

Average percentile increase in remuneration of employees during the Financial Year 2019-20 was -3.62% as compared to average percentile increase in remuneration of managerial personnel which was -12.35%.

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

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

Date: May 11, 2020 Place: Mumbai

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT OF GODREJ AGROVET LIMITED

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the 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, 2020.

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. The 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.

At GAVL, we believe 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:

The Company has an active, well experienced and a well-informed Board with an optimum combination of Executive and Non-Executive Directors comprising of 13 (Thirteen) Non-Executive Directors [out of which 6 (Six) are Non-Independent Directors and 7 (Seven) are Independent Directors) and 1 (One) Executive Director, as on March 31, 2020. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013.

The 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 http://www.godrejagrovet.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 operation of the Company which enables the Board to function smoothly.

The Board provides and evaluates the Company's strategic directions, 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. B. 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, 2020	No. of Directors as on the date of this Report
Chairman (Non-Executive, Non-Independent Director)	1	1
Managing Director (Executive, Non-Independent Director)	1	1
Non-Executive, Non-Independent Directors (Excluding Women Directors)	2	3
Non-Executive, Non-Independent Directors (Women Directors)	2	2
Non-Executive, Independent Directors (Excluding Women Directors)	4	4

Category	No. of Directors on Board as on March 31, 2020	No. of Directors as on the date of this Report
Non-Executive, Independent Directors (Women Directors)	3	3
Total	13	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, function, 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 http://www.godrejagrovet.com/compliances.aspx

d. Board Procedure and Meetings:

The Board, *inter alia*, focuses on Strategic Planning, Financial Control, Risk Management, Compliance and Corporate Governance to maintain high standards of ethical conduct and integrity and succession planning for the Directors.

The Board of Directors meets at regular intervals to discuss and decide on business strategies / polices 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 and not limited to information mentioned under Regulation 17 read with Schedule II (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 Godrej Group, respectively, the Company has started circulating to its Directors, Agenda, Notices and other relevant notes & documents for the Board/ Committee Meetings through an electronic platform thereby ensuring seamless access, high standards of security and confidentiality of Board Meeting 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 Meeting 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 of 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 the Listing Regulations with respect to convening and holding the Meetings of the Board of Directors and its Committees.

During the Financial Year 2019-20, 5 (Five) Board Meetings were held, i.e., on May 6, 2019, June 17, 2019, August 2, 2019, November 4, 2019 and February 5, 2020 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 2019-20	No. of Board Meetings attended during the Financial Year 2019-20	Whether attended last AGM held on August 2, 2019 (Present / Absent)	Companies incorporated in India as	Number of Cl Membershi Committee Companies 31, 2 # (Including the Chairmanship	es in other as on March 2020 is listed entity)
1.	Mr. Nadir B. Godrej	Promoter, Non- Executive and Non- Independent	-	-	4 out of 5	Yes	9	2	4
2.	Mr. Jamshyd N. Godrej	Non-Executive and Non-Independent	-	Re-appointed as Director liable to retire by rotation w.e.f. August 2, 2019	4 out of 5	Yes	5	0	1
3.	Mr. Vijay M. Crishna	Non-Executive and Non-Independent	-	Ceased to be a Director of the Company w.e.f March 8, 2020	3 out of 5	Yes	4	0	1
4.	Ms. Tanya A. Dubash	Non-Executive and Non-Independent	Sister of Ms. Nisaba Godrej & Mr. Pirojsha Godrej	-	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	Re-appointed as Director liable to retire by rotation w.e.f. August 2, 2019	5 out of 5	Yes	4	0	0
6.	Mr. Pirojsha Godrej	Non-Executive and Non-Independent	Brother of Ms. Nisaba Godrej and Ms. Tanya A. Dubash	Designation changed from 'Additional Director' to 'Director' with effect from August 2, 2019	4 out of 5	Yes	4	0	1
7.	Mr. Balram S. Yadav	Executive and Non-Independent	-	-	5 out of 5	Yes	6	0	5
8.	Mr. Kavas N. Petigara	Non-Executive & Independent	-	-	5 out of 5	Yes	4	3	4
9.	Mr. Amit B. Choudhury	Non-Executive & Independent	-	Resigned from directorship w.e.f. May 23, 2019	1 out of 1	N.A.	N.A.	N.A.	N.A.
10.	Dr. Raghunath A. Mashelkar	Non-Executive & Independent	-	-	4 out of 5	Yes	4	0	2
11.	Dr. Ritu Anand	Non-Executive & Independent	-	-	4 out of 5	Yes	1	0	1
12.	Ms. Aditi Kothari Desai	Non-Executive & Independent	-	-	3 out of 5	No	1	0	1
13.	Ms. Roopa Purushothaman	Non-Executive & Independent	-	-	4 out of 5	Yes	1	0	0
14.	Mr. Natarajan Srinivasan		-	Appointed as Independent Director w.e.f. August 2, 2019	5 out of 5	Yes	6	5	7
15.	Mr. Kannan Sitaram	Non-Executive & Independent	-	Appointed as Independent Director w.e.f. August 2, 2019	3 out of 4	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.

Details of Directorship of Directors in other Listed Entities and the category of their Directorship as on March 31, 2020:

Sr. No.	Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
1.	Mr. Nadir B. Godrej	Godrej Agrovet Limited	Non-Executive Director & Chairman
		Godrej Industries Limited	Managing Director
		Godrej Consumer Products Limited	Non-Executive Director
		Mahindra and Mahindra Limited	Independent Director
		Godrej Properties Limited	Non-Executive Director
		Astec LifeSciences Limited	Non-Executive Director & Chairman
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.	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
4.	Ms. Nisaba Godrej	Godrej Agrovet Limited	Non-Executive Director
		VIP Industries Limited	Independent Director
		Godrej Consumer Products Limited	Whole Time Director
5.	Mr. Pirojsha Godrej	Godrej Agrovet Limited	Non-Executive Director
		Godrej Consumer Products Limited	Non-Executive Director
		Godrej Properties Limited	Whole Time Director
6.	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
		Piramal Enterprises 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
		IL&FS Financial Services Limited	Nominee Director
13	Mr. Kannan Sitaram	Godrej Agrovet Limited	Independent Director

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 8 (eight) Listed Companies- As per Regulation 17(A) 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 17 of the Listing Regulations;
 - (d) a not Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees across all the Indian 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 2019-20:-

Sr. No.	Name of Director	Shares held as on March 31, 2020	Dividend paid during the Financial Year 2019-20 (Amount in ₹)
1.	Mr. Nadir B. Godrej	102	459.00
2.	Mr. Jamshyd N. Godrej	Nil	Nil
3.	Mr. Vijay M. Crishna	Nil	Nil
4.	Ms. Tanya A. Dubash	34	153.00
5.	Ms. Nisaba Godrej	34	153.00
6.	Mr. Pirojsha Godrej	34	153.00
7.	Mr. Balram S. Yadav	42,71,768	1,92,22,956.00
8.	Mr. Kavas N. Petigara	Nil	Nil
9.	Mr. Amit B. Choudhury	Nil	Nil
10.	Dr. Raghunath A. Mashelkar	Nil	Nil
11.	Dr. Ritu Anand	100	450.00
12.	Ms. Aditi Kothari Desai	Nil	Nil
13.	Ms. Roopa Purushothaman	992	4,464.00
14.	Mr. Natarajan Srinivasan	Nil	Nil
15.	Mr. Kannan Sitaram	Nil	Nil

Note: The Shareholding reflects holding in their own name (individual capacity only) and does not include Shares held through Trusts.

f. Employee Stock Grants to Directors:

During the Financial Year 2019-20, 14,481 (Fourteen Thousand Four Hundred and Eighty-One) Stock Options were granted to Mr. Balram S. Yadav under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 of the Company (ESGS 2018);

Also, 4,036 (Four Thousand and Thirty Six) out of 12,108 (Twelve Thousand One Hundred and Eight) Stock Options granted on July 2, 2018, were vested and allotted to Mr. Balram S. Yadav during the Financial Year under review.

g. Directors seeking appointment / re-appointment:

Mr. Nadir B. Godrej (DIN: 00066195) and Ms. Tanya A. Dubash (DIN: 00026028), Non-Executive & Non-Independent Directors of the Company are liable to retire by rotation at the ensuing 29th (Twenty-Ninth) AGM of your Company and being eligible, have offered themselves for re-appointment.

The Board of Directors of your Company at its Meeting held on May 11, 2020, pursuant to the recommendation made by the Nomination and Remuneration Committee at its Meeting held on the same day, has considered and approved the appointment of Mr. Vijay M. Crishna (DIN:00066267) as an "Additional Director" (Non-Executive and Non-Independent) of the Company, who ceased to be the Director of the Company due to attainment of age of 75 (seventy-five) years, subject to the approval of the Members by way of a Special Resolution as required under Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, considering the educational background, qualification, experiences and associations of Mr. Vijay M. Crishna.

Brief Profile of Mr. Nadir B. Godrej:

Mr. Nadir B. Godrej is the Chairman and Non-Executive Director of the Company. He has a Bachelor's degree in Science from the Department of Chemical Engineering, Massachusetts Institute of Technology, and a Master's degree in Business Administration from Harvard University. He has been associated with the Company since November 25, 1991.

Mr. Godrej has rich experience in leading businesses, and has played an important role in developing the Animal Feed, Crop Protection and Chemicals businesses owned by the Godrej group. His active interest in research related to these areas has resulted in several patents in the field of Agricultural Chemicals and Surfactants, for your Company. He is the recipient of the CHEMTECH CEW Leadership & Excellence Award 2013 and the 'Hall of Fame - Chemicals Award' - CHEMTECH CEW Leadership & Excellence Award 2017. He is also the recipient of various awards from the CHEMTECH Foundation in honour of his contribution to the Indian chemical industry.

Mr. Nadir B. Godrej is a member of the CII National Council, was the Chairman of the CII National Committee on Chemicals and the President of Alliance Française de Bombay. For his contribution to Indo-French relations, the French Government has honoured him with the awards of "Chevalier de l'Ordre National du Mérite" and "Chevalier de la Légion d'Honneur".

Brief Profile of Ms. Tanya A. Dubash:

Ms. Tanya A. Dubash, aged 51, is a Non-Executive Director of Godrej Agrovet Limited (GAVL). She has a Bachelor's degree in Arts from Brown University and a Certificate in Advanced Management Program from Harvard Business School. She has experience in Marketing and Brand Development. She is responsible for reinventing the Godrej brand and is involved in evolving the Godrej Group to a more brand-driven Organization. She was appointed as a Director of your Company with effect from April 10, 2003.

Brief Profile of Mr. Vijay M. Crishna:

Mr. Vijay M. Crishna is a B.A. (Economics) from St. Stephen's College, University of Delhi. He is also a Director of Godrej & Boyce Manufacturing Company Limited, Godrej Industries Limited and Precision Wires India Limited. He serves as a Trustee of the Bombay Scottish Orphanage Society and is a member of the Advisory Board of the Institute for Technology and Management, Navi Mumbai, the President's International Advisory Board Colorado College and on the Advisory Panel of the New Zealand Trade and Enterprise Beachhead Programme. In 1991, he had established the Naoroji Godrej Centre for Plant Research at Shindewadi, Satara District, which researches and propagates rare and endangered species of medicinal plants endemic to the Western Ghats. He is a Life Member of The Himalayan Club since 1973 and now its Honorary Secretary. He has trekked in the Garhwal, Sikkim, Ladakh, Nepal and Tibet. He has been active in theatre since 1965 in Delhi, Kolkata and Mumbai.

Mr. Vijay M. Crishna was appointed as a Director of the Company with effect from August 24, 1992.

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, 2020 is summarized below:-

Sr.	Name of Director	Independent	Р	osition in the Co	ommittee (wheth	ner Chairperson/	Member as on N	March 31, 202	0)
No.		/ Non- Independent	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.	Mr. Amit B. Choudhury	Independent	N/A	N/A	Member [^]	N/A	Member^	N/A	N/A
10.	Dr. Raghunath A. Mashelkar	Independent	N/A	N/A	N/A	Chairman	N/A	N/A	N/A
11.	Dr. Ritu Anand	Independent	Member	Chairperson	N/A	N/A	N/A	N/A	N/A
12.	Ms. Aditi Kothari Desai	Independent	Member	N/A	N/A	N/A	N/A	N/A	N/A
13.	Ms. Roopa Purushothaman	Independent	N/A	Member	N/A	Member	N/A	N/A	N/A
14	Mr. Natarajan Srinivasan	Independent	N/A	N/A	Member#	N/A	Member#	N/A	N/A
15.	Mr. Kannan Sitaram	Independent	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note:

#Appointed as a Member of Risk Management Committee and Stakeholders' Relationship Committee with effect from June 17, 2019 and August 2, 2019, respectively.

[&]quot;N/A" denotes "Not Applicable" as not being a Chairperson / Member of the Committee.

[^] Ceased to be the member of the committee due to resignation from the Board of Directors of the Company with effect from May 23, 2019.

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 2019-20 is 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	10 of 11	1 of 1
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	-	2 of 2	-	-	-	1 of 11	-
6.	Mr. Pirojsha Godrej	Non-Independent	-	=	=	-	=	3 of 11	-
7.	Mr. Balram S. Yadav	Non-Independent	4 of 4	-	1 of 1	2 of 2	1 of 1	10 of 11	1 of 1
8.	Mr. Kavas N. Petigara	Independent	4 of 4	-	-	-	-	-	1 of 1
9.	Mr. Amit B. Choudhury	Independent	-	-	-	-	1 of 1	-	-
10.	Dr. Raghunath A. Mashelkar	Independent	-	=	=	1 of 2	=	=	-
11.	Dr. Ritu Anand	Independent	4 of 4	2 of 2	=	-	-	-	-
12.	Ms. Aditi Kothari Desai	Independent	3 of 4	-	=	-	-	-	-
13.	Ms. Roopa Purushothaman	Independent	-	2 of 2	-	2 of 2	-	-	-
14.	Mr. Natarajan Srinivasan#	Independent	-	-	1 of 1	-	1 of 1	-	-
15.	Mr. Kannan Sitaram	Independent	-	-	=	-	-	-	-

Notes:

C. Skills Matrix for the Board of Directors:

At GAVL, we recognize the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse point 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 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 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 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 &
 legislations of the market(s) the business operates in.
- Technology Perspective Expertise with respect to business specific technologies such as in the field of Research and development, Manufacturing etc. Has experience and adds perspective on the future ready skills required by the organization such as E-Commerce, Digital, Sustainability etc.
- People & Talent Understanding Experience in human resource management such that they bring 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 our customer, consumer, employee, key stakeholder or shareholders.

[·] As per the request received from the Directors, stating their inability to attend the Meetings, Leave of Absence was granted to them.

ii. The name of the Directors who possess skills / expertise / competence identified by the Board of Directors:

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	✓		✓			✓	✓

D. Composition and Terms of Reference of the Committees:

I. AUDIT COMMITTEE ("AC"):

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 as on March 31, 2020, comprised of the following 4 (Four) Directors as Members:

Sr. No	Name of the Director(s)	Nature of Membership & Designation
1.	Mr. Kavas N. Petigara	Chairman (Non-Executive & Independent Director)
2.	Mr. Balram S. Yadav	Member (Executive & Non-Independent Director)
3.	Dr. Ritu Anand	Member (Non-Executive & Independent Director)
4.	Ms. Aditi Kothari Desai	Member (Non-Executive & Independent Director)

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 the Listing Regulations.

The terms of reference of the Audit Committee as on March 31, 2020, 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 and 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) The 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 SEBI 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 SEBI Listing Regulations;
- 21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries;
- 22. Review 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 shall 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. Details of any Joint Venture or collaboration agreement;
- 29. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- 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, it 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 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.

During the Financial Year 2019-20, there were 4 (Four) Meetings of the Audit Committee of the Board of Directors which were held on May 6, 2019, August 2, 2019, November 4, 2019 and February 5, 2020. The necessary quorum was present for all the Meetings of the Audit Committee of the Board of Directors.

The representatives of the Statutory Auditors and Internal Auditors were invited to the Audit Committee Meetings. They have attended all the Meetings 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 2019-20.

II. NOMINATION AND REMUNERATION COMMITTEE ("NRC"):

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, 2020, comprised of the following 3 (three) Directors as Members:

Sr. No	Name of the Director(s)	Nature of Membership & Designation
1.	Dr. Ritu Anand	Chairperson (Non-Executive & Independent Director)
2.	Ms. Nisaba Godrej	Member (Non-Executive & Non-Independent Director)
3.	Ms. Roopa Purushothaman	Member (Non-Executive & Independent Director)

All the Members of the NRC 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 the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee as on March 31, 2020, 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 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, 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 above is as prescribed by the Companies Act and the Listing Regulations:

- a) The Committee shall comprise of atleast 3 (three) Directors, all of the Members shall be Non-Executive Directors and atleast 50% (fifty percent) shall be Independent Directors.
- b) The Chairperson of the Nomination and Remuneration Committee shall be an Independent Director and shall be present at 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.

During the Financial Year 2019-20, there were 2 (two) Meetings of the Nomination and Remuneration Committee of the Board of Directors which were held on May 6, 2019 and June 17, 2019. The necessary Quorum was present in both the Meetings of the Nomination and Remuneration of the Board of Directors of the Company.

c) 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 shall 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 these 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 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;
- 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 for 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.

d) Remuneration to Directors:

Directors with Material Significant Related Party Transactions, pecuniary or business relationship with the Company:

Except for drawing remuneration by Managing Director, receipt of Commission and Sitting Fees by Directors for attending the Board / 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. 59 to the Standalone Financial Statements forming part of the Annual Report 2019-20.

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 Accounts. The suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements.

· Remuneration to the 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 Act 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.

Certain Non-Executive 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 may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

4) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

The details of Sitting Fees & Commission paid to Non-Executive Directors during the Financial Year 2019-20 are as follows:-

Sr.	Name of the Non-Executive Director	s	itting Fees (in ₹)		
No.	_	For Board Meetings	For Committee Meetings	Commission	Total
1.	Mr. Nadir B. Godrej	0.00	0.00	7,50,000.00	7,50,000.00
2.	Mr. Jamshyd N. Godrej	0.00	0.00	7,50,000.00	7,50,000.00
3.	Mr. Vijay M. Crishna\$	0.00	0.00	7,50,000.00	7,50,000.00
4.	Ms. Tanya A. Dubash	0.00	0.00	7,50,000.00	7,50,000.00
5.	Ms. Nisaba Godrej	0.00	0.00	7,50,000.00	7,50,000.00
6.	Mr. Pirojsha Godrej	0.00	0.00	3,02,054.79	3,02,054.79
7.	Mr. Kavas N. Petigara	5,00,000.00	2,00,000.00	7,50,000.00	14,50,000.00
8.	Mr. Amit B. Choudhury*	1,00,000.00	50,000.00	7,50,000.00	9,00,000.00
9.	Dr. Raghunath A. Mashelkar	4,00,000.00	50,000.00	7,50,000.00	12,00,000.00
10.	Dr. Ritu Anand	4,00,000.00	3,00,000.00	7,50,000.00	14,50,000.00
11.	Ms. Aditi Kothari Desai	3,00,000.00	1,50,000.00	7,50,000.00	12,00,000.00
12.	Ms. Roopa Purushothaman	4,00,000.00	2,00,000.00	7,50,000.00	13,50,000.00
13.	Mr. Natarajan Srinivasan	5,00,000.00	50,000.00	1,15,068.49	6,65,068.49
14.	Mr. Kannan Sitaram#	3,00,000.00	0.00	0.00	3,00,000.00

^{*} Mr. Amit Choudhury resigned as an Independent Director w.e.f. May 23, 2019.

The Shareholders of the Company have also approved the payment of Commission to the Non-Executive Directors not exceeding in aggregate 1% (one percent) of the net profits of the Company for each Financial Year (as computed in the manner laid down in Section 198 of the Companies Act, 2013).

· Remuneration to the Managing Director:

The remuneration to be paid to Mr. Balram S. Yadav, Managing Director of the Company for the Financial Year 2019-20 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 term of 5 (five) years for the period from September 1, 2017 upto August 31, 2022.

[#] Mr. Kannan Sitaram has been appointed as an Independent Director w.e.f. June 17, 2019.

^{\$} Mr. Vijay M. Crishna ceased to be the Non-Executive Director of the Company w.e.f March 8, 2020 and re-appointed as an Additional Director (Non-Executive and Non-Independent Director) by the Board of Directors of the Company at its meeting held on May 11, 2020, subject to the approval of the shareholders ensuing Annual General Meeting.

The details of remuneration paid to Mr. Balram S. Yadav, Managing Director during the Financial Year 2019-20 are as follows:-

Particulars	Amount in ₹
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,18,57,612
(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	65,07,188
(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	3,83,64,800

The details of remuneration and terms of appointment of Mr. Balram S. Yadav as the Managing Director are as follows:-

Terms of Remuneration of Executive Directors:

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 Years 2019-20, 2020-21 and 2021-22 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 the following 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 Rules framed thereunder (collectively called "perquisites and allowances").

Additionally, the total Stock Options granted to Mr. Balram S. Yadav under Employees Stock Grant Scheme, 2018 of the Company (ESGS 2018) are as follows:

Year	Grant 2018	Grant 2019	Total
Grant	12,108	14,481	26,589
Vested	4,036	Nil	4036
Allotted	4,036	Nil	4036

Note: The Nomination and Remuneration Committee of the Board of Directors at its meeting held on May 11, 2020 has allotted 4,827 equity Shares under Godrej Agrovet Limited – Employee Stock Grant Scheme 2018 (Grant 2019, Allotment-1)

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.

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.

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 this Agreement 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.

d. Details of Stock Options:

No stock options have been granted to Non-Executive Directors.

Further, the Company did not have outstanding/issued any convertible instruments during the Financial Year 2019-20.

e) 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 / appointment of Directors on the Board of Directors, including Managing Director and Whole Time Director, if any, and their remuneration.

The Nomination & 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 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 www.qodrejagrovet.com/code-and-policies.aspx.

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE ("SRC"):

In terms of Regulation 20 of the Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee of the Board, comprised of the following Directors as Members, during the Financial Year 2019-20:

Sr. No.	Name of Director(s)	Nature of Membership and Designation
1.	Mr. Nadir B. Godrej	Chairman (Non-Executive & Non-Independent Director)
2.	Mr. Balram S. Yadav	Member (Executive & Non-Independent Director)
3.	Mr. Amit B. Choudhury*	Member (Non-Executive & Independent Director)
4.	Mr. Natarajan Srinivasan*	Member (Non-Executive &Independent Director)

^{*} Mr. Natarajan Srinivasan, Independent Director was inducted as a Member of the Committee w.e.f. August 2, 2019, in place of Mr. Amit B. Choudhury who ceased to be the member of the committee due to resignation from the Board of Directors of the Company with effect from May 23, 2019.

Mr. Vivek Raizada, Company Secretary & Compliance Officer, is the Secretary to the Committee.

Terms of Reference:

The functioning and the terms of reference of the Committee are as prescribed and in due compliance with Regulation 20 read with Part D of Schedule II to the Listing Regulations and Section 178 of the Companies Act, 2013.

The terms of reference of the Stakeholders' Relationship Committee, as on March 31, 2020 are as follows:-

- 1. To oversee and review all matters connected with transfer of Company's securities;
- 2. To approve issue of duplicate of shares / debentures certificates;
- 3. To oversee the performance of the Company's Share Transfer Agent;
- 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.;
- 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, Debenture holders 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 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 be present at Annual General Meeting.

The Stakeholders' Relationship Committee shall meet at least once in a year.

During the Financial Year 2019-20, the Meeting of the Stakeholders' Relationship Committee of the Board of Directors was held on November 4, 2019. The quorum was present at that Meeting of the Stakeholders' Relationship Committee of the Board of Directors.

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 2019-20, are as follows:-

Particulars	No. of Complaints	
Complaints outstanding as on April 1, 2019	Nil	
Complaints received during the Financial Year ended March 31, 2020	241	
Complaints resolved during the Financial Year ended March 31, 2020	241	
Complaints outstanding as on March 31, 2020 Ni		

During the Financial Year ended March 31, 2020, no shares in physical form were processed for transfer. There were no pending shares for transfer as on March 31, 2020.

IV. RISK MANAGEMENT COMMITTEE ("RMC"):

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee, comprised of the following Directors as Members, during the Financial Year 2019-20:

Sr. No.	Name of Director(s)	Nature of Membership and Designation
1.	Mr. Nadir B. Godrej	Chairman (Non-Executive & Non-Independent Director)
2.	Mr. Balram S. Yadav	Member (Executive & Non-Independent Director)
3.	Mr. Amit B. Choudhury*	Member (Non-Executive & Independent Director)
4.	Mr. Natarajan Srinivasan*	Member (Non-Executive & Independent Director)

*Mr. Natarajan Srinivasan, Independent Director was inducted as a Member of the Committee w.e.f. June 17, 2019, in place of Mr. Amit B. Choudhury who ceased to be the Member of the Committee due to resignation from the Board of Directors of the Company with effect from May 23, 2019.

All the Members of Risk Management Committee consist of Directors of the Company.

The Chairman of the Risk Management Committee is a member of the Board of Directors and none of the Senior Executives is the member of the Committee.

Mr. Vivek Raizada, Company Secretary & Compliance Officer, is the Secretary to the Committee.

Terms of Reference:

The terms of reference of the Risk Management Committee 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."

The Risk Management Committee shall meet at least once in a year.

During the Financial Year 2019-20, the Meeting of the Risk Management Committee of the Board of Directors was held on May 6, 2019. The necessary quorum was present at the Meeting of the Risk Management Committee of the Board of Directors.

V. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In terms of Section 135 of the Act read with the corresponding 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, 2020:

Sr. No.	Name of the Director(s)	Nature of Membership & Designation
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 (Executive & Non-Independent Director)
4.	Ms. Roopa Purushothaman	Member (Non-Executive & Independent Director)

Mr. Vivek Raizada, Company Secretary & Compliance Officer, is the Secretary to the Committee.

Terms of Reference:-

The terms of Reference of the CSR Committee are as follows:-

- 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;
- To constitute a transparent monitoring mechanism for implementation of Corporate Social Responsibility projects or programs or activities undertaken by the Company;
- To review, approve and sign the Annual Report on Corporate Social Responsibilities (CSR) to be annexed to the Board's Report; and
- 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.

During the Financial Year 2019-20, 2 (two) Meetings of the Corporate Social Responsibility Committee of the Board of Directors were held i.e. on May 6, 2019 and November 4, 2019. The necessary quorum was present for both the Meetings of the Corporate Social Responsibility Committee of the Board of Directors.

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, 2020:

Sr. No.	Name of the Director(s)	Nature of Membership & Designation
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 (Executive, Non-Independent 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 include 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 comprises of the following 3 (three) Directors, as on March 31, 2020:

Sr. No.	Name of the Director(s)	Nature of Membership & Designation
1.	Mr. Nadir B. Godrej	Chairman (Non- Executive & Non- Independent Director)
2.	Mr. Kavas N. Petigara	Member (Non- Executive & Independent Director)
3.	Mr. Balram S. Yadav	Member (Executive & Non-Independent Director)

Mr. Vivek Raizada, Company Secretary & Compliance Officer, is the Secretary to the Strategy Committee.

C. MEETING OF INDEPENDENT DIRECTORS:-

Pursuant to Schedule IV of the Companies Act, 2013 & Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, one-half of the composition of the Board of Directors consists of Independent Directors.

During the Financial Year under review, the Independent Directors met on February 5, 2020, inter alia, to: -

- Review the assessment /evaluation of performance of Non Independent Directors and the Board of Directors as a whole;
- b. 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;
- c. 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 laid down under the Companies Act, 2013 and the Listing Regulations and are Independent from the Management. 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 https://www.godrejagrovet.com/compliance.aspx.

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 (as amended from time to time) and are independent of the Management of the Company.

Resignation of Independent Director(s):

During the Financial Year 2019-20, Mr. Amit B. Choudhury (DIN: 00557547), Independent Director, has resigned from the Directorship of the Company with effect from May 23, 2019, due to other commitments and there were no other material reasons for his resignation other than stated above.

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
2016-17 (26 th AGM)	August 4, 2017	4.00 p.m.	Conference Room, 3 rd Floor, "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India.
2017-18 (27 th AGM)	August 9, 2018	4.00 p.m.	Auditorium, "Godrej One", Pirojshanagar,
2018-19 (28 th AGM)	August 2, 2019	3.30 p.m.	Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India.

- b) Details of Special Resolutions passed during the previous three Financial Years (i.e., 2017-18, 2018-19 and 2019-20):
 - i. Special Resolutions passed in Annual General Meetings (AGMs):

Date of AGM	Number of Special Resolutions passed	Details of Special Resolution passed
August 4, 2017	-	-
August 9, 2018	6 (Six)	 Approval for Re-appointment of Mr. K. N. Petigara (DIN: 00066162) as 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) 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	-	-

ii. Special Resolutions passed at the Extra-ordinary General Meetings (EGMs):

Date of EGM	Number of Special Resolutions passed	Details of Special Resolution passed	
May 12, 2017	3	 Approval for waiver of recovery of excess remuneration paid to Mr. Balram S. Yadav, Managing Director during the Financial Year 2016-17. 	
		 Approval for appointment of Mr. Balram S. Yadav as the "Managing Director" for a further term of 5 (five) years w.e.f. September 1, 2017 upto August 31, 2022. 	
		 Approval for making of Initial Public Offer (IPO) of Equity Shares of the Company. 	
July 18, 2017	1	Adoption of new set of Articles of Association in order to align the	
(11.30 a.m.)		same with the Companies Act, 2013 and the requirements of stock	
(held at a shorter notice)		exchanges and other applicable laws for the purpose of Initial Public Offer (IPO).	
July 18, 2017	3	Approval for offer and issue upto 4,05,500 Equity Shares to certain	
(3.30 p.m.)		employees under the Employees Share Purchase Scheme (ESPS).	
(held at a shorter notice)		 Approval for offer and issue of Equity Shares to employees of Subsidiary Company(ies) and Holding Company under the Employees Share Purchase Scheme (ESPS). 	
		 Approval for Pre-IPO Private Placement of Equity Shares. 	
September 8, 2017	1	 Approval for pre-IPO private placement / preferential issue of upto 2,50,000 Equity Shares of Face Value of Rs.10/- each at a premium of Rs.430/- per Equity Share, to identified employees of group companies and Joint Venture (JV) Companies. 	

No Extra- Ordinary General Meeting of the Shareholders was held during the Financial Year 2018-19 and 2019-20.

iii. Special Resolutions passed by Postal Ballot:

During the Financial Year 2019-20, 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 leading English daily newspapers 'Financial Express' and 'Business Standard' and in regional language (Marathi) 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., www1.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's 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., https://www.godrejagrovet.com/press-releases.aspx. 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., www1.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 2019-20, were in the ordinary course of business and on the basis of arm's length price.

During the Financial Year 2019-20, 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], to sale a land admeasuring 82 Acres and 29 Guntas (Approx.) situated at Tiruvaranga Village, Begur Village, Anugondanahalli, Hobli, Hoskote Taluka, Bangalore Rural District, Karnataka, for an aggregate consideration of ₹134,68,00,000/- (Rupees One Hundred Thirty Four Crore and Sixty Eight Lakh Only).

The aforementioned transaction with GPL was approved by the Board of Directors at its meeting held on February 5, 2020 in compliance with Section 188 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rule, 2014 and other applicable provisions of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Regulations and disclosure requirements) Regulations, 2015 (including any statutory Amendment(s), modification(s) or re-enactment 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 and the same was also disclosed to the BSE Limited and the National Stock Exchange of India Limited under Regulation 30 of SEBI Listing Regulations.

There were no material significant transactions with Related Parties during the Financial Year 2019-20 which were in conflict with the interest of the Company.

In preparation of the Financial Statements for the Financial Year 2019-20, 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 2019-20 in Note No. 59 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.

All Related Party Transactions are on arm's length basis and are in the Company's interests.

The Policy on Related Party Transactions is available on the website of the Company at http://www.godrejagrovet.com/codes-and-policies.aspx.

Except for drawing remuneration by the Managing Director and payment of sitting fees and commission to Non-Executive Directors, 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. The Audit Committee reviews the Financial Performance including major investments made by Creamline Dairy Products Limited, and other unlisted subsidiaries of the Company. Creamline Dairy Products Limited, is a Material Subsidiary 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 and its subsidiary in the immediate preceding accounting year. Copies of the Minutes of the Board Meetings of Subsidiary Companies are circulated at the subsequent Board Meetings.

The Management of the unlisted 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 http://www.godrejagrovet.com/codes-and-policies. aspx.

III. Vigil Mechanism and Whistle Blower Policy:

Your Company has adopted a Whistle Blower Policy ("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. 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 /Members 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 whistleblowing officer.

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

On a quarterly basis, the Audit Committee reviews reports made under this policy and implements corrective actions, wherever necessary,

Vigil Mechanism / Whistle Blower Policy is posted on the website of your Company, at https://www.godrejagrovet.com/codes-and-policies.aspx.

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 some of the non-mandatory requirements and has 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 is strongly opposed to sexual harassment and that such behavior is prohibited. Your Company has constituted an Internal Complaints Committee pursuant to the provisions of 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, 2020 are as follows:

- a. Number of complaints filed during the Financial Year Nil;
- b. Number of complaints disposed of during the Financial Year Nil;
- c. Number of complaints pending as on 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 Exchange(s) or the Securities and Exchange Board of India 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 2019-20, 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 Board / Ministry of Corporate Affairs 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 the Securities and Exchange Board of India / Ministry of Corporate Affairs 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 2019-20, 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 listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory Auditor is a part:

(₹ in Crore)

Name of the Company	Name of Statutory Auditor	Particulars	Amount
Godrej Agrovet Limited		Audit Fees	0.65
		(including limited reviews)	
		Other matters	0.03
		Reimbursement of Expenses	0.05
Astec LifeSciences Limited	_	Audit fees	0.15
	BSR & Co. LLP	Other matters	0.04
		Reimbursement of Expenses	0.01
Creamline Dairy Products Limited	_	Audit fees	0.18
		Other matters	0.08
		Reimbursement of Expenses	0.02
Godvet Agrochem Limited	Kalyaniwalla & Mistry LLP	Audit Fees	0.06
Godrej Tyson Foods Limited	BSR & Co. LLP	Audit Fees	0.17
		Other Matters	0.01
		Reimbursement of Expenses	0.01
Godrej Maxximilk Private Limited	Kalyaniwalla & Mistry LLP	Audit Fees	0.02
		Audit under Other Statutes	0.01
		Certification	0.01

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 formed 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, http://www.godrejagrovet.com/codes-and-policies. aspx. 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, raw material input price risk exists for the business (volatility).

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 instrument 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 offsetting 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) 29th Annual General Meeting:

Date	Day	Time	Venue
July 31, 2020	Friday	4.00 p.m.	Through Video Conferencing ("VC") "The venue of the 29th AGM shall be deemed to be the Registered Office of the Company at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079."

c) Financial Year:

Financial Year: From April 1, 2019 to March 31, 2020

During the Financial Year ended March 31, 2020, Financial Results were announced as under:

Quarter / Annual	Date
First Quarter	August 2, 2019
Half Year	November 4, 2019
Third Quarter	February 5, 2020
Annual	May 11, 2020

d) Book Closure Dates and Dividend Payment Date:

The Book Closure dates are from Friday, July 24, 2020 to Thursday, July 30, 2020 (both days inclusive).

The Final Dividend, if declared by the Shareholders, will be paid by August 7, 2020..

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 Ltd ("NSE").

The International Securities Identification Number (ISIN) of the Company for both NSDL & CDSL is INE850D01014.

Your Company has paid the Annual Listing fees for the Financial Year 2020-21 to BSE and NSE.

Payment of Depository Fees:-

Annual Custody / Issuer Fee for the Financial Year 2020-21, has been paid by your Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

g) Stock Data:

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

Tables-1 give the monthly high and low prices and volumes of Equity Shares of the Company at BSE and the NSE for the Year ended March 31, 2020.

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 respectively give the distribution of shareholding by size and by ownership, respectively as on March 31, 2020.

Table 1:- Monthly high and low prices and volumes of Equity Shares of the Company at NSE and BSE for the Financial Year ended March 31, 2020:

Stock Exchange		BSE			NSE	
Month	HIGH (₹)	LOW (₹)	VOLUME	HIGH (₹)	LOW (₹)	VOLUME
			(No. of Shares)			(No. of Shares)
April 2019	564.55	505.00	4,41,667	558.00	505.00	30,47,732
May 2019	527.95	461.50	1,42,507	524.25	461.15	15,93,163
June 2019	529.00	491.90	76,563	516.00	492.00	9,73,433
July 2019	518.05	427.60	98,886	517.75	427.10	18,53,941
August 2019	470.40	421.70	1,62,215	469.70	422.50	9,62,179
September 2019	510.00	443.00	97,803	504.70	442.05	6,32,561
October 2019	527.90	461.75	1,63,751	528.85	465.95	9,87,068
November 2019	521.00	465.00	1,36,959	521.95	465.00	12,42,673
December 2019	520.00	481.55	2,71,189	519.80	481.30	10,69,196
January 2020	597.95	513.60	3,21,972	598.00	511.30	34,95,701
February 2020	588.75	455.00	25,70,505	589.90	455.00	31,15,223
March 2020	489.00	265.05	14,95,821	479.75	265.05	27,44,928

Table 2:- Company's Share Performance as compared to BSE Sensex for the Financial Year 2019-20:

Month	GAVL Monthly Close Price on BSE (in ₹)	BSE Monthly Sensex Close
April 2019	517.75	39,031.55
May 2019	508.85	39,714.20
June 2019	501.60	39,394.64
July 2019	434.85	37,481.12
August 2019	449.20	37,332.79
September 2019	478.90	38,667.33
October 2019	511.65	40,129.05
November 2019	494.60	40,793.81
December 2019	518.50	41,253.74
January 2020	559.25	40,723.49
February 2020	464.70	38,297.29
March 2020	368.35	29,468.49

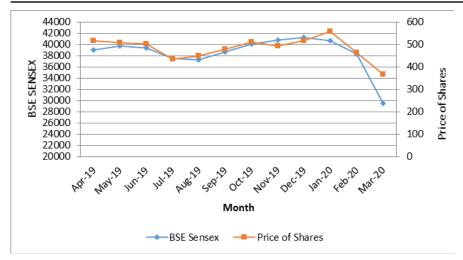


Table 3:- Company's Share Performance as compared to NSE Nifty 50 for the Financial Year 2019-20:

Month	GAVL Monthly Close Price on NSE (in ₹)	NSE Nifty 50 Monthly Close
April 2019	519.95	11,748.15
May 2019	508.15	11,922.80
June 2019	503.15	11,788.85
July 2019	434.90	11,118.00
August 2019	449.35	11,023.25
September 2019	477.00	11,474.45
October 2019	511.70	11,877.45
November 2019	494.45	12,056.05
December 2019	516.95	12,168.45
January 2020	560.10	11,962.10
February 2020	465.30	11,201.75
March 2020	367.75	8,281.10

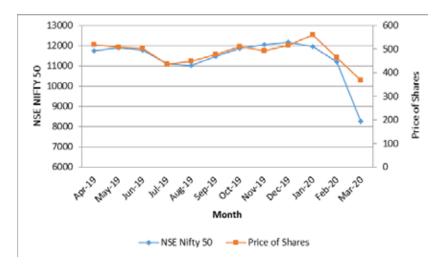


Table 4:- Distribution of Shareholding by Size as on March 31, 2020:

Number of Shares	Number of Shareholders	Shareholders %	Shareholding %
1-5000	108472	96.88	3.40
5001- 10000	2052	1.83	0.80
10001- 20000	761	0.68	0.58
20001-30000	225	0.20	0.29
30001- 40000	91	0.08	0.17
40001- 50000	87	0.08	0.22
50001- 100000	98	0.09	0.38
100001 & Above	183	0.16	94.16
Total	1,11,969	100	100

Table 5:- Distribution of Shareholding by Ownership as on March 31, 2020:

Category	No. of Equity Shares	% of Shareholding
Alternative Investment Fund	9,89,830	0.52
Banks	48	0.00
Bodies Corporates	31,22,610	1.63
Clearing Members	1,68,849	0.09
Directors	42,73,060	2.23
Employees	27,55,596	1.43
Foreign Corporate Bodies	2,28,15,329	11.88
Foreign Nationals	100	0.00
Foreign Portfolio – Corp.	67,76,201	3.53
Hindu Undivided Family (HUF)	3,14,400	0.16
Indian Financial Institutions	7,56,921	0.39
Mutual Funds	34,10,900	1.78
NBFC	100	0.00
Non Resident Indians (Non Repatriable)	1,60,110	0.08
Non Resident Indians	4,16,877	0.22
Promoter Director	5,198	0.00
Promoter Group	2,07,30,697	10.79
Promoters Bodies Corporate	11,36,00,270	59.15
Qualified Institutional Buyers	10,17,447	0.53
Resident Individual	1,07,10,456	5.58
Trust	16,899	0.01
TOTAL	19,20,41,898	100.00

The details given above are as per BENPOS received from KFin Technologies Private Limited, Registrar and Share Transfer Agent of the Company, as on March 31, 2020.

XIV. Shares held in physical and dematerialized form:

As on March 31, 2020, 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	18,28,38,168	95.21
Demat shares with CDSL	92,03,661	4.79
Shares held in physical mode	69	0.00
Total	19,20,41,898	100.00

XV. Liquidity:

For the Financial Year 2019-20 higher trading activity is witnessed on NSE. Relevant data for the daily turnover on both the Stock Exchange for the Financial Year 2019-20 is given below:

Particulars	Stock Ex	Stock Exchange	
	BSE	NSE	
Shares	59,79,838	2,17,17,798	2,76,97,636
Values (₹ in Crore)	298.94	1,073.51	1372.45

XVI. Share Transfer System:

Share transfer is effected within a maximum period of 30 (thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer / transmission / transposition of securities of the Company pursuant to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the Stakeholders' Relationship Committee / Chief Financial Officer and 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 and 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 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 Regulation 40 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company obtains from a Company Secretary in Practice, a Half Yearly Certificate (April - September 2019 & October - March 2020) to the effect that all certificates have been issued within 30 (thirty) days of the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed.

XVII. Reconciliation of Share Capital Audit Report:

As per Regulation 76 of the Securities and Exchange Board of India (Depositary 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.

This 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 listed entity 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 2019-20, is as follows:

Commodity Name	Exposure in INR towards	Exposure in Quantity terms	% of sucl	Total			
	the particular commodity (₹ in Crore)	towards the Domestic Market Internation		Domestic Market International Market			
		commodity (MT)	отс	Exchange (QT MT.)	отс	Exchange	
Crude Palm Oil (CPO)	547.22	98,894	-	3,470	-	-	3,470

XX. Registrar and Share Transfer Agents and Share Transfer System:

Share transfer is effected within a maximum period of 30 (thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Company obtains from a Company Secretary in Practice, a Half Yearly Certificate to the effect that all certificates have been issued within 30 (thirty) days from the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed.

The Board has delegated the authority for approving transfer, transmission, etc. of the Company's shares to the Company Secretary / Authorised Representatives of Kfin Technologies Private Limited, Registrar and Share Transfer Agent.

A summary of transfer / transmission of shares of the Company so approved by the Company Secretary / Authorised Representatives of KFin Technologies Private Limited, is placed at the Stakeholders' Relationship Committee Meeting.

Contact details of our 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.: (91 40) 6716 2222 Fax: (91 40) 2343 1551

E-mail: godrej.agrovet@karvy.com

Investor Grievance E-mail: einward.ris@kfintech.com

Website: www.kfintech.com

XXI. Credit Ratings:

During the Financial Year 2019-20, the Credit Rating granted by ICRA Limited to your Company has been reaffirmed at "[ICRA]AA" with respect to Long Term Fund Based Bank facilities and "[ICRA]A1+" with respect to Short Term Fund Based facilities (including for Commercial Paper).

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), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Medchal (Telangana) and Unnao (Uttar 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)

Agua Feed:

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

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)

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

E-mail: godrej.agrovet@karvy.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 http://www.godrejagrovet.com/codes-and-policies.aspx.

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, 2020, is annexed to this Corporate Governance Report.

XXVII. Disclosures by Management 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 2019-20. 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 2019-20 except grant of Options under Employees Stock Grant Scheme, 2018.

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 Quarter and Annual Financial Statements for the Financial Year ended March 31, 2020.

XXX. Management Discussion and Analysis Report:

Management Discussion and Analysis Report 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 Act.

XXXII. Compliance Certificate on Corporate Governance:

As per Regulation 34 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 Meeting 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 Directorship Recommendation of Board
2.	Audit Committee	18	Yes	 Composition Meeting of Audit Committee Powers of Audit Committee Role of Audit Committee and Review of Information by the Committee

Sr. No.	Particulars	Regulation	Compliance Status Yes/ No/N.A.	Compliance observed for the following:
3.	Nomination and Remuneration Committee	19	Yes	 Composition Role of the Committee Frequency of Meetings Quorum
4.	Stakeholders' Relationship Committee	20	Yes	CompositionRole of the CommitteeFrequency of Meetings
5.	Risk Management Committee	21	Yes	CompositionRole of the CommitteeFrequency of Meetings
6.	Vigil Mechanism	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 transactions pursuant to aforesaid Contracts 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 Un-listed subsidiary companies. Secretarial Audit Report of Material Subsidiary to be annexed
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(20) (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 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 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 of 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, 2020.

For Godrej Agrovet Limited

Sd/-Balram S. Yadav Managing Director (DIN: 00294803)

Date: May 11, 2020 Place: Mumbai

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Members of **Godrej Agrovet Limited**

We have examined all relevant records of Godrei Agrovet Limited (further known as the Company) bearing CIN:L15410MH1991PLC135359, 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, 2020. 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 Companies.

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]

> > Sd/-B. Narasimhan

FCS No: 1303 CP NO: 10440

PR No. 637/2019

Partner

Place: Mumbai Date: May 11, 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (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 and 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, 2020, have been debarred or disgualified from being appointed or continuing as Directors of Companies 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	Ms. Tanya A. Dubash	00026028	10.04.2003
4	Ms. Nisaba Godrej	00597503	24.07.2006
5	Mr. Pirojsha Godrej	00432983	05.11.2018
6	Mr. Balram S. Yadav	00294803	01.09.2007
7	Mr. Kavas N. Petigara	00066162	24.08.1992
8	Dr. Raghunath A. Mashelkar	00074119	18.07.2017
9	Dr. Ritu Anand	00363699	18.07.2017
10	Ms. Aditi Kothari Desai	00426799	18.07.2017
11	Ms. Roopa Purushothaman	02846868	18.07.2017
12	Mr. Natarajan Srinivasan	00123338	04.02.2019
13	Mr. Kannan Sitaram	01038711	17.06.2019

^{*}Note: The date of appointment is as per the date reflected 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 & Associates **Company Secretaries** [Firm Regn. No. P2014MH037400]

> > Sd/-B. Narasimhan **Partner**

FCS No: 1303 CP NO: 10440

PR No. 637/2019

Place: Mumbai Date: May 11, 2020

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 2020, 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 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

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.

Emphasis of matter

We draw attention to the note 55 to the standalone financial statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on 1 April 2011. Amortisation amounting to ₹ 4.25 crore for the year ended 31 March 2019, on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the Company. Had this amount been charged to the standalone Statement of Profit and Loss, the profit for the year ended 31 March 2019 would have been lower by ₹ 2.77 crore.

Our opinion is not modified in respect of the above matter.

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.

Revenue Recognition (adjustment for sales returns and discounts) (Refer Note 1 (6 (A) i) and Note 1 (3 (viii) and iv (a)) of Standalone financial statements)

The Key Audit Matter

As disclosed in Note 1 [6 (A) i] to the Standalone Financial Statements, revenue is measured at the fair value of the consideration received or receivable, after deduction of estimated sales returns and discounts (i.e. trade discounts, volume rebates and other incentives).

Accrual for sales return in crop protection segment and discounts in crop protection and animal feeds segment:

Estimation of accrual for sales returns involves significant judgement and estimates. It is based on historical experience. The estimation is dependent on various internal and external factors. These factors include, for example, quality of harvest, weather conditions etc., some of which are beyond the control of the Company.

Estimation of recognition and measurement of discounts accrual involves significant judgement and estimates, particularly based on accumulated experience and the expected level of discounts/ claims of each of the customers. Assumption of level of customer wise claims for discounts relates to estimating which of the Company's customers will ultimately be subject to a related discount.

Evaluating the assumption of expected returns based on experience and level of customer wise claims for discounts underlying the estimate of accrual is a key judgment area. We identified the evaluation of accrual for sales returns and discounts as a key audit matter.

How the matter was addressed in our audit

Our audit procedures included following:

- Assessing the Company's accounting policies for sales returns and discounts by comparing with applicable accounting standards;
- Testing the design, implementation and operating effectiveness of key internal controls over the development of assumptions of expected returns based on accumulated experience and level of customer wise claims for discounts and related accruals:
- Checking completeness and accuracy of the data used by the Company for accrual of sales returns and discounts. Evaluating the Company's ability to accurately estimate the accrual for sales returns and discounts. Comparing historically recorded accruals to the actual amount of sales returns and discounts:
- Selectina samples (using statistical sampling) of revenue transactions and scheme circulars. Rechecking, if the accrual for discounts were computed in accordance with the eligibility criteria mentioned in the relevant circular. Examining historical trend of claims to assess the assumptions and judgements used by the Company in accrual of sales returns and discounts:
- Examining sample manual journal entries (using statistical sampling) for sales returns and discounts to verify unusual or irregular items.

<u>Loss allowance on trade receivables – Refer Note 1 (3 (iv) b) to the</u> Standalone financial statements

The Key Audit Matter

<u>Loss allowance on trade</u> <u>receivables – crop protection</u> <u>segment</u>

receivables Trade οf cron protection segment of ₹ 428.14 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 İnd AS

The Company assesses the ECL allowance for these individual / small customers resulting from all possible defaults over the expected life of the receivables. These are generally expected to be recognized before a trade receivable becomes past due. ECL is assessed at each reporting date on collective basis using provision matrix.

The measurement of ECL involves significant judgements and assumptions, primarily including:

- Adjusted historical credit loss experience:
- 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.

How the matter was addressed in our audit

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, collection of trade receivables and follow up of overdue balances;
- 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 of days past due. 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 (using balances on sample 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 closina 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

- 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;
 - 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;
- 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 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020, 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:
 - The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its Standalone financial statements – Refer Note 46 to the Standalone financial statements:
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - 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 2020.
- (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

Mumbai 11 May 2020 Koosai Lehery
Partner

Membership No: 112399 UDIN: 20112399AAAABF4463

Annexure A to the Independent Auditors' Report – 31 March 2020

(Referred to in our report of even date)

- (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 programme 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:

Sr. No	Total No. of cases	Type of Assets	Gross block as at March 31, 2020 (₹ in crore)	Net block as at March 31, 2020 (₹ 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	7.79	Company has received the allotment letter from GIDC. Company is in process of registration

Sr. No	Total No. of cases	Type of Assets	Gross block as at March 31, 2020 (₹ in crore)	Net block as at March 31, 2020 (₹ in crore)	Remarks
4	1	Factory Building	1.24	1.03	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds.
5	1	Factory Building	0.22	0.08	Received on demerger of Godrej Soap Business. Company is in the process of transferring the title deeds.
6	1	Office Building	0.54	0.49	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 four 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.

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 2020 for a period of more than six months from the date they became payable.

Also, refer note 46.2 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 Incometax, Duty of excise and Duty of customs have not been deposited as on 31 March 2020 by the Company on account of disputes:

Name of the statute	Nature of the Dues	Amount (₹ in crore)*	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty (including interest)	12.36	April 2008 – March 2011	CESTAT/ Assessing officer
Central Excise Act, 1944	Excise duty (including interest)	6.48	April 2011- December 2015	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	0.62	January 2014 – December 2015	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	9.27	November 2006 – October 2014	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	3.91	May 2009 – June 2017	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	2.34	March 2003 - May 2006	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Excise duty (including interest)	0.05	Oct 2015 – March 2016	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)	0.54	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 has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (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. 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

Mumbai 11 May 2020 Koosai Lehery Partner

Membership No: 112399 UDIN: 20112399AAAABF4463

Annexure B to the Independent Auditors' Report on the standalone financial statements of Godrej Agrovet Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Subsection 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 2020 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 2020, 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 Lehery

Partner
Membership No: 112399
UDIN: 20112399AAAABF4463

Mumbai 11 May 2020

Standalone Balance Sheet

as at March 31, 2020 (₹ in crore)

Particulars	Note No.	As at	As at
		March 31, 2020	March 31, 2019
ASSETS			
(I) Non-current assets		204.00	001.07
(a) Property, plant and equipment	2	834.83	831.37
(b) Capital work-in-progress	2	120.01	62.18
(c) Right of use assets	3	61.66	-
(d) Intangible assets	4	2.91	2.31
(e) Intangible assets under development		0.75	1.12
(f) Biological assets other than bearer plants	5	6.27	4.68
(g) Financial Assets (i) Investments			
	0 (5)	F04 40	F 47.00
Investments in Subsidiaries, Associate and Joint Ventur		591.49	547.36
Other investments	6 (b) 7	0.82 11.74	0.00
(ii) Loans	•		10.41
(iii) Others	8	1.58	1.57
(h) Deferred tax assets	43	6.31	5.93
(i) Other non-current assets	9	19.45	31.88
Total Non current assets		1,657.82	1,498.81
(II) Current Assets		507.00	0=10=
(a) Inventories	10	597.09	674.97
(b) Financial Assets			
(i) Investments		0.04	0.04
(ii) Trade Receivables	12	713.76	588.38
(iii) Cash and cash equivalents	13	31.40	12.99
(iv) Bank balances other than (iii) above	14	0.79	0.70
(v) Loans	15	17.16	25.39
(vi) Others	16	168.52	33.31
(c) Other current assets	17	62.88	56.53
Total current assets		1,591.64	1,392.31
Total Assets		3,249.46	2,891.12
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity share capital	18	192.04	192.03
(b) Other equity	19	1,385.69	1,198.85
Total equity		1,577.73	1,390.88
(II) Liabilities			•
(1) Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	1.55	3.24
(ii) Lease Liabilities		20.76	-
(iii) Other financial liabilities	21	0.85	0.51
(b) Provisions	22	4.72	3.73
(c) Deferred tax liabilities (net)	43	63.11	84.01
(d) Other non-current liabilities	23	15.13	16.35
Total non current liabilities		106.12	107.84
(2) Current liabilities		.55	
(a) Financial liabilities			
(i) Borrowings	24	385.60	105.46
(ii) Trade payables	25	220.00	.00.10
Total outstanding dues of micro enterprises and small e		2.01	10.73
Total outstanding dues of creditors other than micro ent		923.11	1,058.64
(iii) Other financial liabilities	26	150.19	127.90
(b) Other current liabilities	27	40.27	39.36
(c) Provisions	28	39.92	37.77
(d) Current tax liabilities (Net)	20	24.51	12.54
Total current liabilities		1,565.61	1,392.40
Total liabilities		1,505.61	1,392.40
Total labilities Total Equity and Liabilities		3,249.46	2,891.12
iotai Equity dilu Liabilities		3,249.40	2,091.12

The notes 1 to 60 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 LeheryS. VARADARAJVIVEK RAIZADAPartnerChief Financial OfficerCompany SecretaryMembership Number: 112399ICAI Memb. No. 047959ICSI Memb. No. ACS11787

Mumbai, May 11, 2020

Standalone Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in crore)

Parti	culars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I.	Revenue from operations		, i	,
	Sale of products		4,976.29	4,326.11
	Other operating revenue		142.39	10.60
	Total Revenue From Operations	29	5,118.68	4,336.71
II.	Other income	30	41.01	58.19
III.	Total Income		5,159.69	4,394.90
IV.	Expenses			
	Cost of materials consumed	31	3,789.83	3,230.44
	Purchases of Stock-in-Trade	32	220.44	223.01
	Changes in inventories of finished goods, stock under cultivation, work in progress and Stock-in-Trade	33	45.74	(55.59)
	Employee benefits expense	34	216.21	203.10
	Finance costs	35	23.51	21.97
	Depreciation and amortisation expenses	36	79.85	58.64
	Other expenses	37	424.89	405.84
	Total Expenses		4,800.47	4,087.41
V.	Profit Before Tax		359.22	307.49
VI.	Tax expense:		65.91	99.61
	1. Current Tax		85.83	87.52
	2. Deferred Tax		(19.92)	12.09
VII.	Profit for the year		293.31	207.88
VIII.	Other comprehensive income			
	(A) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit liability		(3.28)	(1.85)
	Income tax related to Items that will not be reclassified to profit or loss		0.83	0.64
	Other comprehensive income for the year		(2.45)	(1.21)
IX.	Total comprehensive income for the year (VII + VIII)		290.86	206.67
X.	Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)			
	Basic (₹)	38	15.27	10.68
	Diluted (₹)		15.27	10.68

The notes 1 to 60 form an integral part of the financial statements $% \left(1\right) =\left(1\right) \left(1\right)$

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

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Managing Director
DIN: 00294803

Koosai Lehery

Partner
Membership Number: 112399
Mumbai, May 11, 2020

S. VARADARAJ Chief Financial Officer ICAI Memb. No. 047959 VIVEK RAIZADA Company Secretary ICSI Memb. No. ACS11787

Standalone Statement of Cash Flows for the year ended March 31, 2020

(₹ in crore)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
۱.	Cash Flow from Operating Activities :		
	Net Profit Before Taxes	359.22	307.49
	Adjustment for:		
	Depreciation and amortisation	79.85	58.64
	(Profit)/Loss on sale of Property, plant and equipment	0.50	(29.51)
	Unrealised foreign exchange gain/loss (net)	(0.10)	(0.02)
	Dividend income	(3.54)	(3.47)
	Grant amortisation	(1.11)	(1.20)
	Interest income	(2.21)	(5.94)
	Employee share based compensation cost	1.96	1.16
	Change in fair value of biological assets	(0.23)	0.08
	Finance Cost	23.51	21.97
	Allowances for Doubtful Debts and Advances	3.18	2.97
	Liabilities no longer required written back	(4.27)	(4.88)
	Bad Debts Written off	21.99	16.24
		119.53	56.04
	Operating Profit Before Working Capital Changes	478.75	363.53
	Adjustments for:		
	Inventories	77.88	(123.78)
	Biological assets other than bearer plants	(1.36)	(0.50)
	Trade Receivables	(150.55)	(117.60)
	Non-current / Current financial assets- loans	(1.80)	(12.80)
	Non-current / Current financial assets- others	(135.36)	(9.99)
	Non-current/ Current assets	(9.25)	32.48
	Trade payables and acceptances	(139.97)	374.87
	Non-current / Current - provisions	(0.48)	5.87
	Non-current / Current financial liabilities- others	12.04	(64.52)
	Non-current / Current liabilities	0.80	3.30
		(348.05)	87.33
	Cash Generated from Operations	130.70	450.86
	Direct Taxes paid (net of refunds received)	(73.03)	(88.30)
	Net Cash Flow Generated from Operating Activities	57.67	362.56

(₹ in crore)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
В.	Cash Flow from Investing Activities :		
	Capital subsidy received	-	2.76
	Acquisition of Property, plant and equipment and CWIP	(156.77)	(168.54)
	Proceeds from sale of Property, plant and equipment	4.48	31.83
	Intercorporate Deposits Given	-	(195.64)
	Intercorporate Deposits returned	8.69	205.69
	Purchase of Investments	(44.95)	(14.93)
	Interest Received	2.36	6.04
	Dividend Received	3.54	3.47
	Net Cash Flow used in Investing Activities	(182.65)	(129.32)
C.	Cash Flow from Financing Activities :		
	Repayment of Short Term Borrowings	(1,418.24)	(1,835.67)
	Proceeds from Short Term Borrowings	1,698.39	1,731.64
	Repayment of Long Term Borrowings	(5.50)	(1.88)
	Proceeds from Long Term Borrowings	3.91	-
	Finance Cost	(20.46)	(22.49)
	Lease Liability repayments	(11.25)	-
	Dividend Paid	(86.42)	(86.37)
	Dividend Tax Paid	(17.05)	(17.05)
	Proceeds from exercise of ESOP shares	0.01	-
	Net Cash Flow Generated from Financing Activities	143.39	(231.82)
	Net increase/ (decrease) in Cash and Cash equivalents	18.41	1.42
	Cash and Cash equivalents (Opening balance)	12.99	11.57
	Cash and Cash equivalents (Closing balance) (refer note 13)	31.40	12.99

- 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.
- 3 The borrowings are availed for a short term duration of 3 days to 180 days to manage the cash flow requirements optimally. The amounts are repaid/replaced during the financial year based on cash availability.

The notes 1 to 60 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 LeheryS. VARADARAJVIVEK RAIZADAPartnerChief Financial OfficerCompany SecretaryMembership Number: 112399ICAI Memb. No. 047959ICSI Memb. No. ACS11787

Mumbai, May 11, 2020

Standalone Statement of changes in equity

for the year ended March 31,2020

(a) Equity share capital

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the reporting year	192.03	192.03
Changes in Equity share capital during the year (refer note 18)	0.01	-
Balance at the end of the reporting year	192.04	192.03

(b) Other equity

(₹ in crore)

		(
	Retained earnings	General reserve	Employee share option outstanding	Securities Premium	Total
Balance at April 1, 2019	756.08	15.55	1.16	426.06	1,198.85
Total comprehensive income for the year					
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					
Dividends	(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 3) $$	(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
Balance at April 1, 2018	652.87	18.32	-	425.66	1,096.85
Profit for the year (net of income tax)	207.88	-	-	-	207.88
Other comprehensive income for the year (net of income tax)	(1.21)	-	-	-	(1.21)
Total comprehensive income for the year	206.67	-	-	-	206.67
Transactions with the owners of the Company, recorded directly in equity					
Contributions and distributions					
Dividend	(86.41)	-	<u> </u>	-	(86.41)
Dividend distribution tax	(17.05)	•	•	-	(17.05)
Others					
Amortisation of Intangibles (net of income tax) as per Oil Palm Companies Merger Scheme	-	(2.77)	-	-	(2.77)
approved by Bombay High Court (Refer note 55)			1.10		4.10
Employee compensation expenses recognized during the year	<u>-</u> 	<u>-</u>	1.16	<u>-</u>	1.16
Others (refer note 57)	-	-	-	0.40	0.40
Balance at March 31, 2019	756.08	15.55	1.16	426.06	1,198.85

The notes 1 to 60 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 Lehery

Partner Membership Number: 112399 Mumbai, May 11, 2020 S. VARADARAJ Chief Financial Officer ICAI Memb. No. 047959 VIVEK RAIZADA Company Secretary ICSI Memb. No. ACS11787

Note 1 Significant Accounting Policies

1. General information

Godrej Agrovet Ltd. ("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, 2020 were authorized for issue in accordance with a resolution of the Board of Directors on May 11, 2020.

(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:

(i) 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.

(ii) 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.

(iii) 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, depreciation carry-forwards and unused tax credits could be utilized.

(iv) 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.

(v) 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.

(vi) 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.

(vii) 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 judgment 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.

(viii) Rebates and sales incentives

Rebates are generally provided to distributors or customers as an incentive to sell the Company's products. Rebates are based on purchases made during the period by distributor / customer. The Company determines the estimates of rebate accruals primarily based on the contracts entered into with their distributors / customers and the information received for sales made by them.

(ix) 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.

(x) Biological Assets

Management uses inputs relating to production and market prices in determining the fair value biological assets.

(xi) 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).
- 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. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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 2020, 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 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.

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
- 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:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- 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.

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 nonrefundable 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.
- 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/ Amortization

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 primary lease period.
- (d) Leasehold improvements and equipments: Amortised over the Primary lease period or 16 years, whichever is less

Assets costing less than $\ref{thmodel}$ 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

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 yearsComputer 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 intangible assets.

K. Share-based payments:

- 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).
- 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.

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-byinstrument 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 'passthrough' 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 passthrough 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.
- b) 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 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 remeasured 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.

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 insubstance 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.

In the previous year under Ind AS 17 - Rental expense pertaining to properties taken on operating leases was generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases were recognised in the year in which such benefits accrue.

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.

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.

(₹ in crore)

Note 2 Property, plant and equipment

PARTICULARS	Freehold Land (refer note 2.1)	Leasehold Land (refer note 2.1 & 2.3)	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, 2020										
Gross Block										
Cost at April 1, 2019	40.23	30.73	315.82	570.34	90'6	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)	(6.78)
Transition impact of IND AS 116 (Refer note 3)		(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 3.)		(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
Capital work in progress										120.01
As at March 31, 2019										
Gross Block										
Cost as at April 1, 2018	35.51	30.73	260.60	435.37	8.64	26.84	22.83	2.13	0.32	822.97
Additions	4.99	•	55.30	136.03	0.43	5.33	5.24	0.50	0.03	207.85
Disposals	(0.27)	•	(0.08)	(1.06)	(0.01)	(1.78)	(0.10)	(0.03)	•	(3.33)
As at March 31 ,2019	40.23	30.73	315.82	570.34	90'6	30.39	27.97	2.60	0.35	1,027.49
Accumulated Depreciation										
At April 1, 2018	-	0.95	25.82	94.82	2.28	7.85	7.18	0.47	0.08	139.45
Charge for the year	•	0.35	9.70	39.61	0.91	3.59	3.10	0.39	0.03	57.68
Disposals	•	•	(0.01)	(0.44)	(00.00)	(0.48)	(0.06)	(0.02)	•	(1.01)
As at March 31, 2019	•	1.30	35.51	133.99	3.19	10.96	10.22	0.84	0.11	196.12
Net Block as at March 31, 2019	40.23	29.43	280.31	436.35	5.87	19.43	17.75	1.76	0.24	831.37
Capital work in progress										62.18

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: Capital work in progress includes borrowing cost capitalised during the year of ₹1.51 crore (Previous Year ₹0.52 crores).

Note 2.3: 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'.

Note 3: Leases

Operating Lease:

The Company's leasing arrangements are in respect of lease land, building and equipment occupied by the Company. These leasing arrangements are renewable on a periodic basis by mutual consent on mutually acceptable terms.

Right-of-use assets (₹ in crore)

3					,
		Buildings	Leasehold Land	Vehicles	Total
Cost					
As at 1 April 2019 (on transition to IND AS	116)	23.17	30.73	-	53.90
Additions		1.19	5.74	11.19	18.12
Disposals		-	-	-	-
Balance at 31 March 2020		24.36	36.47	11.19	72.02
Accumulated depreciation and impairm	ent				
As at 1 April 2019 (on transition to IND AS	116)	-	1.30	-	1.30
Depreciation		6.27	0.43	2.36	9.06
Impairment loss		-	-	-	-
Eliminated on disposals of assets		=	=	=	-
Balance at 31 March 2020		6.27	1.73	2.36	10.36
Carrying amounts					
As at 1 April 2019		23.17	29.43	=	52.60
Balance at 31 March 2020		18.09	34.74	8.83	61.66
					Year ended March 31, 2020
Short-term lease expense					7.35
Total lease expense					7.35
Cash outflow on leases					(₹ in crore
					Year ended March 31, 2020
Repayment of lease liabilities					8.19
Interest on lease liabilities					3.06
Short-term lease expense					7.35
Total cash outflow on leases					18.60
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, 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 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	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

Particulars	(₹ in crore)
Operating lease commitments disclosed in March 2019 financials (under Ind AS 17)	25.45
Add: Liability on account of reassesment of lease term	6.49
Less: Discounting impact (total interest)	4.92
Lease liability as at April 1, 2019	27.02

Note 4 Intangible Assets

(₹ in crore)

Particulars	Computer Software	Grant of Licenses refer note 4.1	Total
As at March 31, 2020			
Cost			
At April 1, 2019	7.50	17.00	24.50
Additions	1.44	=	1.44
Disposals		-	-
As at March 31, 2020	8.94	17.00	25.94
Accumulated amortisation			
At April 1, 2019	5.19	17.00	22.19
Charge for the year	0.84	-	0.84
Disposals	-	-	=
As at March 31, 2020	6.03	17.00	23.03
Net Block as at March 31 , 2020	2.91	-	2.91
As at March 31, 2019			
Cost			
At April 1, 2018	6.52	17.00	23.51
Additions	0.98	=	0.98
Disposals	-	=	-
As at March 31, 2019	7.50	17.00	24.50
Accumulated amortisation			
At April 1, 2018	4.23	12.75	16.98
Charge for the year	0.96	4.25	5.21
Disposals	-	-	-
As at March 31, 2019	5.19	17.00	22.19
Net Block as at March 31, 2019	2.31	-	2.31

Note 4.1 To give effect to the Order of the Honourable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account. (refer note 55)

Note 5 Biological Assets other than bearer plants

A. Reconciliation of carrying amount

(₹ in crore)

March 31, 2020

Particulars	Oil palm sa	aplings
	Qty.	Amount
Balance as April 1, 2019	672,953	4.68
Add:		
Purchases	715,500	3.07
Production/ Cost of Development		2.35
Less:		
Sales / Disposals	(580,206)	(4.06)
Change in fair value less cost to sell:	-	0.23
Realised	=	(0.38)
Unrealised	-	0.61
Balance as at March 31, 2020	808,247	6.27
March 31, 2019		(₹ in crore)

Particulars	Oil palm s	aplings
	Qty.	Amount
Balance as April 1, 2018	676,545	4.26
Add:		-
Purchases	593,900	2.54
Production/ Cost of Development	-	2.27
Less:		-
Sales/ Disposals	(597,492)	(4.31)
Change in fair value less cost to sell:	-	(0.08)
Realised	-	(0.15)
Unrealised		0.07
Balance as at March 31, 2019	672,953	4.68

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, 2020, the Company purchased 7,15,500 (Previous year: 593,900) number of saplings, out of which 7,15,500 (Previous year: 593,900) 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.

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, 2020	March 31, 2019
Gain / (Loss) included in 'other operating revenue'	0.23	(0.08)
Change in fair value - (realised)	(0.38)	(0.15)
Change in fair value - unrealised	0.61	0.07

iii. Valuation techniques and significant unobservable inputs

Туре	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 ₹ 50.72 to ₹ 117 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) fo March 3		Profit or (loss) for the year ended March 31,2019	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost	(0.08)	0.09	(0.08)	0.09
Cash flow sensitivity (net)	(0.08)	0.09	(0.08)	0.09

(₹ in crore)

				As at March 31, 2020	As at March 31, 2019
Not	e 6 : In	vestm	ents		
Α.	Inve	stment	s in subsidiaries, associate and joint ventures		
	Inve	stment	in Equity Instruments (Fully Paid)		
	(a)	Inve	stment in equity of subsidiaries		
		i	Quoted		
			Astec LifeSciences Limited.	294.48	257.82
			12,204,016 (Previous year 11,275,466) Equity shares of ₹10/- each.		
			(Acquired 928,550 Equity Shares during the current year)		
		ii	Unquoted		
			i Godvet Agrochem Limited	9.95	9.95
			9,950,000 (Previous year 9,950,000) Equity Shares of ₹ 10/- each.		
			ii Creamline Dairy Products Limited.	162.07	162.07
			5,879,008 (Previous year 5,879,008) equity shares of ₹10/- each.		
			iii Godrej Tyson Foods Limited (refer Note 49)	72.94	72.94
			101,439 (Previous year 101,439) Equity Shares of ₹10/- each.		
			iv Godrej Maxximilk Private Limited (refer Note 49)		
			842,006 (Previous year 503,043) Equity shares of ₹ 10 each.	15.03	7.56
			(338,963 Equity Shares subscribed during the current year)		
	(b)	Inve	stment 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 ₹ 100/- each.		
		ii	Omnivore India Capital Trust		
			2,444.37 (Previous year 2,444.37) units of ₹ 100,000 each.	24.44	24.44
	Tota	I (A)		591.49	547.36
В.	Inve	stment	in equity instruments		
	i.	Quo	ed at FVOCI		
		i.	KSE Limited	0.82	-
			7,467 Equity Shares of ₹ 10/- each		
			(Acquired 7,467 shares during the current year)		
	ii.	Unq	uoted at FVTPL		
		(a)	Investment in Co-operative Society	0.00	0.00
		(b)	Investment in Other Corporates	0.00	0.00
	Tota	I (B)		0.82	0.00
	TOT	AL		592.31	547.36

		(11101010)
	As at March 31, 2020	As at March 31, 2019
Note 6.1 Other disclosures		
Aggregate amount of quoted investment	295.29	257.81
Market value of quoted investment	481.81	606.99
Aggregate amount of unquoted investments	297.01	289.55
Aggregate amount of Impairment in the value of investments	-	-

(₹in crore)

		As at March 31, 2020	As at March 31, 2019
Note 6.2			
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	62.37	57.67
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	74.00	62.97
Investment in units of Omnivore India Capital Trust, a vent venture as the Company participates in the key activities			

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Not	÷7		
Noi	Current Loans (Refer Note 41.2)		
Uns	ecured, considered good (unless otherwise stated)		
1	Security deposits		
	i Considered good	11.25	9.97
	ii Considered doubtful	0.23	0.23
	Less: Allowance for bad and doubtful deposits	(0.23)	(0.23)
	Net Deposits	11.25	9.97
2	Loan to employees	0.49	0.44
тот	AL	11.74	10.41

		As at March 31, 2020	As at March 31, 2019
Note	e 8		
Oth	er non-current financial assets		
1	Claims receivable	1.46	1.46
2	Bank Deposit with remaining maturity of more than 12 months (refer note 8.1)	0.12	0.11
тот	AL	1.58	1.57
	\circ 8.1: Fixed Deposits of ₹ 0.12 crore (Previous year ₹0.11 crore) are pledged with government orities.		

(₹ in crore)

			As at March 31, 2020	As at March 31, 2019
Note	9			
Othe	r non-	current assets		
1	Сар	ital advances	9.56	25.23
2	Bala	nce with government authorities	4.36	4.37
3	Othe	ers		
	i)	Considered good	5.53	2.28
	ii)	Considered doubtful	0.19	0.19
		Less : Allowance for doubtful advances	(0.19)	(0.19)
			5.53	2.28
TOT	AL		19.45	31.88

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Not	te 10		
Inv	entories (refer note 10.1)		
(Val	ued at lower of cost and net realizable value)		
1	Raw materials	425.16	402.37
2	Work in Progress	10.74	14.23
3	Project in progress (refer note 53)	12.08	68.43
4	Finished goods	64.19	83.64
5	Stock-in-Trade	62.21	86.60
6	Stores and Spares	22.71	19.70
тот	TAL	597.09	674.97
Note	e 10.1 : Refer note 24 for information on inventories pledged as securities by the Company		

	As at March 31, 2020	As at March 31, 2019
Note 11		
Current Investments		
Investment in equity of associates (Unquoted) (refer note. 6.2)		
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	-	-

(₹ in crore)

			(11101010)
		As at March 31, 2020	As at March 31, 2019
Note	2 12		
Trad	le Receivables (refer note 41.2)		
i.	Secured and considered good (refer note 12.1)	123.93	74.37
ii.	Unsecured and considered good	589.83	514.01
iii.	Credit impaired	20.19	15.92
Less	: Loss allowance	(20.19)	(15.92)
TOT	AL	713.76	588.38
Note	12.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.		
Note	12.2: Refer to note 24 for information on trade receivables pledged as security by the company.		

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	: 13		
Cas	h and cash equivalents		
1	Cash on hand	0.69	0.68
2	Cheques, Drafts on hand	-	4.43
3	Balances with banks:		
	(a) Current Accounts	30.67	7.84
	(b) Saving bank account of company's ESOP Trust	0.04	0.04
тот	AL	31.40	12.99

		As at March 31, 2020	As at March 31, 2019
Note	e 14		
Ban	k Balances Other Than Cash and Cash Equivalents		
1	Fixed Deposits - maturity more than 3 months and less than 12 months	0.70	0.66
2	Unclaimed dividend Account	0.09	0.04
тот	AL	0.79	0.70

(₹ in crore)

			As at	As at
			March 31, 2020	March 31, 2019
Not	e 15			
Cur	rent Lo	ans		
Uns	ecured	, Considered Good, Unless Otherwise Stated		
1	Loar	ns and advances to related parties (refer note 59)		
	(a)	Intercorporate Deposits	-	8.69
2	Loar	ns and Advances - Others		
	(a)	Loans and advances to employees	0.36	0.85
	(b)	Security deposits	2.29	2.46
	(c)	Other Loans and advances.		
		i Unsecured and considered good	14.51	13.39
		ii. Credit impaired	0.13	-
		Less : Loss allowance	(0.13)	-
тот	ΓAL		17.16	25.39

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	16		
Othe	er current financial assets		
1	Interest accrued on Bank Fixed Deposit	0.04	0.03
2	Interest Accrued on Intercorporate Deposits	-	0.15
3	Interest Accrued on other Deposits	0.03	0.02
4	Other Receivables (refer note 53)	153.93	20.75
5	Derivative assets	0.85	-
6	Others	13.67	12.36
TOT	AL	168.52	33.31

		As at March 31, 2020	As at March 31, 2019
Note	2 17		
Othe	er current assets		
1	Advances to suppliers	18.64	13.65
2	Balance with government authorities	9.89	12.01
3	Others (includes prepayments, inventory receivable on returns, etc.)	34.35	30.87
тот	AL	62.88	56.53

(₹ in crore)

	,		
		As at March 31, 2020	As at March 31, 2019
	Note 18		
	Share Capital		
1	Authorised :		
	(a) 224,994,000 (Previous year 224,994,000) Equity shares of the par value of ₹ 10 each	224.99	224.99
	(b) 6,000 (Previous year 6,000) Preference shares of the par value of ₹ 10 each	0.01	0.01
	TOTAL	225.00	225.00
2	Issued, Subscribed and Paid-up:		
	192,041,898 (Previous year 192,028,739) Equity shares of ₹ 10 each fully paid up.	192.04	192.03
	TOTAL	192.04	192.03

3	Reconciliation of number of shares outstanding at the	As at March 31, 2020		As at March 31, 2019	
	beginning and end of the year :	No. of shares	₹ In crore	No. of shares	₹ In crore
	Equity shares:				
	Outstanding at the beginning of the year	19,20,28,739	192.03	19,20,28,739	192.03
	Shares issued during the year (refer note 40)	13,159	0.01	-	-
	Outstanding at the end of the year	19,20,41,898	192.04	19,20,28,739	192.03

4 Rights, preferences and restrictions attached to

a Equity Shares: The Company has one class of Equity shares having a par value of ₹ 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	5 Shareholders holding more than 5% shares in the		5% shares in the As at March 31, 2020		As at March 31, 2019	
	company i	s set out below:	No. of shares	%	No. of shares	%
	(a) Equit	y shares				
	1	Godrej Industries Limited -Holding Company	11,38,51,427	59.28%	11,16,66,300	58.15%
	2	V-Sciences Investments Pte Ltd	2,28,15,329	11.88%	2,47,07,698	12.87%

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 2019	-
March 31 2018	-
March 31 2017	9,25,65,438
March 31 2016	-
March 31 2015	7,93,41,804

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note 19			
Oth	er Equity		
1.	Retained Earnings	940.98	756.08
2.	General Reserve	15.55	15.55
3.	Employee Stock Grants Outstanding.	2.32	1.16
4.	Securities Premium	426.84	426.06
тот	TOTAL EQUITY		1,198.85

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

(₹ in crore)

The following dividends were declared and paid by the company during the year:	As at March 31, 2020	As at March 31, 2019
Equity Dividend paid @ ₹ 4.50 (previous year @ ₹ 4.50) per share	86.42	86.41
Dividend distribution tax on the equity dividend paid	17.05	17.05
	103.47	103.46

The Board, in its meeting on May 11, 2020 has recommended a final dividend of ₹ 5.5 per equity share for the financial year ended March 31, 2020 subject to the approval at the Annual General Meeting. The cash outflow on account of dividend would be ₹ 105.62 crore

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	20		
Non	Non current- Borrowings		
Uns	Unsecured		
1	Deferred payment liabilities (refer note 20.1)	1.55	2.06
2	Deferred Sales Tax Loan (refer note 20.2)	-	1.18
тот	AL	1.55	3.24

Note 20.1: 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 ₹6.18 crore and outstanding for the year ended March 31, 2020 was ₹2.58 crore (Previous year ₹ 3.09 crore) with current maturity disclosed separately in note no. 26 at ₹ 1.03 crore (Previous year ₹ 1.03 crore).

Note 20.2: 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 ₹ 4.67 crore and outstanding for the year ended March 31, 2020 was ₹ 1.34 (Previous year ₹ 2.41 crore) with current maturity disclosed separately in note 26 at ₹ 1.34 crore (Previous year ₹ 1.23 crore).

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Note 21		
Other Non-Current Financial Liabilities		
Non Trade Payables	0.85	0.51
TOTAL	0.85	0.51

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Note 22		
Non Current Provisions		
Provision for employee benefits :		
- Provision for compensated absences (refer note 39)	4.72	3.73
Total	4.72	3.73

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Note 23		
Other non-current liabilities		
Deferred grant	15.13	16.35
Total	15.13	16.35

(₹ in crore)

			As at March 31, 2020	As at March 31, 2019
Note	e 24			
Curr	ent bo	rrowings		
1	Secu	ıred		
	(a)	Cash credit from banks (refer note 24.1)	-	4.71
2	Unse	ecured		
	(a)	Term loans from Banks (refer note 24.2)	15.07	20.00
	(b)	Commercial paper (refer note 24.3)	148.11	-
	(c)	Cash credit (refer note 24.1)	-	0.36
	(d)	Working Capital Loans from Banks (refer note 24.4)	222.42	80.39
Total			385.60	105.46

Note 24.1 : During the year the Company has raised and repaid Cash Credit carrying interest at the rate of 8.7% to 10% (Previous year 1 Year MCLR + 35 to 50 bps) . This cash credit from Bank is secured against inventories and receivables.

Note 24.2 : Term Loans are taken for the year ended March 31, 2020 and carries interest rates of T Bill +0 to T Bill +0.14 bps (Previous Year T Bill +0 to T Bill +0.14 bps). These loanse are repayable on January 2021.

Note 24.3: Commercial Paper are taken for the year ended March 31, 2020 and carries interest rate of 5.10% to 7.5% (Previous year 6.72% to 7.45%)

Note 24.4: Working Capital Loans from Banks are at an Interest Rate of 6.75% to 9.00% and T Bill +0.15 to T Bill +0.75 bps (Previous Year 7.25% to 8.35% and T Bill +0.04 to +0.08 bps). These loans are repayable on different dates upto 6 months from the date of the Financial Statements.

(₹ in crore)

			As at March 31, 2020	As at March 31, 2019
Not	e 25			
Curr	rent -T	rade Payables		
1	Trade Payables			
	a.	Due to micro enterprises and small enterprises (refer note 25.1)	2.01	10.73
	b.	Other than micro enterprises and small enterprises	150.51	234.46
2	Acc	reptances	772.60	824.18
Tota	ıl		925.12	1,069.37

(₹ in crore)

Add	Additional disclosure related to Micro Enterprises and Small Enterprises		As at March 31, 2019
Α	Principal amount remaining unpaid	2.01	10.73
В	Interest due thereon	0.01	0.11
С	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	-	-
Е	Interest accrued and remaining unpaid	0.13	0.11
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 25.1: 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 ₹ 2.01 crores is due as on March 31, 2020 (Previous Year ₹ 10.73 crores) to Micro, Small and Medium Enterprises on account of principal.

		As at March 31, 2020	As at March 31, 2019
Note	26		
Othe	er financial liabilities		
1	Current maturities of long-term debt		
	(i) Unsecured Loan		
	From others - Deferred Sales Tax Loan (refer note 20.2)	1.34	1.23
	From others - Deferred payment liabilities (refer note 20.1)	1.03	1.03
2.	Current maturity of lease liability	10.50	=
3	Liabilities towards beneficiaries of Company's ESOP Trust	0.06	0.06
4	Security Deposit	62.61	61.58
5	Non Trade Payables	33.75	33.13
6	Derivative liability	-	0.27
7	Others (includes accrual for expenses, bonus, etc.)	40.81	30.56
8	Unclaimed Dividend	0.09	0.04
Tota	l	150.19	127.90

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	27		
Othe	er current liabilities		
1	Advances from Customers	30.84	35.00
2	Statutory Liabilities	8.58	3.37
3	Deferred Grants	0.85	0.99
Tota	I	40.27	39.36

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, 2020	As at March 31, 2019
Note	e 28		
Cur	rent Provisions		
1	Provision for employee benefits		
	- Provision for compensated absences (refer note 39)	0.36	0.32
	- Provision for gratuity (refer note 39)	5.57	3.80
2	Provision for sales return (refer note. 28.1 and 28.2)	33.99	33.65
Tota	al	39.92	37.77

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Note. 28.1 Movement of provision for sales return		
Opening Balance	33.65	25.04
Add: Provision created during the year	201.27	146.58
Less: Utilised during the year	200.92	137.97
Closing Balance	33.99	33.65

Note. 28.2 : The Company makes a provision on estimated sales return based on historical experience. The sales returns are generally expected within a year.

(₹ in crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Not	e 29		
Rev	renue from operations		
1	Sale of products (refer note 29.1)		
	Sale of products	4,934.76	4,296.08
	Sale of Scrap and Empties	41.53	30.03
		4,976.29	4,326.11
2	Other operating revenue		
	Rebates/Incentives from Government	7.48	10.68
	Fair value of Biological Assets (refer note 5)	0.23	(0.08)
	Sales of Real Estate project (refer note 53)	134.68	-
		142.39	10.60
	Total	5,118.68	4,336.71

		For the year ended March 31, 2020	For the year ended March 31, 2019
Not	e 29.1:		
1	Reconciliation of revenue from contract with customers		
	Particulars		
	Revenue from contract with customer as per the contract price	5,107.74	4,480.87
	Adjustments made to contract price on account of :-		
	a) Discounts/Incentives	(131.45)	(154.76)
		4,976.29	4,326.11
2	Disaggregation of revenue.		
	Animal Feed	3,717.72	3,096.78
	Vegetable Oil	668.46	671.54
	Crop Protection	562.08	540.34
	Other Business	28.03	17.46
		4,976.29	4,326.11
3	Geographical disaggregation		
	Sales in India	4,972.04	4,322.96
	Sales outside India	4.25	3.15
		4,976.29	4,326.11

(₹ in crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Not	e 30		
Oth	er Income		
1	Interest income		
	(a) Instruments measured at amortised cost		
	- Interest received on Deposits	2.21	5.64
	(b) Interest received from Income Tax	-	0.30
2	Dividend income		
	(i) Dividend received from Joint Venture Company	0.07	0.02
	(ii) Dividend received from Subsidiary Company	3.47	3.45
3	Profit on sale of Property, plant and equipment (net)	-	29.51
4	Claims received	0.72	1.20
5	Liabilities no longer required written back	4.27	4.88
6	Recovery of Bad Debts written off	1.00	0.81
7	Royalty & Technical Knowhow	5.07	1.30
8	Other Miscellaneous Income	23.09	9.88
9	Grant amortization	1.11	1.20
	TOTAL	41.01	58.19

(₹ in crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	31		
Cost	t of materials consumed		
а	Material at the Commencement of the year	402.37	332.70
b	Add : Purchases / Change in Project-in-progress (refer note 53)	3,824.33	3,301.76
С	Less : Material sold	11.71	1.65
		4,214.99	3,632.81
d	Less: Material at the Close of the year	425.16	402.37
Tota		3,789.83	3,230.44

	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 32		
Purchase of stock-in-trade		
Agri Input	220.44	223.01
Total	220.44	223.01

(₹ in crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	e 33		
	inges In Inventories of Finished Goods, Work In Progress, Stock under cultivation and Stock- rade		
1	Stocks at the Commencement of the year		
	(a) Finished Goods	83.64	66.83
	(b) Work In Progress	14.23	10.27
	(c) Stock under cultivation	4.68	4.26
	(d) Stock-in-Trade	86.60	52.20
	Total Stock at the commencement of the year	189.15	133.56
2	Less : Stocks at the Close 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 close of the year	143.41	189.15
	Change in the stock of Finished Goods, Work In Progress, Stock under cultivation, Stock in Trade	45.74	(55.59)

(₹ in crore)

		_	(
		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	e 34		
Emp	oloyee benefits expense		
1	Salaries, Wages, Bonus and Allowances	184.21	170.76
2	Contribution to Provident, Gratuity and Other Funds (refer note 39)	13.15	11.62
3	Expense on Employee Stock grant scheme (refer note 40)	2.75	2.25
4	Staff Welfare Expense	16.10	18.47
	TOTAL	216.21	203.10

(₹ in crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	35		
Fina	ance Costs		
1	Interest Expense		
	i. Paid to Banks on Loans and Cash Credit	6.88	9.31
	ii. Others	15.72	12.04
2	Other Borrowing Costs	0.91	0.62
	TOTAL	23.51	21.97

Note No.35.1: Finance costs are net of interest capitalised to capital work in progress and project in progress ₹1.51 crore (Previous year ₹ 0.52 crore).

(₹ in crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	e 36		
1	Depreciation	69.95	57.68
2	Amortization	0.84	5.21
3	Amortization of Right of Use Asset (refer note 3)	9.06	-
	Less : Transfer to General Reserve (refer note 55)	-	(4.25)
Dep	reciation and amortisation Expenses	79.85	58.64

(₹ in crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	e 37		
Othe	er Expenses		
1	Stores and Spares consumed	22.74	20.37
2	Power and Fuel	61.37	54.62
3	Processing and Other Manufacturing Charges	93.80	79.16
4	Rent	7.35	14.29
5	Rates and Taxes	2.46	3.41
6	Repairs and Maintenance		
	(a) Machinery	9.26	6.50
	(b) Buildings	2.23	1.69
	(c) Other assets	1.42	1.49
7	Insurance	2.64	2.18
8	Payment to auditors (refer note 37.1)	0.73	0.62
9	Freight	66.53	67.05
10	Advertisement, Selling and Distribution Expenses	34.52	35.58
11	Bad Debts/Advances Written Off	21.99	16.24
12	Allowances for Doubtful Debts and Advances	3.18	2.97
13	Loss on Sale/Write off of Property, plant and equipment	0.50	=
14	Research Expenses	1.82	1.98
15	Net gain/loss on foreign currency transactions and translation	0.58	0.30
16	Corporate Social Responsibility (refer note 51)	5.85	4.80
17	Miscellaneous Expenses	85.92	92.59
	Total	424.89	405.84

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	No. 37.1: Payment to auditors		
(a)	Audit Fees (including limited reviews)	0.65	0.59
(b)	Other matters	0.03	0.02
(c)	Reimbursement of Expenses	0.05	0.01
	Total	0.73	0.62

Note 38 Earnings per share

Calculation of weighted average number of equity shares - Basic and Diluted

(₹ in crore)

	Particulars	March 31, 2020	March 31, 2019
1	Calculation of weighted average number of equity shares - Basic		
	Number of shares at the beginning of the year	192,028,739	192,028,739
	Equity shares issued during the year	13,159	-
	Number of equity shares outstanding at the end of the year	192,041,898	192,028,739
	Weighted average number of equity shares for the year	192,038,339	192,028,739
2	Calculation of weighted average number of equity shares - Diluted		
	Weighted average equity shares - Basic	192,038,339	192,028,739
	Effect of exercise of share grants (refer note 38.1)	38,950	15,500
	Revised number of potential equity shares outstanding at the end of the year	192,077,289	192,028,739
	Weighted average number of potential equity shares for the year	192,077,289	192,044,239
			(₹ in crore)
3	Profit attributable to ordinary shareholders (Basic/diluted)		
	Profit (loss) for the year, attributable to the owners of the Company	293.31	207.88
	Income/(Expense) recognized in Reserves		
	Amortisation of Intangible Assets	-	(2.77)
	Employee Compensation Expenses	-	
	Profit for the year, attributable to ordinary shareholders	293.31	205.11
4	Basic Earnings per share (₹)	15.27	10.68
5	Diluted Earnings per share (₹)	15.27	10.68
6	Nominal Value of Shares (₹)	10	10

Note 38.1 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.

Note. 39 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 ₹ 9.54 crore for the year ended March 31, 2020 (for Previous Year ₹ 8.22 crore) towards provident fund contribution, ₹ 0.63 crore for the year ended March 31, 2020 (for Previous Year ₹ 0.87 crore) towards employees' state insurance contribution and ₹ 0.54 crore for the year ended March 31, 2020 (Previous Year ₹ 0.58 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, 2020.

(₹ in crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Plan assets at period end, at fair value	131.76	114.85
Provident Fund Corpus / Obligation	128.28	111.94
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	8.43%	8.49%
Weighted Average YTM	8.44%	8.54%
Guaranteed Rate of Interest	8.50%	8.65%

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. 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, 2020. 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:

(₹ in crore)

	March 31, 2020	March 31, 2019
Defined benefit obligation	(28.43)	(24.97)
Fair value of plan assets	22.86	21.17
Net defined benefit (obligation)	(5.57)	(3.80)

i. Movement in net defined benefit (asset) liability

(₹ 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	Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Opening balance	24.97	22.40	21.18	17.38	3.79	5.02	
Included in profit or loss							
Current service cost	1.99	1.69	-	-	1.99	1.69	
Interest cost (income)	1.95	1.74	1.64	1.35	0.31	0.39	
Included in OCI							
Remeasurement loss (gain):							
Actuarial loss (gain) arising from:							
Demographic assumptions	-	0.68	-	-	-	0.68	
Financial assumptions	1.93	(0.02)	-	-	1.93	(0.02)	
Experience adjustment	0.69	1.23	-	-	0.69	1.23	
Return on plan assets excluding interest income	-	-	(0.66)	0.04	0.66	(0.04)	
	31.53	27.72	22.16	18.77	9.37	8.95	
Other							
Contributions paid by the employer			3.80	5.15	(3.80)	(5.15)	
Benefits paid	(3.10)	(2.75)	(3.10)	(2.75)	-	-	
Closing balance	28.43	24.97	22.86	21.18	5.57	3.80	
Represented by							
Net defined benefit liability	5.57	3.80					
	5.57	3.80					
Amount recognised in other comprehensive income for the year							
Actuarial loss on obligation for the period	-	-					
Return on plan assets	0.66	(0.04)					
Net expense for the period recognised in OCI	0.66	(0.04)					

ii. Plan assets

Plan assets comprise the following

(₹ in crore)

	March 31, 2020	March 31, 2019
Insurer managed fund (100%)	22.86	21.18
	22.86	21.18

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	March 31, 2020	March 31, 2019
Discount rate	6.89%	7.79%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs. & Below 8.00 %	For service 4 yrs. & Below 8.00 %
	p.a. & For service 5 yrs and above 3.00 % p.a.	p.a. & For service 5 yrs and above 3.00 % 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, 2020		March 3	1, 2019
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.13) 2.46	(1.75)	2.02
Future salary growth (1% movement)	2.4	9 (2.18)	2.06	(1.81)
Rate of employee turnover (1% movement)	0.3	4 (0.39)	0.43	(0.49)

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

Expected future benefit payments	March 31, 2020	March 31, 2019
1st Following year	2.91	3.00
2nd Following year	1.41	1.55
3rd Following year	2.20	1.72
4th Following year	2.24	2.16
5th Following year	3.60	2.06
Thereafter	12.27	12.26

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, 2020 based on actuarial valuation using the projected accrued benefit method is ₹ 1.93 crore (previous year ₹ 1.13 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 Economic Value Addition (EVA), which is related to actual improvement made in EVA over the previous period when compared with expected improvements.

Note 40: 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 ₹ 0.81 crore (Previous Year ₹1.09 crore) 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 ₹ 1.94 crore (Previous Year ₹ 1.16 crore) for all the eligible employees for current year.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2020:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019	Description of the Inputs used	
Dividend yield %	0.87%	0.73%	Dividend yield of the options is based on recent dividend activity.	
Expected volatility %	28% - 29%	27%	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 %	6.563% to 7.043%	7.174% to 7.744%	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	515.37	619.95		

The Status of the above plan is as under:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019	Weighted average Exercise Price (₹)
Options Outstanding at the Beginning of the Year	42,705	-	- - - ₹10/- -
Options Granted	53,484	42,705	
Options Vested	13,159		
Options Exercised	13,159		
Options Lapsed / Forfeited	13,796		
Total Options Outstanding at the end of the year	69,234	42,705	

The weighted average exercise price of the options outstanding as on March 31, 2020 is ₹ 10/- (previous year ₹ 10/- per share)

Note 41: Financial instruments - Fair values and risk management

Note 41.1: 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.

March 31, 2020			Carryin	g amount			Fair v	alue	
			FVOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
				Cost					
Fina	incial assets								
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	0.85	-	167.67	168.52	-	0.85	-	0.85
		0.85	0.82	944.10	945.77	0.82	0.85	0.00	1.67
Fina	incial liabilities			·			·		
ı	Non Current Financial Liabilities								
1	Borrowings	-	-	1.55	1.55	-	-	-	-
2	Other non-current financial liabilities	-	-	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	-	-	-	-

March 31, 2019		Carrying amount				Fair value		
	FVTPL	FVOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
			Cost					
I Non-current Financial Assets							'	
1 Investments	0.00	-	-	0.00	-	-	0.00	0.00
2 Loans and Advances	-	-	10.41	10.41	-	-	-	-
3 Others	=	-	1.57	1.57	-	-	-	-
II Current Financial Assets								
1 Trade and other receivables	-	-	588.38	588.38	-	=	-	-
2 Cash and cash equivalents	-	-	12.99	12.99	-	-	-	-
3 Other bank balances	-	-	0.70	0.70	-	=	-	-
4 Loans and Advances	-	-	25.39	25.39	-	=	-	-
5 Others	=	-	33.31	33.31	-	=	-	-
	0.00	-	672.75	672.75	-	-	0.00	0.00
I Non-current Financial liabilities								
1 Borrowings	=	-	3.24	3.24	-	1.18	-	1.18
2 Others	-	-	0.51	0.51	-	=	-	-
II Current Financial liabilities								
1 Borrowings	=	-	105.46	105.46	-	-	-	-
2 Trade and other payables	=	-	1,069.37	1,069.37	-	=	=	-
3 Others	0.27	-	127.63	127.90	-	0.27	-	0.27
	0.27	-	1,306.21	1,306.48	-	1.45	-	1.45

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.

Туре	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 41.2: 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.

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
		(₹ in crore)
	March 31, 2020	March 31, 2019
Trade receivables (net of impairment)	713.76	588.38
Exports		
Distributors	-	-
Other	0.25	0.58
Domestic		
Distributors	692.86	561.08
Other	20.65	26.72
Total of Trade Receivables	713.76	588.38
Total of Other Receivables	181.99	46.57
Impairment		
The ageing of trade receivables as follows :		
	March 31, 2020	March 31, 2019
Neither past due nor impaired	272.25	382.85
Past due 1–30 days	132.09	45.81
Past due 31–90 days	121.81	49.39
Past due 91–180 days	87.68	41.22
> 180 days	120.12	85.03
	733.95	604.30
The movement in the allowance for impairment in respect of trade and other receivables during the period was as follows:		
	March 31, 2020	March 31, 2019
For Trade receivables		
For Trade receivables Balance as at April 1	15.92	13.09
	15.92 26.01	
Balance as at April 1		13.09 18.74 (15.91)

	Carryi	ng amount
		(₹ in crore)
	March 31, 2020	March 31, 2019
For other receivables		
Balance as at April 1	0.2	0.23
Impairment loss recognised	0.3	0.33
Amounts written off	(0.25	(0.33)
Balance as at March 31	0.3	0.23

Cash and cash equivalents

The Company held cash and cash equivalents and other Bank balances of ₹ 32.31 crore at March 31, 2020 (Previous Year ₹ 13.80 crore) . The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

Note 41.3: 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

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 Liability	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	-	-

March 31, 2019	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	1.18	1.34	-	=	1.34	-	-	
Deferred payment Liabilities	2.06	2.70	-	-	1.49	1.21	-	
Other non-current financial liabilities-Others	0.51	0.51	-	-	0.51	-	-	
Current, non derivative financial liabilities								
Cash credit from bank	5.07	5.07	5.07	-	-	-	-	
Term loans from banks	20.00	20.00	20.00	-	-	-	-	
Commercial papers	-	-	-	-	-	-	-	
Trade and other payables	245.19	245.19	245.19	-	-	-	-	
Acceptances	824.18	824.18	824.18	-	-	-	-	
Other current financial liabilities	127.59	127.59	125.31	2.28	-	-	-	
Derivative liability	0.27	0.27	0.27	-	-	-	-	
Total	1,226.05	1,226.85	1,220.02	2.28	3.34	1.21	-	

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.

Note 41.4 : 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.

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. 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, 2020	March 31, 2019
	USD	EURO	USD
Financial Assets			
Trade and other receivables	8.87	-	6.52
Foreign exchange forward contracts	-	-	-
Net exposure to foreign currency risk (Assets)	8.87	-	6.52
Financial Liabilities			
Foreign currency loan	-	-	-
Trade payables	(21.25)	(0.28)	(14.55)
Foreign exchange forward contracts	21.10	0.28	14.64
Net exposure to foreign currency risk (Liabilities)	(0.16)	-	0.09
Net exposure	8.71	-	6.61
Un-hedged foreign currency exposures			
Purchase	(0.16)	-	-
Sale	8.87	-	6.52

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at March 31, 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.

(₹ in crore)

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)

Effect in INR crores	Profit or loss	(net of tax)	Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2019				
USD (3% 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.

Note 41.5: 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.

(₹ in crore)

	Nomina	amount
	March 31, 2020	March 31, 2019
Fixed-rate instruments		
Financial assets		
Loans and Advances	0.49	13.68
Other financial assets	15.77	10.38
Total	16.26	24.06
Financial liabilities		
Borrowings	302.08	2.06
Other financial liabilities	63.64	62.61
Total	365.72	64.67
Financial liabilities		
Variable-rate instruments		-
Term loans from Banks	85.07	100.39
Cash credit / Working Capital Demand Loans from banks	-	5.07
	85.07	105.46

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.

(₹ in crore)

		Profit or (loss) and Equity (net of tax) March 31, 2020		Profit or (loss) and Equity March 31, 2019		
	March 3					
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease		
Variable-rate instruments						
Cash flow sensitivity (net)	(0.64)	0.64	(1.05)	1.05		
	(0.64)	0.64	(1.05)	1.05		

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.

Note 42. Tax expense

(a) Amounts recognised in profit and loss

(₹ in crore)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Current income tax	85.83	87.52
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	3.18	12.09
Reduction in tax rate	(23.10)	
Deferred tax expense	(19.92)	12.09
Tax expense for the year	65.91	99.61

(b) Amounts recognised in other comprehensive income

(₹ in crore)

	For the y	ear ended March	31, 2020	For the	year ended Marc	h 31, 2019	
	Before tax	Before tax Tax (expense) benefit		Before tax	Tax (expense) benefit	Net of tax	
Remeasurements of defined benefit liability (asset)	3.28	(0.83)	2.45	1.85	(0.64)	1.21	
	3.28	(0.83)	2.45	1.85	(0.64)	1.21	

(c) Amounts recognised directly in equity

(₹ in crore)

	For the	year ended March	31, 2020	For the year ended March 31, 2019			
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax	
General Reserve							
Less: Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (refer note 55).	-	-	-	4.25	1.48	2.77	
	-	-	-	4.25	1.48	2.77	

(d) Reconciliation of effective tax rate

(₹ in crore)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	359.22	307.49
Company's domestic tax rate	25.17%	34.94%
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 34.94%)	90.42	107.44
Tax effect of:		
Reduction in tax rate	(23.10)	=
Expense not allowed for tax purposes	1.53	2.52
Additional allowance for tax purpose	-	(5.50)
Income not considered for tax purpose	(1.18)	(1.21)
Tax paid at lower rate	(2.62)	(3.55)
Others	0.86	(0.09)
	65.91	99.61
Current tax	85.83	87.52
Deferred tax	(19.92)	12.09

The Company's effective tax rate for the year ended March 31, 2020 is 18.35 % and for year ended March 31, 2019 was 32.15%.

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 from previous year.

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.

Note. 43

Movement in deferred tax balances for the year ended March 31, 2020

(₹ 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	-	(0.27)	-	1.36	1.09	=	1.09
Other items	3.26	(0.94)	-	-	2.32	-	2.32
Tax assets / (Liabilities)	(78.08)	19.92	-	1.36	(63.11)	6.31	(56.81)

Movement in deferred tax balances for the year ended March 31, 2019

(₹ in crore)

	Net balance April 1, 2018	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	(75.96)	(14.41)	-	0.83	(94.31)	4.76	(89.55)
Compensated absences	1.30	0.11	-	-	1.42	=	1.42
Investments	0.99	0.18	-	-	-	1.17	1.17
Biological Assets	(0.08)	0.03	-	-	(0.05)	=	(0.05)
Doubtful Debtors	4.73	0.94	-	-	5.67	-	5.67
Other items	2.20	1.06	-	-	3.26	-	3.26
Tax assets / (Liabilities)	(66.82)	(12.09)	-	0.83	(84.01)	5.93	(78.08)

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.

Note 44 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, 2020 and March 31, 2019 was as follows.

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Total borrowings	389.52	110.96
Less : Cash and cash equivalent	31.40	12.99
Adjusted net debt	358.12	94.73
Total equity	1,577.73	1,390.88
Adjusted net debt to equity ratio	0.23	0.07

Note 45: Segment information for the Year ended March 31, 2020

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.

(i) Information about Primary business Segments

(₹ in crore)

Particulars			For	the year end	led March 31	, 2020		
	Animal Feed	Vegetable Oil	Crop Protection	Real Estate	Other Business	Unallocated	Inter Segment	Total
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						3.54		3.54
sale of Investments (net)								
Profit before taxation						(112.09)		359.22
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

- (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 -

For the year ended March 31, 2019										
Animal	Vegetable	Crop	Real	Other	Unallocated	Inter	Total			
Feed	Oil	Protection	Estate	Business		Segment				
3,096.77	679.30	549.41	-	17.47	-	(6.24)	4,336.71			
128.55	113.45	160.07	-	25.12	=		427.19			
=	-	=		=	(107.14)		(107.14)			
	-	-		-	(21.97)		(21.97)			
-	-	-		-	5.94		5.94			
-	-	-		-	3.47		3.47			
					(119.71)		307.49			
					-					
					99.61		99.61			
					-		207.88			
							-			
1,114.17	362.65	613.07	69.11	36.08	696.04		2,891.12			
1,027.78	45.73	180.90	0.00	13.39	232.44		1,500.24			
83.84	69.72	5.08	-	0.15	5.02		163.81			
30.93	18.44	3.36	=	1.39	4.52		58.64			
	Feed 3,096.77 128.55 1,114.17 1,027.78 83.84	Feed Oil 3,096.77 679.30 128.55 113.45	Animal Feed Vegetable Oil Oil Crop Protection 3,096.77 679.30 549.41 128.55 113.45 160.07 - - - </th <th>Animal Feed Vegetable Oil Oil Protection Crop Protection Real Estate 3,096.77 679.30 549.41 - 128.55 113.45 160.07 - - - - - - - - - - - - - - - - - 1,114.17 362.65 613.07 69.11 1,027.78 45.73 180.90 0.00 83.84 69.72 5.08 -</th> <th>Animal Feed Vegetable Oil Oil Protection Crop Protection Real Estate Other Business 3,096.77 679.30 549.41 - 17.47 128.55 113.45 160.07 - 25.12 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -</th> <th>Animal Feed Vegetable Oil Oil Protection Crop Protection Estate Real Business Other Business Unallocated Business 3,096.77 679.30 549.41 - 17.47 - 128.55 113.45 160.07 - 25.12 - - - - (107.14) - - - (21.97) - - - 5.94 - - - 5.94 - - - 3.47 - - - 99.61 - - - - - - - 99.61 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -</th> <th>Animal Feed Vegetable Oil Oil Protection Crop Protection Estate Real Business Unallocated Segment 3,096.77 679.30 549.41 - 17.47 - (6.24) 128.55 113.45 160.07 - 25.12 - (107.14) - - - (21.97) - 5.94 - - - 5.94 - 3.47 - - - 3.47 - (119.71) - - - 99.61 - 99.61 - - - 99.61 - 99.61 - - - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 <tr< th=""></tr<></th>	Animal Feed Vegetable Oil Oil Protection Crop Protection Real Estate 3,096.77 679.30 549.41 - 128.55 113.45 160.07 - - - - - - - - - - - - - - - - - 1,114.17 362.65 613.07 69.11 1,027.78 45.73 180.90 0.00 83.84 69.72 5.08 -	Animal Feed Vegetable Oil Oil Protection Crop Protection Real Estate Other Business 3,096.77 679.30 549.41 - 17.47 128.55 113.45 160.07 - 25.12 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -	Animal Feed Vegetable Oil Oil Protection Crop Protection Estate Real Business Other Business Unallocated Business 3,096.77 679.30 549.41 - 17.47 - 128.55 113.45 160.07 - 25.12 - - - - (107.14) - - - (21.97) - - - 5.94 - - - 5.94 - - - 3.47 - - - 99.61 - - - - - - - 99.61 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -	Animal Feed Vegetable Oil Oil Protection Crop Protection Estate Real Business Unallocated Segment 3,096.77 679.30 549.41 - 17.47 - (6.24) 128.55 113.45 160.07 - 25.12 - (107.14) - - - (21.97) - 5.94 - - - 5.94 - 3.47 - - - 3.47 - (119.71) - - - 99.61 - 99.61 - - - 99.61 - 99.61 - - - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 - - 99.61 - 99.61 - 99.61 <tr< th=""></tr<>			

- 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.

Note 46: Contingent Liabilities

(₹ in crore)

Parti	culars	March 31,2020	March 31,2019
Clair	ns 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	87.94	80.38
(ii)	Customs Matter		
	Customs duty demands relating to disputed classification which the Company has contested and is in appeal at various levels.	1.14	1.02
(iii)	Income Tax		
	a The Company has received a rectification order u/s 154 of Income Tax Act 1961 for AY 2014-15 dated 23.01.2017, as per the said order amount determined to be payable is ₹ 1.32 crore which includes interest amounting to ₹ 0.25 crore.	-	1.32
	b The Company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y 2013-14 in which a demand of ₹1.43 crore has been determined to be payable by the Company.	_	1.43
	c 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 and in respect of additional depreciation claimed u/s 32 (1) (iia)	-	3.31
	d 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 and in part disallowance of office building depreciation.	_	2.10
	e 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	1.06	-
(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 .	4.54	3.66
(vi)	Claims against the Company not acknowledged as debt	5.11	6.14

Note 46.1 : 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 46.2: 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 47 : Commitments (₹ in crore)

Part	iculars	March 31,2020	March 31,2019
a)	Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	32.89	49.98
b)	Outstanding Export obligation Under EPCG Scheme	34.72	34.72

Based on the share purchase agreement ("SPA") entered into with the erstwhile promoter of its subsidiary company, Astec Lifesciences Limited, the Company had a commitment to purchase 5% of the subsidiary's equity shares from erstwhile promoter for a consideration of ₹ 18.48 crores, in case, he exercises his put option available to him as per the SPA.Since the put option was not exercised, and hence the commitment no longer exists.

Note 48: Grants/subsidies from government

Subsidy amounting to ₹ Nil (previous year ₹ 5.26 crore) accrued during the year is in the nature of capital subsidy.

Note 49: Investments in Subsidiaries

During the previous year, on March 27, 2019, the Company had acquired 13,310 equity shares of Godrej Maxximilk Pvt. Ltd (GMPL) for a consideration of ₹ 0.21 crores. Subsequently on March 30, 2019 the Company had subscribed to 1,81,818 shares of GMPL for a consideration of ₹3.00 crores. Pursuant to these acquisition and subscription, the shareholding in GMPL rose to 62.97% and it become a subsidiary of the Company.

During the previous year the Company had acquired 3,978 shares of Godrej Tyson Foods Pvt. Ltd (GTFL) for a consideration of ₹ 6.91 crore. Pursuant to this acquisition of 2.0% stake in GTFL, it has become a subsidiary of the Company on March 27, 2019."

Note 50: Information in Respect of Current 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.

Note 51: 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 ₹ 5.37 crore (Previous year ₹4.70 crore).

(₹ in crore)

Amo	ount spent during the period on:	For the	year ended March	31, 2020	For the year ended March 31, 2019			
		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	5.85	5 -	5.85	4.80	-	4.80	

Note 52: 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 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 53: 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 ₹134.68 crore has been included in other operating revenue and cost thereof has been included in the cost of material consumed.

Note 54: Movement in borrowings

(₹ in crore)

Particulars	April 1, 2019	Cash Flow	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	278.56	-	389.52

Particulars	April 1, 2018	Cash Flows	Non-cash changes (Fair value changes)	March 31, 2019
Long term borrowings	7.23	(1.88)	0.15	5.50
Short term borrowings	209.49	(104.03)	-	105.46
Total borrowings	216.72	(105.91)	0.15	110.96

Note 55: Amalgamation of Oil Palm Companies.

To give effect to the Scheme of Amalgamation ("the Scheme") of Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery Palm Oil Ltd (CPOL) ("the Transferor Companies") with Godrej Agrovet Limited ("the Transferee Company"), effective April 1, 2011, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been recorded.

Amortisation of Intangible Assets of the Transferor Companies amounting to ₹ 4.25 crore for the Financial year ended March 31, 2019 recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the Transferee Company is ₹ 42.51 crore.

Had the Scheme not prescribed the above treatment, profit for the Financial year ended March 31, 2019 would have been lower by ₹ 2.77 crore

Note 56: The amount reflected as "0.00" in Financials are values with less than ₹ one lakh.

Note 57: IPO Utilisation.

During the previous year, the Company has reversed a provision for ₹0.40 crore of IPO expenses, since there is no future payment expected and has been appropriately adjusted in Securities Premium.

Note 58: 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 2019.

Note 59: Related party disclosures

- 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:
- Key Management Personnel and Entities where Key Mr. N. B. Godrej (Chairman) (a) (i) Management Personnel has significant influence and

	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
	Mr. Amit B. Choudhury (upto 23rd May, 2019)
	Dr. S. L. Anaokar (upto 3rd February, 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
	TAD Family Trust
	NG Family Trust

			DO Fearth, Trust
			PG Family Trust
			BNG Family Trust
			HNG Family Trust
			SNG Family Trust
			FVC Family Trust
			NVC Family Trust
			Pheroza Jamshyd Godrej
			Freyan Crishna Bieri
			Nyrika Holkar
			Navroze Jamshyd Godrej
			Raika Jamshyd Godrej
			Rishad Kaikhushru Naoroji
			Anamudi Real Estates LLP
(b)	(i)	Holding companies	Godrej Industries Limited (Holding Company)
			Vora Soaps Limited (upto 23rd December 2018)
	(ii)	Subsidiary Companies	Godvet Agrochem Limited
			Astec LifeSciences Limited
			Behram Chemicals Private Limited
			Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia)
			Astec Europe Sprl (Belgium, Europe)
			Creamline Dairy Products Limited
			Nagavalli Milkline Private Limited (upto 29th October, 2019)
			Godrej Tyson Foods Limited (w.e.f. 27th March, 2019)
			Godrej Maxximilk Private Limited (w.e.f. 27th March, 2019)
	(iii)	Fellow Subsidiary Companies	Godrej Properties Limited
			Natures Basket Limited (upto 17th May, 2019)
			Godrej One Premises Management Private Limited
			Godrej Vikhroli Properties India Limited
	(iv)	Joint Ventures	Godrej Tyson Foods Limited (upto 26th March, 2019)
	, ,		ACI Godrej Agrovet Private Limited, Bangladesh
			Omnivore India Capital Trust
	(v)	Associates	Godrej Maxximilk Private Limited (upto 26th March, 2019)
	()		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
	(vi)	Post-employment benefit plan (entities) for the benefit of employees of the company	Godrej Agrovet Limited Employees Provident Fund Trust
		• •	Godrej Agrovet Limited Employees Superannuation Scheme
			Godrej Agrovet Limited Employees Group Gratuity Trust
			, 0

- 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)

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	-	0.06	10.30	-	-	0.88
		-	3.15	-	-	=	0.41
2	Investment in subsidiaries and joint ventures	-	44.13	-	-	-	-
		-	10.09	-	4.84	-	-
3	Acquisition of shares (investment) (refer note 49)	-	-	-	-	-	-
		-	_	<u>-</u>	<u>-</u>	-	4.17
4	Sundry deposits placed	0.14		0.01	-	-	
		0.23	<u>-</u>	-	-	-	
5	Intercorporate deposits placed during the year	-	58.09	-	-	-	-
		-	185.10		-	10.54	
6	Intercorporate deposits returned	-	66.78		-	-	
		-	188.96	-	-	16.74	-
7	Sale of materials / finished goods / other operating revenue	2.73	395.47	134.68	2.10	-	-
		-	7.28	-	274.01	1.45	-
8	Purchase of materials / finished goods / services	6.41	1.86	-	-	-	0.52
		5.38	7.62	-	0.09	0.03	0.22
9	Expenses charged to / reimbursement received from other companies	0.00	15.98	0.00	-	-	1.18
		0.07	4.75	-	4.10	3.35	0.69
10	Expenses charged by/reimbursement made to other companies	8.48	5.33	3.10	-	-	0.92
		11.43	1.85	2.95	0.06	-	0.54
11	Dividend income	-	3.47		0.07	-	
		-	3.45		0.02	-	_
12	Dividend paid	50.25		-	-	-	
		50.11	-	-	-	-	
13	Interest income on intercorporate deposits placed / loans given	-	0.28	-	-	-	-
		-	3.29	-	-	0.69	-
14	Sundry income	-	-	-	5.07 1.30	-	0.01 0.01
		-		<u>-</u>	1.30	-	0.01

(₹ 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	-	-	-	-	-	-
		-	8.69	-	-	=	-
16	Capital advance given during the year	-	-	1.28	-	-	0.82
		-	-	0.95	=	=	=
17	Outstanding capital advance	-	-	0.07	-	-	-
		-	-	9.09	-	-	-
18	Outstanding receivables	0.56	62.98	133.34	8.10	-	0.53
		-	16.19	-	6.57	=	0.25
19	Outstanding payables	-	-	(0.36)	-	-	(7.43)
		(0.89)	-	(0.13)	=	=	(5.29)
20	Guarantees outstanding	-	-	-	-	-	1.21
		-	-	-	-	-	1.21
21	Contribution to post-employment benefit plans	-	-	-	-	-	24.91
		-	-	-	-	-	22.79

(₹ in crore)

(ii)	Details relating to persons referred to in items 1(a)(i) above	As at March 31, 2020	As at March 31, 2019
1	Remuneration to key management personnel		
	Salary and short term employee benefit	5.32	5.76
	Post employee gratuity & medical benefits	0.10	0.09
	Shared based payment	0.89	1.26
2	Dividend paid	11.35	5.75
3	Director's sitting fees	0.46	0.48
4	Director's commission	0.97	1.95

3. Significant Related Party Transactions:

Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
1	Purchase of property, plant and equipment		
	Godrej & Boyce Manufacturing Company Limited	0.88	0.41
	Godrej Properties Limited	1.88	<u>-</u>
	Godvet Agrochem Limited	-	3.15
	Godrej Vikhroli Properties India Limited	8.42	<u>-</u> _

Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
2	Sale / Transfer of Fixed Assets		
	Godrej Tyson Foods Limited	0.03	-
	Creamline Dairy Products Limited	0.03	-
3	Investment in subsidiaries and joint ventures		
	Astec LifeSciences Ltd.	36.66	2.92
	Godrej Maxximilk Private Limited	7.47	3.22
	Omnivore India Capital Trust	-	1.88
	Godrej Tyson Foods Limited	-	6.91
4	Acquisition of shares (investment)		
	Anamudi Real Estates LLP (refer note 49)	-	4.17
5	Sundry deposits placed		
	Godrej Industries Limited	0.14	0.23
	Godrej One Premises Management Private Limited	0.01	-
6	Intercorporate deposits placed during the year		
	Godvet Agrochem Limited	5.80	-
	Godrej Maxximilk Private Limited	10.07	10.54
	Astec LifeSciences Ltd.	37.22	165.10
	Maximum amount of Intercorporate Deposit outstanding during the year	24.72	103.20
	Creamline Dairy Products Limited	5.00	20.00
	Maximum amount of Intercorporate Deposit outstanding during the year	5.00	15.00
7	Intercorporate deposits returned		
	Godvet Agrochem Limited	12.85	3.86
	Astec LifeSciences Ltd.	37.22	165.10
	Creamline Dairy Products Limited	5.00	20.00
	Godrej Maxximilk Private Limited	11.72	16.74
8	Sale of materials / finished goods / other operating revenue		
	ACI Godrej Agrovet Private Limited	2.10	2.50
	Godrej Maxximilk Private Limited	1.81	1.45
	Godrej Tyson Foods Limited	380.63	271.51
	Godrej Industries Limited	2.73	=
	Creamline Dairy Products Limited	13.02	7.28
	Godrej Properties Limited	134.68	-
9	Purchase of materials / finished goods / services		
	Godrej & Boyce Manufacturing Company Limited	0.16	-
	Godrej Industries Limited	6.41	5.38
	Godrej Consumer Products Limited	0.36	0.22

	(₹ in cror				
Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019		
	Godrej Tyson Foods Limited	0.16	0.09		
	Astec LifeSciences Ltd.	1.49	7.60		
	Creamline Dairy Products Limited	0.04	0.02		
	Godrej Maxximilk Private Limited	0.18	0.03		
10	Expenses charged to / reimbursement received from other companies				
	Omnivore India Capital Trust	-	0.02		
	Godrej & Boyce Manufacturing Company Limited	1.18	0.67		
	Godrej Consumer Products Limited	-	0.02		
	Godrej Industries Limited	0.00	0.07		
	Godrej Tyson Foods Limited	4.67	4.07		
	Godvet Agrochem Limited	0.30	0.39		
	Creamline Dairy Products Limited	0.97	1.79		
	Astec LifeSciences Ltd.	6.69	2.57		
	Godrej Properties Limited	0.00	-		
	Godrej Maxximilk Private Limited	3.35	3.35		
11	Expenses charged by / reimbursement made to other companies				
	Godrej Infotech Limited	0.03	0.04		
	Godrej & Boyce Manufacturing Company Limited	0.48	0.18		
	Godrej Consumer Products Limited	0.41	0.33		
	Godrej Industries Limited	8.48	11.43		
	Godrej Tyson Foods Limited	3.41	0.06		
	Godvet Agrochem Limited	1.58	1.55		
	Creamline Dairy Products Limited	0.04	0.04		
	Natures Basket Limited	0.00	0.01		
	Godrej One Premises Management Private Limited	3.09	2.93		
	Godrej Maxximilk Private Limited	0.00	-		
	Astec LifeSciences Ltd.	0.30	0.26		
12	Dividend income				
	Creamline Dairy Products Limited	1.76	1.76		
	Astec LifeSciences Ltd.	1.71	1.68		
	Omnivore India Capital Trust	0.07	0.02		
13	Dividend paid				
	Godrej Industries Limited	50.25	50.11		
	Mr. B. S. Yadav (Managing Director)	1.92	1.92		
	Mr. N. B. Godrej (Chairman)	0.00	0.74		
	Mr. A. B. Godrej	0.00	0.00		
	Mr. J. N. Godrej	0.00	-		
	Ms. Tanya A. Dubash Ms. Nisaba Godrej	0.00	0.25		
	Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018)	0.00	0.25 0.25		
	Dr. Ritu Anand	0.00	0.25		

	(₹ in c			
Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019	
	Ms. Roopa Purushothaman	0.00	0.00	
	Dr. S. L. Anaokar (upto 3rd February, 2019)	0.00	0.00	
	S. Varadaraj	0.09	0.09	
	Vivek Raizada	0.00	0.00	
	The Raika Godrej Family Trust	-	0.00	
	TAD Family Trust	0.62	0.37	
	BNG Family Trust	0.62	0.37	
	HNG Family Trust	0.62	0.37	
	SNG Family Trust	0.62	0.37	
	NG Family Trust	0.62	0.37	
	PG Family Trust	0.62	0.37	
	Pheroza Jamshyd Godrej	1.87	=	
	Freyan Crishna Bieri	0.00	-	
	Nyrika Holkar	0.00	-	
	Navroze Jamshyd Godrej	0.00	=	
	Raika Jamshyd Godrej	0.00	-	
	FVC Family Trust	0.93	-	
	NVC Family Trust	0.93	-	
	Rishad Kaikhushru Naoroji	1.87	=	
14	Interest income on intercorporate deposits placed / loans given			
	Godvet Agrochem Limited	0.15	0.79	
	Astec LifeSciences Ltd.	0.05	2.43	
	Godrej Maxximilk Private Limited	0.05	0.69	
	Creamline Dairy Products Limited	0.02	0.08	
45	Country in a sure			
15	Sundry income	- o-	4.00	
	ACI Godrej Agrovet Private Limited	5.07	1.30	
	Godrej Consumer Products Limited	0.01	0.01	
16	Outstanding intercorporate deposit receivable			
	Godvet Agrochem Limited	-	7.05	
	Maximum amount of Intercorporate Deposit outstanding during the year	7.05	10.91	
	Godrej Maxximilk Private Limited	-	1.64	
	Maximum amount of Intercorporate Deposit outstanding during the year	-	17.32	
17	Capital advance given during the year			
	Godrej & Boyce Manufacturing Company Limited	0.82	-	
	Godrej Vikhroli Properties India Limited	-	0.32	
	Godrej Properties Limited	1.28	0.63	
18	Outstanding capital advance			
	Godrej Vikhroli Properties India Limited	0.04	8.46	

	(₹ in				
Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019		
	Godrej Properties Limited	0.04	0.63		
19	Outstanding receivables				
	Godrej & Boyce Manufacturing Company Limited	0.52	0.23		
	Godrej Industries Limited	0.56	-		
	Godrej Seeds & Genetics Limited	0.00	-		
	Godvet Agrochem Limited	0.14	0.16		
	Godrej Properties Limited	133.34	-		
	Godrej Consumer Products Limited	-	0.02		
	Godrej Tyson Foods Limited	56.65	5.37		
	ACI Godrej Agrovet Private Limited	8.06	6.53		
	Creamline Dairy Products Limited	0.83	1.34		
	Omnivore India Capital Trust	0.03	0.03		
	Godrej Maxximilk Private Limited	4.56	9.21		
	Astec LifeSciences Ltd.	0.80	0.12		
20	Outstanding payables				
	Godrej Industries Limited	-	(0.89)		
	Godrei Consumer Products Limited	(0.05)	-		
	Godrej One Premises Management Private Limited	(0.36)	(0.13)		
	Godrej Agrovet Limited Employees Provident Fund Trust.	(1.77)	(1.43)		
	Godrej Agrovet Limited Employees Superannuation Scheme.	(0.05)	(0.05)		
	Godrej Agrovet Limited Employees Group Gratuity Trust.	(5.57)	(3.80)		
21	Guarantees outstanding				
	Godrej Consumer Products Limited	1.21	1.21		
22	Director's sitting fees				
	Mr. A. B. Godrej	_	0.04		
	Mr. K. N. Petigara (Independent Director)	0.08	0.08		
	Dr. S. L. Anaokar (Independent Director)		0.01		
	Mr. Amit B. Choudhury (Independent Director)	0.02	0.06		
	Dr. Ritu Anand (Independent Director)	0.08	0.08		
	Ms. Aditi Kothari Desai (Independent Director)	0.05	0.08		
	Dr. Raghunath A. Mashelkar (Independent Director)	0.05	0.06		
	Ms. Roopa Purushothaman (Independent Director)	0.07	0.07		
	Mr. N. Srinivasan (Independent Director)	0.06	0.01		
	Mr. Kannan Sitaram (Independent Director)	0.04	-		
23	Director's commission				
	Mr. A. B. Godrej	-	0.12		
	Mr. N. B. Godrej (Chairman)	0.08	0.15		

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
	Mr. K. N. Petigara (Independent Director)	0.08	0.15
	Dr. S. L. Anaokar (Independent Director)	-	0.14
	Mr. Amit B. Choudhury (Independent Director)	0.01	0.15
	Dr. Ritu Anand (Independent Director)	0.08	0.15
	Ms. Aditi Kothari Desai (Independent Director)	0.08	0.15
	Dr. Raghunath A. Mashelkar (Independent Director)	0.08	0.15
	Ms. Roopa Purushothaman (Independent Director)	0.08	0.15
	Ms. Tanya A. Dubash	0.08	0.15
	Mr. V. M. Crishna	0.08	0.15
	Mr. J. N. Godrej	0.08	0.15
	Ms. Nisaba Godrej	0.08	0.15
	Mr. N. Srinivasan (Independent Director)	0.08	0.01
	Mr. Kannan Sitaram (Independent Director)	0.06	-
	Mr. Pirojsha A. Godrej (Director)	0.08	0.03
24	Contribution to post-employment benefit plans		
	Godrej Agrovet Limited Employees Provident Fund Trust.	20.57	17.18
	Godrej Agrovet Limited Employees Superannuation Scheme.	0.54	0.58
	Godrej Agrovet Limited Employees Group Gratuity Trust.	3.80	5.02

Note 60: 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 LeheryS. VARADARAJVIVEK RAIZADAPartnerChief Financial OfficerCompany SecretaryMembership Number: 112399ICAI Memb. No. 047959ICSI Memb. No. ACS11787

Mumbai, May 11, 2020

CONSOLIDATED FINANCIALS AND AUDITORS' REPORT

Independent Auditors' Report

To the Members of Godrej Agrovet Limited

Report on the audit of 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 2020 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 2020, 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.

Emphasis of matter

We draw attention to the note 54 to the consolidated financial statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on 1 April 2011. Amortisation amounting to ₹ 4.25 crore for the year ended 31 March 2019, on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the Company. Had this amount been

charged to the standalone Statement of Profit and Loss, the profit for the year ended 31 March 2019 would have been lower by ₹ 2.77 crore.

Our opinion is not qualified in respect of the above matter.

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 (adjustment for sales returns and discounts) (Refer Note 1 [8 (A) i] and Note 1 [5 (viii) and iv (a)] of Standalone financial statements)

The Key Audit Matter

As disclosed in Note 1 [8 (A) i] to the Consolidated Financial Statements, revenue is measured at the fair value of the consideration received or receivable, after deduction of estimated sales returns and discounts (i.e. trade discounts, volume rebates and other incentives).

Accrual for sales return in crop protection segment and discounts in crop protection and animal feeds segment:

Estimation of accrual for sales returns involves significant judgement and estimates. It is based on historical experience. The estimation is dependent on various internal and external factors. These factors include, for example, quality of harvest, weather conditions, etc. some of which are beyond the control of the Group.

Estimation of recognition and measurement of discounts accrual, involves significant judgement and estimates, particularly based on accumulated experience and the expected level of discounts/ claims of each of the customers. Assumption of level of customer wise claims for discounts relates to estimating which of the Group's customers will ultimately be subject to a related discount

Evaluating the assumption of expected returns based on experience and level of customer wise claims for discounts underlying the estimate of accrual is a key judgment area. We identified the evaluation of accrual for sales returns and discounts as a key audit matter.

How the matter was addressed in our audit

Our audit procedures included following:

- Assessing the Group's accounting policies for sales returns and discounts by comparing with applicable accounting standards;
- Testing the design, implementation and operating effectiveness of key internal controls over the development of assumptions of expected returns based on accumulated experience and level of customer wise claims for discounts and related accruals;
- Checking completeness and accuracy of the data used by the Group for accrual of sales returns and discounts;
 - Evaluating the Group's ability to accurately estimate the accrual for sales returns and discounts. Comparing historically recorded accruals to the actual amount of sales returns and discounts;
 - Selecting samples (using statistical sampling) of revenue transactions and scheme circulars. Rechecking if the accrual for discounts were computed in accordance with the eligibility criteria mentioned in the relevant circular;
- Examining historical trend of claims to assess the assumptions and judgements used by the Group in accrual of sales returns and discounts;
- Examining sample manual journal entries (using statistical sampling) for sales returns and discounts to verify unusual or irregular items.

Loss allowance on trade receivables – Refer Note 1 [5 (iv) b] to the consolidated financial statements

<u>Loss allowance on trade receivables – crop</u> protection segment

Trade receivables of crop protection segment of ₹ 588.98 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. These are generally expected to be recognized before a trade receivable becomes past due. ECL is assessed at each reporting date on collective basis using provision matrix.

The measurement of ECL involves significant judgements and assumptions, primarily including:

- Adjusted historical credit loss experience;
- 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, collection of trade receivables and follow up of overdue balances;
- 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 of days past due. 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 balances 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.

Goodwill and intangible assets (refer note 1 [5 (i)] and 55 - to the Consolidated Financial Statements)

The Key Audit Matter

The carrying amount of Goodwill and intangible assets with indefinite life, pursuant to business acquisitions totaled to ₹ 303.11 crores as at 31 March 2020.

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 [8 (O)] 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

How the matter was addressed in our audit

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 and joint operations 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 para (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

- We did not audit the financial statements of three subsidiaries. (a) whose financial statements reflect total assets of ₹ 55.52 crores as at 31 March 2020, total revenues of ₹ 7.94 crores and net cash inflows amounting to ₹ 0.40 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) of ₹ 29.59 crores for the year ended 31 March 2019, 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 ventures, 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.
- The financial statements/financial information of two subsidiaries. whose financial statements/financial information reflect total assets of ₹ 0.06 crores as at 31 March 2020, total revenues of ₹ 0.39 crores and net cash out flows amounting to ₹ 0.01 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 loss (and other comprehensive income) of ₹ 6.78 crores for the year ended 31 March 2020, 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 ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) 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.
- c) 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.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020, 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 2020 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 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, associate and joint ventures, as noted in the 'Other Matters' paragraph:
 - The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group, its associate and joint ventures. Refer Note 46 to the consolidated financial statements.
 - The Group, its associate and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020.

- 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 2020.
- 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 2020.
- 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 BSR&Co.LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Koosai Lehery

Partner

 Mumbai
 Membership No: 112399

 11 May 2020
 UDIN: 20112399AAAABE2466

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 Subsection 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 Company as of and for the year ended 31 March 2020, 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

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 2020, 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

Mumbai

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 BSR&Co.LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Koosai Lehery

Partner

Membership No: 112399 UDIN: 20112399AAAABE2466 11 May 2020

Consolidated Balance Sheet

as at March 31, 2020 (₹ in crore)

Parti	iculars	Note No.	As at	As at
ASS	ETC		March 31, 2020	March 31, 2019
(I)	Non-current assets			
,	(a) Property, Plant and Equipment	2	1.724.53	1,721.97
	(b) Capital work-in-progress	2	150.47	92.12
	(c) Right of use assets	3	103.54	_
	(d) Goodwill		264.88	264.88
	(e) Other Intangible assets	4	63.55	64.05
	(f) Intangible assets under development	_	2.74	1.47
	(g) Biological assets other than bearer plants	5	21.95	19.00
	(h) Equity accounted investees (i) Financial Assets	6 (a)	128.34	116.50
	(i) Investments	6 (b) & (c)	0.83	0.01
	(ii) Loans	7	25.09	19.71
	(iii) Others	8	1.93	1.61
	(i) Deferred tax assets	43	27.81	4.24
	(k) Other tax assets (net)	.0	11.93	5.96
	(I) Other non-current assets	9	40.10	57.82
	Total non current assets		2,567.69	2,369.34
(II)	Current Assets			
_(11)	(a) Biological assets	5	57.74	52.98
	(a) Divertories	10	885.83	898.74
	(c) Financial Assets		223.00	
	(i) Investments	11	-	-
	(ii) Trade Receivables	12	853.86	734.89
	(iii) Cash and cash equivalents	13	48.75	27.77
	(iv) Bank balances other than (iii) above	14	2.06	2.07
	(v) Loans	15	19.15	18.38
	(vi) Others	16	170.23	25.92
	(d) Other current assets	17	94.73	104.14
	Total current assets TOTAL ASSETS		2,132.35 4.700.04	1,864.89 4,234.23
	TOTAL ASSETS		4,700.04	4,234.23
EQU	ITY AND LIABILITIES			
_(I)	Equity			
	(a) Equity share capital	18	192.04	192.03
	(b) Other equity	19	1,646.10	1,456.95
	Non-controlling interests		382.46 2.220.60	400.96 2.049.94
	Total equity		2,220.60	2,049.94
(II)	Liabilities			
(1)	Non current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	42.78	64.21
	(ii) Lease Liabilities		21.00	
	(ii) Other financial liabilities	21	0.86	0.51
	(b) Provisions	22	8.28	6.70
	(c) Deferred tax liabilities (net)	43 23	175.09	208.60
	(d) Other non-current liabilities Total non current liabilities	23	21.19 269.20	20.41 300.43
	Total non-current habilities		209.20	300.43
(2)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	24	575.69	323.53
	(ii) Trade Payables	25		
	Total outstanding dues of micro enterprises and small enterprises		5.27	16.35
	Total outstanding dues of creditors other than micro enterprises and small enterprises		1,283.24	1,223.71
	(iii) Other financial liabilities	26	225.57	217.87
	(b) Other current liabilities	27	52.62	48.79
	(c) Provisions	28	43.29	41.08
	(d) Current tax liabilities (net) Total current liabilities		24.56 2,210.24	12.53 1,883.86
	Total Current Habilities			1,883.86
	TOTAL EQUITY AND LIABILITIES		2,479.44 4,700.04	2.184.29 4.234.23
	TOTAL EQUIT AND EMPLETIES		4,700.04	4.234.23

The Notes 1 to 62 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

OIN.E10410MITTOOTI E0100000

N. B. GODREJ
Chairman
DIN: 00066195
B.S.YADAV
Managing Director
DIN: 00294803

Koosai LeheryS. VARADARAJVIVEK RAIZADAPartnerChief Financial OfficerCompany SecretaryMembership Number: 112399ICAI Memb. No. 047959ICSI Memb. No. ACS11787

Mumbai, May 11, 2020

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in crore)

Partic	culars	Note No.	For the year ended	For the year ended
			March 31, 2020	March 31, 2019
I.	Revenue from Operations	29		
	Sale of products		6,815.77	5,898.87
	Other operating revenue		148.27	18.86
	Total Revenue From Operations		6,964.04	5,917.73
II.	Other income	30	46.82	53.11
III.	Total Income		7,010.86	5,970.84
IV.	Expenses			
	Cost of materials consumed	31	5,181.31	4,389.07
	Purchases of Stock-in-Trade	32	239.74	229.75
	Changes in inventories of finished goods, stock under cultivation, work in progress and Stock-in-	33	(44.99)	(45.22)
			(/	
	Trade	34	054.05	294.42
	Employee benefits expense		354.05	
	Finance costs	35	41.63	33.89
	Depreciation and amortisation expenses	36	148.07	98.17
	Other expenses	37	745.44	593.87
	Total Expenses		6,665.25	5,593.95
V.	Profit before Exceptional items, Tax and Share of Equity Accounted Investees		345.61	376.89
	Share of profit of equity-accounted investees, net of tax		12.94	12.11
VI.	Profit Before Exceptional items and Tax		358.55	389.00
VII.	Exceptional Items (refer note 53)		(9.92)	88.30
VIII.	Profit Before Tax		348.63	477.30
IX.	Tax expense:		48.05	127.97
	1. Current Tax		103.78	107.86
	- for current year		102.66	107.2
	- for earlier years		1.12	0.65
	2. Deferred Tax		(55.73)	20.11
Χ.	Profit for the year		300.58	349.33
XI.	Other comprehensive income			
	(A) Items that will not be reclassified to profit or loss			
	Remeasurements of defined benefit liability		(4.03)	(2.51)
	Equity accounted investee's share of other comprehensive income		0.12	0.05
	Income tax related to items that will not be reclassified to profit or loss		1.05	0.86
			(2.86)	(1.60
	(B) Items that will be reclassified to profit or loss		(=/	,
	Exchange difference on translation of financial statements of foreign operations		(1.12)	0.35
	Effective portion of gains/(losses) on hedging instruments in cash flow hedges		(/	0.35
	Income tax related to items that will be reclassified to profit or loss		-	(0.12
	income tax related to items that will be reclassified to profit of ioss		(1.12)	0.58
	Other comprehensive income for the year		(3.98)	(1.02
XII.	Total comprehensive income for the year (X + XI)		296.60	348.31
AII.	Profit attributable to:		290.00	346.3
	Equity holders of the Company		306.19	329.04
	Non-controlling interest		(5.61)	20.29
	Non-controlling illerest		300.58	349.33
XIII.	Other comprehensive income is attributable to :		300.58	349.33
AIII.			(3.74)	/0.00
	Equity holders of the Company			(0.92
	Non Controlling interests		(0.24)	(0.10
VIV	Tatal assessment in a second is a Maile stable to .		(3.98)	(1.02
XIV.	Total comprehensive income is attributable to :		000 17	
	Equity holders of the Company		302.45	328.12
	Non Controlling interests		(5.85)	20.19
			296.60	348.31
XV.	Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)	38		
	Basic (₹)		15.94	16.99
	Diluted (₹)		15.94	16.99

The Notes 1 to 62 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 LeheryS. VARADARAJVIVEK RAIZADAPartnerChief Financial OfficerCompany Secretary

Membership Number: 112399 Mumbai, May 11, 2020 ICAI Memb. No. 047959 ICSI Memb. No. ACS11787

Consolidated Statement of Cash Flows for the year ended March 31, 2020

Part	iculars	For the year ended March 31, 2020	For the year ended March 31, 2019
A.	Cash Flow from Operating Activities :		
	Net Profit Before Taxes	348.63	477.30
	Adjustment for:		
	Depreciation and amortisation	148.07	98.17
	(Profit)/Loss on sale of Property, plant and equipment	0.56	(25.22)
	Profit on sale of Investments (net)	(0.33)	(0.19)
	Unrealised foreign exchange gain/loss (net)	1.34	(1.91)
	Grant amortisation	(1.43)	(1.30)
	Interest income	(2.76)	(3.29)
	Employee share based compensation cost	2.02	1.34
	Share of equity-accounted investees, net of tax	(12.94)	(12.11)
	Finance Cost	41.63	33.89
	Allowances for Doubtful Debts and Advances	4.84	4.40
	Liabilities no longer required written back	(5.88)	(7.37)
	Change in fair value of biological assets	0.59	0.08
	Exceptional Items	9.92	(88.30)
	Bad Debts Written off	22.85	18.67
		208.48	16.86
	Operating Profit Before Working Capital Changes	557.11	494.16
	Adjustments for:		
	Inventories	13.04	(111.24)
	Biological assets other than bearer plants	(16.28)	(0.50)
	Trade Receivables	(141.68)	(119.16)
	Current / Non-current Financial assets- Loans	(5.21)	(13.34)
	Non-current Financial assets /Current Financial assets- Others	(145.49)	(8.86)
	Other Current / Non-current assets	7.05	31.12
	Trade Payables and acceptances	44.74	335.32
	Current / Non-current Provisions	(0.36)	6.00
	Current / Non-current Financial liabilities- Others	18.87	(60.31)
	Other current / Non-current liabilities	4.90	4.29
		(220.42)	63.32
	Cash Generated from Operations	336.69	557.48
	Direct Taxes paid (net of refunds received)	(96.91)	(109.74)
	Net Cash Flow from Operating Activities	239.78	447.74

(₹ in crore)

Part	iculars	For the year ended March 31, 2020	For the year ended March 31, 2019
В.	Cash Flow from Investing Activities :		
	Capital subsidy received	-	2.76
	Acquisition of Property, plant and equipment	(263.38)	(275.85)
	Proceeds from sale of Property, plant and equipment	5.85	35.20
	Intercorporate Deposits Given	-	(10.54)
	Intercorporate Deposits returned	-	16.74
	Purchase of Investments	(0.82)	(4.84)
	Acquisition of subsidiaries	-	(4.17)
	Proceeds from sale of investments	0.33	0.19
	Deposits Redeemed	0.11	(0.10)
	Interest Received	2.68	3.39
	Dividend Received	0.07	-
	Net Cash Flow used in Investing Activities	(255.16)	(237.22)
C.	Cash Flow from Financing Activities :		
	Proceeds from exercise of ESOP shares	0.23	0.28
	Repayment of Short Term Borrowings	(2,334.44)	(1,782.54)
	Proceeds from Short Term Borrowings	2,582.85	1,704.76
	Repayment of Long Term Borrowings	(32.82)	(10.18)
	Proceeds from Long Term Borrowings	15.46	20.00
	Finance Cost	(39.02)	(35.41)
	Lease Liability repayments	(11.64)	-
	Dividend Paid	(89.25)	(89.22)
	Dividend Tax Paid	(18.35)	(18.33)
	Transactions with non-controlling interests	(36.66)	(5.92)
	Net Cash Flow used in Financing Activities	36.36	(216.56)
	Net (decrease)/ increase in Cash and Cash equivalents	20.98	(6.04)
	Cash and Cash equivalents (Opening balance)	27.77	29.82
	Add: Cash & Cash equivalents Acquired during the year (refer note 60)	-	3.99
	Cash and Cash equivalents (Closing balance) (refer note 13)	48.75	27.77

- 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.
- 3 The borrowing are availed for a short term duration of 3 days to 180 days to manage the cash flow requirements optimally. The amounts are repaid/replaced during the financial year based on cash availability.

The Notes 1 to 62 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP

Mumbai, May 11, 2020

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
 B.S.YADAV

 Chairman
 Managing Director

 DIN: 00066195
 DIN: 00294803

Koosai LeheryS. VARADARAJVIVEK RAIZADAPartnerChief Financial OfficerCompany SecretaryMembership Number: 112399ICAI Memb. No. 047959ICSI Memb. No. ACS11787

Consolidated Statement of changes in equity

(₹ in crore)

for the year ended March 31,2020

(a) Equity share capital

300.58 0.26 (₹ in crore) 296.60 (89.30) 18.48 (36.63) (2.42)(1.02) 348.31 192.03 2.00 2,028.56 1,857.91 1,488.62 192.03 March 31, 2019 Total controlling interest 400.96 382.46 20.29 20.20 (5.61) (5.85)269.28 (0.10) (2.88)(0.59)0.26 (9.44)Non-192.04 192.03 0.0 March 31, 2020 Total attributable to the (3.74) 302.45 18.48 1,646.10 329.04 328.12 (17.75)(27.19)(2.42)(0.92)1,456.95 2.00 1,219.34 (86.42)owners of the Company (7.18) (1.12) (1.12)(8.30)(7.53)the financial statements of a foreign 0.35 0.35differences translating Exchange operation 5 Effective portion of Cash Flow 0.02 0.02 (0.11) 0.13 0.13 Hedges Controlling Interest Reserve (29.97)(27.19)(103.85)(73.00)No No 426.99 0.78 427.77 29 Premium Account Securities 426. share option outstanding 2.89 2.00 (0.78)4.1 1.7 Employee 18.14 18.14 20.91 General reserve Changes in equity share capital during the year (refer note 18) 1.73 1.73 1.73 Capital Reserve 306.19 (2.62) 18.48 303.57 (86.42)(2.42)849.04 329.04 (1.40)327.63 (17.75)Retained earnings 1,091.02 1,306.48 Balance at the beginning of the reporting year Balance at the end of the reporting year Profit for the year (net of income tax)
Other comprehensive income for the year Liability towards Put Option arrangement Other comprehensive income for the year Impact on transition to Ind AS 116 net off Company, recorded directly in equity Total comprehensive income for the year Transactions with the owners of the Total comprehensive income for the year Total comprehensive income for the Total comprehensive income for the Acquisition of non-controlling interests (refer note 59) Employee compensation expenses Exercise of Employee stock grants Contributions and distributions Balance at March 31, 2020 recognised during the year Balance at April 1, 2018 Dividend distribution tax Other equity (net of income tax) (net of income tax) Profit for the year tax (refer note 3) Dividends Others <u>a</u>

	Retained earnings	Capital Reserve	General reserve	Employee share option outstanding	Securities Premium Account	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
Transactions with the owners of the Company, recorded directly in equity											
Contributions and distributions											
Dividends	(86.41)		•		•	•			(86.41)	(2.88)	(89.29)
Dividend distribution tax	(17.73)			•		•			(17.73)	(0.59)	(18.32)
Others											
Employee compensation expenses recognised during the year	•	•	•	1.18	•	•		•	1.18		1.18
Acquisition of non-controlling interests (refer note 59)			•	•	•	(3.66)	•	•	(3.66)	0.74	(2.92)
Amortisation of Intangibles (net of income tax) as per Oil Palm Companies Merger Scheme approved by Bombay High Court (refer note 54)	•	1	(2.77)	•	1	•	•	•	(2.77)		(2.77)
Liability towards Put Option Arrangement	18.48	•	•	•	•	•	•	•	18.48	•	18.48
Exercise of Employee stock grants	•		•		•			•	•	0.43	0.43
Others					0.40				0.40		0.40
Acquisitions through business combination (refer note 60)	•			ı	•	•		ı		113.79	113.79
Balance at March 31, 2019	1,091.02	1.73	18.14	2.89	426.99	(76.66)	0.05	(7.18)	1,456.95	400.96	1,857.91

(₹ in crore)

The Notes 1 to 62 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

Managing Director DIN: 00294803 N. B. GODREJ Chairman DIN: 00066195

B.S.YADAV

For and on behalf of the Board of Directors of Godrej Agrovet Limited CIN:L15410MH1991PLC135359

S. VARADARAJ

Chief Financial Officer ICAI Memb. No. 047959

Membership Number: 112399

Koosai Lehery Partner Mumbai, May 11, 2020

Company Secretary ICSI Memb. No. ACS11787

VIVEK RAIZADA

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, 2020 were authorized for issue in accordance with a resolution of the Board of Directors on May 11, 2020.

(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 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:

(i) Determination of the estimated useful lives and impairments assessment

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.

(ii) 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.

(iii) 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, depreciation carry-forwards and unused tax credits could be utilized.

(iv) 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.

(v) 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.

(vi) 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.

(vii) Determining whether an arrangement contains a lease and measurement of leases

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.

(viii) Rebates and sales incentives

Rebates are generally provided to distributors or customers as an incentive to sell the Group's products. Rebates are based on purchases made during the period by distributor / customer. The Group determines the estimates of rebate accruals primarily based on the contracts entered into with

their distributors / customers and the information received for sales made by them.

(ix) 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.

(x) 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.

7. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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 2020, 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. <u>Dividend income</u>

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. <u>Transactions and balances</u>

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.

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.

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:

- has a legally enforceable right to set off the recognised amounts; and
- 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:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- 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 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 nonrefundable 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.
- 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 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:

- (a) Plant and Machinery: 20 Years
- (b) Computer Hardware, Crates, cans and milko testers: Depreciated over the estimated useful life of 4 years.
- (c) Leasehold Land: Amortised over the primary lease period.
- (d) Leasehold improvements and equipments:
 Amortised over the Primary lease period or 16 years whichever is less

Assets costing less than ₹ 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 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 yearsTechnical 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:

- 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).
- 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.

 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 foreign 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.

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:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- b) 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 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.

M. Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss

relating to the effective portion is recognized immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

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 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 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 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.

Rental expense pertaining to properties taken on operating leases was generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases were recognised in the year in which such benefits accrue.

O. 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.

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.

P. 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.

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 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.

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 consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements (₹ in crore)

PARTICULARS	Freehold Land (refer note 2.1)	Leasehold Land (refer note 2.4)	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, 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)		·		1	1	'		(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	98.0	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)	(5.07)
Transition impact of IND AS 116 (refer note 3)		(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
Capital work in progress										150.47
As at March 31, 2019										
Gross Block										
Cost as at April 1, 2018	326.64	33.23	375.10	633.53	10.57	37.63	27.62	2.13	0.32	1,446.77
Additions	2.27	1.36	94.04	249.16	1.36	00.9	10.65	0.50	0.03	365.37
Acquisitions through Business Combinations (refer note 60)	35.76	24.92	54.68	92.08	92'0	1.65	3.90	0.70	•	214.45
Disposals	(3.29)	•	(0.59)	(4.29)	(0.02)	(0.10)	(0.28)	(0.02)	•	(14.59)
As at March 31, 2019	361.38	59.51	523.23	970.48	12.67	39.18	41.89	3.31	0.35	2012.00
Accumulated Depreciation										
As at April 1, 2018	•	1.01	32.96	141.93	3.04	10.29	9.45	0.47	0.08	199.20
Charge for the year	•	0.38	14.34	69.70	1.22	4.81	4.59	0.39	0.03	95.46
Disposals	-	-	(0.06)	(2.76)	(0.01)	(1.57)	(0.21)	-	(0.02)	(4.63)
As at March 31, 2019	•	1.39	47.24	208.87	4.25	13.53	13.80	0.86	0.00	290.03
Net Block as at March 31, 2019	361.38	58.12	475.99	761.61	8.42	25.65	28.09	2.45	0.26	1,721.97
Capital work in progress										92.12

Note 2 Property, plant and equipment

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 Capital work in progress includes borrowing cost capitalised during the year of ₹ 1.51 crores (Previous year ₹ 1.67 crore)

Note 2.3 Refer to note 24 and note 20 for information on property, plant and equipment pledged as security by the group.

Note 2.4: 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'

Note 3: Leases

The Group's leasing arrangements are in respect of land, building and equipment. These leasing arrangements are renewable on a periodic basis by mutual consent on mutually acceptable terms.

Right-of-use assets	(₹ in crore)
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Buildings	Land	Vehicles	Total
24.75	59.51	-	84.26
2.47	17.26	11.19	30.92
(0.10)	-	-	(0.10)
27.12	76.77	11.19	115.08
- -	1.39	-	1.39
7.20	0.63	2.36	10.19
-	-	-	-
(0.04)	-	-	(0.04)
7.16	2.02	2.36	11.54
24.75	58.12	-	82.87
19.96	74.75	8.83	103.54
			(₹ in crore
			Year ended March 31, 2020
			10.80
			10.80
			(₹ in crore
			Year ended March 31, 2020
			8.14
			3.50
			10.80
			22.44
			(₹ in crore
e Less than 1 year	1 and 5 years	Over 5 years	Weighted average effective interest rate %
	24.75 2.47 (0.10) 27.12 - 7.20 - (0.04) 7.16 24.75 19.96	24.75 59.51 2.47 17.26 (0.10) - 27.12 76.77 - 1.39 7.20 0.63 (0.04) - 7.16 2.02 24.75 58.12 19.96 74.75	24.75

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

45.88

Lease liabilities

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 reassesment 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

Note 4 Intangible Assets

(₹ in crore)

Particulars	Computer Software	Brand	Grant of Licences (refer note 4.1)	Product Registration	Total
As at March 31, 2020					
Cost					
As at April 1, 2019	18.71	54.79	17.00	2.71	93.21
Additions	2.87	-	-	-	2.87
Disposals	-	-	-	-	-
As at March 31, 2020	21.58	54.79	17.00	2.71	96.08
Accumulated amortisation					
As at April 1, 2019	9.45	-	17.00	2.71	29.16
Charge for the year	2.54	0.83	-	-	3.37
Disposals	-	-	-	-	-
As at March 31, 2020	11.99	0.83	17.00	2.71	32.53
Net Block as at March 31, 2020	9.59	53.96	-	_	63.55
As at March 31, 2019					
Cost					
As at April 1, 2018	13.79	38.22	17.00	2.71	71.72
Additions	1.25	-	-	-	1.25
Acquisitions through Business Combinations (refer note 60)	3.67	16.57	-	-	20.24
Disposals	(0.01)	-	-	-	(0.01)
As at March 31, 2019	18.70	54.79	17.00	2.71	93.20
Accumulated amortisation					
As at April 1, 2018	7.16	-	12.75	2.28	22.19
Charge for the year	2.28	-	4.25	0.43	6.96
Disposals	-	=	<u> </u>	-	=
As at March 31, 2019	9.44	-	17.00	2.71	29.15
Net Block as at March 31,2019	9.26	54.79	-	-	64.05

Note 4.1 To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account. (refer Note 54)

Note 5 Biological Assets other than bearer plants

A. Reconciliation of carrying amount

(₹ in crore)

March 31, 2020

Par	ticulars	Oil palm		Oil palm saplings Cattle				PS Birds / Hatching eggs / Broilers	Total
		Qty.	Amount	Qty.	Amount	Amount			
Bal	ance as April 1, 2019	672,953	4.68	554	4.14	63.16	71.98		
Add	:								
i.	Purchases	715,500	3.07	63	0.41	45.71	49.19		
ii.	Production/ Cost of Development	=	2.35	221	1.52	262.08	265.95		
Les	s:								
i.	Sales / Disposals	(580,206)	(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		
Bal	ance as at March 31, 2020	808,247	6.27	781	5.25	68.17	79.69		
Nor	n Current	-	6.27	-	5.25	10.43	21.95		
Cur	rent	-	-	-	-	57.74	57.74		
Vlarc	h 31, 2019						(₹ in crore)		
_							-		

Pari	iculars	Oil palm s	saplings	Cattles	PS Birds / Hatching eggs / Broilers	Total
		Qty.	Amount	Amount	Amount	
Bala	ance as April 1, 2018	676,545	4.26	=	-	4.26
Add	:		-			
i.	Purchases	593,900	2.54	=	-	2.54
ii.	Production/ Cost of Development		2.27	=	-	2.27
Less	S:					
i.	Sales / Disposals	(597,492)	(4.31)	=	-	(4.31)
ii.	Change in fair value less cost to sell:	-	(0.08)	-	-	(0.08)
	Realised	=	(0.15)			(0.15)
	Unrealised	-	0.07	-	-	0.07
Acq	uisition through Business Combinatioon	=	-	4.14	63.16	67.30
Bala	ance as at March 31, 2019	672,953	4.68	4.14	63.16	71.98
Non	Current	_	4.68	4.14	10.18	19.00
Cur	rent	-	-	-	52.98	52.98

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, 2020, the group purchased 7,15,500 (Previous year: 593,900) number of saplings, out of which 7,15,500 (Previous year: 593,900) were still under cultivation.

During the previous year the group had acquired poultry (PS Birds /Hatching eggs /Broilers) (on acquisition of Godrej Tyson Foods Limited refer note 60) and cattle (on acquisition of Godrej Maxximilk Private Limited).

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, 2020	March 31, 2019
	Oil palm saplings / Cattles	Oil palm saplings / Cattle
Gain/(loss) included in 'other operating revenue'	-0.59	-0.08
Change in fair value (realised)	-0.69	-0.15
Change in fair value (unrealised)	0.10	0.07

Particulars	March 31, 2020
	PS Birds / Hatching eggs / Broilers
Gain/(loss) included in 'cost of goods sold'	-6.91
Change in fair value (realised)	-25.12
Change in fair value (unrealised)	18.21

iii. Valuation techniques and significant unobservable inputs

Туре	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 ₹50.72 to ₹ 117 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 - ₹ 21.00 per Hatching eggs (Previous year 28.42), - Hatching eggs - ₹ 27 per Day Old Chicks (Previous year 29.58), - Contract farms- Broilers - ₹ 64.00 per kg for live bird (Previous year 79.50)	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

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 environmental risks

The group 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 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 company manage this risk by effictive marketing tie up for sale of milk.

The company 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 Company is exposed to risks arising from fluctuations in yield and health of the Cattle. Company manages this risk by effective sourcing and maintenance of cattle.

The company's Live stock are exposed to the extreme climatic changes in summer and winter season. However, the company 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.

	Profit or (loss) fo March 3	•	Profit or (loss) fo March 3	•
	10% increase	10% decrease	10% increase	10% decrease
Variable cost (Oil palm saplings)	(0.08)	0.09	(0.08)	0.09
Estimated change in valuation- Cattle	0.52	(0.52)	0.31	(0.31)
Estimated change in valuation- Poultry (PS Birds / Hatching eggs /Broilers)	6.99	(6.99)	6.87	(6.87)
Cash flow sensitivity (net)	7.43	(7.43)	7.09	(7.09)

	(< rin ci				
				As at March 31, 2020	As at March 31, 2019
Not	e 6 : In	vestm	ents		
Α.	Equi	ity acc	counted investees		
ı	Inve	stmen	t in Equity Instrument (Fully Paid)		
	(a)	Inve	estment in joint ventures (Unquoted)		
		i.	ACI Godrej Agrovet Private Limited, Dhaka, Bangladesh.		
			1,850,000 (Previous Year 1,850,000) Equity Shares of ₹ 100/- each.	102.11	73.65
		ii.	Omnivore India Capital Trust		
			2,444.37 (Previous Year 2,444.37) units of ₹ 1,00,000 each.	26.23	42.85
	Tota	I (A)		128.34	116.50
В.	Non	-curre	nt Investments		
	Inve	stmen	t in equity instruments		
	i.	Quo	ted at FVOCI		
		i.	KSE Limited	0.82	-
			7,467 Equity Shares of ₹ 10/- each		
			(Acquired 7,467 shares during the current year)		
	ii.	Unq	uoted at FVTPL		
		(a)	Investment in Co-operative Society	0.01	0.01
		(b)	Investment in Other Corporates	0.00	0.00
	Tota	I (B)		0.83	0.01
	TOT	AL		129.17	116.51

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Note 6.1 Other disclosures		
Aggregate amount of quoted investment	0.82	-
Market value of quoted investment	0.82	-
Aggregate amount of unquoted investments (other than equity accounted investees)	0.01	0.01
Aggregate amount of impairment in value of investments	-	-

		As at March 31, 2020	As at March 31, 2019
No	e 7		
No	n Current Loans (Refer Note 41.2)		
Uns	ecured, considered good (unless otherwise stated)		
1	Security deposits		
	i Considered good	24.56	19.24
	ii Considered doubtful	0.23	0.23
	Less : Allowance for bad and doubtful deposits	(0.23)	(0.23)
	Net Deposits	24.56	19.24
2	Loan to employees	0.53	0.47
TOT	AL	25.09	19.71

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	e 8		
Othe	Other non-current financial assets		
1	Claims receivable	1.79	1.46
2	Bank Deposit with remaining maturity of more than 12 months (refer note 8.1)	0.14	0.15
TOT	TOTAL		1.61

Note 8.1: Fixed Deposits of ₹ 0.12 crore (Previous year ₹ 0.11 crore) are pledged with government authorities. Further Fixed deposits with scheduled banks of ₹ 0.01 crores (Previous Year ₹ 0.02 crore) held as margin money towards sales tax registeration and fixed deposit of ₹ 0.01 crores (Previous Year ₹ 0.02 crore) are kept as earnest money deposits.

(₹ in crore)

			As at March 31, 2020	As at March 31, 2019
Note	9			
Othe	er non	-current assets		
1	Сар	ital advances	17.38	37.95
2	Bala	nce with government authorities	16.01	16.41
3	Othe	ers		
	i)	Considered good	6.71	3.46
	ii)	Considered doubtful	0.46	0.46
		Less : Allowance for doubtful advances	(0.46)	(0.46)
			6.71	3.46
то	TAL		40.10	57.82

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Not	e 10		
Inv	entories		
(Val	ued at lower of cost and net realizable value)		
1.	Raw materials (including packing materials)	558.44	502.22
2.	Raw Materials in Transit	16.89	1.12
3.	Work in progress	46.48	45.69
4.	Project in progress (refer note 52)	12.08	68.43
5.	Finished goods	155.61	165.68
6.	Stock-in-Trade	63.50	87.75
7.	Stores and Spares	32.83	27.85
тот	AL	885.83	898.74

Note 10.1: refer note 24 for information on inventories pledged as securities by the Company

Certain inventories as at March 31, 2020 have been written down to their net realisable values on account of which ₹2.50 crores has been debited to the Statement of Profit and Loss. Further provision of ₹4.21 crores made in the previous years has been reversed into the Statement of Profit and Loss in the current year and included in Cost of materials consumed (31 March 2019 - provision of ₹4.42 crores)

	As at March 31, 2020	As at March 31, 2019
Note 11		
Current Investments		
Investment in equity of associates (Unquoted) (refer note. 6.2)		
i Al Rahaba International Trading Limited Liability Company, Abu Dhabi, UAE.	-	-
24 Equity Shares of AED. 1500/- each	-	-
TOTAL	-	-

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	2 12		
Trac	le Receivables (refer note 41.2)		
i.	Secured and considered good (refer note 12.1)	127.64	78.09
ii.	Unsecured and considered good	726.22	656.80
iii.	Credit impaired	25.70	19.75
	Less : Loss allowance	(25.70)	(19.75)
тот	AL	853.86	734.89

Note 12.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.

Note 12.2: Refer to note 20 and 24 for information on trade receivables pledged as security by the group.

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
e 13			
h and c	eash equivalents		
Cash	on hand	3.71	6.31
Chec	ques, Drafts on Hand	0.60	5.40
Bala	nces with banks:		
(a)	Current Accounts	44.30	16.02
(b)	Deposit Account (Maturity less than Three months)	0.10	-
(c)	Saving Bank Account of Company's ESOP Trust	0.04	0.04
AL		48.75	27.77
	Cash Chec Balar (a) (b)	h and cash equivalents Cash on hand Cheques, Drafts on Hand Balances with banks: (a) Current Accounts (b) Deposit Account (Maturity less than Three months) (c) Saving Bank Account of Company's ESOP Trust	March 31, 2020 e 13 And cash equivalents Cash on hand 3.71 Cheques, Drafts on Hand 0.60 Balances with banks: 44.30 (a) Current Accounts 44.30 (b) Deposit Account (Maturity less than Three months) 0.10 (c) Saving Bank Account of Company's ESOP Trust 0.04

Note 13.1 Fixed Deposits of ₹ 0.10 crore (Previous year ₹ Nil) are pledged with Banks for balance of letter of credit issued.

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	e 14		
Ban	Bank Balances Other Than Cash and Cash Equivalents		
1	Fixed Deposits -more than 3 months and less than 12 months (refer note. 14.1)	1.88	1.92
2	Unclaimed dividend accounts	0.18	0.15
тот	TOTAL		2.07

Note 14.1: Fixed Deposits of ₹ 1.11 crores (Previous year ₹ 1.21 crores) are pledged with Banks for Guarantees issued. Further fixed deposits of ₹ 0.06 (Previous year ₹0.06 crore) are kept as earnest money deposit.

(₹ in crore)

			As at March 31, 2020	As at March 31, 2019
Note	e 15			
Cur	rent Lo	ans		
Uns	ecured	, Considered Good, Unless Otherwise Stated		
1	Loar	ns and Advances - Others		
	(a)	Loans and advances to employees	0.96	1.19
	(b)	Security deposits	3.43	3.80
	(c)	Other Loans and advances.		
		i Unsecured and considered good	14.76	13.39
		ii. Credit impaired	0.13	-
		Less : Loss allowance	(0.13)	-
тот	ΓAL		19.15	18.38

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	16		
Othe	r current financial assets		
1	Interest on Bank Fixed Deposit	0.24	0.06
2	Interest Accrued on other Deposits	0.20	0.16
3	Claims receivable	0.07	-
4	Other Receivables (refer note 52)	150.42	13.01
5	Derivatives		
	- Foreign exchange forward contracts not designated as hedge	3.30	-
6	Others	16.00	12.69
TOT	AL	170.23	25.92

		As at March 31, 2020	As at March 31, 2019
Note	e 17		
Oth	er current assets		
1	Advances to suppliers	24.83	18.23
	Less: Allowance for doubtful advance	(0.45)	(0.45)
2	Balance with government authorities	28.62	49.75
3	Others (includes prepayments, inventory receivable on returns, etc.)	41.73	36.61
тот	AL	94.73	104.14

			(VIII GIOIC)
		As at March 31, 2020	As at March 31, 2019
Note	: 18		
Sha	re Capital		
1	Authorised :		
	(a) 224,994,000 (Previous year 224,994,000) Equity shares of the par value of ₹ 10 each	224.99	224.99
	(b) 6,000 (Previous year 6,000) Preference shares of the par value of ₹ 10 each	0.01	0.01
	TOTAL	225.00	225.00
2	Issued, Subscribed and Paid-up:		
	192,041,898 (Previous year 192,028,739) Equity shares of ₹ 10 each fully paid up.	192.04	192.03
	TOTAL	192.04	192.03

3	Reconciliation of number of shares outstanding at the	As at March 31, 2020		As at March 31, 2019	
	beginning and end of the year :	No. of shares	₹ In crore	No. of shares	₹ In crore
	Equity shares :				
	Outstanding at the beginning of the year	19,20,28,739	192.03	19,20,28,739	192.03
	Shares issued during the year (refer note 40)	13,159	0.01	=	-
	Outstanding at the end of the year	19,20,41,898	192.04	19,20,28,739	192.03

4 Rights, preferences and restrictions attached to

a Equity Shares: The group has one class of Equity shares having a par value of ₹ 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		more than 5% shares in the As at March 31, 2020		As at March 31, 2019	
	company i	is set out below:	No. of shares	%	No. of shares	%
	(a) Equit	y shares				
	1	Godrej Industries Limited (the holding Company)	11,38,51,427	59.28%	11,16,66,300	58.15%
	2	V-Sciences Investments Pvt Ltd	2,28,15,329	11.88%	2,47,07,698	12.87%

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 2019	
March 31 2018	-
March 31 2017	9,25,65,438
March 31 2016	-
March 31 2015	7,93,41,804

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	19		
Othe	er Equity		
1.	Retained Earnings	1,306.48	1,091.02
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	(8.30)	(7.18)
5.	Effective portion of Cash Flow Hedges	0.02	0.02
6.	Employee stock grants Outstanding	4.11	2.89
7.	Non Controlling Interest Reserve	(103.85)	(76.66)
8.	Securities Premium Account	427.77	426.99
Tota	l	1,646.10	1,456.95

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.

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 Account:

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.

		As at March 31, 2020	As at March 31, 2019
9	Dividend	Waren 31, 2020	March 31, 2019
	The following dividends were declared and paid by the Company during the year:		
	Equity Dividend paid @₹ 4.5 per share	86.42	86.41
	Dividend distribution tax on the equity dividend paid	17.05	17.05
		103.47	103.46

The Board, in its meeting on May 11, 2020 has recommended a final dividend of ₹ 5.5 per equity share for the financial year ended March 31, 2020 subject to the approval at the Annual General Meeting. The cash outflow on account of dividend would be ₹ 105.62 crore.

		As at March 31, 2020	As at March 31, 2019
Note	e 20		
Non	Non current- Borrowings		
Uns	ecured		
a.	Term loans from banks (refer note 20.1)	41.23	60.97
b.	Deferred payment liabilities (refer note 20.2)	1.55	2.06
C.	Deferred Sales Tax Loan (refer note 20.3)	-	1.18
TOT	TOTAL		64.21

- Note 20.1: (A) The group has repaid entire outstanding loan amount before maturity on 15th November 2019 related to the loan for ₹2.95 crore including current maturity of ₹ 0.98 crore in the previous year which was repayable in 16 structured quarterly instalments commencing from January 2018 and carries the interest at MCLR currently 8.80% p.a.
- **(B)** The Loan for ₹ 20.00 crore is repayable in a single tranche in April 2020. The Term Loan carries interest at one month treasury bill rate + 21 bps spread per annum, the Group has prepaid the loan on 7th September 2019. The Loan for ₹ 5.2 crore, with balance in current maturity of ₹ 2.6 crore as of march 31, 2019 was repayable in two tranches. 50% of draw down amount was repayable in 18 months from the date of draw down and balance 50% at the end of 36 months from the date of draw down. Loan carries the interest at Treasury Bill Rate + 0.19 spread p.a. The first tranche of the term loan of ₹ 2.60 crore has been paid during 2018-19 and second tranche of ₹ 2.60 crores was repaid during the current year.
- (C) Term Loan of ₹ 17.00 crores (previous year ₹ 16.00 crores) including current maturities of ₹ 2.50 crores carries Interest Rates of 3 months T Bill + 175 bps. The loan is repayable in 20 quarterly instalments commencing from July 2020.
- **(D)** Term loans for ₹ 23.00 crore (Previous Year ₹ 27.00 crore) including current maturity of ₹ 4.00 crore (Previous Year ₹ 4.00 crore) from banks for the year ended 31 March 2020 are at an Interest Rate of 7.05%. These loans are repayable at 28 equal quarterly installment of ₹ 1.00 crore each from 15 February 2019.
- (**E**) Term Loan amounting to ₹ 10.54 crores having current maturity of ₹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
- Note 20.2: 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 ₹6.18 crore and outstanding for the year ended March 31, 2020 was ₹2.58 crore (Previous year ₹ 3.09 crore) with current maturity disclosed separately in note no. 26 at ₹ 1.03 crore (Previous year ₹ 1.03 crore).
- Note 20.3: 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 ₹ 4.67 crore and outstanding for the year ended March 31, 2020 was ₹ 1.34 (Previous year ₹ 2.41 crore) with current maturity disclosed separately in note 26 at ₹ 1.34 crore (Previous year ₹ 1.23 crore).

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Note 21		
Other Non-Current Financial Liabilities		
Non Trade Payables	0.86	0.51
TOTAL	0.86	0.51

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Note 22		
Non Current Provisions		
Provision for employee benefits (refer note 39)		
- Provision for compensated absences	6.83	5.13
- Provision for gratuity	1.45	1.57
Total	8.28	6.70

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Note 23		
Other non-current liabilities		
Deferred grant	21.19	20.41
Total	21.19	20.41

(₹ in crore)

				(< in crore)
			As at March 31, 2020	As at March 31, 2019
Not	e 24			
Curi	rent bo	rrowings		
1	Secu	ıred		
	(a)	Cash credit from banks (refer note 24.1)	44.88	11.00
	(b)	Buyers credit (refer note 24.2)	0.21	-
2	Unsecured			
	(a)	Term loans from Banks (refer note 24.3)	55.07	45.00
	(b)	Commercial paper (refer note 24.4)	148.11	100.00
	(c)	Cash credit (refer note 24.1)	14.55	0.36
	(d)	Working Capital Demand Loans from Banks (refer note. 24.5)	312.59	133.51
	(e)	Foreign currency loan (refer note 24.6)	-	1.73
	(f)	Buyers credit (refer note 24.2)	0.28	31.93
Tota	ıl		575.69	323.53

Note 24.1: Cash Credit from banks are repayable on demand and carries interest at the rate of MCLR + 0.25 and 8.20% to 10% per annum (Previous year 1 Year MCLR + 25 to 55 bps and 8.60% per annum). The cash credit from Bank is secured against inventories and receivables.

Note 24.2: Buyers credit are at an interest rate of 3 to 6 month LIBOR + 40 to 120 bps and are repayable within 6 months.

All the secured current borrowings have first pari passu charge on the current assets and movable assets of the Company, including inventory and receivables both present & future.

Note 24.3: (A) Term Loans of ₹ 15.07 crores are taken for the year ended March 31, 2020 and carries interest rate of T Bill + 0 to T Bill 0.14 bps (Previous year T Bill +0 to T Bill +0.14 bps) these loans are repayable on January 2021.

(B) Term Loans of ₹ 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 24.4: The group has raised Commercial Paper which carries interest rate of 5.10% to 7.50% (Previous year 7.72% to 8.49%)

Note 24.5: Working Capital Loans from Banks are at an Interest Rate of 6.75% to 9.00% and T Bill +0.15 to T Bill +0.75 bps (Previous Year 7.25% to 8.35% and T Bill +0.04 to +0.08 bps). These loans are repayable on different dates.

Note 24.6: In the previous year the group had foreign currency loans from Banks at an interest rate of LIBOR + 65 bps.

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	25		
Curr	ent -Trade Payables		
1	Trade Payables		
	a. Due to micro enterprises and small enterprises (refer note 25.1)	5.27	16.35
	b. Other than micro enterprises and small enterprises	402.34	349.80
2	Acceptances	880.90	873.90
Total		1,288.51	1,240.05
Addi	tional disclosure related to Micro Enterprises and Small Enterprises		
Α	Principal amount remaining unpaid	5.27	16.35
В	Interest due thereon	0.08	0.28
С	Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterpris Development Act, 2006 along with the amount of the payment made to the suppliers beyond t appointed day during the year		-
D	Interest due and payable for the year of delay in making payment (which have been paid but beyo the appointed day during the year) but without adding the interest specified under Micro, Small a Medium Enterprises Development Act, 2006		-
E	Interest accrued and remaining unpaid	0.19	0.28
F	Further interest remaining due and payable even in the succeeding years, until such date when t interest dues as above are actually paid to the small enterprise	he -	-

Note 25.1: Micro enterprises and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the group on the basis of the information available with the Group and the auditors have relied on the same. Accordingly on March 31, 2020 ₹ 5.27 crore (previous year ₹ 16.35 crores) due as to Micro, Small and Medium Enterprises on account of principal amount.

(₹	in	crore)	
١,		01010	

		As at March 31, 2020	As at March 31, 2019
Note	26		
Othe	er financial liabilities		
1	Current maturities of long-term debt		
	Secured Loan		
	(i) Current maturities of long-term debt	9.49	7.95
	Unsecured Loan		
	From others - Deferred Sales Tax Loan (refer note no: 20.3)	1.34	1.23
	From others - Deferred payment liabilities (refer note no: 20.2)	1.03	1.03
2	Current maturities of lease liabilities	12.07	-
3	Liabilities towards beneficiaries of companies ESOP Trust	0.06	0.06
4	Security Deposit	84.35	81.84
5	Non Trade Payables	55.20	58.75
6	Derivative liability	-	1.06
7	Unclaimed Dividend	0.18	0.13
8	Put Option Liability	-	18.48
9	Others (includes accrual for expenses, performance bonus, etc.)	61.85	47.34
Total		225.57	217.87

(₹ in crore)

		As at March 31, 2020	As at March 31, 2019
Note	27	Water 51, 2020	March 01, 2013
Othe	r current liabilities		
1	Advances from Customers	38.03	39.17
2	Statutory Liabilities	13.31	8.40
3	Deferred Grants	1.26	1.21
4	Other	0.02	0.01
Total		52.62	48.79

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	As at
		March 31, 2020	March 31, 2019
Note	e 28		
Curr	ent Provisions		
1	Provision for employee benefits (refer note 39)		
	- Provision for compensated absences	1.05	1.78
	- Provision for gratuity	7.87	5.31
2	Provision for sales tax liability	0.26	0.24
3	Provision for sales return (refer note 28.1 & 28.2)	34.11	33.75
Total		43.29	41.08

(₹ in crore)

	As at	As at
	March 31, 2020	March 31, 2019
Note. 28.1 Movement of provision for sales return		
Opening Provision	33.75	25.26
Add: Provision made for the year	201.39	146.69
Less: Utilised during the year	200.97	137.98
Less:- Reversed during the year	0.06	0.22
Closing Provision	34.11	33.75

Note. 28.2: The Group makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

		For the year ended March 31, 2020	For the year ended March 31, 2019
Not	te 29		
Rev	venue from operations		
1	Sale of products (refer note 29.1)		
1	Sale of products	6,773.39	5,867.88
2	Sale of Scrap and Empties	42.38	30.99
		6,815.77	5,898.87
2	Other operating revenue		
1	Export Incentives	6.06	7.22
2	Rebates / Incentives from Government	7.88	10.68
3	Processing income	0.24	1.04
4	Sales of Real Estate project (refer note 52)	134.68	-
5	Fair value of Biological Assets (refer note 5)	(0.59)	(0.08)
		148.27	18.86
	Total	6,964.04	5,917.73

Note 29.1:

1 Reconciliation of revenue from contract with customers

(₹ in crore)

		()
Particulars	Amount	Amount
Revenue from contract with customer as per the contract price	7,018.13	6,149.48
Adjustments made to contract price on account of :-		_
a) Commission / Discounts	(202.36)	(250.61)
	6,815.77	5,898.87

2 <u>Disaggregation of revenue</u>

Particulars	Amount	Amount
Animal Feed	3,717.72	3,096.78
Vegetable Oil	671.43	671.54
Crop Protection	1,084.69	978.46
Dairy	1,192.74	1,157.81
Poultry and processed food	515.37	=
Other Business	35.46	17.46
Inter segment elimination	(401.63)	(23.17)
	6,815.77	5,898.87

3 Geographical disaggregation

(₹ in crore)

Particulars	Amount	Amount
Sales in India	6,515.71	5,652.79
Sales outside India	300.06	246.08
	6,815.77	5,898.87

(₹ in crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	30		
Othe	er Income		
1	Interest Income		
	(a) Instruments measured at amortised cost		
	(i) Interest received on Deposits	2.48	2.77
	(ii) Interest - Others	0.26	0.22
	(b) Interest received from Income Tax	0.03	0.30
2	Profit on sale of Property, plant and equipment (net)	-	25.22
3	Profit on sale of Investments (net)	0.33	0.19
4	Claims received	0.98	1.20
5	Liabilities no longer required written back	5.89	7.37
6	Recovery of Bad Debts written off	1.08	0.82
7	Rent Income	-	0.04
8	Royalty & Technical Knowhow	5.07	1.30
9	Applicable net gain on foreign currency transactions and translation	5.28	1.41
10	Other Miscellaneous Income	23.99	10.97
11	Grant amortization	1.43	1.30
	TOTAL	46.82	53.11

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	e 31		
Cos	et of materials consumed		
а	Raw Material Stocks at the Commencement of the Year	445.52	421.35
b	Add : Purchases / Change in Project-in-progress (refer note 52)	5,321.85	4,458.71
С	Less : Raw Material sold	11.76	45.47
		5,755.61	4,834.59
d	Less: Raw Material Stocks at the Close of the year	574.30	445.52
Tota	al	5,181.31	4,389.07
Tota	al Cost of Raw Material Consumed	5,181.31	4,389.07

		For the year ended March 31, 2020	(₹ in crore) For the year ended March 31, 2019
Note	32		
Purc	chase of stock-in-trade		
1	Agri Input	220.81	223.01
2.	Others	18.93	6.74
Tota		239.74	229.75
			(₹ in crore)
		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	33		
	nges In Inventories of Finished Goods, Work In Progress, Stock under cultivation and Stockade and Biological assets		
1	Stocks at the Commencement of the year		
(a)	Finished Goods	158.05	157.87
(b)	Work In Progress	45.41	35.49
(c)	Biological assets	-	-
(d)	Stock under cultivation	4.68	4.26
(e)	Stock-in-Trade	86.90	52.20
	Total Stock at the commencement of the year	295.04	249.82
2	Less : Stocks at the Close 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 close of the year	340.03	295.05
	Change in the stock of Finished Goods, Work In Progress, Stock under cultivation, Stock in Trade and Biological Asset	(44.99)	(45.22)

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	e 34		
Emp	oloyee benefits expense		
1	Salaries, Wages, Bonus and Allowances	306.06	251.41
2	Contribution to Provident, Gratuity and Other Funds (refer note 39)	21.92	17.16
3	Expense on Employee Stock based payments (refer note.40)	2.81	2.43
4	Staff Welfare Expense	23.26	23.42
	TOTAL	354.05	294.42

			(₹ in crore)
		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	35		
Fina	nce Costs		
1	Interest Expense		
	i Paid to Banks on Loans and Cash Credit	23.32	22.71
	ii Others	16.43	9.62
2	Other Borrowing Costs	1.88	1.56
	TOTAL	41.63	33.89

Note 35.1: Finance costs are net of interest capitalised to capital work in progress ₹ 1.51 crore (Previous year ₹ 1.67 crore).

			(₹ in crore)
		For the year ended	For the year ended
		March 31, 2020	March 31, 2019
Note	36		
Depr	eciation and Amortisation Expenses		
1	Depreciation	134.51	95.46
2	Amortization	3.37	6.96
3	Amortization of Right of Use Asset (refer note 3)	10.19	-
	Less : Transfer from General Reserve (refer note.54)	-	(4.25)
Total		148.07	98.17

	(₹ in c			
		For the year	For the year	
		ended	ended	
		March 31, 2020	March 31, 2019	
Note	37			
Othe	er Expenses			
1	Stores and Spares consumed	35.16	28.95	
3	Power and Fuel	126.26	101.76	
3	Processing and other manufacturing expenses	181.56	107.42	
4	Rent	10.80	14.92	
5	Rates and Taxes	4.94	5.56	
6	Repairs and Maintenance			
	(a) Machinery	19.67	13.54	
	(b) Buildings	2.74	2.09	
	(c) Other assets	5.41	4.81	
7	Insurance	5.58	3.48	
8	Payment to auditors (refer note 37.1)	1.39	1.05	
9	Freight	82.19	70.94	
10	Advertisement, Selling and Distribution Expenses	91.48	84.76	
11	Bad Debts/Advances Written Off	22.85	18.67	
12	Allowances for Doubtful Debts and Advances	4.84	4.40	
13	Loss on Sale/Write off of property, plant and equipments	0.56	-	
14	Research Expenses	2.71	2.85	
16	Corporate Social Responsibility Expenses	7.58	6.06	
17	Export Incentives (MEIS) written off	6.20	-	
18	Miscellaneous Expenses	133.52	122.61	
	Total	745.44	593.87	

		For the year ended March 31, 2020	For the year ended March 31, 2019
Note	Note No. 37.1: Payment to auditors		
(a)	Audit Fees (including limited reviews)	1.15	0.93
(b)	Other Matters	0.15	0.09
(c)	Reimbursement of Expenses	0.09	0.03
	Total	1.39	1.05

Note 38 Earnings per share

Calculation of weighted average number of equity shares - Basic and diluted

(₹ in crore)

	Particulars	March 31, 2020	March 31, 2019
1	Calculation of weighted average number of equity shares - Basic		
	Number of shares at the beginning of the year	192,028,739	192,028,739
	Equity shares issued during the year	13,159	-
	Number of equity shares outstanding at the end of the year	192,041,898	192,028,739
	Weighted average number of equity shares for the year	192,038,339	192,028,739
2	Calculation of weighted average number of equity shares - Diluted		
	Weighted average equity shares - Basic	192,038,339	192,028,739
	Effect of exercise of share grants (refer note 38.1)	38,950	15,500
	Revised number of potential equity shares outstanding at the end of the year	192,077,289	192,028,739
	Weighted average number of potential equity shares for the year	192,077,289	192,044,239
			(₹ in crore)
3	Profit attributable to ordinary shareholders (Basic/Diluted)		
	Profit for the year, attributable to the owners of the Company	306.19	329.04
	Income/(Expense) recognized in Reserves		
	Amortisation of Intangible Assets	-	(2.77)
	Profit for the year, attributable to ordinary shareholders	306.19	326.27
4	Basic Earnings per share (₹)	15.94	16.99
5	Diluted Earnings per share (₹)	15.94	16.99
6	Nominal Value of Shares (₹)	10.00	10.00

Note 38.1 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.

Note. 39 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 ₹ 16.21 crore for the year ended March 31, 2020 (Previous Year ₹ 11.59 crore) towards provident fund contribution ₹ 0.63 crore for the year ended March 31, 2020 (for Previous Year ₹ 0.87 crore) towards employees' state insurance contribution and ₹ 0.54 crore for the year ended March 31, 2020 (Previous Year ₹ 0.58 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, 2020.

(₹ in crore)

		(\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
Particulars	March 31,2020	March 31,2019
Plan assets at period end, at fair value	131.76	114.85
Provident Fund Corpus/ obligation	128.28	111.94
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	8.43%	8.49%
Weighted Average YTM	8.44%	8.54%
Guaranteed Rate of Interest	8.50%	8.65%

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. 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, 2020. 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:

	March 31, 2020	March 31, 2019
Defined benefit obligation	(40.20)	(35.34)
Fair value of plan assets	30.88	28.46
Net defined benefit (obligation)/assets	(9.32)	(6.88)

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 Bene	fit Obligation	Fair value of	f plan assets		ed benefit liability
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening balance	35.34	28.49	28.46	21.01	6.88	7.48
Included in profit or loss	-	-	-	-	-	-
Current service cost	3.38	2.62	-	-	3.38	2.62
Past service cost	(0.16)	-	-	-	(0.16)	-
Interest cost (income)	2.71	2.20	2.19	1.63	0.52	0.57
Liability / Assets transferred in / Acquisitions	0.00	0.01	0.00	0.01	-	-
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions	(0.03)	0.68	-	-	(0.03)	0.68
Financial assumptions	2.75	0.07	-	-	2.75	0.07
Experience adjustment	0.59	1.78	-	-	0.59	1.78
Return on plan assets excluding interest income	-	-	(0.72)	0.01	0.72	(0.01)
	44.59	35.85	29.93	22.66	14.65	13.19
Other						
Contributions paid by the employer	-	-	5.33	6.32	(5.33)	(6.32)
Benefits paid	(4.38)	(3.42)	4.38	(3.15)	-	(0.27)
Acquisitions	-	2.91	-	2.63	-	0.28
Closing balance	40.25	35.34	30.88	28.46	9.32	6.88

Represented by	March 31, 2020	March 31, 2019
Net defined benefit liability	9.32	6.88
	9.32	6.88

ii. Plan assets

Plan assets comprise the following

(₹ in crore)

	March 31, 2020	March 31, 2019
Insurer managed fund (100%)	30.93	28.46
	30.93	28.46

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

(₹ in crore)

	March 31, 2020	March 31, 2019
Discount rate	6.44%	7.57%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs	For service 4 yrs
	& Below 15.00 %	& Below 15.00 %
	p.a. & For service	p.a. & For service
	5 yrs and above	5 yrs and above
	2.00 % p.a.	2.00 % p.a.
Mortality rate	Indian	Indian
	Assured Lives	Assured Lives
	Mortality(2006-08)	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, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.72)	3.13	(2.25)	2.58
Future salary growth (1% movement)	3.15	(2.78)	2.62	(2.32)
Rate of employee turnover (1% movement)	0.26	(0.53)	0.61	(0.80)

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, 2020 and March 31, 2019 were as follows

Expected future benefit payments	March 31, 2020	March 31, 2019
1st Following year	5.25	5.57
2nd Following year	3.01	2.82
3rd Following year	3.67	2.99
4th Following year	3.57	3.24
5th Following year	7.84	6.96
Therafter	25.11	24.84

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 ₹ 2.90 crore (Previous Year ₹ 1.72 crore)"

Termination Benefits: All termination benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss

Incentive Plans: The group has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully charged off to the Statement of Profit & Loss. The Scheme rewards its employees based on Economic Value Addition (EVA), which is related to actual improvement made in EVA over the previous period when compared with expected improvements.

Note 40: 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 ₹ 0.81 crore (Previous Year ₹1.09 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 ₹ 1.94 crore (Previous Year ₹ 1.16 crore) for all the eligible employees for current year.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2020:

Particulars	Year ended March 31, 2020 Year ende March 31, 2020		Description of the Inputs used
Dividend yield %	0.87%	0.73%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	28% - 29%	27%	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 %	6.563% to 7.043%	7.174% to 7.744%	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	515.37	619.95	

The Status of the above plan is as under:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019	Weighted average Exercise Price (₹)
Options Outstanding at the Beginning of the Year	42,705	-	
Options Granted	53,484	42,705	
Options Vested	13,159	-	₹10.00
Options Exercised	13,159	-	₹10.00
Options Lapsed / Forfeited	13,796	-	
Total Options Outstanding at the end of the year	69,234	42,705	

The weighted average exercise price of the options outstanding as on March 31, 2020 is ₹ 10/- (previous year ₹ 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 ₹34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under both the plans:

Employee stock option plan (ESOP,2012)

	March 3	1, 2020	March 3	1, 2019
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	34.00	18,700	34.00	37,200
Granted during the period	-	-	-	-
Exercised during the period	34.00	9,900	34.00	18,500
Lapsed during the period	-	-	-	-
Closing balance		8,800		18,700
Vested and exercisable		-		15,700

Employee stock option scheme (ESOS,2015)

	March 3	1, 2020	March 3	1, 2019
	Average Number exercise options price per share option (INR)		Average exercise price per share option (INR)	Number of options
Opening balance	387.35	34,500	387.35	40,000
Granted during the period	-	-	=	-
Exercised during the period	387.35	4,800	387.35	5,500
Lapsed during the period	-	-	-	-
Closing balance		29,700		34,500
Vested and exercisable				22,500

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2020 Share options	March 31, 2019 Share options
January 31, 2015	January 30, 2023	34.00	Share options	Snare options
January 31, 2015	January 30, 2024	34.00	-	3,200
January 31, 2015	January 30, 2025	34.00	1,000	4,800
January 31, 2015	January 30, 2026	34.00	3,800	5,700
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	2,000	3,000
July 26, 2016	July 25, 2020	387.35	8,000	12,000
July 26, 2016	July 25, 2021	387.35	9,700	10,500
July 26, 2016	July 25, 2022	387.35	8,000	8,000
July 26, 2016	July 25, 2023	387.35	4,000	4,000
Total			38,500	53,200
Weighted average remain	ining contractual life of options outs	standing at end of period	2.51	3.76

(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, 2020	March 31, 2019
	. ,		Share options 1,000 3,800 2,000 2,000	Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	3,200
January 31, 2015	January 30, 2025	109.91	1,000	4,800
January 31, 2015	January 30, 2026	110.49	3,800	5,700
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	2,000	3,000
July 26, 2016	July 25, 2020	100.00	8,000	12,000
July 26, 2016	July 25, 2021	159.00	9,700	10,500
July 26, 2016	July 25, 2022	278.00	8,000	8,000
July 26, 2016	July 25, 2023	297.00	4,000	4,000
Total			38,500	53,200

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	₹ 387.35	₹ 387.35	₹ 387.35	₹ 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	₹ 387.35	₹ 387.35	₹ 387.35	₹ 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	₹ 34/- (March 31,	₹ 34/- (March 31,	₹ 34/- (March 31,	₹ 34/- (March 31,
	2016 - ₹ 34/-)	2016 - ₹ 34/-)	2016 - ₹ 34/-)	2016 - ₹ 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	₹ 138/-	₹ 138/-	₹ 138/-	₹ 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%	May 15, 2025 May 15 ₹ 138/- 121% 0.91%	8.30%

The model inputs for options granted includes:

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	₹ 34/- (March 31,			
	2016 - ₹ 34/-)	2016 - ₹ 34/-)	2016 - ₹ 34/-)	2016 - ₹ 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	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-	₹ 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%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

b) Expense arising from share based payment transactions

(₹ in crore)

	March 31, 2020	March 31, 2019
Employee stock option plan	0.06	0.16
TOTAL	0.06	0.16

Note 41: Financial instruments - Fair values and risk management

Note 41.1: 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.

March 31, 2020			Carryin	g amount			Fair value		
		FVTPL	FVOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
				Cost					
Fina	ancial assets								
1	Non Current Financial Assets								
1	Investments	-	0.82	0.01	0.83	0.82	-	0.01	0.83
2	Loans and Advances	-	-	25.09	25.09	-	-	-	-
3	Others	-	-	1.93	1.93	-	-	-	-
П	Current Financial Assets								
1	Trade and other receivables	-	-	853.86	853.86	-	-	-	-
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	-	166.93	170.23	-	3.30	=	3.30
		3.30	0.82	1,117.78	1,121.90	0.82	3.30	0.01	4.13
Fina	ancial liabilities								
T	Non Current Financial Liabilities								
1	Borrowings	-	-	42.78	42.78	-		=	-
3	Others	-	-	0.86	0.86	-	-	-	-
П	Current Financial liabilities								
1	Borrowings	-	-	575.69	575.69	-	-	-	-
2	Trade and other payables	-	_	1,288.51	1,288.51	_	-	-	-
3	Others	-	-	213.50	213.50	-	-	-	-
		-	-	2,121.35	2,121.35	-	-	-	-

(₹ in crore)

Mar	rch 31, 2019			Carryir	ng amount			F	air value
		FVTPL	FVOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
				Cost					
ī	Non-current Financial Assets								
1	Investments	0.01	-	-	0.01	-	-	0.01	0.01
2	Loans and Advances	-	-	19.71	19.71	-	-	-	-
3	Others	<u>-</u>	-	1.61	1.61	-	-	-	-
II	Current Financial Assets								
1	Trade and other receivables	-	-	734.89	734.89	-	-	-	-
2	Cash and cash equivalents	-	-	27.77	27.77	-	-	-	-
3	Other bank balances	-	-	2.07	2.07	-	-	-	-
4	Loans and Advances	=	-	18.38	18.38	-	-	=	-
5	Others	0.25	-	25.67	25.92	-	0.25	=	0.25
		0.26	-	830.10	830.36	-	0.25	0.01	0.26
ī	Non-current Financial liabilities								
1	Borrowings		-	64.21	64.21	-	1.18	=	1.18
2	Others	-		0.51	0.51	-		-	-
II	Current Financial liabilities								
1	Borrowings	-	-	323.53	323.53	-	-	-	-
2	Trade and other payables	-	-	1,240.06	1,240.06	-	-	-	-
3	Others	1.06	-	216.81	217.87	-	1.06	-	1.06
		1.06	-	1,845.12	1,846.18	-	2.24	-	2.24

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.

Туре	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.

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 41.2: 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, 2020	March 31, 2019
Trade receivables (net of impairment)	853.86	734.89
Exports		
Distributors	0.25	-
Other	80.50	43.38
Domestic		
Distributors	730.63	569.26
Other	42.48	122.26
Total of Trade Receivables	853.86	734.89
Total of Other Receivables	193.17	36.04
Impairment		
The ageing of trade receivables as follows :		

(₹ in crore)

		(/
	March 31, 2020	March 31, 2019
Neither past due nor impaired	415.34	481.86
Past due 1–30 days	166.52	78.88
Past due 31–90 days	135.90	59.70
Past due 91–180 days	93.15	43.70
> 180 days	68.65	90.50
	879.56	754.64
The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:		

(₹ in crore)

	March 31, 2020	March 31, 2019
For Trade Receivable		
Balance as at April 1	19.75	15.78
Impairment loss recognised	28.54	22.31
Amounts written off	(22.59)	(18.34)
Balance as at March 31	25.70	19.75

(₹ in crore)

	March 31, 2020	March 31, 2019
For Other Receivable		
Balance as at April 1	0.23	0.58
Impairment loss recognised	0.25	(0.02)
Amounts written off	(0.25)	(0.33)
Balance as at March 31	0.23	0.23

Cash and cash equivalents and other bank balances

The group held cash and cash equivalents and other bank balances of ₹ 50.95 crore at March 31, 2020 (Previous Year ₹ 29.99 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 41.3: 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.

(₹ in crore)

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 liablities	1.55	1.55	-	-	1.55	-	-
Term Loan from Bank	41.23	41.23	-	=	13.61	27.62	-
Other non-current financial liabilities-Non Trade	0.86	0.86	-	=	0.86	-	=
Payables							
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	407.61	357.45	50.17	-	-	-
Acceptances	880.90	880.90	880.90	-	-	-	-
Other current financial liabilities	213.50	213.50	208.01	5.49	-	-	-
Total	2,121.33	2,151.35	2,022.05	85.67	16.02	27.62	-

March 31, 2019		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	1.18	1.34	-	-	1.34		-
Deferred payment liablities	2.06	2.70	-	-	1.49	1.21	-
Term loans from Bank and NBFC - Secured	60.97	60.97	-	-	31.23	25.44	4.30
Other non-current financial liabilities-Non Trade Payables	0.51	0.51			0.51	-	-
Current, non derivative financial liabilities							
Cash credit from bank	11.36	11.36	11.36	-	-	-	-
Term loans from banks	45.00	45.00	45.00	=	=	=	-
Commercial papers	100.00	100.00	100.00	=	-	=	=
Buyers Credit	31.93	31.93	31.93	-	-	-	-
Working Capital Loans from Banks	135.24	143.24	135.24	8.00	-	-	-
Trade and other payables	366.15	366.16	366.15	-	-	-	-
Acceptances	873.90	873.90	873.90	-	-	-	-
Other current financial liabilities	198.34	198.21	190.81	7.40	-	-	-
Derivative liability					-	-	-
MTM on forward exchange contract	1.06	1.06	1.06	=	=	=	-
Put option liability	18.48	18.48	18.48	=	-	-	-
Total	1,846.18	1,854.99	1,774.06	15.40	34.57	26.65	4.30

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.

Note 41.4 : 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 ourCompany 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)

	N	March 31,2020			larch 31,2019	
	USD	EUR	GBP	USD	EUR	GBP
Financial Assets						
Trade receivables	89.35	=	-	49.30	=	-
Foreign exchange forward contracts	-	=	-	=	=	-
Net exposure to foreign currency risk (Assets)	89.35	-	-	49.30	-	-
Financial Liabilities						
Buyers Credit	(0.48)	=	-	(33.17)	=	-
Trade payables	(163.42)	(1.32)	(0.07)	(51.63)	(0.16)	(0.08)
Foreign exchange forward contracts	77.41	0.28	-	43.33	-	-
Net exposure to foreign currency risk (Liabilities)	(86.49)	(1.04)	(0.07)	(41.47)	(0.16)	(0.08)
Net exposure	2.86	(1.04)	(0.07)	7.83	(0.16)	(0.08)
Un-hedged foreign currency exposures						
Purchase	(86.49)	(1.04)	(0.07)	(41.47)	(0.16)	(80.0)
Sale	89.35	-	-	49.30	-	-

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.

(₹ in crore)

Effect in INR crores	Profit or loss	Profit or loss (net of tax)		
	Strengthening	Strengthening Weakening		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)

Effect in INR crores	Profit or loss	(net of tax)	Equity (net of tax)		
	Strengthening Weakening		Strengthening	Weakening	
March 31, 2019					
USD (3% movement)	0.17	(0.17)	0.17	(0.17)	
EUR (2% movement)	(0.00)	0.00	(0.00)	0.00	
GBP (2% movement)	(0.00)	0.00	(0.00)	0.00	
	0.17	(0.17)	0.17	(0.17)	

Note: Sensitivity has been calculated using standard Deviation % of USD, EURO and GBP rate movement

Note 41.5: 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.

Nominal amount	March 31, 2020	March 31, 2019
Fixed-rate instruments		
Financial Assets		
Loans and Advances	0.53	13.88
Other financial assets	33.19	2.97
Total	33.72	16.86
Financial Liabilities		
Borrowings	397.48	55.34
Other financial liabilities	84.35	69.60
Total	481.82	124.95
Variable -rate instruments		
Financial Liabilities		
Term loans from Banks	62.80	156.21
Cash credit / WC Demand Loans from banks/Commercial Paper	168.23	145.12
Buyers Credit	0.48	31.93
Foreign currency loan	-	1.73
Total	231.51	334.99

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)

	` '	nd Equity (net of	Profit or (loss) and Equity (net of tax)		
	March 31, 2020		March 31, 2019		
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease	
Variable-rate instruments	(1.73)	1.73	(3.35)	3.35	
	(1.73)	1.73	(3.35)	3.35	

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.

Note 42. Tax expense

(a) Amounts recognised in profit and loss

(₹ in crore)

Particular	For the year ended March 31, 2020	For the year ended March 31, 2019
Current income tax	102.66	107.21
Adjustments in respect of earlier years	1.12	0.65
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(23.04)	20.75
Reduction in tax rate	(33.38)	0.05
Increase in tax rate	-	-
MAT Credit	0.69	(0.69)
Deferred tax expense	(55.73)	20.11
Tax expense for the year	48.05	127.97

(b) Amounts recognised in other comprehensive income

(₹ in crore)

Particular	For the y	ear ended March	31, 2020	For the	year ended March	າ 31, 2019
	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	(4.03)	1.07	(2.96)	(2.51)	0.88	(1.64)
Equity accounted investee share of other comprehensive income	0.12	(0.02)	0.10	0.05	(0.02)	0.03
Items that will be reclassified to profit or loss						
Exchange difference on translation of financial statements of foreign operations	(1.12)	-	(1.12)	0.35	-	0.35
Effective portion of gains/(losses) on hedging instruments in cash flow hedges	-	-	-	0.35	(0.12)	0.23
	(5.03)	1.05	(3.98)	(1.76)	0.74	(1.02)

(c) Amounts recognised directly in equity

Particular	For the	year ended March	31, 2020	For the year ended March 31, 2019			
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax	
General Reserve							
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (refer Note 54).	-	-	-	4.25	1.48	2.77	
	-	_	-	4.25	1.48	2.77	

(d) Reconciliation of effective tax rate

(₹ in crore)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	348.63	477.30
Company's domestic tax rate	25.17%	34.94%
Tax using the Company's domestic tax rate (Current year 25.17%)	87.75	166.77
Tax effect of:		
Expenses not allowed for tax purpose	2.53	3.27
Additional allowance for tax purpose	-	(5.61)
Impact of derecognition of deferred tax asset on MAT credit entiltlement	0.69	-
Income not considered for tax purpose	(0.28)	(29.79)
Tax paid at lower rate	(2.62)	(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	(7.13)	(2.48)
Adjustment for current tax of earlier years	1.12	0.38
Tax impact on distribution of profit by Joint Venture	4.45	-
Other items	0.55	(0.37)
Total	48.05	127.97

Difference

The Group's weighted average tax rates for the year ended March 31, 2020 and 2019 was 13.78% and 26.81% respectively.

Note. 43

Movement in deferred tax balances for the year ended March 31, 2020

	Net balance	Recogn	ised in profit or	loss /OCI	bus	d through iness nations	Closing B	alance as of 2020	llance as of March 31, 2020	
	April 1, 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Assets	Liability	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)	

Movement in deferred tax balances for the year ended March 31, 2019

(₹ in crore)

	Net balance April 1,	Recogni	sed in profit or	loss /OCI	bus	d through iness nations	Closing Balance as 2019			
	2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Assets	Liability	Deferred tax asset	Deferred tax liability	Deferred tax Net	
Deferred tax asset/(liabilities)										
Property, plant and equipment & Intangible assets	(176.11)	(21.59)	-	0.84	(0.71)	(16.83)	4.91	(219.31)	(214.40)	
Compensated absences	1.30	1.50	0.21	-	-	-	-	3.01	3.01	
Investments	1.29	(4.50)	-	-	-	-	(3.21)	=	(3.21)	
Biological Assets	(0.08)	0.04	-	-	0.07	(8.91)	0.07	(8.96)	(8.89)	
Doubtful Debts	5.76	1.05	-	-	-	-	-	6.81	6.81	
Provisions	1.30	(1.06)	-	-	-	0.54	-	0.78	0.78	
MAT Credit Entitlement	0.01	0.69	-	-	=	4.52	-	5.23	5.23	
Carried forward Loss	-	-	-	-	2.47	-	2.47	-	2.47	
Others	0.04	3.76	(0.10)	-	-	0.14	-	3.84	3.84	
Total	(166.49)	(20.11)	0.11	0.84	1.83	(20.54)	4.24	(208.60)	(204.36)	

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 forseeable future.

Deferred tax assets aggregating to ₹ 26.97 crore arising on account of business losses incurred during the year ended March 31, 2020. The management has assessed the recoverability of this deferred tax asset in near future within the adequate time-frame.

Note 44 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, 2020 and March 31, 2019 were as follows.

(₹ in crore)

	As at March 31, 2020	As at March 31, 2019
Total borrowings	630.33	397.96
Less : Cash and cash equivalent	48.75	27.77
Adjusted net debt	581.58	370.19
Total equity (including non-controlling interests)	2,220.60	2,049.94
Adjusted net debt to equity ratio	0.26	0.18

Note 45: Segment information for the Year ended March 31, 2020

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

Further, the Company had acquired the control of Godrej Tyson Foods Limited and Godrej Maxximilk Private Limited on 27th March, 2019 and accordingly the segment assets and liabilities for the poultry business and cattle breeding business are included in the segment assets and segment liabilities as at March 31, 2019. "

Segment Information

(i) Information about Primary business Segments

(₹ in crore)

Revenue					For the year end	ded March 31	, 2020			
	Animal Feed	Vegetable Oil	Crop Protection	Dairy	Poultry and processed food	Real Estate	Other Business	Unallocated	Elimination	Total
Total Sales	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 Sales	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)	=	(2.31)	(23.53)	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 Fair Valuation / sale of Investments	•	-		•	-	•	•	3.54	(3.54)	•
Profit before Exceptional, Tax & Share of Equity Accounted Investees	153.69	89.34	218.62	0.25	(68.09)	78.06	(10.60)	(112.51)	(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	(10.60)	(99.57)	(3.17)	348.63
Provision for taxation	-	-	14.63	(2.30)	(26.54)		0.05	65.90	(3.69)	48.05
Profit after taxation	153.69	89.34	204.00	2.56	(51.47)	78.06	(10.66)	(165.47)	0.52	300.58
Other Information										
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

Segment Information

(i) Information about Primary business Segments

Revenue	For the year ended March 31, 2019									
	Animal Feed	Vegetable Oil	Crop Protection	Dairy	Poultry and processed food	Real Estate	Other Business	Unallocated	Elimination	Total
Total Sales	3,096.77	679.30	987.54	1,157.81	-	-	17.46	-	(21.15)	5,917.73
Less : Inter-segment	-	-	-	-	-	-	-	-	-	-
External Sales	3,096.77	679.30	987.54	1,157.81	-	-	17.46	-	(21.15)	5,917.73
Result										
Segment Result	128.55	113.45	231.15	14.84	-	-	26.52	-	•	514.51
Unallocated expenditure net of unallocated income	-	-	-	-	-	-	(0.08)	(107.14)	-	(107.22)
Interest expenses	-	-	(12.38)	(2.05)	-	-	(0.79)	(21.96)	3.29	(33.89)
Interest Income	-	-	0.36	0.28	-	-	-	5.94	(3.29)	3.29
Dividend Income and Profit on sale of Investments	-	-	-	0.19	-	-	-	3.48	(3.47)	0.20

(₹ in crore)

Revenue					For the year end	ed March 31	I, 2019			
	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	128.55	113.45	219.13	13.26	-	-	25.65	(119.68)	(3.47)	376.89
Share of Equity Accounted Investees Net of Tax	-	-	-	-	-	-	-	12.11	-	12.11
Exceptional Items	-	-	-	-	-	-	-	88.30	-	88.30
Profit Before Taxation	128.55	113.45	219.13	13.26	-	-	25.65	(19.27)	(3.47)	477.30
Provision for taxation	-	-	21.29	4.69	-	-	0.04	100.37	1.58	127.97
Profit after taxation	128.55	113.45	197.84	8.57	-	-	25.61	(119.66)	(5.05)	349.33
Profit after taxation										
Other Information										
Segment assets	1,114.17	362.65	1,196.63	758.26	406.70	-	160.36	260.73	(25.27)	4,234.23
Segment liabilities	1,027.78	45.73	459.56	284.97	109.28	-	49.57	232.67	(25.27)	2,184.29
Capital expenditure	83.84	69.72	54.01	37.10	-	-	214.63	5.02	_	464.31
Depreciation and amortisation	30.93	18.44	19.41	23.48	-	-	1.39	4.52	-	98.17

- 1. There are no transactions with single external customers which amounts to 10% or more of the company's revenue.
- 2. 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 46: Contingent Liabilities

Parti	culars	As at March 31, 2020	As at March 31, 2019
Clair	ns against the group not acknowledged as debts:		
	Excise Matter		
(i)	Excise Matter Excise	182.83	169.29
(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.		1.29
(iii)	Goods and Service tax (GST)		
	GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	2.57	-
(iv)	Income Tax		
	a The Company has received a rectification order u/s 154 of Income Tax Act 1961 for AY 2014-15 dated 23.01.2017, as per the said order amount determined to be payable is ₹ 1.32 crore which includes interest amounting to ₹ 0.25 crore.	-	1.32
	b The Company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y 2013-14 in which a demand of ₹1.43 crore has been determined to be payable by the Company.	-	1.43

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
С	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 and in respect of additional depreciation claimed u/s 32 (1) (iia)	-	3.31
d	The Group has preferred appeal against the order of assessing officer and CIT in which demand of ₹ 7.46 crores (previous year ₹ 8.12 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.	7.46	8.12
е	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	1.06	-
f	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 and in part disallownace of office building depreciation.	-	2.10
g	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 2020: ₹ 1.01 crore (31 March 2019 - ₹ 0.41 crore).	8.97	-
(v) Sales	s Tax Matters		
а	Pending before JSCT(Appeal)	1.23	1.27
b	Pending before Dy. Comm. Sales tax, Thane	0.06	0.06
С	Contingent Liabilities against pending C & H Forms	0.53	0.51
d	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 (₹ 0.23 crores and ₹ 0.03 crores)	10.12	-
е	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	-
(vi) Civil	Matter		
а	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
С	Guarantees issued by the Banks and counter guaranteed by the group.	4.93	5.00
d	Claims against the company not acknowledged as debt	6.58	6.14

Note 46.1: 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 46.2: 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 47: Commitments

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	92.18	53.56
Outstanding Export obligation Under EPCG Scheme	35.21	34.72

Note 48: Grants/subsidies from government

Subsidy amounting to ₹ Nil (previous year ₹5.26 crore) accrued during the year is in the nature of capital subsidy.

Note 49: Investments in Subsidiary

On March 27, 2019, the group has acquired 13,310 equity shares of Godrej Maxximilk Pvt. Ltd (GMPL) for a consideration of ₹ 0.21 crores. Subsequently on March 30, 2019 the group has subscribed to 1,81,818 shares of GMPL for a consideration of 3.00 crores. Pursuant to these acquisition and subscription, the shareholding in GMPL rose to 62.97% and it become a subsidiary of the group.

During the previous year the group has acquired 3,978 shares of Godrej Tyson Foods Pvt. Ltd (GTFL) for a consideration of ₹ 6.94 crore. Pursuant to this acquisition of 2.0% stake in GTFL, it become a subsidiary of the group.

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.

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 which is included in other operating revenue and cost thereof has been included in the cost of material consumed.

Note 53: Exceptional Item

With the outbreak of COVID-19 pandemic, the business of Godrej Tyson Foods Limited, a subsidiary company was adversely impacted 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 ₹ 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 ₹6.92 crore in respect of fair valuation of biological assets. This total loss disclosed under exceptional item is ₹ 9.92 crores.

Exceptional item for the previous year ended March 31, 2019 relates to remeasurement gain on fair valuation of existing stake in a Joint venture and an Associate. On March 27, 2019 the Company increased its stake and acquired control of Godrej Tyson Foods Limited and Godrej Maxximilk Private Limited (which were earlier a Joint Venture and an Associate respectively).

On obtaining control, the Company remeasured the existing stake at fair value and recognised the remeasurement gain in the consolidated statement of profit and loss in accordance with Ind AS.

Note 54: Amalgamation of Oil Palm Companies.

To give effect to the Scheme of Amalgamation (the Scheme) of Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery Palm Oil Ltd (CPOL) (the Transferor Companies) with Godrej Agrovet Limited (the Transferor Company), effective April 1, 2011, (the Appointed date)

as sanctioned by the Hon'ble High Court of Judicature at Bombay (the Court), vide its Order dated March 16, 2012, the following entries have been recorded.

Amortisation of Intangible Assets of the Transferor Companies amounting to ₹4.25 crore each for the previous year ended March 31, 2019 recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the Transferee Company is ₹42.51 crore.

Had the Scheme not prescribed the above treatment, profit for the previous year ended March 31, 2019 would have been lower by ₹ 2.77 crore.

Note 55: 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, 2020.

The Goodwill and intangible asset (Brand) arises from the following Group's Cash Generating Units (CGU):

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Astec Lifesciences 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 Lifesciences 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, 2020	As at March 31, 2019
Discount rate	11%	9%
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 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, 2020
Discount rate	11%
Long term growth rate beyond 5 years	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, 2020
Discount rate	11%
Long term growth rate beyond 5 years	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 56: 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 2019.

Note: 57 Additional information, as required under Schedule III to the Companies Act, 2013

Name of the entity in	minus total liab inter company and conso	Net Assets - total assets minus total liabilities (net off inter company eliminations and consolidation adjustments)		Share in profit or loss (net off inter company eliminations and consolidation adjustments)		mprehensive ter company consolidation ents)	Share in Total Con Income (net off int eliminations and c adjustmen	er company onsolidation
	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	43.55%	967.07	97.52%	293.45	61.62%	(2.45)	98.00%	291.00
Subsidiaries								
Indian								
2. Godvet Agrochem Limited	0.57%	12.71	0.25%	0.76	0.00%	-	0.26%	0.76
3. Astec Lifesciences Limited	12.37%	274.80	9.88%	29.73	2.55%	(0.10)	9.98%	29.63
4. Creamline Dairy Products Limited	13.15%	291.90	0.44%	1.32	-0.73%	0.03	0.45%	1.35
5. Godrej Tyson Foods Limited (refer note 63)	7.06%	156.72	-8.72%	(26.25)	4.81%	(0.19)	-8.90%	(26.44)
6. Godrej Maxximilk Private Limited (refer note 63)	0.30%	6.59	-1.81%	(5.77)	0.00%	-	-1.83%	(5.77)
Minority interest in all subsidiaries	17.22%	382.46	-1.86%	(5.61)	5.94%	(0.24)	-1.97%	(5.84)
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 consolidation / Investment as per equity method)								
Indian								
Omnivore India Capital Trust	1.18%	26.23	-5.50%	(16.55)	0.00%	-	-5.57%	(16.55)
Foreign				·				·
ACI Godrej Agrovet Private Limited	4.60%	102.11	9.80%	29.49	25.82%	(1.03)	9.58%	28.46
TOTAL	100.00%	2,220.60	100.00%	300.58	100.00%	(3.98)	100.00%	296.60

Note 58: 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	•	Relationship	Accounting	Carrying Amounts			
	business	ownership interest as of March 31, 2020	ownership interest as of March 31, 2019		method	March 31, 2020	March 31, 2019
ACI Godrej Agrovet Private Limited*	Bangladesh	50.0%	50.0%	Joint Venture	Equity method	102.11	73.65
Omnivore India Capital Trust	Maharashtra	-	-	Investment entity	Equity method	26.23	42.85
Al Rahaba International Trading Limited Liability Company	Abu Dhabi	24.0%	24.0%	Associate	Equity method	-	-
Total equity accounted investments						128.35	116.50

^{*} Unlisted equity, no quoted prices available

Summary financial information of Godrej Tyson Foods Limited for up to and ACI Godrej Agrovet Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

Pariculars	ACI Godrej Agrov	et Private Limited
	March 31, 2020	March 31, 2019
Ownership	50%	50%
Cash and cash equivalent	15.48	5.83
Other current assets	255.31	163.83
Total current assets	270.79	169.66
Total non-current assets	220.50	159.53
Total assets	491.29	329.19
Current liabilites		
Financial liabilities (excluidng trade payables and provisions)	28.34	99.32
Other liabilities	255.69	64.47
Total current liabilities	284.03	163.79
Total non current liabilities	54.73	18.86
Total liabilities	338.76	182.65
Net assets	152.53	146.54
Groups' share of net assets	76.26	73.27
Carrying amount of interest in joint venture	102.11	73.65
Reconciliation of Group share of net assets and carrying amount of interest in joint venture		
Carrying amount of interest in joint venture	102.11	73.65
Less : Unaccounted Dividend	25.49	-
Less : Other adujstments	0.35	0.38
Groups' share of net assets	76.26	73.27

(₹ in crore)

Particulars	ACI Godrej Agrove	ACI Godrej Agrovet Private Limited			
	March 31, 2020	March 31, 2019	March 31, 2019		
Revenues	1,027.17	654.86	488.78		
Interest income	0.25	0.19	0.29		
Depreciation and amortisation	21.51	19.93	12.08		
Interest expense	(6.56)	(11.23)	0.29		
Income tax expense	(9.60)	(4.93)	2.72		
Profit from continuing opertaions	58.97	10.67	3.96		
Profit from discontinued opertaions	-	-			
Profit for the year	58.97	10.67	3.96		
Other comprehensive income	0.21	-	0.07		
Total comprehensive income	59.18	10.67	4.03		
Group's share of profit	29.49	5.33	2.00		
	-	-	0.39		
Group's share of profit	29.49	5.33	2.39		
Group's share of Other comprehensive income	0.12	-	0.04		
Group's share of Total comprehensive income	29.61	5.33	2.43		

Note 59: 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	usiness / ountry of		interest held Ownership inte by the group held by non-control inte		Principal activities
	incorporation	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	•
Godvet Agrochem Limited	India	100.00%	100.00%	0.00%	0.00%	Investment Property
Astec LifeSciences Ltd.	India	62.37%	57.67%	37.63%	42.33%	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 (subsidiary with effect from March 27, 2019)	India	74.00%	62.97%	26.00%	37.03%	The Company is an agribusiness company and its principal activities include Dairy Farm activities and Developing high breed Cattles.

Name of the entity	Place of business / country of	Ownership interest held by the group			ship interest n-controlling interest	Principal activities
	incorporation	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	
Godrej Tyson Foods Limited (subsidiary with effect from March 27, 2019)	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, 2020
Total Revenue	7.27
Profit for the year	(7.80)
Other Comprehensive Income	-
Profit allocated to non-controlling interests	(2.03)
OCI allocated to non-controlling interests	-
Dividends paid to non-controlling interests	-

(b) Astec LifeSciences Ltd.

(₹ in crore)

Particulars	31-Mar-20	31-Mar-19
Total Revenue	534.54	442.05
Profit for the year	49.91	37.89
Other Comprehensive Income	(0.17)	0.19
Profit allocated to non-controlling interests	20.41	16.16
OCI allocated to non-controlling interests	(0.07)	0.08
Dividends paid to non-controlling interests (including dividend distribution tax)	1.69	1.51

(c) Creamline Dairy Products Limited

Particulars	31-Mar-20	31-Mar-19
Total Revenue	1,199.61	1,156.75
Profit for the year	2.55	8.58
Other Comprehensive Income	0.06	(0.39)
		-
Profit allocated to non-controlling interests	1.22	4.13
OCI allocated to non-controlling interests	0.03	(0.18)
Dividends paid to non-controlling interests (including dividend distribution tax)	1.76	1.96

(d) Godrej Tyson Foods Limited

(₹ in crore)

Particulars	31-Mar-20
Total Revenue	515.91
Profit for the year	(51.47)
Other Comprehensive Income	(0.38)
Profit allocated to non-controlling interests	(25.22)
OCI allocated to non-controlling interests	(0.18)
Dividends paid to non-controlling interests	-

II. Summarised balance sheet

(a) Astec LifeSciences Ltd.

(₹ in crore)

Particulars	31-Mar-20	31-Mar-19
Non-current liabilities	9.16	11.37
Current liabilities	318.36	248.80
	327.52	260.17
Non-current assets	247.46	216.91
Current assets	331.75	248.48
	579.21	465.39
Net assets	251.69	205.22
Net assets attributable to non-controlling interest	95.07	87.10

(b) Creamline Dairy Products Limited

(₹ in crore)

Particulars	31-Mar-20	31-Mar-19
Non-current liabilities	84.91	100.62
Current liabilities	231.55	165.62
	316.46	266.24
Non-current assets	558.04	545.75
Current assets	169.75	133.43
	727.79	679.18
Net assets	411.33	412.94
Net assets attributable to non-controlling interest	197.85	198.57

(c) Godrej Tyson Foods Limited (Became a subsidiary during the previous year)

Particulars	31-Mar-20	31-Mar-19
Non-current liabilities	37.45	45.88
Current liabilities	161.97	63.41
	199.42	109.29
Non-current assets	253.19	228.84
Current assets	127.62	113.68
	380.81	342.52
Net assets	181.39	233.23
Net assets attributable to non-controlling interest	88.88	114.28

(d) Godrej Maxximilk Private Limited (Became a subsidiary during the previous year)

(₹in crore)

Particulars	31-Mar-20	31-Mar-19
Non-current liabilities	15.73	16.00
Current liabilities	17.84	12.18
	33.57	28.18
Non-current assets	31.94	28.51
Current assets	3.10	1.64
	35.04	30.15
Net assets	1.46	1.97
Net assets attributable to non-controlling interest	0.38	0.73

III. Summarised cash flow information

(a) Astec LifeSciences Ltd.

(₹ in crore)

Particulars	31-Mar-20	31-Mar-19
Cash flows from(used in) in operating activities	168.43	15.29
Cash flows from(used in) in Investing activities	(73.80)	(52.50)
Cash flows from(used in) in financing activities	(94.53)	37.09
Net (decrease) in cash and cash equivalents	0.10	(0.12)

(b) Creamline Dairy Products Limited

(₹ in crore)

Particulars	31-Mar-20	31-Mar-19
Cash flows from(used in) in operating activities	50.46	68.48
Cash flows from(used in) in investing activities	(36.05)	(55.09)
Cash flows from(used in) in financing activities	(10.45)	(20.75)
Net decrease /(increase) in cash and cash equivalents	3.96	(7.36)

(c) Godrej Tyson Foods Limited (Became a subsidiary during the year)

(₹ in crore)

Particulars	31-Mar-20
Cash flows from(used in) in operating activities	(29.01)
Cash flows from(used in) in investing activities	(17.30)
Cash flows from(used in) in financing activities	44.41
Net increase /(decrease) in cash and cash equivalents	(1.90)

(d) Godrej Maxximilk Private Limited (Became a subsidiary during the year)

Particulars	31-Mar-20
Cash flows from(used in) in operating activities	(9.72)
Cash flows from(used in) in investing activities	(4.33)
Cash flows from(used in) in financing activities	14.11
Net increase /(decrease) in cash and cash equivalents	0.06

IV. Transactions with non-controlling interests - Astec Lifescience Limited

During the current year, the Group has acquired 4.70% (previous year acquired 0.22%) of subsequent interest in Astec Lifescience Limited. The carrying amount of such additional NCI stake acquired is ₹ 11.45 crore (previous year 0.48 crore).

(₹ in crore)

Particulars	31-Mar-20	31-Mar-19
Carrying amount of non-controlling interests acquired	11.45	0.48
Consideration paid	36.63	2.92
Decrease in Equity attributable to the owners of the Company	(25.18)	2.44

Transactions with non-controlling interests - Godrej Maxximilk Private Limited

During the current year, the Group has acquired 11.03% (Previous year 10.91%) of subsequent interest in Godrej Maxximilk Private Limited. The carrying amount of such additional NCI stake acquired is ₹ 2.01 crore (Previous Year ₹ 1.22 crore).

(₹ in crore)

Particulars	31-Mar-20	31-Mar-19
Carrying amount of non-controlling interests acquired	2.01	(1.22)
Consideration paid	7.47	3.00
Decrease in Equity attributable to the owners of the Company	(2.01)	(1.22)

Note 60. Business Combinations.

A. Merger of Nagavalli Milkline Private Limited

The Scheme of Amalgamation between Creamline Dairy Products Limited (CDPL) [subsidiary of Godrej Agrovet Limited] and Nagavalli Milkline Private Limited [wholly-owned subsidiary of CDPL] and their respective Shareholders pursuant to Section 230 to 232 and other applicable provisions of the Companies Act 2013 ("Scheme") with the Appointed Date as April 1, 2019, has been sanctioned by the Hon'ble National Company Law Tribunal, Hyderabad Bench ('NCLT') vide its order dated October 17, 2019. There is no impact on the consolidated financial results of the Company pursuant to this order.

B. During the previous year the group has made two business acquisitions as given below

I. Godrej Maxximilk Private Limited.

A. Acquisition of subsidiary

On March 27, 2019, the Company has acquired 13,310 equity shares of Godrej Maxximilk Pvt. Ltd (GMPL) for a consideration of ₹ 0.21 crores. Pursuant to this acquisition, the shareholding in GMPL rose to 51.00 % and it became a subsidiary of the Company.

Taking control of Godrej Maxximilk will enable the Group to add value through its association with Indian dairy farmers and in-depth knowledge of agri-businesses & rural marketing. GMPL will also get leverage through the Godrej Agrovet brand, which has strong recall with dairy farmers through the cattle feed business.

If the acquisition had occurred on 1 April, 2018, management estimates that consolidated revenue would have been ₹5,873.64 crore and consolidated profit would have been ₹ 346.80 crore.

In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on 1 April, 2018.

(₹ in crore)

Particulars	Amount
Cash Paid	0.22
Equity shares acquired	13,310
Total consideration transferred	0.22

Identifiable assets acquired and liabilities assumed

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

(₹ in crore)

Particulars	Amount	
Fair value of assets acquired		
Property, plant and equipment	22.39	
Capital work-in-progress	0.03	
Biological assets other than bearer plants (Cattle)	4.13	
Deferred tax assets	1.85	
Other non-current assets	0.10	
Inventories	1.06	
Trade Receivables	0.42	
Cash and cash equivalents	0.07	
Loans Others	0.02	
Loans and Advances to Employees		
Other current assets	0.05	
	30.13	
Fair value of liabilities acquired		
Borrowings	(16.00)	
Trade payables	(1.90)	
Other financial liabilities	(11.57)	
Other current Liabilties	(0.05)	
Intercorporate deposits	(1.64)	
	(31.16)	
Deferred tax on acquistion	-	
Total identifiable net assets/ (liabilities) acquired	(1.03)	

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 0.45 crores. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

C. Goodwill (₹ in crore)

Particulars	Amount
Consideration transferred	0.22
Non-controlled interest in the acquired entity	(0.49)
Fair value of previously held equity interest	5.08
Add: Net identifiable liabilities acquired	1.03
Goodwill	5.84

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

The remeasurement to fair value of the Group's existing 49.90% interest in GMPL resulted in a gain of ₹ 3.37 crore, which has been recognised in exceptional income.

D. Purchase consideration - Cash outflow

Particulars		
Outflow of cash to acquire subsidiary, net of cash acquired		
Cash consideration	0.22	
Less: Balances acquired	-	
Cash and cash equivalents	(0.07)	
Net outflow of cash - investing activities	0.15	

II. Godrej Tyson Foods Limited.

A. Acquisition of subsidiary

On March 27, 2019, the Company has acquired 2,188 equity shares of Godrej Tyson Foods Limited (GTFL) for a consideration of ₹ 3.95 crores. Pursuant to this acquisition, the shareholding in GTFL rose to 51.00 % and it become a subsidiary of the Company.

Taking control of GTFL will enable the Group to add value through its association with Indian poultry farmers and in-depth knowledge of agri-businesses & rural marketing. GTFL will also get leverage through the Godrej Agrovet brand, which has strong recall with poultry farmers through the poultry feed business.

If the acquisition had occurred on 1 April, 2018, management estimates that consolidated revenue would have been ₹ 6084.75 crore and consolidated profit would have been ₹ 351.20 Crore.

In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on 1 April, 2018.

B. Details of purchase consideration, net assets acquired and goodwill

(₹ in crore)

Particulars	Amount
Cash Paid	3.95
Equity shares acquired	2,188
Total consideration transferred	3.95

Acquisition-related cost

The group incurred acquisition related cost of ₹0.08 crore on legal fees. These costs have been included in "administrative expenses"

Identifiable assets acquired and liabilities assumed

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

Particulars	Amount
Fair value of assets acquired	
Property, plant and equipment	192.05
Capital work-in-progress	0.21
Intangible assets	3.67
Brands	16.57
Biological assets other than bearer plants (Non Current)	10.19
Long-term loans and advances - Others	3.41
Long-term loans and advances - to employees	0.04
Others	0.02
Non-current tax assets (net)	1.99
Other non-current assets	0.69
Biological assets other than bearer plants (Current)	52.98
Inventories	23.35
Trade receivables	23.55
Cash and cash equivalents	3.92
Bank balance other than above	0.06
Short-term loans and advances - to employees	0.17

	(₹ in crore)
Particulars	Amount
Others	0.18
Other current assets	9.47
	342.52
Fair value of liabilities acquired	
Long term borrowings	(23.00)
Deferred tax liabilities (net)	(7.35)
Other non current liabilities	(2.35)
Short-term borrowings	(14.29)
Trade payables	(18.07)
Other financial liabilities	(27.35)
Employee Payable	(0.10)
Other current liabilities	(3.04)
Short-term provisions	(0.55)
	(96.10)
Deferred tax on acquistion	(13.19)
Total identifiable net assets/ (liabilities) acquired	233.23

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 26.96 crores. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

C. Goodwill `(₹ in crore)

Particulars	Amount
Consideration transferred	3.95
Non-controlled interest in the acquired entity	114.28
Fair value of previously held equity interest	179.18
Less: Net identifiable assets acquired	(233.23)
Goodwill	64.18

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

The remeasurement to fair value of the Group's existing 49.90% interest in GTFL resulted in a gain of ₹ 84.93 crore, which has been recognised in exceptional income.

D. Purchase consideration - Cash outflow

Particulars		
Outflow of cash to acquire subsidiary, net of cash acquired		
Cash consideration	3.95	
Less: Balances acquired	-	
Cash and cash equivalents	(3.92)	
Net outflow of cash - investing activities	0.03	

Note 61: 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
			Mr. Amit B. Choudhury (upto 23rd May, 2019)
			Dr. S. L. Anaokar (upto 3rd February, 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
			TAD Family Trust
			NG Family Trust
			PG Family Trust
			BNG Family Trust
			HNG Family Trust
			SNG Family Trust
			FVC Family Trust
			NVC Family Trust
			Pheroza Jamshyd Godrej
		- - - -	Freyan Crishna Bieri
			Nyrika Holkar
			Navroze Jamshyd Godrej
			Raika Jamshyd Godrej
			Rishad Kaikhushru Naoroji
			Anamudi Real Estates LLP

(b)	(i)	Holding companies	Godrej Industries Limited (Holding Company)
			Vora Soaps Limited (upto 23rd December, 2018)
	(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	Godrej Tyson Foods Limited (upto 26th March, 2019)
			ACI Godrej Agrovet Private Limited, Bangladesh
			Omnivore India Capital Trust
	(iv)	Associates	Godrej Maxximilk Private Limited (upto 26th March, 2019)
			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 Employees Provident Fund Trust
			Godrej Agrovet Limited Employees Superannuation Scheme
			Godrej Agrovet Limited Employees 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)

Sr. No.	Nature of Transactions	Holding Companies	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
NO.		(i)	(ii)	(iii)	(iv)	(v)
1	Purchase / Transfer of property, plant and equipment	-	10.30	-	-	1.05
		-	_	_	-	2.86
2	Investment in joint ventures	-	-	-	-	-
		-	-	4.84	-	-
3	Acquisition of shares (investment) (refer note 49)	-	-	-	-	-
		-	-	-	-	4.17
4	Sundry deposits placed	0.14	0.01	-	-	-
		0.23	-	-	-	-
5	Intercorporate deposits placed during the year	-	-	-	-	3.00
		-	-		10.54	_
6	Intercorporate deposits returned	-	-		-	3.00
		-	-	-	16.74	
7	Sale of materials / finished goods / other operating revenue	3.52	134.70	2.10	-	2.25
		1.17		271.75	1.41	0.53
8	Purchase of materials / finished goods / services	6.41	-		-	114.09
		5.38	-	0.08	0.03	136.86
9	Expenses charged to / reimbursement received from other companies	0.00	0.00	-	-	1.18
		0.07	-	4.10	3.35	0.69
10	Expenses charged by / reimbursement made to other companies	8.58	3.10	-	-	1.20
		11.47	2.95	0.06	-	0.79
11	Dividend income	-	_	0.07	-	-
		-	-	0.02	-	_
12	Dividend paid	50.25			-	_
		50.11	<u>-</u>	-	-	-
13	Interest income on intercorporate deposits placed / loans given	-	-	-	-	0.04
		-	-	<u>-</u>	0.69	_
14	Sundry income	-	-	5.07	-	0.01
		=	<u>-</u>	1.30	=	0.05
15	Capital advance given during the year	-	1.28	-	-	0.82
		=	0.95	=	=	0.54
16	Outstanding capital advance	-	0.07	-	-	0.00
		-	9.09	-	-	0.16

(₹ in crore)

Sr. No.	Nature of Transactions	Holding Companies	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
		(i)	(ii)	(iii)	(iv)	(v)
17	Outstanding receivables	0.61	133.34	8.10	-	2.54
		-	0.00	6.57	-	0.30
18	Outstanding payables	-	(0.36)	-	-	(8.73)
		(0.84)	(0.13)	-	-	(6.94)
19	Guarantees outstanding	-	-	-	-	1.21
		-	-	-	-	1.21
20	Contribution to post-employment benefit plans	-	-	-	-	24.91
		-	-	-	-	22.79

(₹ in crore)

(ii)	Details relating to persons referred to in items 1(a)(i) above	As at March 31, 2020	As at March 31, 2019
1	Remuneration to key management personnel		
	Salary and short term employee benefit	5.32	5.76
	Post employee gratuity & medical benefits	0.10	0.09
	Shared based payment	0.89	1.26
2	Dividend paid	11.35	5.75
3	Director's sitting fees	0.46	0.48
4	Director's commission	0.97	1.95

3. Significant Related Party Transactions:

Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
1	Purchase of property, plant and equipment		
	Godrej & Boyce Manufacturing Company Limited	1.04	0.78
	Godrej Consumer Products Limited	0.02	2.07
	Godrej Properties Limited	1.88	-
	Godrej Vikhroli Properties India Limited	8.42	-
2	Investment in joint ventures		
	Omnivore India Capital Trust	-	1.88
	Godrej Tyson Foods Limited	-	2.96
3	Acquisition of shares (investment)		
	Anamudi Real Estates LLP (refer note 49)	-	4.17
4	Sundry deposits placed		
	Godrej Industries Limited	0.14	0.23
	Godrej One Premises Management Private Limited	0.01	-

Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
5	Intercorporate deposits placed during the year		•
	Godrej Maxximilk Private Limited	-	10.54
	Prima Food tech Private Limited	3.00	-
6	Intercorporate deposits returned		
	Godrej Maxximilk Private Limited	-	16.74
	Prima Food tech Private Limited	3.00	-
7	Sale of materials / finished goods / other operating revenue		
	ACI Godrej Agrovet Private Limited	2.10	2.50
	Godrej Maxximilk Private Limited	-	1.41
	Godrej Consumer Products Limited	2.12	0.04
	Godrej Tyson Foods Limited	-	269.25
	Godrej Industries Limited	3.52	1.17
	Godrej Properties Limited	134.70	-
	Astec Crop Care Private Limited	-	0.22
	Nichem Solutions	0.01	0.08
	Khammam Milkline Private Limited	0.12	0.19
8	Purchase of materials / finished goods / services		
	Godrej & Boyce Manufacturing Company Limited	0.36	0.13
	Godrej Industries Limited	6.41	5.38
	Godrej Consumer Products Limited	0.38	0.22
	Godrej Tyson Foods Limited	-	0.08
	Godrej Maxximilk Private Limited	-	0.03
	Astec Crop Care Private Limited	-	0.21
	Ongole Milkline Private Limited	22.62	29.99
	Mohan Milkline Private Limited	31.84	35.61
	Vidya Milkline Private Limited	6.88	8.86
	Khammam Milkline Private Limited	13.24	15.76
	Pamuru Milkline Private Limited	10.47	11.80
	Kavali Milkline Private Limited	23.40	27.84
	Pragathi Milkline Private Limited	4.68	5.58
	Dhulipalla Milkline Private Limited	-	0.09
	Orgaa Farms Private Limited	-	0.32
	Prima FoodTech Private Limited	0.21	0.44
9	Expenses charged to / reimbursement received from other companies		
	Omnivore India Capital Trust	-	0.02
	Godrej & Boyce Manufacturing Company Limited	1.18	0.67
	Godrej Consumer Products Limited	-	0.02

			(₹ in crore)
Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
	Godrej Industries Limited	0.00	0.07
	Godrej Tyson Foods Limited	-	4.07
	Godrej Properties Limited	0.00	=
	Godrej Maxximilk Private Limited	-	3.35
10	Expenses charged by / reimbursement made to other companies		
	Godrej Infotech Limited	0.03	0.04
	Godrej & Boyce Manufacturing Company Limited	0.50	0.19
	Godrej Consumer Products Limited	0.43	0.43
	Godrej Industries Limited	8.58	11.47
	Godrej Tyson Foods Limited	-	0.06
	Natures Basket Limited	0.00	0.01
	Godrej One Premises Management Private Limited	3.09	2.93
	Nichem Solutions	0.19	0.08
	My Village Model Village Foundation	0.05	0.05
	wy vinage woder vinage i ouridation	0.03	0.00
11	Dividend income		
	Omnivore India Capital Trust	0.07	0.02
12	Dividend paid		
	Godrej Industries Limited	50.25	50.11
	Mr. B. S. Yadav (Managing Director)	1.92	1.92
	Mr. N. B. Godrej (Chairman)	0.00	0.74
	Mr. A. B. Godrej	0.00	0.00
	Mr. J. N. Godrej	0.00	-
	Ms. Tanya A. Dubash	0.00	0.25
	Ms. Nisaba Godrej	0.00	0.25
	Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018)	0.00	0.25
	Dr. Ritu Anand	0.00	-
	Ms. Roopa Purushothaman	0.00	0.00
	Dr. S. L. Anaokar (upto 3rd February, 2019)	0.00	0.00
	Mr. S. Varadaraj	0.09	0.09
	Mr. Vivek Raizada	0.00	0.00
	The Raika Godrej Family Trust	-	0.00
	TAD Family Trust	0.62	0.37
	BNG Family Trust	0.62	0.37
	HNG Family Trust	0.62	0.37
	SNG Family Trust	0.62	0.37
	NG Family Trust	0.62	0.37
	PG Family Trust	0.62	0.37
	Mrs. Pheroza Jamshyd Godrej	1.87	-
	Ms. Freyan Crishna Bieri	0.00	-
	Ms. Nyrika Holkar	0.00	-

Sr. No.	Nature of Transaction	As at March 31, 2020	(₹ in crore) As at March 31, 2019
	Mr. Navroze Jamshyd Godrej	0.00	-
	Ms. Raika Jamshyd Godrej	0.00	-
	FVC Family Trust	0.93	-
	NVC Family Trust	0.93	-
	Mr. Rishad Kaikhushru Naoroji	1.87	-
13	Interest income on intercorporate deposits placed / loans given		
	Godrej Maxximilk Private Limited	-	0.69
	Prima Food tech Private Limited	0.04	-
14	Sundry income		
	ACI Godrej Agrovet Private Limited	5.07	1.30
	Godrej Consumer Products Limited	0.01	0.01
	Astec Crop Care Private Limited	-	0.04
15	Capital advance given during the year		
	Godrej & Boyce Manufacturing Company Limited	0.82	0.54
	Godrej Vikhroli Properties India Limited	-	0.32
	Godrej Properties Limited	1.28	0.63
16	Outstanding capital advance		
	Godrej Vikhroli Properties India Limited	0.04	8.46
	Godrej Properties Limited	0.04	0.63
	Godrej & Boyce Manufacturing Company Limited	0.00	0.16
17	Outstanding receivables		
	Godrej & Boyce Manufacturing Company Limited	0.52	0.23
	Godrej Industries Limited	0.61	-
	Godrej Seeds & Genetics Limited	0.00	-
	Godrej Properties Limited	133.34	-
	Godrej Consumer Products Limited	2.01	0.02
	Natures Basket Limited	-	0.00
	ACI Godrej Agrovet Private Limited	8.06	6.53
	Omnivore India Capital Trust	0.03	0.03
	Astec Crop Care Private Limited	-	0.02
	Nichem Solutions	0.01	0.03
18	Outstanding payables		
	Godrej Industries Limited	-	(0.84)
	Godrej One Premises Management Private Limited	(0.36)	(0.13)
	Godrej Agrovet Limited Employees Provident Fund Trust.	(1.77)	(1.43)

			(₹ in crore)
Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
	Godrej Agrovet Limited Employees Superannuation Scheme.	(0.05)	(0.05)
	Godrej Agrovet Limited Employees Group Gratuity Trust.	(5.57)	(3.80)
	Kavali Milkline Private Limited	(0.21)	(0.30)
	Khammam Milkline Private Limited	(0.58)	(0.55)
	Mohan Milkline Private Limited	(0.31)	(0.23)
	Pamuru Milk Line Private Limited	(0.08)	(0.14)
	Pragathi Milkline Private Limited	(0.01)	(0.06)
	Vidya MilkLine Private Limited	(0.02)	(0.11)
	Ongole MilkLine Private Limited.	(0.11)	(0.22)
	Prima FoodTech Private Limited	(0.04)	(0.04)
19	Guarantees outstanding		
	Godrej Consumer Products Limited	1.21	1.21
20	Director's sitting fees		
	Mr. A. B. Godrej	-	0.04
	Mr. K. N. Petigara (Independent Director)	0.08	0.08
	Dr. S. L. Anaokar (Independent Director)	-	0.01
	Mr. Amit B. Choudhury (Independent Director)	0.02	0.06
	Dr. Ritu Anand (Independent Director)	0.08	0.08
	Ms. Aditi Kothari Desai (Independent Director)	0.05	0.08
	Dr. Raghunath A. Mashelkar (Independent Director)	0.05	0.06
	Ms. Roopa Purushothaman (Independent Director)	0.07	0.07
	Mr. N. Srinivasan (Independent Director)	0.06	0.01
	Mr. Kannan Sitaram (Independent Director)	0.04	-
21	Director's commission		
	Mr. A. B. Godrej	-	0.12
	Mr. N.B. Godrej (Chairman)	0.08	0.15
	Mr. K. N. Petigara (Independent Director)	0.08	0.15
	Dr. S. L. Anaokar (Independent Director)	-	0.14
	Mr. Amit B. Choudhury (Independent Director)	0.01	0.15
	Dr. Ritu Anand (Independent Director)	0.08	0.15
	Ms. Aditi Kothari Desai (Independent Director)	0.08	0.15
	Dr. Raghunath A. Mashelkar (Independent Director)	0.08	0.15
	Ms. Roopa Purushothaman (Independent Director)	0.08	0.15
	Ms. Tanya A. Dubash	0.08	0.15
	Mr. V. M. Crishna	0.08	0.15
	Mr. J. N. Godrej	0.08	0.15
	Ms. Nisaba Godrej	0.08	0.15
	Mr. N. Srinivasan (Independent Director)	0.08	0.01

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
	Mr. Kannan Sitaram (Independent Director)	0.06	-
	Mr. Pirojsha A. Godrej (Director)	0.08	0.03
22	Contribution to post-employment benefit plans		
	Godrej Agrovet Limited Employees Provident Fund Trust.	20.57	17.18
	Godrej Agrovet Limited Employees Superannuation Scheme.	0.54	0.58
	Godrej Agrovet Limited Employees Group Gratuity Trust.	3.80	5.02

Note 62: 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 B.S.YADAV

Chairman Managing Director DIN: 00066195 DIN: 00294803

Koosai LeheryS. VARADARAJVIVEK RAIZADAPartnerChief Financial OfficerCompany Secretary

PartnerChief Financial OfficerCompany SecretaryMembership Number: 112399ICAI Memb. No. 047959ICSI Memb. No. ACS11787Mumbai, May 11, 2020

FORM AOC-1, in (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(₹ in crore)

	SI. No.	-	2	3	4	5	9	7	8
5	Name of the subsidiary	GODVET	ASTEC	ASTEC EUROPE	BEHRAM	BEHRAM COMERCIALIZADORA AGRICOLA	CREAMLINE DAIRY	GODREJ TYSON	GODREJ MAXXIMILK
		AGROCHEM	LIFESCIENCES	SPRL	CHEMICALS	AGROASTRACHEM CIALTDA PRODUCTS LIMITED	PRODUCTS LIMITED	FOODS LIMITED	PRIVATE LIMITED
		LIMITED	LIMITED		PRIVATE LIMITED				
က်	Reporting period for the subsidiary concerned,	01.04.2019 to	01.04.2019 to	01.04.2019 to	01.04.2019 to	01.04.2019 to 31.03.2020	01.04.2019 to	01.04.2019 to	01.04.2019 to
	if different from the holding company's reporting	31.03.2020	31.03.2020	31.03.2020	31.03.2020		31.03.2020	31.03.2020	31.03.2020
	period								
4.	Reporting currency and Exchange rate as on the	NA	NA	EURO (Exchange	NA	Columbian Peso (Exchange rate	NA	NA	NA
	last date of the relevant Financial year in the case			Rate - 83.0496)		0.0186)			
	of foreign subsidiaries.								
5.	Share capital	9:92	19.57	0.11	09:0	0.01	11.32	0.20	1.14
9.	Reserves & surplus	2.76	226.87	(0.15)	0.40	(60.0)	191.68	134.98	0.32
	Total assets	19.45	572.10	0.02	1.03	0.00		321.71	35.03
	Total Liabilities	6.74	325.66	0.09	0.03	0.08	250.35	186.52	33.57
	Investments	•	0.49		•	•	•	•	
10.	Turnover	•	522.22	•	•	•	1,192.98	515.37	7.43
 	Profit before taxation	0.82	61.27	(0.01)	0.08	•	3.14	(77.18)	(7.80)
12.	Provision for taxation	0.02	13.80		0.02	,	(1.57)	(26.25)	
13.	Profit after taxation	97.0	47.47	(0.01)	90:0	•	4.72	(20.93)	(7.80)
14.	Other comprehensive income before tax	•	(0.24)	(0.00)	•	0.01	0.08	(0.58)	
15.	Tax on Other comprehensive income	•	90:0	•	•	•	(0.02)	0.20	
16.	Other comprehensive income		(0.18)	(0.00)		0.01	90:0	(0.38)	
17.	Total comprehensive income	92.0	47.29	(0.01)	90:0	0.01	4.77	(51.30)	(7.80)
18.	Proposed Dividend	•	2.94	•	•	•	1.70	•	
19.	% of shareholding	100:0%	62.4%	20.1%	%9:29	100.0%	51.9%	21.0%	74.0%
	Names of subsidiaries which have been liquidated					IIV			
	and during the year					NIC			

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Nam	Name of Associates/Joint Ventures	ACI Godrej Agrovet Private	Omnivore India Capital Trust	Al Rahaba International Trading
		Limited		Limited Liability Company
 -	Latest audited Balance Sheet Date	31.03.2020	31.03.2019	31.03.2017
۲	Shares of Associate/Joint Ventures held by the company on the year	20%	10%	24%
	pue			
	No.	1,850,000	2,444.37 Units	24
	Amount of Investment in Associates	12.58	24.44	0.04
က်	Description of how there is significant influence	due to percentage(%) of Share	The Company participates in	due to percentage(%) of Share
		Capital	the key activities jointly with the	Capital
			Investment Manager.	
4.	Reason why the associate/joint venture is not consolidated	NA	NA	NA
5.	Networth attributable to Shareholding as per latest audited Balance	76.26	32.94	4.98
	Sheet			
9	Profit / Loss for the year - 2019-20			
	i. Considered in Consolidation	29.49	(16.61)	
	ii. Not Considered in Consolidation		•	
Nam	Names of associate which have been liquidated or sold during the year		AN	

Notes



GODREJ AGROVET LIMITED

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