

DIRECTORS' REPORT

**[Corporate Identity Number (CIN): L15410MH1991PLC135359]
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

TO THE MEMBERS:

Your Directors have pleasure in presenting this 31st (Thirty First) Directors' Report along with the Audited Financial Statements for the Financial Year ended March 31, 2022.

1. HIGHLIGHTS OF FINANCIAL PERFORMANCE:

Your Company's Standalone and Consolidated performance during the Financial Year 2021-22 as compared with that of the previous Financial Year 2020-21 is summarized below:

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Income	6,289.34	4,513.81	8,385.74	6,306.27
Profit Before Taxation & Exceptional Items	460.34	352.56	558.85	453.10
Less: Exceptional Expense	-	-	17.28	-
Profit Before Taxation (PBT)	460.34	352.56	541.57	453.10
Less: Tax Expense	100.13	73.56	122.42	105.53
Profit After Taxation (PAT)	360.21	279.00	419.15	347.57

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

Review of Operations / State of Affairs of the Company:

Your Company is a food and agri-conglomerate, dedicated to improving the productivity of Indian farmers by innovating products and services that sustainably increase crop and livestock yields.

The Financial Year 2021-22 was a strong financial year for your Company, in terms of top line growth with strengthening profitability. Your Company delivered a solid performance, clocking highest ever Total Income of ₹ 8,385.7 Crore during the Financial Year 2021-22, growing at 33.0% year-on-year. Consolidated Profit Before Exceptional Items and Tax grew by 23.3% year-on-year. Most of your Company's businesses registered a strong volume growth, with the exception of standalone Crop Protection segment. Growth in profitability was largely driven by Animal Feed, Oil Palm and Astec LifeSciences Limited (a subsidiary of your Company), while Crop Protection and Food businesses reported a decline in the operating margin.

There has been no change in the nature of business of your Company during the Financial Year 2021-22.

The business-wise performance of your Company is discussed in detail as follows:

Businesses of the Company:

Animal Feed:

During the Financial Year 2021-22, the Animal Feed segment posted strong recovery in volumes which grew by 20.3% year-on-year. The robust volume growth was driven by new product launches and market share gains in key regions and this, coupled with higher realisations, led to 40.6% growth in the Animal Feed segment revenues during the Financial Year 2021-22. Segment results grew by 22.2% year-on-year, driven by realisation of Research & Development (R&D) benefits, price hikes and strategic stocking. This is despite entire feed industry suffering from a margin deterioration on account of the higher input costs inflation. All the major input commodities such as soybean meal, maize, fishmeal and de-oiled rice bran cake, etc. witnessed an unprecedented inflation during the Financial Year 2021-22.

Crop Protection:

Standalone Crop Protection segment revenues declined to ₹ 544.9 Crore during the Financial Year 2021-22, from ₹ 581.5 Crore during the Financial Year 2020-21. Your Company's product sales were severely impacted by an erratic monsoon and the extreme weather conditions. During the second half of the Financial Year 2021-22, your Company focused on improving channel hygiene, which led to higher sales returns and increased provisions for doubtful debts. As a result, Standalone segment results declined by 33.9% to ₹ 101.4 Crore from ₹ 153.4 Crore. Your Company continued to work towards increasing the distribution reach of the in-house products by partnering with other major agrochemical players in the industry. Your Company launched 'Gracia' during the Financial Year 2021-22, extending in-licensing arrangement with Nissan Chemical Corporation, Japan.

Vegetable Oil:

Vegetable Oil segment registered excellent performance during the Financial Year 2021-22, driven by record-high oil prices, notable improvement in oil extraction ratio and a modest increase in volumes. Segment revenues increased to ₹ 1,264.8 Crore from ₹ 710.0 Crore, an increase of 78.1%. At the same time, segment results increased by 187.6% to ₹ 240.8 Crore from ₹ 83.7 Crore. Average prices for crude palm oil and palm kernel oil increased by 51% and 90% year-on-year respectively, during the Financial Year under review.

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

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

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Rules framed thereunder, a statement containing the salient features of the Financial Statements of our Subsidiaries and Associates in the Form AOC-1 is annexed to and forms part of the Financial Statement. The statement provides the details of performance and financial position of each of the Subsidiaries and Associates. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements, the Audited Financial Statements of all the subsidiaries of your Company and other

documents annexed thereto are available on your Company's website: www.godrejagrovet.com.

Your Directors present herewith, a broad overview of the operations and financials of Subsidiaries, Joint Ventures and other Associates of your Company during the Financial Year 2021-22, as follows:

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

1. Godvet Agrochem Limited:

Godvet Agrochem Limited ("Godvet") is a wholly - owned subsidiary of your Company. During the Financial Year 2021-22, Godvet recorded Profit Before Tax of ₹ 1.1 Crore, as compared to Profit Before Tax of ₹ 3.8 Crore during the Financial Year 2020-21.

2. Astec LifeSciences Limited & Its Subsidiaries:

Astec LifeSciences Limited ("Astec") manufactures agrochemical active ingredients (technical), bulk and formulations, intermediate products and sells its products in India as well as exports them to approximately 25 (Twenty Five) countries.

During the Financial Year 2021-22, Astec recorded Consolidated Total Income of ₹ 687.0 Crore, representing a growth of 22.1% over the previous Financial Year 2020-21. Profit Before Exceptional Items & Tax also increased to ₹ 121.1 Crore, which is a growth of 36.0% year-on-year.

The shareholding of your Company in Astec as on March 31, 2022 was 63.29% of the total Paid-up Equity Share Capital of Astec.

Subsidiaries of Astec LifeSciences Limited:

Astec had the following 2 (Two) Subsidiaries throughout the Financial Year 2021-22:

(i) Behram Chemicals Private Limited:

During the Financial Year 2021-22, Behram Chemicals Private Limited reported a Profit Before Tax of ₹ 0.09 Crore, as compared to Profit Before Tax of ₹ 0.09 Crore during the previous Financial Year 2020-21.

The shareholding of Astec in Behram Chemicals Private Limited as on March 31, 2022 was

65.63% of the total Paid-up Equity Share Capital of Behram.

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

During the Financial Year 2021-22, Comercializadora Agricola Agroastrachem Cia Ltda, a wholly-owned subsidiary of Astec, reported Nil Profit / Loss Before Tax, as compared to ₹ 0.00* Crore during the previous Financial Year 2020-21.

*The amount reflected as "0.00" in the Financial Statement is value less than ₹ 1 Lakh.

3. Creamline Dairy Products Limited:

Creamline Dairy Products Limited ("CDPL") is one of the leading private dairy companies in Southern India and its products are sold under the brand name 'Godrej Jersey'.

During the Financial Year 2021-22, CDPL recorded a Total Income of ₹ 1,178.5 Crore, representing a year-on-year growth of 13.5%. The good recovery during Financial Year 2021-22 as compared to the previous Financial Year 2020-21 was led primarily by an increase in the market share of value-added products, mainly Curd, Milk drinks and Ghee. However, profitability was impacted due to high input price inflation, coupled with no price hike taken in the first nine months of the Financial Year 2021-22. As a result, CDPL reported a Loss Before Tax Excluding Exceptional Items of (₹ 32.3 Crore) during the current Financial Year 2021-22, vis-à-vis Profit of ₹ 7.3 Crore during the previous Financial Year 2020-21.

The shareholding of your Company in CDPL as on March 31, 2022 was 51.91% of the total Paid-up Equity Share Capital of CDPL.

4. Godrej Tyson Foods Limited:

Godrej Tyson Foods Limited ("GTFL") is engaged in the manufacturing of processed poultry and vegetarian products through its brands 'Real Good Chicken' (RGC) and 'Yummiez'. GTFL is also engaged in the sale of live birds in the market.

During the Financial Year 2021-22, GTFL recorded a Total Income of ₹ 785.6 Crore, representing a year-on-year growth of 30.0%. Growth in Total Income was driven by Real Good Chicken and live bird segments. However, an unprecedented rise in input costs led to decline in GTFL's Profit Before Tax

to ₹ 3.0 Crore during the Financial Year 2021-22, from ₹ 22.7 Crore reported during the previous Financial Year 2020-21. Your Company currently holds a 51% equity stake in GTFL.

5. Godrej Maxximilk Private Limited:

Godrej Maxximilk Private Limited ("GMPL") became a subsidiary of your Company during the Financial Year 2018-19. Your Company has increased its stake in GMPL to 100% during the Financial Year 2021-22 from 74.90% during the previous Financial Year.

GMPL is engaged in in-vitro production of high-quality cows that aid dairy farmers produce top-quality milk, thereby increasing their yield by a significant proportion. During the Financial Year 2021-22, GMPL has reported a Loss Before Tax of (₹ 9.8 Crore), as compared to a Loss Before Tax of (₹ 8.1 Crore) during the previous Financial Year 2020-21.

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

(i) ACI Godrej Agrovet Private Limited, Bangladesh:

ACI Godrej Agrovet Private Limited (ACI GAVPL) recorded revenue of ₹ 1,557.9 Crore during the Financial Year 2021-22, as compared to ₹ 1,251.4 Crore during Financial Year 2020-21.

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

The shareholding of your Company in ACI GAVPL as on March 31, 2022 was 50% of the total Paid-up Equity Share Capital of ACI GAVPL.

(ii) Omnivore India Capital Trust:

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

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

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

Your Company currently has 24% equity stake in the Al Rahba International Trading Limited Liability Company (Al Rahba), an associate (with a 33.33% share in profits). The investment in Al Rahba appears as part of current investment during the Financial Year 2021-22.

3. FINANCE & CREDIT RATING:

Your Company continues to manage its treasury operations efficiently and has been able to borrow funds for its operations at competitive rates.

During the Financial Year 2021-22, your Company had dual rating for its Commercial Paper Programme of ₹ 1,000 Crore (Rupees One Thousand Crore Only) [enhanced from ₹ 600 Crore (Rupees Six Hundred Crore Only) during the Financial Year 2021-22] as follows:

- Credit Rating by ICRA Limited: "ICRA A1+" (Pronounced as 'ICRA A one plus' rating); and
- Credit Rating by CRISIL: "CRISIL A1+" (Pronounced as 'CRISIL A one plus' rating).

In accordance with the Credit Rating assigned to the Commercial Paper Programme of your Company as above, the Board of Directors has granted its approval for borrowing by way of issuance of Commercial Papers upto an aggregate limit of ₹ 1,000 Crore (Rupees One Thousand Crore Only), as on March 31, 2022.

Moreover, your Company continues to enjoy long term rating of "ICRA AA" (pronounced as 'ICRA double A' for its ₹ 60 Crore Fund Based limits and short term rating of "ICRA A1+" (pronounced as 'ICRA A one plus' rating) for its ₹ 500 Crore Fund Based limits and ₹ 70 Crore Non-Fund Based limits.

4. INFORMATION SYSTEMS:

During the Financial Year 2021-22, with the COVID-19 pandemic situation improving, your Company has deployed technology solutions to enable and support hybrid work environment for its employees. It has formulated cybersecurity implementation roadmap to improve your Company's cyber security maturity. Your

Company has also implemented solutions like Data Leakage Prevention, Endpoint Detection & Response (EDR), Zero Trust based network protection solution. Digital transformation initiatives across businesses are underway, which include deployment of web-based and mobile applications to bring in operational efficiency and be a future ready resilient organization. Your Company is also working on Cloud adoption to strengthen infrastructure availability and provide better manageability, thereby ensuring business continuity. Your Company has also started pilot on use of latest technologies like Artificial Intelligence and Machine Learning (AI/ML) & Predictive analytics in its businesses.

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), Khanna (Ludhiana - Punjab), Khurda (Orissa), Dhule (Maharashtra), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Ikolaha (Ludhiana, Punjab), Unnao (Uttar Pradesh), Medchal (Telangana), Bundi (Rajasthan) and Nashik (Maharashtra)

Aqua Feed:

Hanuman Junction (Krishna District, Andhra Pradesh), Kondapalli (Vijayawada, Andhra Pradesh)

Crop Protection:

Samba (Jammu) and Lote Parshuram (Ratnagiri, Maharashtra)

Vegetable Oils:

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

6. HUMAN RESOURCES:

Your Company has amicable employee relations at all locations and would like to place on record its sincere appreciation for the unstinted support it continues to receive from all its employees. During the pandemic year 2021-22, your Company undertook several

measures to maintain high health and hygiene standards at the workplace. Your Company has extensively vaccinated its employees, their families, contractual workforce and channel partners during the Financial Year 2021-22. Your Company also provided financial, health as well as medical support to employees impacted due to COVID-19 and has also put in place, specific benefit programmes to help families of deceased employees. Your Company also focused on the physical and mental health and rolled out various initiatives for employees and their families.

In order to help the Company in achieving its stretched ambition, 'the Extra Mile Sales Incentive Scheme' was launched. The scheme offers multiples of the base incentive in case an employee exceeds the target achievement. The scheme was received well and the overall target achievement has improved during the Financial Year 2021-22.

Your Company continued to focus on the manpower productivity and efficiency during the Financial year under review. Therefore, the manpower additions were calibrated and manpower productivity improved substantially over the previous years.

The Great Resignation phenomenon resulted in increase in the attrition level amongst white collar employees to 10.50%. Your Company has undertaken various necessary steps to arrest the attrition through incentive programmes, career conversations and compensation corrections.

As on March 31, 2022, the total number of permanent employees of the Company was 2,711.

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

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the Financial Year 2021-22 to which the Financial Statements relate and the date of the Directors' Report (i.e., from April 1, 2022 upto May 9, 2022). The global outbreak of COVID-19 health pandemic has significantly impacted the economy. The Management of your Company 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 the Financial Statements.

8. DIVIDEND:

A. Proposed Final Dividend for the Financial Year 2021-22:

The Board of Directors of your Company has recommended a Final Dividend for the Financial Year 2021-22 at the rate of 95% (Ninety Five per cent), i.e., ₹ 9.50 (Rupees Nine and Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) each, subject to approval of the Shareholders at the ensuing 31st (Thirty First) 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 **Monday, July 25, 2022** 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.

The Shareholders of your Company are requested to note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 1, 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 the Final Dividend. In order to enable your Company to determine and deduct the appropriate TDS as applicable, the Shareholders are requested to read the instructions given in the Notes to the Notice convening the 31st (Thirty First) Annual General Meeting of the Company, forming a part of this Annual Report.

The Dividend payout for the Financial Year 2021-22 is in accordance with the Company's Dividend Distribution Policy.

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 made available on the website of the Company and can be accessed on the web-link

<https://www.godrejagrovet.com/sustainability/codes-and-policies>.

B. Status of Final Dividend Declared for the Financial Year 2020-21:

The Company had declared a Final Dividend at the rate of 80%, i.e., ₹ 8/- (Rupees Eight Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) each, at its 30th (Thirtieth) Annual General Meeting held on August 10, 2021 for the Financial Year 2020-21, aggregating to ₹ 1,53,69,00,544/- (Rupees One Hundred Fifty Three Crore Sixty Nine Lakh Five Hundred Forty Four Only).

As on March 31, 2022, ₹ 1,53,66,68,290/- (Rupees One Hundred Fifty Three Crore Sixty Six Lakh Sixty Eight Thousand Two Hundred Ninety Only) was paid and

₹ 2,32,254/- (Rupees Two Lakh Thirty Two Thousand Two Hundred Fifty Four Only) is lying in the Unpaid Dividend Account for the said Financial Year.

The Dividend declared and paid for the Financial Year 2020-21 by the Company was in compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder and in accordance with the Company's Dividend Distribution Policy.

9. TRANSFER TO RESERVE:

Your Directors do not propose to transfer any amount to reserve during the Financial Year 2021-22.

10. SHARE CAPITAL:

Your Company's Equity Share Capital position as at the beginning of the Financial Year 2021-22 (i.e., as on April 1, 2021) and as at the end of the said Financial Year (i.e., as on March 31, 2022) was as follows:

Category of Share Capital	Authorized Share Capital			Issued, Subscribed & Paid-up Share Capital		
	No. of Shares	Face Value Per Share (₹)	Total Amount (₹)	No. of Shares	Face Value Per Share (₹)	Total Amount (₹)
As on April 1, 2021:						
Equity	22,49,94,000	10	2,24,99,40,000	19,20,71,900	10	192,07,19,000
Preference	6,000	10	60,000	-	-	-
TOTAL	22,50,00,000		2,25,00,00,000	19,20,71,900		192,07,19,000
As on March 31, 2022:						
Equity	22,49,94,000	10	2,24,99,40,000	19,21,12,960	10	192,11,29,600
Preference	6,000	10	60,000	-	-	-
TOTAL	22,50,00,000		2,25,00,00,000	19,21,12,960		192,11,29,600

During the Financial Year 2021-22, your Company has allotted 41,060 (Forty One Thousand Sixty) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each under the Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 ("ESGS 2018"), pursuant to exercise of options by Eligible Employees under ESGS 2018.

The aforementioned 41,060 (Forty One Thousand Sixty) Equity Shares rank *pari passu* with the existing Equity Shares of the Company and have been listed for trading on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

11. EMPLOYEES STOCK GRANT SCHEME, 2018:

Your Company has implemented and through the Nomination and Remuneration Committee of the Board of Directors, administers the Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 ("ESGS 2018"), under which stock options are granted to the Eligible Employees, in compliance with the provisions of the Securities and Exchange Board of India (Share

Based Employee Benefits and Sweat Equity) Regulations, 2011 [erstwhile Securities and Exchange

Board of India (Share Based Employee Benefits) Regulations, 2014].

The details of the Stock Grants allotted under ESGS 2018 have been uploaded on the website of the Company at

www.godrejagrovet.com.

(Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the approval granted by the Members; and

The Board of Directors of your Company confirms as follows:

(b) There have been no changes in ESGS 2018 during the Financial Year 2021-22.

- (a) ESGS 2018 has been implemented in accordance with the Securities and Exchange Board of India

Your Company has received a certificate from BNP & Associates, Company Secretaries and the Secretarial Auditors of the Company that ESGS 2018 has been implemented in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolution passed by the Shareholders. Any request for inspection of the said Certificate may please be sent to gavl.secretarial@godrejagrovet.com. The disclosure as per Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 has been put on the website of the Company, viz., www.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 2021-22.

Thus, the details of deposits required as per the provisions of the Companies (Accounts) Rules, 2013 are as follows:

(a)	Accepted during the Financial Year 2021-22	:	Nil
(b)	Remained unpaid or unclaimed during the Financial Year 2021-22	:	Nil
(c)	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 –		
	(i) At the beginning of the year	:	Nil
	(ii) Maximum during the year	:	Nil
	(iii) At the end of the year	:	Nil
(d)	Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013	:	Nil

13. HOLDING COMPANY:

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, 2022, the shareholding of GIL in your Company was 12,00,18,596 (Twelve Crore Eighteen Thousand Five Hundred Ninety Six) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, aggregating to 62.47% of the Paid-up Equity Share Capital of the Company. GIL is also a listed company (listed on BSE Limited and the National Stock Exchange of India Limited).

14. SUBSIDIARY COMPANIES:

During the Financial Year 2021-22, no company has newly become or ceased to be a Subsidiary of your Company.

Your Company had the following subsidiaries [as defined under Section 2(87) of the Companies Act, 2013] during the Financial Year 2021-22:

i. Godvet Agrochem Limited:

A Wholly-owned Subsidiary of your Company throughout the Financial Year 2021-22.

ii. Astec LifeSciences Limited:

A Subsidiary of your Company throughout the Financial Year 2021-22, in which your Company holds 63.29% of the Equity Share Capital as on March 31, 2022.

iii. Behram Chemicals Private Limited:

A Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2021-22, in which Astec LifeSciences Limited holds 65.63% as on March 31, 2022.

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

A Wholly-owned Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2021-22.

v. Creamline Dairy Products Limited:

A Subsidiary of your Company throughout the Financial Year 2021-22, in which your Company holds 51.91% as on March 31, 2022 and is also an Unlisted Material Subsidiary of your Company as on March 31, 2022, as per Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. Godrej Tyson Foods Limited:

A Subsidiary of your Company throughout the Financial Year 2021-22, in which your Company holds 51.00% as on March 31, 2022.

vii. Godrej Maxximilk Private Limited:

A Subsidiary of your Company throughout the Financial Year 2021-22; Became a wholly-owned Subsidiary with effect from on June 22, 2021, vide acquisition of additional 24.90% equity stake, consequent to which equity holding increased from 74.90 % to 100%.

15. JOINT VENTURE COMPANY:

During the Financial Year 2021-22, no company has newly become or ceased to be a Joint Venture (JV) company of your 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% of the 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 COMPANY:

During the Financial Year 2021-22, no company has newly become or ceased to be an Associate Company of your Company.

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

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

17. SCHEME OF AMALGAMATION / ARRANGEMENT:

During the Financial Year 2021-22, 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.

18. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:

In the opinion of the Board of Directors of your Company, adequate internal financial controls are available, operative and adequate, with reference to the preparation and finalization of the Financial Statement for the Financial Year 2021-22.

19. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016, DURING THE FINANCIAL YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the Financial Year 2021-22, there was no application made and proceeding initiated / pending by any Financial and/or Operational Creditors against your Company under the Insolvency and Bankruptcy Code, 2016.

As on the date of this Report, there is no application or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.

20. DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE AT THE TIME OF TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the Financial Year 2021-22, the Company has not made any settlement with its bankers for any loan/facility availed or/and still in existence.

21. ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2021, Annual Return in Form MGT-7 for the Financial Year 2021-22 is being placed on the website of your Company and is available at the web-link <https://www.godrejagrovet.com/investors/annual-reports>

22. DIRECTORS:

The Board of Directors of your Company comprised of the following Directors, as on March 31, 2022:

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

The following changes have taken place in the Directors of your Company during the Financial Year 2021-22 and till the date of this Report:

Name of Director	Date & Particulars of Change
Dr. Ashok Gulati	<p>Upon recommendation made by the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 7, 2021, appointed Dr. Ashok Gulati as an "Additional Director" (Non-Executive & Independent) of the Company.</p> <p>The Shareholders, at the 30th (Thirtieth) Annual General Meeting of the Company held on August 10, 2021, approved the appointment of Dr. Ashok Gulati as an "Independent Director" of the Company to hold office for a term of 5 (Five) years, i.e., with effect from May 7, 2021 upto May 6, 2026.</p>
Mr. Jamshyd N. Godrej Mr. Pirojsha Godrej	In accordance with the provisions of Section 152 of Companies Act, 2013, Mr. Jamshyd N. Godrej and Mr. Pirojsha Godrej, Non-Executive & Non-Independent Directors, were

	liable for retire by rotation at the 30 th (Thirtieth) Annual General Meeting (AGM) of the Company on August 10, 2021 and being eligible and having offered themselves for re-appointment, were re-appointed at the said AGM.
Mr. Vijay M. Crishna	Mr. Vijay M. Crishna resigned as a “Non-Executive, Non-Independent Director” with effect from the closure of business hours on November 8, 2021, due to advancement of age.
Dr. Ritu Anand Ms. Aditi Kothari Desai Ms. Roopa Purushothaman Mr. Kannan Sitaram	<p>The first term of appointment of Dr. Ritu Anand, Ms. Aditi Kothari Desai, Ms. Roopa Purushothaman and Mr. Kannan Sitaram as “Independent Directors” of the Company was liable to come to an end on July 17, 2022.</p> <p>Upon recommendation made by the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on February 4, 2022, approved and recommended to the Shareholders, the re-appointment of the aforesaid Directors as “Independent Directors”, to hold office for a second term.</p> <p>Accordingly, the Shareholders of the Company, by passing Special Resolutions through Postal Ballot (whose results were declared on March 20, 2022), approved the said re-appointment for a second term of 5 (Five) years, i.e., with effect from July 18, 2022 upto July 18, 2027.</p>
Mr. Balram S. Yadav	Upon recommendation made by the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 9, 2022, has approved the re-appointment of Mr. Balram S. Yadav as the “Managing Director” of the Company, for further period commencing from September 1, 2022 upto April 30, 2025, subject to the approval of the Shareholders at the ensuing 31 st (Thirty-First) Annual General Meeting of the Company.
Mr. Nadir B. Godrej Ms. Nisaba Godrej	Mr. Nadir B. Godrej and Ms. Nisaba Godrej, Non-Executive & Non-Independent Directors, will retire by rotation at the ensuing 31 st (Thirty-First) Annual General Meeting (AGM) of the Company, in accordance with the provisions of the Section 152 of Companies Act, 2013 and being eligible, offer themselves for re-appointment.
Mr. Burjis Godrej	The Board of Directors of Godrej Agrovat Limited at its Meeting held on February 4, 2022, has appointed Mr. Burjis Godrej as an “Executive Director” for a period of 5 (five) years to be effective from November 1, 2022 upto October 31, 2027, subject to the approval of the Shareholders at the ensuing Annual General Meeting.

Pursuant to the provisions of Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Certificate from BNP & Associates, Company Secretaries and the Secretarial Auditors of the Company, certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or by the Ministry of Corporate Affairs (MCA) or by any such statutory authority. The said Certificate is annexed to the Corporate Governance Report of the Company for the Financial Year 2021-22.

23. 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 2021-22:

1. Mr. Balram S. Yadav, Managing Director;

2. Mr. S. Varadaraj, Chief Financial Officer & Head - Legal & IT;
3. Mr. Vivek Raizada, Head – Legal & Company Secretary & Compliance Officer.

24. POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS:

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

The Nomination and Remuneration Policy of your Company has been made available on website of the Company at

<https://www.godrejagrovet.com/sustainability/codes-and-policies>.

25. INDEPENDENCE & OTHER MATTERS PERTAINING TO INDEPENDENT DIRECTORS:

As on March 31, 2022, the following Directors on your Company's Board were Independent Directors:

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

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that your Company has received declaration / confirmation of independence from all its Independent Directors, pursuant to Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the same have been noted and taken on record by the Board, after undertaking due assessment of the veracity of the same, at its Meeting held on May 9, 2022.

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 Company's website at <https://www.godrejagrovet.com/sustainability/codes-and-policies>.

The same is also reproduced below:

1. Qualifications of Independent Director:

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

2. Positive Attributes of Independent Directors:

An Independent Director shall be a person who shall:

- (i) uphold ethical standards of integrity and probity;
- (ii) act objectively and constructively while exercising his/her duties;
- (iii) exercise his/her responsibilities in a bona fide manner in the interest of the Company;
- (iv) devote sufficient time and attention to his/her professional obligations for informed and balanced decision making;
- (v) not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision-making;
- (vi) not abuse his/her position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage to any associated person;
- (vii) refrain from any action that would lead to loss of his/her independence;
- (viii) where circumstances arise which make an Independent Director lose his/her independence, the Independent Director must immediately inform the Board accordingly;
- (ix) assist the Company in implementing the best corporate governance practices.

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 Obligations and Disclosure Requirements)

Regulations, 2015 (as may be amended from time to time).

All the Independent Directors of your Company have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

The details of familiarization programmes attended by the Independent Directors during the Financial Year 2021-22 are available on the website of the Company and can be accessed through the web-link

<https://www.godrejagrovet.com/investors/compliance>.

In opinion of the Board of Directors of your Company, the following Independent Directors of the Company, whose appointment / re-appointment has been approved during the Financial Year 2021-22, possess the requisite integrity, expertise and experience:

Sr. No.	Name of the Director	Term of 5 (Five) years for Appointment / Re-appointment	
		From	To
1.	Dr. Ashok Gulati	May 7, 2021	May 6, 2026
2.	Dr. Ritu Anand		
3.	Ms. Aditi Kothari Desai		
4.	Ms. Roopa Purushothaman	July 18, 2022	July 17, 2027
5.	Mr. Kannan Sitaram		

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

Ms. Aditi Kothari Desai and Ms. Roopa Purushothaman who were required to appear for self-assessment proficiency test for Independent Directors, pursuant to the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended from time to time), have successfully completed the said test. Dr. Raghunath Mashelkar, Dr. Ritu Anand, Mr. Natarajan Srinivasan, Mr. Kannan Sitaram and Dr. Ashok Gulati are exempted from appearing for self-assessment proficiency test of Independent Directors, as per the exemption criteria specified in the said Rules.

26. 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 4 (Four) Meetings of the Board of Directors held during the Financial Year 2021-22, (i.e., May 7,

2021, August 10, 2021, November 9, 2021 and February 4, 2022). The details of Board Meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report, which forms a part of the Annual Report.

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

27. 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, comprising of the following Directors as on March 31, 2022:

Sr. No	Name of the Director	Designation in the Committee & Nature of Directorship
1	Mr. Natarajan Srinivasan (*)	Chairman, Non- Executive & Independent Director

2	Dr. Ritu Anand	Member, Non-Executive & Independent Director
3	Ms. Aditi Kothari Desai	Member, Non-Executive & Independent Director
4	Mr. Balram S. Yadav	Member, Managing Director

(*) Mr. Natarajan Srinivasan, Independent Director has been inducted as the Chairman of Audit Committee with effect from April 23, 2021.

There were 5 (Five) Meetings of the Audit Committee held during the Financial Year 2021-22, (i.e., May 7, 2021, August 9, 2021, November 9, 2021, December 7, 2021 and February 4, 2022).

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 makes observations and recommendations to the Board of Directors, which are noted and accepted by the Board.

During the Financial Year 2021-22, all recommendations made by the Audit Committee to the Board of Director were accepted by the Board and there were no instances where the recommendations were not accepted.

28. 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, comprising of the following Directors during the Financial Year 2021-22:

Sr. No	Name of the Director	Designation in the Committee & Nature of Directorship
1	Dr. Ritu Anand	Chairperson, Non-Executive & Independent Director
2	Ms. Roopa Purushothaman	Member, Non-Executive & Independent Director
3	Ms. Nisaba Godrej	Member, Non-Executive & Non-Independent Director

There were 3 (Three) Meetings of the Nomination and Remuneration Committee held during the Financial Year 2021-22 (i.e., on May 7, 2021, November 8, 2021 & February 4, 2022).

29. 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 Directors during the Financial Year 2021-22:

Sr. No	Name of the Director	Designation in the Committee & Nature of Directorship
1	Mr. Nadir B. Godrej	Chairman, Non-Executive & Non-Independent Director
2	Mr. Balram S. Yadav	Member, Managing Director
3	Mr. Natarajan Srinivasan	Member, Non-Executive & Independent Director

There was 1 (One) Meeting of the Stakeholders' Relationship Committee held during the Financial Year 2021-22 (i.e., on November 9, 2021).

Mr. Vivek Raizada, Company Secretary & Compliance Officer is the Secretary to Stakeholders' Relationship Committee. He has attended all the Meetings of the Stakeholders' Relationship Committee held during the Financial Year 2021-22.

30. 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, comprising of the following Directors during the Financial Year 2021-22:

Sr. No	Name of the Director	Designation in the Committee & Nature of Directorship
1	Dr. Raghunath A. Mashelkar	Chairman, Non-Executive & Independent Director
2	Mr. Nadir B. Godrej	Member, Non-Executive & Non-Independent Director
3	Mr. Balram S. Yadav	Member, Managing Director
4	Ms. Roopa Purushothaman	Member, Non-Executive & Independent Director

There were 2 (Two) Meetings of the CSR Committee held during the Financial Year 2021-22 (i.e., on May 7, 2021 and November 9, 2021).

Areas of CSR Expenditure & CSR Policy:

Your Company is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. Our strategic 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.

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

The CSR Policy of your Company (as amended) is available on your Company's website on the web-link

<https://www.godrejagrovet.com/sustainability/codes-and-policies>.

Amount of CSR Spending:

During the Financial Year 2021-22, your Company was required to spend ₹ 6.73 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 2021-22 was ₹ 5.30 Crore. The shortfall of ₹ 1.43 Crore in the amount of CSR spending is attributable to ongoing projects which will be completed by the Company in due course and the same has been duly transferred to Unspent CSR Account as on date.

Annual Report on CSR Activities:

The Annual Report on CSR Activities of your Company for the Financial Year 2021-22 is annexed herewith as "**Annexure – A**".

31. RISK MANAGEMENT COMMITTEE:

Pursuant to Regulation 21 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 Risk Management Committee of the Board of Directors, comprising of the following Members, during the Financial Year 2021-22:

Sr. No	Name of the Director	Designation in the Committee & Nature of Directorship
1	Mr. Nadir B. Godrej	Chairman, Non-Executive & Non-Independent Director
2	Mr. Balram S. Yadav	Member, Managing Director
3	Mr. Natarajan Srinivasan	Member, Non-Executive & Independent Director

There were 2 (Two) Meetings of the Risk Management Committee held during the Financial Year 2021-22 (i.e., on November 9, 2021 & February 4, 2022).

The details of the Risk Management Committee and its terms of reference are set out in the Corporate Governance Report forming a part of the Annual Report.

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 endeavours 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 or 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.

32. 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, comprising of the following Members during the Financial Year 2021-22:

Sr. No	Name of the Director	Designation in the Committee & Nature of Directorship
1	Mr. Nadir B. Godrej	Chairman, Non-Executive & Non-Independent Director
2	Ms. Nisaba Godrej	Member, Non-Executive & Non-Independent Director
3	Mr. Pirojsha Godrej	Member, Non-Executive & Non-Independent Director
4	Mr. Balram S. Yadav	Member, Managing Director

The Managing Committee met 12 (Twelve) times during the Financial Year 2021-22, (i.e., on April 6, 2021, May 7, 2021, June 7, 2021, July 8, 2021, July 29, 2021, August 10, 2021, September 14, 2021, October 28, 2021, November 25, 2021, December 7, 2021, January 17, 2022 and February 4, 2022).

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.

33. STRATEGY COMMITTEE:

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

34. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors met once during the Financial Year 2021-22, i.e., on May 7, 2021, pursuant to the provisions of 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.

35. 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 as well as the website of your Company at the web-link <https://www.godrejagrovet.com/sustainability/codes-and-policies>. Mr. V. Swaminathan, Head – Corporate Audit & Assurance, has been appointed as the 'Whistle Blowing Officer' and his contact details have been mentioned in the Policy. Furthermore, employees are also free to communicate their complaints directly to the Chairman of the Audit Committee, as stated in the Policy.

To support its people to overcome their ethical dilemmas and raise an ethical concern freely "Speak-up" was launched in Godrej. It is a platform for Godrej employees, business associates, agents, vendors,

distributors and consultants to easily raise their ethical concerns in any of the following ways:

- Log on to the web portal
- Dial the hotline number
- Write to the Ethics E-mail id
- Reach out to the Whistle Blowing Officer

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

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

36. PERFORMANCE EVALUATION:

The Board of Directors of your Company has carried out an Annual Performance Evaluation of its own, the Directors individually as well as the evaluation of the working of its Committees. The performance evaluation of the Board as a whole, the Chairman of the Board 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 ways and means to enhance its effectiveness.

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

37. 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 ("ICC") 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.

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

The ICC at the Head Office level comprised of the following Members as on March 31, 2022:

1	Ms. Neeyati Shah	Chairperson
2	Mr. S. Varadaraj	Member
3	Mr. Salil Chinchore	Member
4	Ms. Priya Jain	Member
5	Ms. Sharmila Kher	External Member

The Company has formulated and circulated to all the employees, a gender-neutral Policy on Prevention of Sexual Harassment at Workplace ("POSH Policy") under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which provides for a proper mechanism for redressal of complaints of sexual harassment.

The Company has received and resolved 1 (One) complaint under the POSH Policy during the Financial Year 2021-22.

38. SIGNIFICANT REGULATORY OR COURT ORDERS:

During the Financial Year 2021-22 and thereafter till the date of this Report, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of your Company and its operations in future.

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

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees and investments by your Company under the aforesaid provisions during the Financial Year 2021-22, have been provided in the Notes to the Financial Statement.

40. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188

OF THE COMPANIES ACT, 2013:

During the Financial Year 2021-22:

- 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.
- None of the Directors had any pecuniary relationships or transactions *vis-à-vis* the Company.
- Requisite prior approvals of the Audit Committee of the Board of Directors were obtained for Related Party Transactions.

Therefore, disclosure of Related Party Transactions in Form AOC-2 as per the provisions of Sections 134(3)(h) and 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

Attention of the Shareholders is also drawn to the disclosure of Related Party Transactions set out in Note No. 57 of the Standalone Financial Statements, forming part of the Annual Report.

Except as disclosed below, all Related Party Transactions entered into by your Company during the Financial Year 2021-22, were on arm's length basis and in the ordinary course of business.

During the Financial Year 2021-22, the Company has obtained approvals for or entered into the following Related Party Transactions which were not in ordinary course of business of the Company, but were at an arm's length price:

1. The price for execution of an agreement for sale of property at Thiruvaranga Village and Bagur Village at Anugondanahalli Hobli, Hoskote Taluk, Bangalore Rural District, Karnataka, as a project in "as is where is condition" to/in favour of Godrej Properties Limited was revised to ₹ 5.72 Crore (approximately) in terms of approvals granted by the Audit Committee and the Board of Directors during the previous Financial Year (on March 31, 2021).
2. The Company has obtained approval of the Audit Committee on December 7, 2021 and of the Board of Directors on February 4, 2022, for entering into a transaction with Godrej and Boyce Manufacturing Company Limited, for sale / disposal of a land admeasuring 71 Cents situated at Ambattur, Tamil Nadu, for an approximate aggregate consideration

of ₹ 11.15 Crore.

41. FRAUD REPORTING:

During the Financial Year 2021-22, 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.

42. INTERNAL FINANCIAL CONTROLS:

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.

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

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

The Statutory Auditors and the Internal Auditors are, *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. Accordingly, the Audit Committee makes observations and recommendations to the Board of Directors of your Company.

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

The transactions with persons or entities belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the Company, as stated 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 Notes to the accompanying Financial Statements. All such transactions during the Financial Year under review were on arm's length basis, entered into with an intent to further the Company's interests.

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, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the Annual Accounts for the Financial Year ended March 31, 2022, 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., as on March 31, 2022) and of the profit and loss of the Company for that period (i.e., the Financial Year 2021-22);
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual Accounts on a going concern basis;
- e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

45. CORPORATE GOVERNANCE:

In accordance with 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 is included in the Annual Report.

M/s. BNP & Associates, Company Secretaries, who are also the “Secretarial Auditors” of your Company, have certified your Company’s compliance with the 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:

BSR & 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.

BSR & Co. LLP is eligible for re-appointment for a second term of 5 (Five) years and have provided a written confirmation that they are willing and eligible for re-appointment and are not disqualified to be re-appointed in terms of the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder.

Upon recommendation by the Audit Committee, the Board of Directors of the Company, at its Meeting held on May 9, 2022 has recommended for approval of the Shareholders at the ensuing 31st (Thirty First) AGM of the Company, the re-appointment of B S R & Co. LLP, Chartered Accountants, as the “Statutory Auditors” of the Company, for a second term of 5 (Five) Years, to hold office from the conclusion of the 31st (Thirty First) AGM till the conclusion of the 36th (Thirty Sixth) AGM.

47. COST RECORDS AND COST AUDITORS:

M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 00012) was appointed by the Board of Directors at its Meeting held on May 7, 2021, as the “Cost Auditors” of the Company for the Financial Year 2021-22, 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. The Shareholders of the Company, at their 30th Annual General Meeting (“AGM”) held on August 10, 2021, had ratified the remuneration payable to the Cost Auditors in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

The Company has prepared and maintained cost accounts and records for the Financial Year 2021-22, as per sub-section (1) of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014.

M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai has been re-appointed by the Board of Directors, at its Meeting held on May 9, 2022, as the “Cost Auditors” of the Company for the Financial Year 2022-23, 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. The Shareholders are requested to ratify the remuneration payable to the Cost Auditors at their ensuing 31st Annual General Meeting, in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

48. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

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

The Secretarial Audit Report submitted by M/s. BNP & Associates, the Secretarial Auditors, for the Financial Year 2021-22 is annexed as “Annexure – B” to this Board’s Report.

The Board of Directors of your Company at its Meeting held on May 9, 2022, has re-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 2022-23, 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.

49. SECRETARIAL AUDIT REPORT OF UNLISTED MATERIAL SUBSIDIARY:

Pursuant to the provisions of Regulation 24A of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Audit Report for the Financial Year 2021-22 of Creamline Dairy Products Limited (“CDPL”), an Unlisted Material Subsidiary of your Company, is annexed as “**Annexure – C**” to this Board’s Report.

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

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their Auditors’ Reports (Standalone and Consolidated) on the Financial Statements for the Financial Year 2021-22.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year 2021-22.

There are no qualifications, reservations, adverse remarks and disclaimers of the Cost Auditors in their Cost Audit Report for the Financial Year 2020-21, which was received and noted during the Financial Year under review. The Cost Audit Report for the Financial Year 2021-22 will be received in due course.

51. LISTING FEES:

55. POLICIES OF THE COMPANY:

The Companies Act, 2013 read with the Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) have mandated the formulation of certain policies for listed and/or unlisted companies. All the Policies and Codes adopted by your Company, from time to time, are available on the Company’s website viz., <https://www.godrejagrovet.com/sustainability/codes-and-policies>, pursuant to Regulation 46 of the Listing Regulations. The Policies are reviewed periodically by the Board of Directors and its Committees and are updated based on the need and new compliance requirements. The key policies that have been adopted by your Company are as follows:

1. Risk Management Policy

The Company has in place, a Risk Management Policy which has been framed by the Board of Directors of the Company, based on the recommendation made by the Risk Management Committee. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, cyber security, property, regulatory, reputational and other risks and the Company has in

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

52. DEPOSITORY SYSTEM:

Your Company’s Equity Shares are available for dematerialization through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN Number of your Company for both NSDL and CDSL is INE850D01014.

53. RESEARCH AND DEVELOPMENT:

Your Company works with the purpose of constant innovation to improve farmer productivity and thereby to help in feeding the nation. It continues to focus and invest significantly on cutting edge Research & Development (R&D) initiatives and strongly believes that productive R&D is a key ingredient for the Company’s success and growth.

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

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

		place an adequate risk management infrastructure capable of addressing these risks.
		In the opinion of the Board of Directors, no risks have been identified which may threaten the existence of your Company.
2.	Corporate Social Responsibility Policy	The Corporate Social Responsibility Committee has formulated and recommended to the Board of Directors, a Corporate Social Responsibility Policy, indicating the activities to be undertaken by the Company as corporate social responsibility, which has been approved by the Board. This Policy outlines the Company's strategy to bring about a positive impact on society through activities and programmes relating to livelihood, healthcare, education, sanitation, environment, etc.
3.	Policy for Determining Material Subsidiaries	<p>This Policy is used to determine the material subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Listing Regulations.</p> <p>As on March 31, 2022, Creamline Dairy Products Limited is a material unlisted Subsidiary of your Company.</p>
4.	Nomination and Remuneration Policy	This Policy approved by the Board formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management employees.
5.	Whistle Blower Policy / Vigil Mechanism	The Company has a Vigil Mechanism / Whistle Blower Policy. The purpose of this 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. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for access to the Whistle Blowing Officer or direct access to the Chairperson of the Audit Committee, in appropriate or exceptional cases.
6.	Policy on Prevention of Sexual Harassment at Workplace	The 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.

7.	Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions	This Policy regulates all transactions between the Company and its Related Parties.
8.	Code of Conduct for Insider Trading	This Policy sets up an appropriate mechanism to curb Insider Trading, in accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
9.	Policy on Criteria for determining Materiality of Events	This Policy applies to disclosure of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of the Listing Regulations.
10.	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 Listing Regulations. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
11.	Archival Policy	This Policy is framed pursuant to the provisions of the Listing Regulations. As per this Policy, all such events or information which have been disclosed to the Stock Exchanges are required to be hosted on the website of the Company for a minimum period of 5 (Five) years and thereafter in terms of the Policy.
12.	Dividend Distribution Policy	This Policy is framed by the Board of Directors in terms of the Listing Regulations. The focus of the Company is to have a Policy on distribution of dividend so that the investor may form their own judgment as to when and how much dividend they may expect.
13.	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)	This Policy / Code is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. It aims to strengthen the Internal Control System and curb / prevent leak of Unpublished Price Sensitive Information ("UPSI") without a legitimate purpose. The Policy / 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. In general, this Policy aims to maintain the uniformity, transparency and fairness in dealings with all stakeholders and to ensure adherence to applicable laws and regulations.

14.	Code of Conduct for the Board of Directors and Senior Management Personnel	The Company has in place, a Policy / Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which the Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the Code during the Financial Year 2021-22.
15.	Policy to promote Board Diversity	This Policy endeavours to promote diversity at Board level, with a view to enhance its effectiveness.
16.	Policy on Familiarization Programmes for Independent Directors	Your Company has a Policy on Familiarization Programmes for Independent Directors, which lays down the practices followed by the Company in this regard, on a continuous basis.
17.	Human Rights Policy	Your Company has in place, a Human Rights Policy which demonstrates your Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business.

56. SECRETARIAL STANDARDS:

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

57. BUSINESS RESPONSIBILITY REPORT:

The Company has prepared its Business Responsibility Report for the Financial Year 2021-22, in accordance with of Regulation 34 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015 issued by the Securities and Exchange Board of India (SEBI), to describe the initiatives taken by the Company from an environmental, social and governance perspective. The said Report is prepared in accordance with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) notified by the Ministry of Corporate Affairs (MCA), Government of India, in July 2011 and forms part of this Annual Report.

58. MANAGERIAL REMUNERATION:

The remuneration paid to the Directors and Key Managerial Personnel of the Company during the Financial Year 2021-22 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 – E**" to this Report.

59. PARTICULARS OF EMPLOYEES:

The disclosure as per Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of your Company, is available for inspection by the Shareholders at the Registered Office of the Company, during business hours, i.e., between 10.00 a.m. (IST) to 5.00 p.m. (IST), on all working days (i.e., excluding Saturdays, Sundays and Public Holidays), upto the date of the ensuing 31st (Thirty First) Annual General Meeting of the Company, subject to such COVID-19 restrictions as may be imposed by the Government(s)

and/or local authority(ies) from time to time. If any Shareholder is interested in inspecting the records thereof, such Shareholder may write to the Company Secretary & Compliance Officer at gavl.secretarial@godrejagrovet.com.

60. 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 Financial Statements. The Notes to the Financial Statements referred to the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

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

The Audited Annual Financial Statements and related information of the Company's Subsidiaries will be made available upon request. These documents will also be available for inspection. If any Shareholder is interested in inspecting the records thereof, such Shareholder may write to the Company Secretary at gavl.secretarial@godrejagrovet.com.

The Subsidiary Companies' Financial Statements are also available on the Company's website <https://www.godrejagrovet.com/investors/annual-reports>, pursuant to the provisions of Section 136 of the Companies Act, 2013.

61. 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 Investor Education and Protection Fund established by the Central Government ("IEPF Authority"), 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 Authority till the date of this Report.

62. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the Financial Year 2021-22, as prescribed 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.

63. 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.

64. 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 genuine 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**

**Nadir B. Godrej
Chairman
(DIN: 00066195)**

Date: May 9, 2022

Place: Mumbai

ANNEXURE 'A' TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

1. Brief Outline on CSR Policy of the Company:

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

We endeavour to address critical social, environmental and economic needs of marginalised and underprivileged sections of our communities, by adopting a shared value approach, i.e., to help solve problems, while strengthening our competitive advantage.

The key purpose of our CSR Policy is to:

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

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the Financial Year 2021-22	Number of Meetings of CSR Committee attended during the Financial Year 2021-22
1.	Dr. Raghunath A. Mashelkar	Chairman – Independent Director	2	2
2.	Mr. Nadir B. Godrej	Member – Non-Executive Director	2	2
3.	Mr. Balram S. Yadav	Member – Managing Director	2	2
4.	Ms. Roopa Purushothaman	Member – Independent Director	2	2

3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the Website of the company:

The web-links where information pertaining to composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company are as follows:

For Composition of the CSR Committee:

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

For CSR Policy:

<https://www.godrejagrovet.com/sustainability/codes-and-policies>

For CSR Projects approved by the Board:

<https://www.godrejagrovet.com/sustainability/csr>

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

Not Applicable

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

Not Applicable

6. Average Net Profit of the Company as per Section 135(5) of the Companies Act, 2013:

₹ 336.35 Crore

7. (a) Two percent of Average Net Profit of the Company as per Section 135(5) of the Companies Act, 2013:

₹ 6.73 Crore

(b) Surplus arising out of the CSR Projects or Programmes or Activities of the previous Financial Years:

Not Applicable

(c) Amount required to be Set off for the Financial Year, if any: Not Applicable**(d) Total CSR Obligation for the Financial Year (7a+7b-7c):** ₹ 6.73 Crore**8. (a) CSR Amount Spent or Unspent for the Financial Year:**

Total Amount Spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Companies Act, 2013		Amount transferred to any Fund specified under Schedule VII as per second proviso to Section 135(5) of the Companies Act, 2013		
	Amount (₹ in Crore)	Date of Transfer	Name of the Fund	Amount (₹ in Crore)	Date of Transfer
5.30	0.02	April 7, 2022	Not Applicable		
	0.09	April 12, 2022			
	0.02	April 12, 2022			
	0.03	April 21, 2022			
	0.01	April 28, 2022			
	1.26	April 29, 2022			
5.30	1.43		Not Applicable		

(b) Details of CSR Amount spent against Ongoing Projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the List of Activities in Schedule VII to the Companies Act, 2013	Local Area (Yes / No)	Location of the Project		Project Duration (in Months)	Amount allocated for the Project (₹ in Crore)	Amount spent in the current Financial Year (₹ in Crore)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) of the Companies Act, 2013 (₹ in Crore)	Mode of Implementation - Direct (Yes / No)	If Mode of Implementation is through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	COVID Recovery	Clause (xii)	Yes	Pan India	Not Applicable	24	0.31	0.22	0.09	No	Sevamob	CSR00001153
2.	Pragati	Clause (ii), (iii)	Yes	Uttar Pradesh, Chhattisgarh	Miraj, Chandauli, Raigad	30	0.11	0.11	0.00	Yes	Not Applicable	Not Applicable
3.	Pragati	Clause (ii), (iii), (vii)	Yes	Punjab, Andhra Pradesh	Ludhiana, Kondapally	36	0.66	0.34	0.32	No	Kooh Sports Foundation	CSR00003292
4.	Grameen Vikas	Clause (i), (iii), (x)	Yes	Maharashtra	Chiplun	36	0.62	0.31	0.31	No	Parivartan	CSR00010862
5.	Grameen Vikas	Clause (i), (iii), (x)	Yes	Chhattisgarh	Raipur	36	0.59	0.29	0.30	No	Ambuja Cement Foundation	CSR00006913
6.	Grameen Vikas	Clause (i), (iii), (x)	Yes	Bihar	Hajipur	36	0.13	0.13	0.00	No	Aga Khan Rural Support Programme	CSR00004229
7.	Grameen Vikas	Clause (i), (iii), (x)	Yes	Bihar	Badhauhi	24	0.26	0.18	0.08	No	Satmile Satish Club O Pathagar	CSR00000303
8.	Grameen Vikas	Clause (i), (iii), (x)	Yes	Maharashtra	Nashik	36	0.18	0.15	0.02	No	Sampada Trust	CSR00002888
9.	Grameen Vikas	Clause (i), (iii), (x)	Yes	Uttar Pradesh	Mirzapur	36	0.35	0.35	0.00	No	Society for Development Alternatives	CSR00000829
10.	Grameen Vikas	Clause (i), (iii), (x)	Yes	Maharashtra	Raigad	24	0.09	0.09	0.00	No	Jan Vikas	CSR00002913
11.	Community Development	Clause (v)	Yes	Maharashtra	Mumbai	15	0.09	0.09	0.01	No	The National Centre For The Performing Arts (NCPA)	CSR00007882

12.	Watershed Management	Clause (i), (iii), (iv), (x)	No	Madhya Pradesh	Barwani	60	0.48	0.30	0.19	No	Aga Khan Rural Support Programme	CSR00004229
13.	Watershed Management	Clause (i), (iii), (iv), (x)	No	Karnataka	Magadi	60	0.05	0.03	0.03	No	Indian Rural Integrated Development Society	CSR00005377
14.	Watershed Management	Clause (i), (iii), (iv), (x)	No	Karnataka, Madhya Pradesh	Magadi, Barwani	60	0.26	0.16	0.10	Yes	Not Applicable	Not Applicable
TOTAL							4.16	2.73	1.43			

(c) Details of CSR Amount spent against Other than Ongoing Projects for the Financial Year:

(1) Sr. No.	(2) Name of the Project	(3) Item from the List of Activities in Schedule VII to the Companies Act, 2013	(4) Local area (Yes/ No)	(5) Location of the Project		(6) Amount spent for the Project (₹ in Crore)	(7) Mode of Implementation - Direct (Yes / No)	(8) If Mode of Implementation is through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	COVID Relief	Clause (xii)	Not Applicable	Pan India	Not Applicable	0.39	Yes	Not Applicable	Not Applicable
2.	COVID Recovery	Clause (xii)	Yes	Maharashtra	Pune	0.15	No	Punya Bhushan	CSR00004022
3.	COVID Recovery	Clause (xii)	Yes	Maharashtra	Nagpur	0.20	No	Datta Meghe Institute of Medical Sciences (DMIMS)	CSR00004347
4.	Community Development	Clause (x)	Yes	Maharashtra	Jalgaon	0.75	No	Gandhi Research Foundation	CSR00004570
5.	Community Development	Clause (x)	Yes	Rajasthan	Bundi	0.10	No	The Solvent Extractors' Association of India	CSR00008668

6.	Community Development	Clause (vii)	Yes	Maharashtra	Mumbai	0.05	No	Seva Sahyog Foundation	CSR00000756
7.	Community Development	Clause (x)	Not Applicable	Pan India	Not Applicable	0.22	Yes	Not Applicable	Not Applicable
8.	Ongoing Audit	Not Applicable	Not Applicable	Pan India	Not Applicable	0.24	Yes	Not Applicable	Not Applicable
9.	Monitoring & Evaluation	Not Applicable	Yes	Pan India	Not Applicable	0.17	Yes	Not Applicable	Not Applicable
TOTAL						2.27			

(d) Amount Spent in Administrative Overheads: ₹ 0.24 Crore

(e) Amount Spent on Impact Assessment, if applicable: ₹ 0.04 Crore

(f) Total Amount Spent for the Financial Year (8b + 8c+ 8d + 8e): ₹ 5.30 Crore

(g) Excess Amount for Set-off, if any: Not Applicable

Sr. No.	Particulars	Amount (₹ in Crore)
(i)	Two percent of Average Net Profit as per Section 135(5) of the Companies Act, 2013	
(ii)	Total Amount Spent for the Financial Year	
(iii)	Excess Amount Spent for the Financial Year [(ii)-(i)]	Not
(iv)	Surplus arising out of CSR Projects / Programmes / Activities of the previous Financial Years, if any	Applicable
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

9. (a) Details of Unspent CSR Amount for the Preceding 3 (Three) Financial Years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) of the Companies Act, 2013 (₹ in Crore)	Amount spent in the Reporting Financial Year (₹ in Crore)	Amount transferred to any Fund specified under Schedule VII as per Section 135(6) of the Companies Act, 2013, if any			Amount remaining to be spent in succeeding Financial Years (₹ in Crore)
				Name of the Fund	Amount (₹ in Crore)	Date of Transfer	
1.	2020-21	0.44	0.44	Not Applicable			0.00
2.	2019-20	0.00	0.00	Not Applicable			0.00
3.	2018-19	0.00	0.00	Not Applicable			0.00
TOTAL		0.44	0				0.00

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

(1) Sr. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the Project was commenced	(5) Project Duration (In Months)	(6) Total amount allocated for the Project Financial Year 2021-22 (₹ in Crore)	(7) Amount spent on the Project in the Reporting Financial Year (₹ in Crore)	(8) Cumulative amount spent at the end of Reporting Financial Year (₹ in Crore)	(9) Status of the Project - Completed / Ongoing
1.	GV001	Grameen Vikas – Evangelical Social Action Forum	2020-21	36	0.7	0.11	0.11	Completed
2.	GV002	Grameen Vikas – Society For Development Alternatives	2020-21	36	0.52	0.17	0.17	Ongoing
3.	GV003	Grameen Vikas – Aga Khan Rural Support Programme	2020-21	60	0.53	0.06	0.06	Ongoing
4.	GV004	Grameen Vikas – Janvikas	2020-21	24	0.27	0.10	0.10	Ongoing
TOTAL					1.49	0.44	0.44	

- 10. In case of Creation or Acquisition of Capital Asset(s), Details relating to the Asset(s) so created or acquired through CSR spent in the Financial Year:**

Not Applicable

- 11. Specify the Reason(s), if the Company has failed to spend 2% (Two per cent) of the Average Net Profit as per Section 135(5) of the Companies Act, 2013:**

The Unspent Corporate Social Responsibility (CSR) amount of ₹ 0.44 Crore is planned to be utilized on ongoing CSR projects in due course. It has been duly transferred to Unspent CSR Account before the prescribed date (i.e., before May 9, 2022).

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

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

**Raghunath A. Mashelkar
Chairman of the CSR Committee &
Independent Director
(DIN: 00074119)**

**Balram S. Yadav
Member of the CSR Committee &
Managing Director
(DIN: 00294803)**

Place: Mumbai

Date: May 9, 2022

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2022

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

To,
The Members,
Godrej Agrovat 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 Agrovat Limited – CIN: L15410MH1991PLC135359** (hereinafter called the 'Company') during the Financial Year from April 1, 2021 to March 31, 2022 ('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, 2022 as well as before the issue of this report,
- (ii) **Compliance Certificates** confirming Compliance with all laws applicable to the Company given by Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by Audit Committee / Board of Directors, and
- (iii) **Representations** made, documents shown, and information provided by the Company, its Officers, Agents and Authorized Representatives during our conduct of Secretarial Audit.

We hereby report that in our opinion, during the audit period covering the Financial Year ended on March 31, 2022, the Company has:

- (i) Complied with the statutory provisions listed hereunder, and
- (ii) Board-processes and compliance mechanism in place to the extent,

in the manner and subject to the reporting made hereinafter.

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

1. Compliance with Specific Statutory Provisions:

We further report that:

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

- (i) The Companies Act, 2013 and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations & Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Regulations'):

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; and
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- (vi) Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial Standards).

1.2. During the period under review, and also considering the compliance related action taken by the Company after March 31, 2022 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 30th Annual General Meeting held on 10th August, 2021 (30th AGM) and resolutions passed by circulation. The compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(vi)] with regard to the Board Meetings and Committee Meetings held through video conferencing during the review period were verified based on the Minutes of the Meetings provided by the Company.

1.3. We are informed that, during the Financial Year 2021-

22, the Company was not required to initiate any compliance related action in respect of the following laws / rules / regulations / standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form / returns thereunder:

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

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

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

2. Board Processes:

We further report that:

2.1. The Board of Directors of Company as on March 31, 2022 comprised of:

- (i) 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, i.e., Mr. Jamshyd N. Godrej, Ms. Tanya A. Dubash, Ms. Nisaba Godrej, Mr. Pirojsha Godrej, Mr. Nadir B. Godrej; and
- (iii) 7 (Seven) Non-Executive & Independent Directors, including 3 (Three) Woman Independent Directors, namely, Dr. Ritu Anand, Ms. Aditi Kothari Desai, Ms. Roopa Purushothaman, Dr. Raghunath A. Mashelkar, Mr. Natarajan Srinivasan, Mr. Kannan Sitaram and Dr. Ashok Gulati.

2.2. The processes relating to the following changes in the composition of the Board of Directors during the Financial Year 2021-22 were carried out in compliance

with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- (i) Resignation of Mr. Kavas N. Petigara (DIN: 00066162) as the "Independent Director" of the Company with effect from April 1, 2021;
- (ii) Appointment of Dr. Ashok Gulati (DIN: 07062601) as a "Director" (Non-Executive and Independent Director) of the Company, approved by Members at the Thirtieth Annual General Meeting (30th AGM) held on 10th August, 2021;
- (iii) Re-appointment of Mr. Jamshyd N. Godrej (DIN: 00076250) and Mr. Pirojsha Godrej (DIN: 00432983), Non-Executive Directors liable to retire by rotation, at the 30th AGM held on 10th August, 2021;
- (iv) Resignation of Mr. Vijay Mohan Crishna (DIN: 00066267), as a Non-Executive Director of the Company with effect from closure of business hours on November 8, 2021;
- (v) Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on February 4, 2022, approved appointment of Mr. Burjis Godrej (DIN:08183082), as an "Executive Director" of the Company, for a period of 5 (Five) years effective from November 1, 2022 upto October 31, 2027, subject to the approval of the Shareholders at the ensuing Thirty-First Annual General Meeting (31st AGM).
- (vi) Re-appointment of the following Independent Directors of the Company by the Shareholders by way of Special Resolutions passed through Postal Ballot concluded March 20, 2022:

Re-appointment of Dr. Ritu Anand (DIN: 00363699), Ms. Aditi Kothari Desai (DIN: 00426799), Ms. Roopa Purushothaman (DIN: 02846868) and Mr. Kannan Sitaram (DIN: 01038711) as "Independent Directors" of the Company for a second term of 5 (five) years, i.e., from July 18, 2022 upto July 17, 2027.

- 2.3.** Adequate notice was given to all the Directors to enable them to plan their schedule for the Board Meetings and Committee Meetings held during the Financial Year.
- 2.4.** Notice of Board and Committee Meetings held during review period was sent to all the Directors at least seven days in advance.

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

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

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

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

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

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

3. Compliance Mechanism:

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

4. Specific Events / Actions:

4.1. During the Financial Year under review, 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, has allotted 41,060 Equity Shares of face value of ₹.10/- (Rupees Ten Only) each under Employees Stock Grant Scheme, 2018.
- (ii) The Company has issued Commercial Papers worth ₹ 3,575 Crore which were listed on National Stock Exchange of India Limited (NSE) out of which Commercial Papers worth ₹ 2,700 Crore were redeemed during the year.
- (iii) Pursuant the Share Purchase Agreement dated June 15, 2021, entered into by and between Dr. Saar Yavin and Ms. Adaya Aroyo ("Sellers"), Maxximilk Limited (Israel), Godrej Agrovet Limited ("Purchaser") and Godrej Maxximilk Private Limited ("GMPL"), Godrej Agrovet Limited acquired 2,95,840 Equity Shares

constituting 25.10% of the total paid-up Equity Share Capital of GMPL. Consequently, GMPL has become a wholly owned subsidiary of Godrej Agrovet Limited.

- (iv) Godrej Agrovet Limited has subscribed to and has been allotted 4,41,176 Equity Shares by GMPL, on June 24, 2021, pursuant to Preferential Issue.
- (v) The Board of Directors of the Company at its Meeting held on 10th August, 2021, has granted its approval for disposal of its Equity Stake held in Al Rahba International Trading LLC (UAE) ("Al Rahba"), an Associate Company in which the Company holds 24% Equity Shares ownership interest and 33.33% of profit share, by voluntary liquidation / winding up Al Rahba, through a due process as per the laws of UAE.

For BNP & Associates

Company Secretaries

Firm Registration No. P2014MH037400

PR No.: 637/2019

Date: April 28, 2022

Place: Mumbai

Avinash Bagul

Partner

FCS No.: 5578 / C. P. No.: 19862

UDIN: F005578D000227932

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

Annexure A to the Secretarial Audit Report

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

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

1. The Company's Management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after March 31, 2022, but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For BNP & Associates

Company Secretaries

Firm Registration No. P2014MH037400

PR No.: 637/2019

Avinash Bagul

Partner

FCS No.: 5578 / C. P. No.: 19862

UDIN: F005578D000227932

Date: April 28, 2022

Place: Mumbai

ANNEXURE 'C' TO THE DIRECTORS' REPORT

FORM MR-3 SECRETARIAL AUDIT REPORT

OF CREAMLINE DAIRY PRODUCTS LIMITED

For the Financial Year ended March 31, 2022

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

To,
The Members,

CREAMLINE DAIRY PRODUCTS LIMITED

H.No.6-3-1238/B/21, Asif Avenue,
Rajbhavan Road, Hyderabad – 500 082

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, 2022 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, 2022, as made available to us, according to the provisions of:

- | | |
|---|---|
| i. The Companies Act, 2013 ('the Act') and the Rules made thereunder; | Requirements) Regulations, 2015 - Not applicable to the Company during the audit period; |
| ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; | (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - Not applicable to the Company during the audit period; |
| iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder - Not applicable; | (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; |
| iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings - Not applicable to the Company during the audit period; | (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - 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 | (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008 - Not applicable to the Company during the audit |

period;

- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the audit period;
- (g) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not applicable to the Company during the audit period;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable to the Company during the audit period;
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with Operational Circular for Issue and Listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021;

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 Legal Metrology (Packaged Commodities) Rules, 2011;
- Boilers Act, 1923 and Indian Boiler Regulations, 1950;
- The Water (Prevention and Control of Pollution) Act, 1974;
- The Air (Prevention and Control of Pollution) Act, 1981.

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

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

of documents and agreements in connection with issue of Commercial Papers listed on NSE).

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

- *The Company has made certain belated filings of e-forms with MCA. The said forms were filed with additional fee, subject to payment of penalty as prescribed under relevant provisions of the Act.*
- *The Board's Report ought to have provided full explanation on the observations made in the Secretarial Audit Report of the previous Financial Year 2020-21.*
- *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 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 Nagavalli Milkline Private Limited, the wholly owned subsidiary of the Company, with itself, effective 01.04.2019, subsequent upon receipt of various other requisite approvals, was approved by the Hon'ble National Company Law Tribunal, Hyderabad Bench during the Financial Year 2019-20. Requisite post-merger compliances have been completed / are underway.

During the year under review, the Company has issued Commercial papers on private placement basis, for an amount not exceeding ₹ 150 Crore in different tranches and got same listed on NSE.

For P. S. Rao & Associates
Company Secretaries

Vikas Sirohiya
M. No. 15116
CP No. 5246
UDIN: A015116D000286596

Place: Hyderabad
Date: 05.05.2022

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

Annexure 'A' to the Secretarial Audit Report

of Creamline Dairy Products Limited

To,
The Members,

CREAMLINE DAIRY PRODUCTS LIMITED

H.No.6-3-1238/B/21, Asif Avenue,
Rajbhavan Road, Hyderabad – 500 082

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

1. It is the responsibility of the Management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
5. We believe that audit evidence and information provided by the Company's Management is adequate and appropriate for us to provide a basis for our opinion.
6. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.
7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer:

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
9. The plants / operations of the Company are located at different places across the country. In view of the said, we could not conduct plant verification physically and for the purpose of verification of documents lying at respective plants, 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

Place: Hyderabad
Date: 05.05.2022

Vikas Sirohiya
M. No. 15116
CP No. 5246
UDIN: A015116D000286596

ANNEXURE 'D' 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, 2022

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

A. CONSERVATION OF ENERGY:

In the journey of continuous operational growth to achieve organizational objectives, your Company has a relentless focus on enhancing productivity and environmental sustainability at all its manufacturing plants and continues to adopt and implement various energy conservation measures.

Some of the measures adopted by your Company for conservation of energy are as follows:

1. Installation of solar power AC Capacity (RE Source) of 4415 KWP at 8 (Eight) strategic Animal Feed locations in the first phase
2. Project IPL – Lean Manufacturing implemented across Animal Feed factories for optimizing process loss and improving the house-keeping and hygiene at plants
3. Implementation of power sharing in oil palm plants to reduce usage of Grid and Diesel Generator power
4. Installation of solar day lighting at plants
5. Replacement of Metal Halide Lights and Compact Fluorescent Lamp (CFL) with Light Emitting Diode (LED) lights
6. Modification in the Reverse Osmosis reject water system to enable saving of groundwater
7. Regulation of godown lighting strictly as per requirement
8. Street LED lights equipped with timers at certain locations
9. Regulated use of Diesel Engine Generator (DG) sets

The benefits derived on account of adoption of the above energy conservation measures are as follows:

- a) Direct decrease in the levels of energy consumption
- b) Reduction in water consumption level
- c) Decline in process losses and storage losses
- d) Reduction in idle time running of machines
- e) Enhancement in the useful life of plant and machinery

The capital investment on energy conservation equipment made during the Financial Year 2021-22 is approximately ₹ 25.05 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 various initiatives, in order to demonstrate its commitment towards sustainable growth through technology absorption, adaptation & innovation.

Methods / Measures adopted / Efforts made:

1. IOT implementation for condition monitoring concept installed for predictive maintenance and condition monitoring
2. Automatic fuel feeding system to boiler
3. Automatic digester door control system
4. Automatic temperature control for oil palm kernel dryers
5. Maximized automation and adoption of newer technologies in all kinds of equipment / instruments
6. Process optimization and carrying on necessary repairs in a timely manner

Benefits derived as a result of such Measures / Methods / Efforts:

- a. Decrease in cost of production
- b. Optimum utilization of plant and equipment capacity
- c. Enhanced level of Environmental Sustainability, Health and Safety

C. RESEARCH & DEVELOPMENT (R&D) ACTIVITIES:

Your Company's In-house Research & Development (R&D) Centre at Vikhroli, Mumbai (Maharashtra) conducts research related to agriculture and development of environmentally benign agrochemical products and technologies that increase agricultural productivity and farm efficiency in a sustainable manner.

Your Company 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 2019-20, 2020-21 & 2021-22), the required details are as follows:

Details of Technology Imported	Vertical Sterilisation plus Splitter Installed in an Oil Palm Plant
Year of Import	2020-21
Whether the Technology has been fully absorbed	No
If not fully absorbed, areas where absorption has not taken place, reasons therefor and future plans of action	To & from conveying system and installation of bottom plate inside the vessel for process and product quality improvement

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

Particulars	Current Year (2021-22) ₹ in Crore	Previous Year (2020-21) ₹ in Crore
A. Capital	0.96	0.94
B. Recurring	14.60	14.02
C. Total	15.56	14.96
D. Total R&D Expenditure as a Percentage of Total Turnover	0.25	0.34

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of Foreign Exchange Earnings and Outgo of the Company during the Financial Year under review are as follows:

Particulars	Current Year (2021-22) ₹ in Crore	Previous Year (2020-21) ₹ in Crore
A. Foreign Exchange Earned	16.03	10.53
B. Foreign Exchange Used	185.22	82.80

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

Nadir B. Godrej
Chairman
(DIN: 00066195)

Date: May 9, 2022
Place: Mumbai

ANNEXURE 'E' TO THE DIRECTORS' REPORT

PARTICULARS IN RESPECT OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) OF

GODREJ AGROVET LIMITED

For the Financial Year ended March 31, 2022

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) Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2021-22 and the Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2021-22:

Sr. No.	Name of Director / Key Managerial Personnel (KMP)	Designation of Director / KMP	Remuneration of Director / KMP for the Financial Year 2021-22 (in ₹)	% Increase in Remuneration in the Financial Year 2021-22	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	0.55
2.	Mr. Jamshyd N. Godrej	Non-Executive, Non-Independent Director	7,50,000	Not Applicable	0.55
3.	Mr. Vijay M. Crishna (*)	Non-Executive, Non-Independent Director	4,56,164	Not Applicable	0.90
4.	Ms. Tanya A. Dubash	Non-Executive, Non-Independent Director	7,50,000	Not Applicable	0.55
5.	Ms. Nisaba Godrej	Non-Executive, Non-Independent Director	7,50,000	Not Applicable	0.55

6.	Mr. Pirojsha Godrej	Non-Executive, Non-Independent Director	7,50,000	Not Applicable	0.55
7.	Mr. Balram S. Yadav	Managing Director - Non-Promoter, Executive, Non-Independent Director	7,45,62,170	91.00%	0.01
8.	Dr. Raghunath A. Mashelkar	Non-Executive, Independent Director	12,50,000	Not Applicable	0.33
9.	Dr. Ritu Anand	Non-Executive, Independent Director	14,50,000	Not Applicable	0.28
10.	Ms. Aditi Kothari Desai	Non-Executive, Independent Director	13,50,000	Not Applicable	0.30
11.	Ms. Roopa Purushothaman	Non-Executive, Independent Director	14,00,000	Not Applicable	0.29
12.	Mr. Natarajan Srinivasan	Non-Executive, Independent Director	15,50,000	Not Applicable	0.27
13.	Mr. Kannan Sitaram	Non-Executive, Independent Director	11,50,000	Not Applicable	0.36
14.	Dr. Ashok Gulati	Non-Executive, Independent Director	10,76,027	Not Applicable	0.38
15.	Mr. S. Varadaraj	Chief Financial Officer	2,00,59,891	54.65%	Not Applicable

16.	Mr. Vivek Raizada	Company Secretary & Compliance Officer	1,34,11,206	47.44%	Not Applicable
-----	-------------------	--	-------------	--------	----------------

* Resigned from directorship with effect from closure of business hours on November 8, 2021.

All the Non-Executive Directors will be paid commission for the Financial Year 2021-22, upon approval of Financial Statements for the said Financial Year by the Shareholders at their ensuing 31st (Thirty First) Annual General Meeting of the Company.

Sitting fees have been paid to all the Independent Directors for attending the Meetings of the Board of Directors and the Committees thereof held during the Financial Year 2021-22.

(ii) Percentage increase in the median remuneration of employees during the Financial Year 2021-22	6.14%
(iii) Number of permanent employees on the rolls of the Company	2,711 as on March 31, 2022
(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and whether there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in remuneration of employees during the Financial Year 2021-22 was 7.33% as compared to average percentile increase in remuneration of managerial personnel which was 76.76% . The remuneration paid is in conformity with the Nomination and Remuneration Policy of the Company.

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

Nadir B. Godrej
Chairman
(DIN: 00066195)

Date: May 9, 2022
Place: Mumbai